# **EXHIBIT 6 – REVENUE REQUIREMENT AND OTHER REVENUE** 2024 Cost of Service Orangeville Hydro Limited EB-2023-0045

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# 6.0 REVENUE REQUIREMENT AND CALCULATION OF REVENUE DEFICIENCY

- 2 This Exhibit provides a summary of the revenue requirement being requested by Orangeville
- 3 Hydro Limited ("OHL") for 2024 to continue to deliver electricity to its customers safely and
- 4 reliably. OHL's total Service Revenue Requirement is offset by revenues obtained by sources
- 5 other than distribution rates (i.e. other revenue).

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- 7 As directed in the Chapter 2 Filing Requirements for Electricity Distribution Rate Applications,
- the calculation of the revenue deficiency/sufficiency does not include the recovery of deferral
- and variance accounts (outlined in Exhibit 9.1: Disposition of Deferral and Variance Accounts),
- Low Voltage Charges (outlined in Exhibit 8.6: Low Voltage Service Rates), or costs and
- 11 revenues related to the Cost of Power.

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## 6.0.1 PROPOSED REVENUE REQUIREMENT

- The 2024 Service Revenue Requirement, which represents the amount of money that a utility
- must receive from its customers to cover its costs, operating expenses, taxes, interest paid on
- debts owed to investors and, if applicable, a deemed return (profit) is calculated as \$7,321,205.
- 17 The Base Revenue Requirement when considering revenue offsets is calculated as \$6,919,019.

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- The table below presents OHL's proposed Base Revenue Requirement as calculated in the
- 20 OEB's Revenue Requirement Workform, which is being filed with this application.

**Table 6-1 - Summary of Test Year Revenue Requirement** 

Particulars	2	2024 Test MIFRS
OM&A Expenses	\$	4,235,523
Depreciation Expense		1,124,239
Property Taxes		44,298
Income Taxes (Grossed Up)		184,067
Deemed Interest Expense		731,835
Return on Deemed Equity		1,001,242
Service Revenue Requirement	\$	7,321,205
Less Revenue Offsets		(402, 186)
Base Revenue Requirement	\$	6,919,019

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#### 6.0.2 STATEMENT OF RATE BASE

- 2 OHL's Rate Base represents the average balance of opening and closing balances for net
- 3 capital assets in service, plus 7.5% of the cost of power and controllable operating expenses for
- 4 the 2024 Test Year.

Table 6-2 - Rate Base and Working Capital from RRWF Model

Rate Base Calculation	2024 Test MIFRS
Net Capital Assets in Service	
Opening Balance	23,340,703
Ending Balance	25,121,954
Average Balance	24,231,328
Working Capital Allowance	2,511,255
Total Rate Base	\$26,742,584

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Details of the calculation of rate base and working capital can be found in Exhibit 2.

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# 6.0.3 RETURN ON RATE BASE

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#### Requested Return

OHL has used the Cost of Capital Parameters as per the OEB for 2024 rate applications, with the exception of the long-term debt rate where OHL has used the actual interest rate for existing and proposed loans as detailed in Exhibit 5. The OEB's rate of return and OHL's requested rate of Return have been calculated for the 2024 Test year as shown in the table below. OHL is requesting a return on rate base in the amount of \$1,733,078 or 6.48% of rate base.

Table 6-3 - Summary of Rate of Return Requested for 2024 Test Year

2024 Component	Capitalization Ratio (%)	Ca	apitalization Ratio (\$)	Cost Rate (%)	F	Return (\$)
Long-term Debt	56%	\$	14,975,847	4.54%	\$	680,597
Short-term Debt	4%	\$	1,069,703	4.79%	\$	51,239
Total Debt	60%	\$	16,045,550	4.56%	\$	731,835
Common Equity Preferred Shares	40%		\$10,697,033 0	9.36%	\$	1,001,242
Total Equity	40%	\$	10,697,033	9.36%	\$	1,001,242
2024 Test Year Proposed Total	100%	\$	26,742,584	6.48%	\$	1,733,078

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# **Indicated Return**

3 OHL's indicated return is 6.48% which is calculated as net income of \$1,001,242 plus deemed

4 interest of \$731,835, divided by rate base of \$26,742,584.

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Table 6-4 - Calculation of Indicated Return for 2024 Test Year

Calculation of Indicated Return	\$
Net income	\$ 1,001,242
Plus: Deemed interest expense	731,835
	1,733,078
Divided by rate base	\$ 26,742,584
Indicated Return	6.48%

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# **Actual Return**

10 The following table provides the actual return on rate base from the 2014 OEB Approved to the

11 2024 Test Year.

# Table 6-5 - Summary of Rate of Return from 2024 Test Year to 2014 OEB Approved

2024 Test Year Component	Capitalization Ratio (%)	Ca	apitalization Ratio (\$)	Cost Rate (%)	F	Return (\$)
Long-term Debt	56%	\$	14,975,847	4.54%	\$	680,597
Short-term Debt	4%	\$	1,069,703	4.79%	\$	51,239
Total Debt	60%	\$	16,045,550	4.56%	\$	731,835
Common Equity Preferred Shares	40%		\$10,697,033 0			1,001,242
Total Equity	40%	\$	10,697,033	9.36%	\$	1,001,242
2024 Test Year Proposed Total	100%	\$	26,742,584	6.48%	\$	1,733,078
2014 BA Component	Capitalization Ratio (%)		apitalization Ratio (\$)	Cost Rate (%)		Return (\$)
Long-term Debt	56%	\$	10,817,013	3.30%	\$	356,645
Short-term Debt	4%		772,644	2.11%		16,303
Total Debt	60%	\$	11,589,657	3.22%	\$	372,948
Common Equity Preferred Shares	40%		\$7,726,438	9.36%		723,195
Total Equity	40%	\$	7,726,438	9.36%	\$	723,195
2014 BA Total	100%	\$	19,316,095	5.67%	\$	1,096,142
2024 Test Year to 2014 BA Variance	Capitalization Ratio (%)	Ca	apitalization Ratio (\$)	Cost Rate (%)	F	Return (\$)
Long-term Debt	0.00%	\$		1.25%	\$	323,952
Short-term Debt	0.00%	\$	297,060	2.68%	\$	34,936
Total Debt	0.00%	\$	4,455,893	1.34%	\$	358,888
Common Equity Preferred Shares	0.00%		2,970,596	0.00%		278,048
Total Equity	0.00%	\$	2,970,596	0.00%	\$	278,048
2024 Test Year to 2014 BA Variances	0.00%	\$	7,426,489	1.34%	\$	636,935

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# 6.0.4 DETERMINATION OF NET INCOME AND CALCULATION OF REVENUE

# 5 DEFICIENCY

- 6 OHL's existing rates are based on the Board-approved rates in 2014 following a Cost of Service
- 7 ("CoS") rate application (EB-2013-0160), and yearly adjustments to its base distribution rates in
- 8 2015 to 2023 (Bridge Year) under the Board's Incentive Regulation Mechanism.

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- The current 2023 rates were approved in OHL's Decision and Rate Order EB-2022-0056 dated
- 2 March 23, 2023.

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- 4 The determination of net income includes:
- Distribution revenue at current and approved rates (Exhibit 8.1.6)
- Other Operating Revenue Offsets (Exhibit 6-3)
- Operating Expenses (Exhibit 4)
- Deemed Interest Expense (Exhibit 5.1)
- PILS (Exhibit 6-2)
- 11 With the 6.48% requested rate of return, OHL's revenue deficiency under the current distribution
- rates is \$829,921.
- A detailed calculation presented in Table 6-6 2024 Revenue Deficiency from RRWF Model
- outlines the Revenue Deficiency calculation for the 2024 Test Year at Proposed Rates using the
- OHL's current approved distribution rates. The table presented on the next page is from tab 8 of
- the Revenue Requirement Workform ("RRWF").

Table 6-6 - 2024 Revenue Deficiency from RRWF Model

	Initial Application							
Line No.	Particulars	At Current Approved Rates	At Proposed Rates					
1	Revenue Deficiency from Below		\$829,921					
2	Distribution Revenue	\$6,089,098	\$6,089,098					
3	Other Operating Revenue Offsets - net	\$402,186	\$402,186					
4	Total Revenue	\$6,491,285	\$7,321,205					
5	Operating Expenses	\$5,404,060	\$5,404,060					
6	Deemed Interest Expense	\$731,835	\$731,835					
8	Total Cost and Expenses	\$6,135,896	\$6,135,896					
9	Utility Income Before Income Taxes	\$355,389	\$1,185,309					
10	Tax Adjustments to Accounting Income per 2013 PILs model	(\$490,717)	(\$490,717)					
11	Taxable Income	(\$135,328)	\$694,593					
12	Income Tax Rate	26.50%	26.50%					
13	Income Tax on Taxable	(\$35,862)	\$184,067					
14	Income Income Tax Credits	\$ -	\$ -					
15	Utility Net Income	\$391,251	\$1,001,242					
16	Utility Rate Base	\$26,742,584	\$26,742,584					
17	Deemed Equity Portion of Rate Base	\$10,697,033	\$10,697,033					
18	Income/(Equity Portion of Rate Base)	3.66%	9.36%					
19	Target Return - Equity on Rate Base	9.36%	9.36%					
20	Deficiency/Sufficiency in Return on Equity	-5.70%	0.00%					
21	Indicated Rate of Return	4.20%	6.48%					
22	Requested Rate of Return on Rate Base	6.48%	6.48%					
23	Deficiency/Sufficiency in Rate of Return	-2.28%	0.00%					
24	Target Return on Equity	\$1,001,242	\$1,001,242					
25	Revenue Deficiency/(Sufficiency)	\$609,992	\$ -					
26	Gross Revenue	\$829,921 <sup>(1)</sup>						

**Deficiency/(Sufficiency)** 

#### 6.0.5 SUMMARY OF REVENUE REQUIREMENT

The following table reflects OHL's Revenue Requirement trend from the 2014 OEB Approved to the 2024 Test Year.

Table 6-7 - 2024 Test vs 2014 Board Approved Revenue Requirements Variance

Particulars	2014 Board Approved		2024 Test MIFRS		ariance \$	Variance %
OM&A Expenses	\$	3,255,183	\$ 4,235,523	\$	980,340	30%
Depreciation Expense		816,068	1,124,239		308,171	38%
Property Taxes		-	44,298		44,298	0%
Income Taxes (Grossed Up)		57,510	184,067		126,557	220%
Deemed Interest Expense		372,948	731,835		358,887	96%
Return on Deemed Equity		723,195	1,001,242		278,047	38%
Service Revenue Requirement	\$	5,224,904	\$ 7,321,205	\$	2,096,301	40%
Less Revenue Offsets		(466,089)	(402, 186)		63,903	-14%
Base Revenue Requirement	\$	4,758,815	\$ 6,919,019	\$	2,160,204	45%
CAGR						3.8%

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- Although there is a large increase in the revenue requirement from the 2014 OEB Approved to
- 9 the 2024 Test Year, it is to be reminded that this is a 10-year increase. The Compound Annual
- Growth Rate ("CAGR") is 3.8%, which is in line with annual increases in many areas of the LDC,
- as discussed through the application. Key drivers to the increase are as follows:
  - Customer growth and demand (Exhibit 3)
  - Increased capital requirements (Exhibit 2)
  - Increase in OM&A expenses (Exhibit 4)
  - Increase in depreciation (Exhibit 2)

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#### 6.0.6 REVENUE DEFICIENCY ANALYSIS AND DRIVERS

OHL did not change methodology on deficiency/sufficiency and on individual cost drivers since its last Board Approved CoS in 2014 (EB-2013-0160).

- The table below is a summary of the 2014 OEB Approved to the 2024 Test Year with an
- explanation for each item that gives rise to the \$829,921 deficiency.

Table 6-8 - RRWF Comparison of 2014 OEB Approved to 2024 Test Year

	-						
Particulars		014 Board Approved	2024 Test MIFRS	٧	ariance \$	Variance %	CAGR %
Rate Base							
Cost of Power	\$	27,702,552	\$ 29,298,887	\$	1,596,335	6%	0.6%
Operating Expenses		3,255,183	4,184,517		929,334	29%	2.5%
Working Capital	\$	30,957,735	\$ 33,483,404	\$	2,525,669	8%	0.8%
		10.0%	7.5%		-2.5%	-25%	
Working Capital Allowance	\$	3,095,774	\$ 2,511,255	\$	(584,518)	-19%	-2.1%
Average Fixed Assets		16,220,321	24,231,328		8,011,007	49%	4.1%
Total Rate Base	\$	19,316,095	\$ 26,742,584	\$	7,426,489	38%	3.3%
Cost of Capital							
Return on Equity	\$	723,195	\$ 1,001,242	\$	278,047	38%	3.3%
Deemed Interest Expense		372,948	731,835		358,887	96%	7.0%
	\$	1,096,143	\$ 1,733,078	\$	636,935	58%	
Operating Expenses							
Depreciation	\$	816,068	\$ 1,124,239	\$	308,171	38%	3.3%
OM&A Expenses		3,255,183	4,235,523		980,340	30%	2.7%
PILs (grossed up)		57,510	184,067		126,557	220%	12.3%
Property Taxes		-	44,298		44,298		
	\$	4,128,761	\$ 5,588,127	\$	1,459,366	35%	
Revenue Requirement							
Service Revenue Requirement	\$	5,224,904	\$ 7,321,205	\$	2,096,301	40%	3.4%
Other Revenues		(466,089)	(402,186)		63,903	-14%	-1.5%
Base Revenue Requirement	\$	4,758,815	\$ 6,919,019	\$	2,160,204	45%	3.8%
Revenue at Current Rates	\$	5,072,659	\$ 6,089,098				
Revenue Deficiency	\$	(313,844)	829,921				
Requested Rate Increase		-6.2%	13.6%				

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- The \$2,160,204 base revenue requirement variance in the 2024 Test year vs 2014 Board approved can be attributed to the following:
  - Increase of \$11.5M in total rate base. This 60% increase is a direct result of 10 years of capital asset additions as OHL continues to invest in its distribution system.
  - Increase of \$0.6M in cost of capital, as OHL takes on debt to support its capital expenditures.
  - Increase of \$0.3M in depreciation, as the average fixed asset base has grown by \$8.0M, hence growing depreciation expense.
  - Increase of \$1.0M in OM&A expenses, which is an increase of 29% over 10 years this is CAGR of 2.5%.

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#### 6.0.7 2024 FORECASTED REVENUE AT EXISTING RATES

- 2 The following table details the 2024 forecasted revenue at existing 2023 rates based on the
- 3 projected customer and volume of consumption in the load forecast. The total revenue for 2024
- 4 is forecasted at \$6,089,098.

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# Table 6-9 - 2024 Forecasted Revenue at Existing Rates

Class	Annual kWh	Annual kW For Dx	Annualized Customers	Annualized Connections	Fixed Distribution Revenue	Variable Distribution Revenue	Dist. Rev. Including Transformer	Transformer Allowance	Dist. Rev. Excluding Transformer	Dist Rev At Existing Rates %
Residential	93,562,278		140,694		4,102,637	0	4,102,637		4,102,637	67.38%
General Service < 50 kW	34,272,791		14,117		517,403	383,855	901,259		901,259	14.80%
General Service 50 to 4,999 kW	133,456,842	313,259	1,512		283,981	790,008	1,073,989	94,089	979,900	16.09%
Sentinel Lighting	99,920	278		1,890	6,900	3,968	10,868		10,868	0.18%
Street Lighting	883,782	2,462		36,179	60,058	22,654	82,711		82,711	1.36%
Unmetered Scattered Load	370,613			1,161	8,128	3,595	11,723		11,723	0.19%
TOTAL	262.646.227	315.998	156.323	39.231	4.979.107	1.204.080	6.183.187	94.089	6.089.098	100.00%

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# Table 6-10 - 2023 Bridge Year Forecasted Revenue at Existing Rates

Class	Annual kWh	Annual kW For Dx	Annualized Customers	Annualized Connections	Fixed Distribution Revenue	Variable Distribution Revenue	Dist. Rev. Including Transformer	Transformer Allowance	Dist. Rev. Excluding Transformer	Dist Rev At Existing Rates %
Residential	92,827,072		139,272		4,061,172	0	4,061,172		4,061,172	67.19%
General Service < 50 kW	34,205,069		14,058		515,210	383,097	898,307		898,307	14.86%
General Service 50 to 4,999 kW	133,511,111	313,386	1,510		283,708	790,329	1,074,037	94,127	979,910	16.21%
Sentinel Lighting	99,831	277		1,889	6,894	3,964	10,858		10,858	0.18%
Street Lighting	879,383	2,449		35,999	59,759	22,541	82,300		82,300	1.36%
Unmetered Scattered Load	372,969			1,169	8,180	3,618	11,798		11,798	0.20%
TOTAL	261,895,435	316,113	154,840	39,056	4,934,922	1,203,549	6,138,471	94,127	6,044,344	100.00%

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#### Table 6-11 - 2024 Test Year Forecasted Revenue at Proposed Rates

Class	Annual kWh	Annual kW For Dx	Annualized Customers	Annualized Connections	Fixed Distribution Revenue	Variable Distribution Revenue	Dist. Rev. Including Transformer	Transformer Allowance	Dist. Rev. Excluding Transformer	Dist Rev At Proposed Rates %
Residential	93,562,278		140,694		4,661,811	0	4,661,811		4,661,811	67.38%
General Service < 50 kW	34,272,791		14,117		557,658	413,703	971,361		971,361	14.04%
General Service 50 to 4,999 kW	133,456,842	313,259	1,512		336,473	918,667	1,255,140	94,089	1,161,051	16.78%
Sentinel Lighting	99,920	278		1,890	11,104	6,386	17,490		17,490	0.25%
Street Lighting	883,782	2,462		36,179	68,242	25,742	93,985		93,985	1.36%
Unmetered Scattered Load	370,613			1,161	9,237	4,084	13,321		13,321	0.19%
TOTAL	262,646,227	315,998	156,323	39,231	5,644,525	1,368,582	7,013,107	94,089	6,919,019	100.00%

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# 6.1 REVENUE REQUIREMENT WORKFORM ("RRWF")

The RRWF has been filed as part of this application in excel format as Appendix 6-A.

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OHL confirms that the RRWF reflects its proposed rates accurately.

# 6.2. TAXES OR PAYMENTS IN LIEU OF TAXES ("PILS") AND PROPERTY TAXES

# 2 6.2.1 INCOME TAXES OR PILS

- 3 OHL is required to make PILS payments based on its taxable income. OHL files
- 4 federal/provincial tax returns annually.

5

1

- 6 There have been no special circumstances that would require specific planning measures to
- 7 minimize taxes payable.

8

- 9 OHL has been selected for an audit of its 2019 and 2020 provincial tax returns by the Ministry of
- 10 Finance. OHL expects either none or immaterial adjustments once the audit is complete. There
- are no outstanding audits, reassessments or disputes relating to the tax returns filed by OHL.

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#### 6.2.1.1 CALCULATIONS OF PILS

- OHL has used the OEB's 2024 Test Year Income Tax and PILS Tax Workform Model to
- calculate the amount of taxes for inclusion in its 2024 Test Year rates.

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- Detailed calculations of PILS are shown in the OEB PILS model filed as Appendix 6-B along
- with this application.

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- 20 The OEB PILS model contains all individual reconciling items from accounting to taxable
- 21 income.
- OHL has completed all integrity checks in the PILS model:
  - The depreciation and amortization added back in the applications PILS model agree with the numbers in Exhibit 2.
- The capital additions and deductions in the UCC/CCA Schedule 8 agree with Exhibit 2 for historical, bridge and test years.
- Other post-employment benefits and pension expenses agree to the OM&A analysis for compensation in Exhibit 4.
- The income tax rate of 26.5% used is consistent with OHL's actual tax facts and evidence filed in the application. This tax rate has also been confirmed with OHL's auditors.

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- 1 There are no adjustments for the Historical, Bridge and Test Year where supporting schedules
- and calculation for other additions/deductions were required.

3

- 4 6.2.1.2 2022 TAX RETURN AND FINANCIAL STATEMENTS
- 5 OHL has included its 2022 tax return as Appendix 6-C, which includes financial statements, that
- are the same as those noted in Exhibit 1. The financial statements included within the tax return
- 7 are the same as those filed in this application.

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- 9 6.2.1.3 TAX CREDITS
- OHL has maximized its tax credits to make the maximum deductions allowed if it made sense to
- 11 do so.

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- 13 6.2.1.4 ACCELERATED CCA
- Adjustments to PILS were required for the purpose of calculating accelerated CCA.

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OHL is not proposing a mechanism to smooth the tax impacts.

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- 6.2.2 OTHER TAXES
- OHL pays property taxes to the Town of Orangeville and Town of Grand Valley.

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- 21 OHL confirms that account 6105 Taxes Other than Income Taxes has been excluded from all
- 22 OM&A totals.

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- 6.2.3 NON-RECOVERABLE AND DISALLOWED EXPENSES
- OHL confirms that expenses that are deemed non-recoverable in the revenue requirement,
- such as individual charitable donations, or disallowed for regulatory purposes have no impact on
- the regulatory tax calculation.

- 6.3 OTHER REVENUE
- 30 Other Distribution Revenues are revenues that are distribution related but are sourced from
- means other than distribution rates. For this reason, other revenues are deducted from OHL's

1 proposed revenue requirement.

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- 3 Other Distribution Revenues includes items such as:
- Miscellaneous Service Revenues or Specific Service Charges
- Late Payment Charges
  - Other Operating Revenues
- Other Income or Deductions
- 9 OHL provides water and wastewater billing services to the Town of Orangeville and the Town of 10 Grand Valley.
- A detailed breakdown by USoA account is shown in the OEB Appendix 2-H and further detail on year over year variances is provided in the following section.

# Table 6-12 – OEB Appendix 2-H Other Operating Revenues

#### Appendix 2-H Other Operating Revenue

					0	٠. ٠	Operatin	gittere												
USoA#	USoA Description	1 2	2014 Actual <sup>2</sup>	20	15 Actual <sup>2</sup>	20	16 Actual <sup>2</sup>	2017 Act	al <sup>2</sup>	2018 Actual <sup>2</sup>	20	19 Actual <sup>2</sup>	2020 Actual <sup>2</sup>	2021 Ac	tual <sup>2</sup>	2022 Actual	Bridg	e Year	Te	st Year
	,	T	2014		2015		2016	2017		2018		2019	2020	202	1	2022	2	023		2024
	Reporting Basis		MIFRS		MIFRS		MIFRS	MIFRS		MIFRS		MIFRS	MIFRS	MIFF	S	MIFRS	MI	IFRS	N	MIFRS
4082	Retail Services Revenues	-\$	13,831	\$	12,927	-\$	11,641	-\$ 10	085	\$ 8,809	4	12,643	-\$ 14,960	-\$ 1	4,505	\$ 14,606	-\$	14,691	\$	15,847
4084	Service Transaction Requests (STR) Revenues	-\$	263	-\$	180	-\$	177			-\$ 110	<b>ှာ</b>	162	-\$ 130	-\$	106	\$ 92	-\$		\$	99
4086	SSS Administration Revenue	-\$	32,085	-\$	32,990	-\$	33,825	-\$ 35	033	\$ 36,894	-\$	37,476	-\$ 37,885	-\$ 3	8,144	\$ 37,962	-\$	38,341	\$	38,725
4090	Electric Services Incidental to Energy Sales	\$		\$	-	\$	-	\$		\$ -	\$	-	\$ -	\$	-	\$ -	\$	-	\$	-
4205	Interdepartmental Rents	\$		\$	-	\$				\$ -	\$	-	\$ -	\$		\$ -	\$		\$	-
4210	Rent from Electric Property	-\$		-\$	52,227	-\$				\$ 58,769	-\$		-\$ 64,049		8,577		-\$		\$	89,651
4215	Other Utility Operating Income	\$	-	\$	-	\$				\$ -	\$	-	\$ -	\$		\$ -	\$	-	\$	-
4220	Other Electric Revenues	\$		\$	-	\$	-			\$ -	\$	-	\$ -	\$	-	\$ -	\$		\$	-
4225	Late Payment Charges	-\$	38,754	-\$	41,727	-\$	43,413	-\$ 38	260	-\$ 37,489	-\$	46,087	-\$ 29,397	-\$ 5	6,975	\$ 45,722	-\$	42,478	\$	44,132
4230	Sales of Water and Water Power	\$	-	\$	-	\$	-	\$		\$ -	\$	-	\$ -	\$	-	\$ -	\$	-	\$	-
4235	Miscellaneous Service Revenues	\$	180,101	-\$	167,358	-\$	149,824	-\$ 117		\$ 102,541	φ	69,098	-\$ 16,783	-\$ 4	7,939	\$ 64,124	-\$	63,101	\$	73,848
4240	Provision for Rate Refunds	\$	-	\$	-	\$	-	\$		\$ -	\$	-	\$ -	\$		\$ -	\$	-	\$	-
4245	Government and Other Assistance Directly Credited to Income	-\$	6,962	-\$	36,775					-\$ 47,366	\$	49,035	-\$ 54,748			\$ 66,847	-\$	72,496	\$	85,531
4305	Regulatory Debits	\$	117,478	\$	141,076		142,132	\$ 138		\$ 150,363	\$	51,214	\$ 9	\$		\$ -	\$	-	\$	-
4310	Regulatory Credits	\$	-	\$	-	\$	-	\$	-	\$ -	\$	-	\$ -	\$	-	\$ -	\$	-	\$	-
4315	Revenues from Electric Plant Leased to Others	\$	-	\$	-	\$	-	\$	-	\$ -	\$	-	\$ -	\$	-	\$ -	\$	-	\$	-
4320	Expenses of Electric Plant Leased to Others	\$		\$	-	\$	-	\$		\$ -	4	-	\$ -	\$	-	\$ -	\$		\$	-
4325	Revenues from Merchandise	\$	-	\$	-	\$	-	\$	-	\$ -	\$	-	\$ -	\$	-	\$ -	\$	-	\$	-
4330	Costs and Expenses of Merchandising	\$		\$	-	\$		\$		\$ -	\$	-	\$ -	\$		\$ -	\$		\$	-
4335	Profits and Losses from Financial Instrument Hedges	\$	-	\$	-	\$		\$		\$ -	\$	-	\$ -	\$	-	\$ -	\$	-	\$	-
4340	Profits and Losses from Financial Instrument Investments	\$	-	\$	-	\$	-	\$	-	\$ -	\$	-	\$ -	\$	-	\$ -	\$	-	\$	-
4345	Gains from Disposition of Future Use Utility Plant	\$		\$	-	\$	-	\$		\$ -	69	-	\$ -	\$	-	\$ -	\$		\$	-
4350	Losses from Disposition of Future Use Utility Plant	\$	-	\$	-	\$	-	\$		\$ -	\$	-	\$ -	\$		\$ -	\$	-	\$	-
4355	Gain on Disposition of Utility and Other Property	\$	-	\$	-	-\$	22,070	-\$ 117	388	-\$ 8,000	-\$	1,000	-\$ 102,796	-\$	1,839	\$ -	\$	-	\$	-
4357	Gain from Retirement of Utility and Other Property	-\$	29,449	-\$	14,383	\$		\$		\$ -	\$	-	\$ -	\$		\$ -				
4360	Loss on Disposition of Utility and Other Property	\$	-	\$	-	\$	32,429	\$		\$ 22,502	\$	-	\$ 3,379		2,592	\$ 18,241	\$	-	\$	-
4362	Loss from Retirement of Utility and Other Property	\$	65,072	\$	140,574	\$	-	\$ 38	155	\$ 25,348	\$	39,418	\$ 50,203	\$ 8	5,584	\$ 27,527	\$	48,000	\$	48,000
4365	Gains from Disposition of Allowances for Emission	\$		\$	-	\$	-	\$		\$ -	\$	-	\$ -	\$	-	\$ -	\$		\$	-
4370	Losses from Disposition of Allowances for Emission	\$	-	\$	-	\$		\$		\$ -	\$	-	\$ -	\$		\$ -	\$	-	\$	-
4375	Revenues from Non Rate-Regulated Utility Operations	-\$	496,644	-\$	555,944	-\$		-\$ 572		\$ 513,042	9	483,552	-\$ 470,614			\$ 516,247		550,569	\$	585,970
4380	Expenses of Non Rate-Regulated Utility Operations	\$	411,100	\$	439,056	\$	363,690	\$ 409	840	\$ 388,684	4	455,996	\$ 460,623	\$ 44	3,479	\$ 492,195	\$	482,730	\$	526,329
4385	Non Rate-Regulated Utility Rental Income	\$	-	\$		\$				\$ -	\$	-	\$ -	\$	- 1	s -	\$	-	\$	-
4390	Miscellaneous Non-Operating Income	\$	75		6,597	-\$				<b>-\$</b> 260	-\$	8,725	-\$ 11,127		8,612		-\$	11,009	\$	11,009
4395	Rate-Payer Benefit Including Interest	\$	-	\$	-	\$				\$ -	\$	-	\$ -	\$		\$ -	\$	-	\$	-
4398	Foreign Exchange Gains and Losses, Including Amortization	\$		\$	-	\$		\$		\$ -	\$	-	\$ -	\$		\$ -	\$	-	\$	
4405	Interest and Dividend Income	-\$	70,261	-\$	48,984	-\$	37,372		725		ş	101,143	-\$ 62,434		6,737		-\$	112,384	\$	31,705
4410	Lessor's Net Investment in Finance Lease	┖				\$		\$		\$ -	\$	-	\$ -	\$		\$ -				
4415	Equity in Earnings of Subsidiary Companies	\$	-	\$	-	\$				\$ -	\$	-	\$ -	\$		\$ -	\$	-	\$	-
4420	Share of Profit or Loss of Joint Venture	\$		\$	-	\$	-	\$	-	\$ -	\$	-	\$ -	\$	-	\$ -				
	Complex Designation		400 404	^	407.050		440.004	6 447	440	6 400.544	^	00.000	6 40 700		7.000	6 01404		00.404		70.040
	us Service Revenues	-\$	180,101 38,754		167,358	-5	149,824		440	-\$ 102,541 -\$ 37,489	-3		-\$ 16,783		7,939		->	63,101	-	73,848
Late Payme		-\$		-\$	41,727	-5	43,413				-\$		-\$ 29,397		6,975		-5	42,478 189,104	<b>3</b>	44,132
	iting Revenues	-\$		-\$	135,099				810		-5	159,319	-\$ 171,772		3,019				\$	229,852
	ne or Deductions	-\$	2,629	\$	94,799	_			249	,.	-\$	47,793	-\$ 132,757	_	,,	\$ 91,621	_	143,232	\$	54,355
Total		-\$	337,218	-\$	249,385	-\$	282,581	-\$ 448	759	\$ 288,065	-\$	322,297	-\$ 350,709	-\$ 32	5,114	\$ 388,749	-\$	437,914	\$	402,186

- 1 OHL confirms that balances recorded in Account 4375 and Account 4380 reconcile to the
- 2 balances recorded in Appendix 2-N Shared Services and Corporate Allocation for the three
- 3 historical years, the bridge year and the test year.
- 5 OHL confirms that revenues related to microFIT are recorded as revenue offset in Account 4235
- and not included as part of base revenue requirement.

## 6.3.1 OTHER REVENUE VARIANCE ANALYSIS

- 9 This section will provide a high-level year-over-year variance analysis by account from 2014
- 10 Actuals to 2024 Test Year.

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Table 6-13 - Other Revenue 2014 Board Approved to 2024 Test Year

USoA#	USoA Description	2014 Board Approved	Test Year	riance 2024 o 2014 BA
		2014	2024	
	Reporting Basis	CGAAP	MIFRS	
4082	Retail Services Revenues	\$ (20,596)	\$ (15,847)	\$ 4,749
4084	Service Transaction Requests (STR) Revenues	\$ (339)	\$ (99)	\$ 240
4086	SSS Administration Revenue	\$ (31,020)	\$ (38,725)	\$ (7,704)
4210	Rent from Electric Property	\$ (54,960)	\$ (89,651)	\$ (34,691)
4225	Late Payment Charges	\$ (37,958)	\$ (44,132)	\$ (6,174)
4235	Miscellaneous Service Revenues	\$ (199,731)	\$ (73,848)	\$ 125,883
4245	Government and Other Assistance Directly Credited to Income	\$ =	\$ (85,531)	\$ (85,531)
4305	Regulatory Debits	\$ -	\$ -	\$ -
4355	Gain on Disposition of Utility and Other Property	\$ (12,500)	\$ -	\$ 12,500
4357	Gain from Retirement of Utility and Other Property	\$ -		\$ -
4360	Loss on Disposition of Utility and Other Property	\$ 11,181	\$ -	\$ (11,181)
4362	Loss from Retirement of Utility and Other Property	\$ -	\$ 48,000	\$ 48,000
4375	Revenues from Non Rate-Regulated Utility Operations	\$ (452,419)	\$ (585,970)	\$ (133,551)
4380	Expenses of Non Rate-Regulated Utility Operations	\$ 376,254	\$ 526,329	\$ 150,075
4390	Miscellaneous Non-Operating Income	\$ =	\$ (11,009)	\$ (11,009)
4405	Interest and Dividend Income	\$ (44,000)	\$ (31,705)	\$ 12,295
	Total	\$ (466,089)	\$ (402,186)	\$ 63,902

# Change from 2014 Board Approved to 2024 Test Year

- The Other Revenue variance reflects a reduction of \$63,902.
  - Rent from Electric Property has increased from 2014, as the pole attachment charge revenues for 2024 reflect updated rates as required by the OEB.
  - Miscellaneous Services Revenues are lower than 2014, due to the Notification of Disconnect charge which is no longer allowed since 2019, as per the OEB.
    - Reconnection charges are also lower due to the disconnect moratorium which began in

Exhibit 6 - Revenue Requirement and Other Revenue

L	2017. The new proposed microFIT charge is included as well. Miscellaneous
<u>)</u>	chargeables are customer driven and can be unpredictable.

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- Government and Other Assistance Directly Credited to Income has increased since 2014 and will continue to increase as a direct result of yearly increases in Deferred Revenue.
- Revenues from Non-Utility Operations increased mainly due to an increase in the rate charged for billing and collecting for water and sewer for the Town of Orangeville and the Town of Grand Valley. Allocated expenses for billing and collecting water and sewer have increased since 2014, due to increased expenses on an allocated basis as explained in Exhibit 4 – Section 4.3.2.2.
- Miscellaneous Non-Operating Income has increased from 2014, as these proceeds used to be recorded as a gain, in account 4355.
- Interest Income has decreased from 2014, as regulatory balances will be decreased with the rebasing being completed.

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Table 6-14 – Other Revenue 2015 Actual to 2014 Actual

USoA#	USoA Description	2014 Actual	2	2015 Actual	Va	riance 2015 to 2014
	Reporting Basis	MIFRS		MIFRS		
4082	Retail Services Revenues	\$ (13,831)	\$	(12,927)	\$	904
4084	Service Transaction Requests (STR) Revenues	\$ (263)	\$	(180)	\$	83
4086	SSS Administration Revenue	\$ (32,085)	\$	(32,990)	\$	(905)
4210	Rent from Electric Property	\$ (62,594)	\$	(52,227)	\$	10,366
4225	Late Payment Charges	\$ (38,754)	\$	(41,727)	\$	(2,973)
4235	Miscellaneous Service Revenues	\$ (180,101)	\$	(167,358)	\$	12,742
4245	Government and Other Assistance Directly Credited to Income	\$ (6,962)	\$	(36,775)	\$	(29,813)
4305	Regulatory Debits	\$ 117,478	\$	141,076	\$	23,598
4355	Gain on Disposition of Utility and Other Property	\$ -	\$	-	\$	-
4357	Gain from Retirement of Utility and Other Property	\$ (29,449)	\$	(14,383)	\$	15,066
4360	Loss on Disposition of Utility and Other Property	\$ -	\$	-	\$	-
4362	Loss from Retirement of Utility and Other Property	\$ 65,072	\$	140,574	\$	75,503
4375	Revenues from Non Rate-Regulated Utility Operations	\$ (496,644)	\$	(555,944)	\$	(59,301)
4380	Expenses of Non Rate-Regulated Utility Operations	\$ 411,100	\$	439,056	\$	27,957
4390	Miscellaneous Non-Operating Income	\$ 75	\$	(6,597)	\$	(6,672)
4405	Interest and Dividend Income	\$ (70,261)	\$	(48,984)	\$	21,278
	Total	\$ (337,218)	\$	(249,385)	\$	87,833

# **Change from 2015 Actual to 2014 Actual**

- Rent from Electric Property was higher in 2014, due to a correction from the prior year being included in 2014.
- Chargeable work orders in Miscellaneous Service Revenues were higher in 2014.
- Amortization of deferred revenues is higher in 2015, as this year also included Scientific Research and Experimental Development ("SR&ED") credit.
- OHL recovered more from customers in 2015 for Regulatory Debits, as there was a full year of recoveries. 2014 was the first year of recoveries, and it was a partial year, from May 1, 2014.
- Gain from Disposition of property was higher in 2014, due to gains from the sale of two
  vehicles, as well as transformer disposals. Loss from Disposition of property was higher
  in 2015 due to the disposition of a substation property that had been decommissioned.
- Water and street light revenues are lower in 2015 but are offset by higher CDM revenues. CDM expenses are also higher in 2015 as compared to 2014.

Table 6-15 - Other Revenue 2016 Actual to 2015 Actual

USoA#	USoA Description	2	015 Actual	2	2016 Actual	Va	riance 2016 to 2015
	Reporting Basis		MIFRS		MIFRS		
4082	Retail Services Revenues	\$	(12,927)	\$	(11,641)	\$	1,286
4084	Service Transaction Requests (STR) Revenues	\$	(180)	\$	(177)	\$	3
4086	SSS Administration Revenue	\$	(32,990)	\$	(33,825)	\$	(834)
4210	Rent from Electric Property	\$	(52,227)	\$	(56,125)	\$	(3,897)
4225	Late Payment Charges	\$	(41,727)	\$	(43,413)	\$	(1,686)
4235	Miscellaneous Service Revenues	\$	(167,358)	\$	(149,824)	\$	17,534
4245	Government and Other Assistance Directly Credited to Income	\$	(36,775)	\$	(23,431)	\$	13,345
4305	Regulatory Debits	\$	141,076	\$	142,132	\$	1,056
4355	Gain on Disposition of Utility and Other Property	\$	-	\$	(22,070)	\$	(22,070)
4357	Gain from Retirement of Utility and Other Property	\$	(14,383)	\$	-	\$	14,383
4360	Loss on Disposition of Utility and Other Property	\$	-	\$	32,429	\$	32,429
4362	Loss from Retirement of Utility and Other Property	\$	140,574	\$	-	\$	(140,574)
4375	Revenues from Non Rate-Regulated Utility Operations	\$	(555,944)	\$	(440,293)	\$	115,652
4380	Expenses of Non Rate-Regulated Utility Operations	\$	439,056	\$	363,690	\$	(75,366)
4390	Miscellaneous Non-Operating Income	\$	(6,597)	\$	(2,663)	\$	3,934
4405	Interest and Dividend Income	\$	(48,984)	\$	(37,372)	\$	11,611
	Total	\$	(249,385)	\$	(282,581)	\$	(33, 195)

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# Change from 2016 Actual to 2015 Actual

- Chargeable work orders in Miscellaneous Service Revenues were lower in 2016.
- Amortization of deferred revenues is lower than 2015. The deferred revenue amortization is increasing, but 2015 also included a Scientific Research and Experimental Development ("SR&ED") credit.
- Gain on disposition of property was higher in 2016, due to a gain on the sale of two
  vehicles. Losses on disposition were lower in 2016, this account included losses on the
  retirement of poles, wires and transformers.
- Revenues from non-utility operations were lower in 2016, as there was no CDM incentive, street light revenue was lower, and water/sewer penalties were lower.
   Offsetting expenses from streetlights and CDM were also lower in 2016.
- Interest income was lower in 2016, mainly due to lower bank balances.

Table 6-16 - Other Revenue 2017 Actual to 2016 Actual

USoA#	USoA Description	2	016 Actual	2	017 Actual	Va	riance 2017 to 2016
	Reporting Basis		MIFRS		MIFRS		
4082	Retail Services Revenues	\$	(11,641)	\$	(10,085)	\$	1,556
4084	Service Transaction Requests (STR) Revenues	\$	(177)	\$	(126)	\$	51
4086	SSS Administration Revenue	\$	(33,825)	\$	(35,033)	\$	(1,208)
4210	Rent from Electric Property	\$	(56, 125)	\$	(54,053)	\$	2,071
4225	Late Payment Charges	\$	(43,413)	\$	(38,260)	\$	5,153
4235	Miscellaneous Service Revenues	\$	(149,824)	\$	(117,440)	\$	32,384
4245	Government and Other Assistance Directly Credited to Income	\$	(23,431)	\$	(36,513)	\$	(13,082)
4305	Regulatory Debits	\$	142,132	\$	138,725	\$	(3,407)
4355	Gain on Disposition of Utility and Other Property	\$	(22,070)	\$	(117,388)	\$	(95,318)
4357	Gain from Retirement of Utility and Other Property	\$	-	\$	-	\$	-
4360	Loss on Disposition of Utility and Other Property	\$	32,429	\$	168	\$	(32,261)
4362	Loss from Retirement of Utility and Other Property	\$	-	\$	38,155	\$	38,155
4375	Revenues from Non Rate-Regulated Utility Operations	\$	(440,293)	\$	(572,797)	\$	(132,504)
4380	Expenses of Non Rate-Regulated Utility Operations	\$	363,690	\$	409,840	\$	46,150
4390	Miscellaneous Non-Operating Income	\$	(2,663)	\$	(4,227)	\$	(1,564)
4405	Interest and Dividend Income	\$	(37,372)	\$	(49,725)	\$	(12,353)
	Total	\$	(282,581)	\$	(448,759)	\$	(166,178)

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# Change from 2017 Actual to 2016 Actual

- Reconnection charges, as well as Notification of Disconnect charges in Miscellaneous Service Revenues were lower in 2017, as the Disconnect Moratorium began in 2017, which limited disconnections to 6 months of the year.
- Amortization of deferred revenues is increasing from 2016, in relation to increased deferred revenues.
- Gains from dispositions of property were higher in 2017, with a gain on the severance of a parcel of land adjacent to the main office building.
- CDM revenues were higher in 2017 than 2016, due to an incentive payment. Water
  expenses were slightly higher in 2017. There was also a loss taken on the removal of
  solar generation panels that were no longer operational.
- Interest income was higher in 2017, mainly due to higher bank balances.

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Table 6-17 - Other Revenue 2018 Actual to 2017 Actual

USoA#	USoA Description	20	017 Actual	2	018 Actual	Vai	riance 2018 to 2017
	Reporting Basis		MIFRS		MIFRS		
4082	Retail Services Revenues	\$	(10,085)	\$	(8,809)	\$	1,276
4084	Service Transaction Requests (STR) Revenues	\$	(126)	\$	(110)	\$	16
4086	SSS Administration Revenue	\$	(35,033)	\$	(36,894)	\$	(1,862)
4210	Rent from Electric Property	\$	(54,053)	\$	(58,769)	\$	(4,716)
4225	Late Payment Charges	\$	(38,260)	\$	(37,489)	\$	771
4235	Miscellaneous Service Revenues	\$	(117,440)	\$	(102,541)	\$	14,899
4245	Government and Other Assistance Directly Credited to Income	\$	(36,513)	\$	(47,366)	\$	(10,854)
4305	Regulatory Debits	\$	138,725	\$	150,363	\$	11,638
4355	Gain on Disposition of Utility and Other Property	\$	(117,388)	\$	(8,000)	\$	109,388
4357	Gain from Retirement of Utility and Other Property	\$	-	\$	-	\$	-
4360	Loss on Disposition of Utility and Other Property	\$	168	\$	22,502	\$	22,334
4362	Loss from Retirement of Utility and Other Property	\$	38,155	\$	25,348	\$	(12,806)
4375	Revenues from Non Rate-Regulated Utility Operations	\$	(572,797)	\$	(513,042)	\$	59,755
4380	Expenses of Non Rate-Regulated Utility Operations	\$	409,840	\$	388,684	\$	(21,156)
4390	Miscellaneous Non-Operating Income	\$	(4,227)	\$	(260)	\$	3,967
4405	Interest and Dividend Income	\$	(49,725)	\$	(61,683)	\$	(11,957)
	Total	\$	(448,759)	\$	(288,065)	\$	160,694

# Change from 2018 Actual to 2017 Actual

- The Notification of Disconnect charge in Miscellaneous Service Revenues was lower in 2018.
- Amortization of deferred revenues is increasing from 2017, in relation to increased deferred revenues.
- OHL recovered more from customers in 2018 for Regulatory Debits.
- Gains on disposition of property were lower in 2018. In 2017, there was a gain on the severance of a parcel of land adjacent to the main office building. A gain on the sale of a truck was included in 2018. This was offset by a loss on the sale of another vehicle.
- CDM revenues were lower in 2018 as compared to 2017 but included a CDM incentive payment. Water expenses were slightly higher in 2018.
- Interest income was higher in 2018, mainly due to higher regulatory balances.

Table 6-18 - Other Revenue 2019 Actual to 2018 Actual

USoA#	USoA Description	20	18 Actual	2	019 Actual	Va	riance 2019 to 2018
	Reporting Basis		MIFRS		MIFRS		
4082	Retail Services Revenues	\$	(8,809)	\$	(12,643)	\$	(3,834)
4084	Service Transaction Requests (STR) Revenues	\$	(110)	\$	(162)	\$	(53)
4086	SSS Administration Revenue	\$	(36,894)	\$	(37,476)	\$	(582)
4210	Rent from Electric Property	\$	(58,769)	\$	(60,003)	\$	(1,234)
4225	Late Payment Charges	\$	(37,489)	\$	(46,087)	\$	(8,598)
4235	Miscellaneous Service Revenues	\$	(102,541)	\$	(69,098)	\$	33,443
4245	Government and Other Assistance Directly Credited to Income	\$	(47,366)	\$	(49,035)	\$	(1,669)
4305	Regulatory Debits	\$	150,363	\$	51,214	\$	(99,149)
4355	Gain on Disposition of Utility and Other Property	\$	(8,000)	\$	(1,000)	\$	7,000
4357	Gain from Retirement of Utility and Other Property	\$		\$	-	\$	-
4360	Loss on Disposition of Utility and Other Property	\$	22,502	\$	-	\$	(22,502)
4362	Loss from Retirement of Utility and Other Property	\$	25,348	\$	39,418	\$	14,070
4375	Revenues from Non Rate-Regulated Utility Operations	\$	(513,042)	\$	(483,552)	\$	29,490
4380	Expenses of Non Rate-Regulated Utility Operations	\$	388,684	\$	455,996	\$	67,312
4390	Miscellaneous Non-Operating Income	\$	(260)	\$	(8,725)	\$	(8,465)
4405	Interest and Dividend Income	\$	(61,683)	\$	(101,143)	\$	(39,460)
	Total	\$	(288,065)	\$	(322,297)		(34,232)

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# Change from 2019 Actual to 2018 Actual

- Change of occupancy revenues were lower in 2019, as well the Notification of Disconnect fee was discontinued by the OEB. This is no longer being charged by OHL.
- Regulatory debits with regards to changes in accounting policies to convert from CGAAP to IFRS ended April 30, 2019. There was a partial year of recoveries in 2019.
- Losses from disposition of property were higher in 2019 due to a higher amount of meter retirements.
- There were no CDM revenues in 2019 as compared to 2018, and water/sewer penalties were higher than 2018. Water expenses were higher in 2019 over 2018.
- Interest income in 2019 was higher due to higher bank balances, as well as higher regulatory balances.

#### Table 6-19 - Other Revenue 2020 Actual to 2019 Actual

USoA#	USoA Description	20	19 Actual	2	2020 Actual	Va	riance 2020 to 2019
	Reporting Basis		MIFRS		MIFRS		
4082	Retail Services Revenues	\$	(12,643)	\$	(14,960)	\$	(2,318)
4084	Service Transaction Requests (STR) Revenues	\$	(162)	\$	(130)	\$	32
4086	SSS Administration Revenue	\$	(37,476)	\$	(37,885)	\$	(409)
4210	Rent from Electric Property	\$	(60,003)	\$	(64,049)	\$	(4,046)
4225	Late Payment Charges	\$	(46,087)	\$	(29,397)	\$	16,690
4235	Miscellaneous Service Revenues	\$	(69,098)	\$	(16,783)	\$	52,314
4245	Government and Other Assistance Directly Credited to Income	\$	(49,035)	\$	(54,748)	\$	(5,712)
4305	Regulatory Debits	\$	51,214	\$	9	\$	(51,205)
4355	Gain on Disposition of Utility and Other Property	\$	(1,000)	\$	(102,796)	\$	(101,796)
4357	Gain from Retirement of Utility and Other Property	\$	-	\$	-	\$	-
4360	Loss on Disposition of Utility and Other Property	\$	-	\$	3,379	\$	3,379
4362	Loss from Retirement of Utility and Other Property	\$	39,418	\$	50,203	\$	10,785
4375	Revenues from Non Rate-Regulated Utility Operations	\$	(483,552)	\$	(470,614)	\$	12,939
4380	Expenses of Non Rate-Regulated Utility Operations	\$	455,996	\$	460,623	\$	4,627
4390	Miscellaneous Non-Operating Income	\$	(8,725)	\$	(11,127)	\$	(2,402)
4405	Interest and Dividend Income	\$	(101,143)	\$	(62,434)	\$	38,709
	Total	\$	(322,297)	\$	(350,709)	\$	(28,413)

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# Change from 2020 Actual to 2019 Actual

- Late payment charges were lower in 2020, as OHL did not charge late payment fees for a portion of the year, due to Covid-19.
- There were outstanding work orders in Miscellaneous Service Revenues that were receivable at year end.
- Regulatory debits with regards to changes in accounting policies to convert from CGAAP to IFRS ended in 2019, with a residual amount in 2020.
- Gains from disposition of property were higher in 2020, with a severance of a parcel of land from the main office site. Losses from disposition of property were higher in 2020 due to transformer retirements.
- Water billing revenues were slightly higher in 2020.
- Interest income in 2020 was lower due to lower bank balances.

#### Table 6-20 - Other Revenue 2021 Actual to 2020 Actual

USoA#	USoA Description	2	020 Actual	2	021 Actual	Va	riance 2021 to 2020
	Reporting Basis		MIFRS		MIFRS		
4082	Retail Services Revenues	\$	(14,960)	\$	(14,505)	\$	456
4084	Service Transaction Requests (STR) Revenues	\$	(130)	\$	(106)	\$	24
4086	SSS Administration Revenue	\$	(37,885)	\$	(38,144)	\$	(259)
4210	Rent from Electric Property	\$	(64,049)	\$	(58,577)	\$	5,473
4225	Late Payment Charges	\$	(29,397)	\$	(56,975)	\$	(27,578)
4235	Miscellaneous Service Revenues	\$	(16,783)	\$	(47,939)	\$	(31,155)
4245	Government and Other Assistance Directly Credited to Income	\$	(54,748)	\$	(61,687)	\$	(6,939)
4305	Regulatory Debits	\$	9	\$	-	\$	(9)
4355	Gain on Disposition of Utility and Other Property	\$	(102,796)	\$	(1,839)	\$	100,957
4357	Gain from Retirement of Utility and Other Property	\$	-	\$	-	\$	-
4360	Loss on Disposition of Utility and Other Property	\$	3,379	\$	2,592	\$	(787)
4362	Loss from Retirement of Utility and Other Property	\$	50,203	\$	85,584	\$	35,381
4375	Revenues from Non Rate-Regulated Utility Operations	\$	(470,614)	\$	(541,648)	\$	(71,034)
4380	Expenses of Non Rate-Regulated Utility Operations	\$	460,623	\$	443,479	\$	(17,144)
4390	Miscellaneous Non-Operating Income	\$	(11,127)	\$	(8,612)	\$	2,515
4405	Interest and Dividend Income	\$	(62,434)	\$	(26,737)	\$	35,697
	Total	\$	(350,709)	\$	(325,114)	\$	25,595

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# Change from 2021 Actual to 2020 Actual

- Late payment charges were higher in 2021 over 2020. Late payment charges were waived for a period in 2020 due to Covid-19, resulting in a higher number of overdue accounts in 2021.
- Chargeable work orders in Miscellaneous Service Revenues were higher in 2021.
- Gains from disposition of property were lower in 2021 as minimal gains were incurred.
   Losses from retirement of property were higher in 2021 due to the decommissioning of a municipal substation.
- Street light maintenance revenue was higher in 2021 over 2020, with water billing expenses being lower in 2021.
- Interest income in 2021 was lower due to lower bank balances, as well as lower regulatory balances.

#### Table 6-21 - Other Revenue 2022 Actual to 2021 Actual

USoA#	USoA Description	20	021 Actual	2	2022 Actual	Va	riance 2022 to 2021
	Reporting Basis		MIFRS		MIFRS		
4082	Retail Services Revenues	\$	(14,505)	\$	(14,606)	\$	(102)
4084	Service Transaction Requests (STR) Revenues	\$	(106)	\$	(92)	\$	15
4086	SSS Administration Revenue	\$	(38,144)	<del>(S)</del>	(37,962)	\$	183
4210	Rent from Electric Property	\$	(58,577)	\$	(67,776)	\$	(9,199)
4225	Late Payment Charges	\$	(56,975)	\$	(45,722)	\$	11,253
4235	Miscellaneous Service Revenues	\$	(47,939)	\$	(64,124)	\$	(16,185)
4245	Government and Other Assistance Directly Credited to Income	\$	(61,687)	<del>(S)</del>	(66,847)	\$	(5,160)
4305	Regulatory Debits	\$	-	\$	-	\$	-
4355	Gain on Disposition of Utility and Other Property	\$	(1,839)	\$	-	\$	1,839
4357	Gain from Retirement of Utility and Other Property	\$	-	\$	-	\$	-
4360	Loss on Disposition of Utility and Other Property	\$	2,592	\$	18,241	\$	15,649
4362	Loss from Retirement of Utility and Other Property	\$	85,584	\$	27,527	\$	(58,057)
4375	Revenues from Non Rate-Regulated Utility Operations	\$	(541,648)	\$	(516,247)	\$	25,401
4380	Expenses of Non Rate-Regulated Utility Operations	\$	443,479	\$	492,195	\$	48,716
4390	Miscellaneous Non-Operating Income	\$	(8,612)	\$	(16,670)	\$	(8,058)
4405	Interest and Dividend Income	\$	(26,737)	\$	(96,668)	\$	(69,930)
	Total	\$	(325,114)	\$	(388,749)	\$	(63,634)

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# **Change from 2022 Actual to 2021 Actual**

- Late payment charges were higher in 2021 as a result of waiving late payment charges for a period in 2020. In 2021, there were a higher number of overdue accounts compared to 2022.
- Chargeable work orders in Miscellaneous Service Revenues were higher in 2022.
- Losses from retirement of property were higher in 2021 due to the decommissioning of a municipal substation.
- Street light maintenance revenue was higher in 2021 over 2022, with water billing expenses being higher in 2022.
- Interest income in 2022 was higher due to higher bank balances, as well as higher regulatory balances.

# Table 6-22 - Other Revenue 2023 Bridge Year to 2022 Actual

USoA#	USoA Description	20	022 Actual	2	023 Bridge Year	Vai	riance 2023 to 2022
	Reporting Basis		MIFRS		MIFRS		
4082	Retail Services Revenues	\$	(14,606)	\$	(14,691)	\$	(84)
4084	Service Transaction Requests (STR) Revenues	\$	(92)	\$	(109)	\$	(18)
4086	SSS Administration Revenue	\$	(37,962)	\$	(38,341)	\$	(380)
4210	Rent from Electric Property	\$	(67,776)	\$	(63,467)	\$	4,309
4225	Late Payment Charges	\$	(45,722)	\$	(42,478)	\$	3,244
4235	Miscellaneous Service Revenues	\$	(64,124)	\$	(63,101)	\$	1,023
4245	Government and Other Assistance Directly Credited to Income	\$	(66,847)	\$	(72,496)	\$	(5,649)
4305	Regulatory Debits	\$	-	\$	-	\$	-
4355	Gain on Disposition of Utility and Other Property	\$	-	\$	-	\$	-
4357	Gain from Retirement of Utility and Other Property	\$	-			\$	-
4360	Loss on Disposition of Utility and Other Property	\$	18,241	\$	-	\$	(18,241)
4362	Loss from Retirement of Utility and Other Property	\$	27,527	\$	48,000	\$	20,473
4375	Revenues from Non Rate-Regulated Utility Operations	\$	(516,247)	\$	(550,569)	\$	(34,322)
4380	Expenses of Non Rate-Regulated Utility Operations	\$	492,195	\$	482,730	\$	(9,466)
4390	Miscellaneous Non-Operating Income	\$	(16,670)	\$	(11,009)	\$	5,661
4405	Interest and Dividend Income	\$	(96,668)	\$	(112,384)	\$	(15,716)
	Total	\$	(388,749)	\$	(437,914)	\$	(49,165)

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# Change from 2023 Bridge Year to 2022 Actual

- The net of Losses from Disposition of Utility and Other Property and Retirement of Utility and Other Property are than \$10,000. Losses in 2022 actuals were posted to both GL accounts, 4360 and 4362, but all losses for 2023 bridge year were included in 4362.
- Revenues from Non Rate-Regulated Utility Operations were higher in 2023 bridge year
  due to an increase in revenues from water and sewer billing from a higher rate charged
  for the billing services, as well as a budgeted increase in Streetlight revenues based on
  a historical average.
- Interest and Dividend Income was higher in 2023 bridge year due to higher forecasted regulatory asset interest, as OEB prescribed interest rates were increasing from 2022.

# Table 6-23 – Other Revenue 2024 Test Year to 2023 Bridge Year

USoA#	USoA Description	20	)23 Bridge Year	2024 Test Year	Va	riance 2024 to 2023
	Reporting Basis		MIFRS	MIFRS		
4082	Retail Services Revenues	\$	(14,691)	\$ (15,847)	\$	(1,156)
4084	Service Transaction Requests (STR) Revenues	\$	(109)	\$ (99)	\$	10
4086	SSS Administration Revenue	\$	(38,341)	\$ (38,725)	\$	(383)
4210	Rent from Electric Property	\$	(63,467)	\$ (89,651)	\$	(26,184)
4225	Late Payment Charges	\$	(42,478)	\$ (44,132)	\$	(1,654)
4235	Miscellaneous Service Revenues	\$	(63,101)	\$ (73,848)	\$	(10,747)
4245	Government and Other Assistance Directly Credited to Income	\$	(72,496)	\$ (85,531)	\$	(13,035)
4305	Regulatory Debits	\$	-	\$ -	\$	-
4355	Gain on Disposition of Utility and Other Property	\$	-	\$ -	\$	-
4357	Gain from Retirement of Utility and Other Property				\$	-
4360	Loss on Disposition of Utility and Other Property	\$	-	\$ -	\$	-
4362	Loss from Retirement of Utility and Other Property	\$	48,000	\$ 48,000	\$	-
4375	Revenues from Non Rate-Regulated Utility Operations	\$	(550,569)	\$ (585,970)	\$	(35,400)
4380	Expenses of Non Rate-Regulated Utility Operations	\$	482,730	\$ 526,329	\$	43,599
4390	Miscellaneous Non-Operating Income	\$	(11,009)	\$ (11,009)	\$	-
4405	Interest and Dividend Income	\$	(112,384)	\$ (31,705)	\$	80,679
_	Total	\$	(437,914)	\$ (402, 186)	\$	35,728

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#### Change from 2024 Test Year to 2023 Bridge Year

- Rent from Electric Property is higher in 2024 test year due to the budget including the higher pole revenue rates.
- Miscellaneous Service Revenues are higher in 2024 test year due to the inclusion of the projected increased Microfit revenues.
- Government and Other Assistance Directly Credited to Income is higher in 2024 test year, as it is increasing in direct relation to the increase in capital assets.
- Revenues from Non Rate-Regulated Utility Operations were higher in 2024 test year due
  to an increase in revenues from water and sewer billing from a higher rate charged for
  the billing services.
- Expenses of Non Rate-Regulated Utility Operations are higher in 2024 test year due to a
  the relationship to the increase in overall costs, which becomes an increase in allocated
  costs to water and sewer billing.
- Interest and Dividend Income was lower in 2024 test year due to lower forecasted regulatory balances, as many accounts are proposed to be disposed in 2024.

#### 6.3.2 OTHER REVENUE ACCOUNT BREAKDOWN

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The following section provides a detailed breakdown for each account, outlining the components of each balance.

#### Table 6-24 – Account 4082-4084 Retailer Service Revenues and STR Revenues

USo #	A USoA Description		014 tual		2015 Actual	,	2016 Actual	2017 Actua			2018 ctual	,	2019 Actual		2020 Actual		2021 Actual	,	2022 Actual	20	023 Bridge Year	2	024 Test Year
	Reporting Basis	MI	FRS	N	MIFRS	_	MIFRS	MIFRS	S	N	IIFRS		MIFRS	N	MIFRS	N	/IIFRS	Ī	MIFRS		MIFRS		MIFRS
408	Retail Services Revenues	\$ (	13,831)	\$	(12,927)	\$	(11,641)	\$ (10,0	085)	\$	(8,809)	\$	(12,643)	\$	(14,960)	\$	(14,505)	\$	(14,606)	\$	(14,691)	\$	(15,847)
408	4 Service Transaction Requests (STR) Revenues	\$	(263)	\$	(180)	\$	(177)	\$ (1	126)	\$	(110)	\$	(162)	\$	(130)	\$	(106)	\$	(92)	\$	(109)	\$	(99)
	Total	\$ 1	14 094)	Ġ	(13 107)	Ġ	(11 818)	\$ (10.2	111	Ġ	(8 918)	Ġ	(12 805)	Ġ	(15.090)	Ġ	(14 611)	Ġ	(14 698)	Ġ	(14.800)	Ġ	(15 946)

- Retail service revenues include retail services for establishing service agreements and consolidated billing for retail customers.
- Retail service revenues have been fairly consistent from the 2014 to 2024 period.

# Table 6-25 – Account 4086 SSS Admin charges

USoA	USoA Description	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023 Bridge	2024 Test
#	USUA Description	Actual	Year	Year								
	Reporting Basis	MIFRS										
4086	SSS Administration Revenue	\$ (32,085)	\$ (32,990)	\$ (33,825)	\$ (35,033)	\$ (36,894)	\$ (37,476)	\$ (37,885)	\$ (38,144)	\$ (37,962)	\$ (38,341)	\$ (38,725)
	Total	\$ (32,085)	\$ (32,990)	\$ (33,825)	\$ (35,033)	\$ (36,894)	\$ (37,476)	\$ (37,885)	\$ (38,144)	\$ (37,962)	\$ (38,341)	\$ (38,725)

- SSS Admin Charges include amounts collected for the Standard Supply Charge.
- SSS Admin revenues have been fairly consistent from the 2014 to 2024 period.

# **Table 6-26 – Account 4210 Rent from Electric Property**

USoA #	USoA Description	2014 Actual	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Bridge Year	2024 Test Year
	Reporting Basis	MIFRS	MIFRS									
4210	Rent from Electric Property Fiber Room	\$ (16,392)	\$ (16,392)	\$ (16,474)	\$ (16,020)	\$ (17,048)	\$ (13,591)	\$ (17,228)	\$ (12,475)	\$ (21,205)	\$ (16,969)	\$ (17,139)
4210	Rent from Electric Property - Poles	\$ (46,202)	\$ (35,836)	\$ (39,650)	\$ (38,033)	\$ (41,721)	\$ (46,412)	\$ (46,821)	\$ (46,101)	\$ (46,571)	\$ (46,498)	\$ (72,512)
	Total	\$ (62,594)	\$ (52,227)	\$ (56,125)	\$ (54,053)	\$ (58,769)	\$ (60,003)	\$ (64,049)	\$ (58,577)	\$ (67,776)	\$ (63,467)	\$ (89,651)

Rent from Electric Property includes rental from third party pole attachments. The
increase in the pole attachment charge has been included in a deferral account since it
was revised based on the document for EB-2015-0304, issued on March 22, 2018.

# **Table 6-27 – Account 4225 Late Payment Charges**

USoA	USoA Description	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023 Bridge	2024 Test
#	OSOA Description	Actual	Year	Year								
	Reporting Basis	MIFRS										
4225	Late Payment Charges	\$ (38,754)	\$ (41,727)	\$ (43,413)	\$ (38,260)	\$ (37,489)	\$ (46,087)	\$ (29,397)	\$ (56,975)	\$ (45,722)	\$ (42,478)	\$ (44,132)
	Total	\$ (38,754)	\$ (41,727)	\$ (43,413)	\$ (38,260)	\$ (37,489)	\$ (46,087)	\$ (29,397)	\$ (56,975)	\$ (45,722)	\$ (42,478)	\$ (44,132)

- Late payment charges include residential and general service overdue interest.
- Year over Year between 2014 and 2019 actuals, the variance was below \$10,000. In
   2020, late payment charges decreased due to not collecting these charges throughout

Covid-19. In 2021, OHL began collecting these charges again. The revenue was higher than normal due to a higher number of overdue accounts. In 2022, the late penalties reduced to a value more in line with historical prior to Covid-19.

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Table 6-28 – Account 4235 Miscellaneous Service Revenue

USoA #	USoA Description		2014 .ctual		2015 ctual	,	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Actual	,	2021 Actual	2022 Actual	20	023 Bridge Year	2	024 Test Year
	Reporting Basis	M	IIFRS	N	IIFRS	_	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS		MIFRS	MIFRS		MIFRS		MIFRS
4235	Misc. Service Revenues-Misc Chargeables	\$	(22,068)	\$	(8,912)	69	740	\$ (8,867)	\$ (7,481)	\$ 1,586	\$ 42,257	\$	16,852	\$ 2,013				
4235	Reconnection Charges	\$	(26,138)	\$	(22, 165)	69	(22,425)	\$ (13,865)	\$ (12,025)	\$ (12,025)	\$ (8,645)	\$	(8,870)	\$ (12,675)	\$	(10,063)	\$	(10,164)
4235	Change of Occupancy Fee	\$	(47,370)	\$	(52,410)	\$	(50,460)	\$ (52,290)	\$ (50,130)	\$ (41,100)	\$ (38,700)	\$	(42,300)	\$ (40,620)	\$	(40,540)	\$	(40,743)
4235	Returned Cheque Charge	\$	(2,445)	\$	(2,247)	\$	(2,577)	\$ (2,970)	\$ (3,607)	\$ (5,130)	\$ (3,090)	\$	(3,870)	\$ (3,930)	\$	(3,630)	\$	(3,648)
4235	Collection Charges	\$	(30)	\$	(675)	\$	(360)	\$ (240)	\$ (60)	\$	\$ -	\$		\$	\$		\$	
4235	Reconnection After Hours Charge	\$	(555)	\$	(185)	\$	(370)	\$ (370)	\$ -	\$ (185)	\$ -	\$		\$ (370)	\$	(185)	\$	(185)
4235	Special Meter Read Charge	\$	(90)	\$	-	\$	(210)	\$ (150)	\$ -	\$ (60)	\$ (360)	\$	(180)	\$ -	\$	(150)	\$	(150)
4235	Notification of Disconnect Charge	\$	(74,970)	\$	(71,250)	\$	(68, 160)	\$ (33,690)	\$ (22,680)	\$ (4,965)	\$ -	\$		\$	\$		\$	-
4235	Credit Reference Charge	\$	(540)	\$	(1,050)	\$	(990)	\$ (585)	\$ (465)	\$ (240)	\$ (225)	\$	(495)	\$ (255)	\$	(325)	\$	(325)
4235	Arrears Certificate Charge	\$	(705)	\$	(1,125)	\$	(1,035)	\$ (765)	\$ (645)	\$ (675)	\$ -	\$	(795)	\$ (270)	\$	(355)	\$	(355)
4235	Reconnection Charge at Pole	\$	-	\$	-	\$			\$ -	\$	\$ (645)	\$		\$ -				
4235	Reconnection Charge at Pole After Hrs								\$ -	\$	\$ -	\$		\$ -			\$	(120)
4235	MicroFIT Monthly Charge	\$	(1,189)	\$	(1,404)	\$	(1,580)	\$ (1,891)	\$ (2,352)	\$ (2,806)	\$ (2,553)	\$	(2,288)	\$ (2,155)	\$	(2,293)	\$	(12,600)
4235	Net Salvage re Temporary Services	\$	443	\$	457	\$	1,630	\$ 1,015	\$ 592	\$ -	\$ -	\$	-	\$ 520	\$	173	\$	174
4235	Administrative Charges	\$	(4,443)	\$	(6,392)	\$	(4,026)	\$ (2,772)	\$ (3,688)	\$ (3,498)	\$ (4,823)	\$	(5,992)	\$ (6,383)	\$	(5,733)	\$	(5,733)
	Total	\$ (1	180,101)	\$ (:	167,358)	\$1	(149,824)	\$ (117,440)	\$ (102,541)	\$ (69,098)	\$ (16,783)	\$	(47,939)	\$ (64,124)	\$	(63,101)	\$	(73,848)

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 Miscellaneous Service Revenue includes recoverable workorders, reconnection, change of occupancy, NSF charges, arrears certificates, collection charges and MicroFIT revenue.

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Within this account are revenues relating to streetlight maintenance, as well as customer-related chargeable work. There are fluctuations year over year depending on the work requested, as well as streetlighting material purchases and labour. These revenues have decreased from 2014 as the Notification of Disconnect charge is no longer allowed to be charged, as of 2019.

15 16 An increase in the MicroFIT Service charge has been included in the 2024 test year, to recover a higher amount of the actual costs to bill a MicroFIT customer.

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Table 6-29 – Account 4245 Government and Other Assistance Directly Credited to Income

U	ISoA #	USoA Description	2014 Actual	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Bridge Year	2024 Test Year
		Reporting Basis	MIFRS	MIFRS									
4	1245	Government and Other Assistance Directly Credite	\$ (6,962)	\$ (36,775)	\$ (23,431)	\$ (36,513)	\$ (47,366)	\$ (49,035)	\$ (54,748)	\$ (61,687)	\$ (66,847)	\$ (72,496)	\$ (85,531)
Г		Total	\$ (6.962)	\$ (36,775)	\$ (23.431)	\$ (36.513)	\$ (47.366)	\$ (49.035)	\$ (54.748)	\$ (61.687)	\$ (66.847)	\$ (72.496)	\$ (85,531)

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• This account includes the deferred revenues arising from customer contributions that are amortized to income. Amounts recognized in Account 2440 are to be amortized to income over the useful life of the related property, plant and equipment or intangible asset to which the contribution were made by debiting Account 2440, Deferred Revenue, and crediting this account. It is increasing year over year in relation to the increase in Deferred Revenue.

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#### Table 6-30 – Account 4305 Regulatory Debits

USoA #	USoA Description	2014 Actual	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Bridge Year	2024 Test Year
	Reporting Basis	MIFRS	MIFRS									
4305	Regulatory Debits	\$ 117,478	\$ 141,076	\$ 142,132	\$ 138,725	\$ 150,363	\$ 51,214	\$ 9	\$ -	\$ -	\$ -	\$ -
	Total	\$ 117,478	\$ 141,076	\$ 142,132	\$ 138,725	\$ 150,363	\$ 51,214	\$ 9	\$ -	\$ -	\$ -	\$ -

This account was not included in 2014 Board Approved or 2024 Test Year. This account related to regulatory debits from CGAAP and MIFRS depreciation changes.

# Table 6-31 – Account 4355-4362 (Gains) Losses from Disposition of Utility and Other

**Property** 

USoA #	USoA Description		2014 ctual		2015 Actual	,	2016 Actual		2017 Actual	,	2018 Actual	,	2019 Actual	2020 Actual		,	2021 Actual		2022 Actual	2023 Bridge Year		20	024 Test Year
	Reporting Basis	N	IIFRS	^	NIFRS	-	MIFRS	Ī	MIFRS	_	MIFRS		MIFRS	Ī	MIFRS	-	MIFRS		MIFRS		MIFRS		MIFRS
4355	Gain on Disposition of Utility and Other Property	\$		\$		\$	(22,070)	\$	(117,388)	\$	(8,000)	\$	(1,000)	\$	(102,796)	\$	(1,839)	\$		\$		\$	-
4357	Gain from Retirement of Utility and Other Property	\$	(29,449)	\$	(14,383)	\$		\$		\$	-	\$		\$		\$	-	\$					
4360	Loss on Disposition of Utility and Other Property	\$		\$		\$	32,429	\$	168	\$	22,502	\$		\$	3,379	\$	2,592	\$	18,241	\$		\$	-
4362	Loss from Retirement of Utility and Other Property	\$	65,072	\$	140,574	\$		\$	38,155	\$	25,348	\$	39,418	\$	50,203	\$	85,584	\$	27,527	\$	48,000	\$	48,000
	Total	\$	35,623	\$	126,191	\$	10,360	\$	(79,065)	\$	39,851	\$	38,418	\$	(49,214)	\$	86,337	\$	45,768	\$	48,000	\$	48,000

- These accounts relate to the net book value of the disposed asset in comparison to the net proceeds realized.
- Amounts recorded in these accounts are primarily related to the disposal of vehicles, as well as capital assets. In 2015, there was a \$100,000 loss due to the transfer of the Mill St. property. In 2017, there was a sale of severed land adjacent to the main office building for \$132,743. In 2020, there was a gain of \$97,345 for a parcel of land severance to a fiber company. In 2021, there was a retirement of a Municipal substation which contributed to the loss value.

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Table 6-32 – Account 4375 Revenues from Non-Utility Operations

USoA	USoA Description	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023 Bridge	2024 Test
#	OSOA Description	Actual	Year	Year								
	Reporting Basis	MIFRS										
4375	Revenue Non-Utility/Water	\$ (401,072)	\$ (376,186)	\$ (383,389)	\$ (392,883)	\$ (403,924)	\$ (414,227)	\$ (421,736)	\$ (430,058)	\$ (443,251)	\$ (469,459)	\$ (502,233)
4375	Water/Sewer Penalties	\$ (24,617)	\$ (25,093)	\$ (15,527)	\$ (21,118)	\$ (26,916)	\$ (36,161)	\$ (7,705)	\$ (24,437)	\$ (36,121)	\$ (37,927)	\$ (39,823)
4375	Revenue Non-Utility/Streetlights	\$ (63,697)	\$ (42,975)	\$ (31,613)	\$ (22,557)	\$ (30,495)	\$ (25,810)	\$ (34,862)	\$ (81,291)	\$ (28,775)	\$ (36,486)	\$ (37,216)
4375	Revenue Non-Utility/Grand Valley			\$ (1,339)	\$ (200)	\$ (203)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4375	OPA CDM Programs Revenue	\$ -	\$ (103,785)		\$ (128,648)	\$ (45,645)	\$ 0	\$ 0	\$ -	\$ -	\$ -	\$ -
4375	Solar Generation Revenue	\$ (7,258)	\$ (7,905)	\$ (8,425)	\$ (7,391)	\$ (5,860)	\$ (7,355)	\$ (6,310)	\$ (5,862)	\$ (8,100)	\$ (6,697)	\$ (6,697)
	Total	\$ (496,644)	\$ (555,944)	\$ (440,293)	\$ (572,797)	\$ (513,042)	\$ (483,552)	\$ (470,614)	\$ (541,648)	\$ (516,247)	\$ (550,569)	\$ (585,970)

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- Revenues from Non-Utility Operations include the billing and collecting services for water and sewer, street light maintenance, CDM revenues as well as solar generation revenues.
- 24 25
- OHL bills and collects from customers in the Town of Orangeville and the Town of Grand Valley for their water and sewer usage. This is a mutually beneficial agreement to reduce overall costs for both parties through a shared service. These related costs and

expenses are included in accounts 4375/4380. OHL confirms that allocation of cost methods does not result in cross-subsidization between regulated and non-regulated lines of business which complies with article 340 of the APH.

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OHL has not budgeted for any CDM programs as CDM has been winding down.

Table 6-33 – Account 4380 Expenses from Non-Utility Operations

USoA #	USoA Description	2014		2015		2016 Actual		2017 Actual	2018		2019 Actual	2020 Actual	2021 Actual		2022 Actual		2023 Bridge Year		2	024 Test Year
#	Reporting Basis	Actual MIFRS	_	Actual MIFRS	_	MIFRS		MIFRS	Actual MIFRS		MIFRS	MIFRS		MIFRS		MIFRS		MIFRS		MIFRS
4380	Expenses Non-Utility Water	\$ 329,565	\$	321,610	\$	326,991	\$	344,333	\$ 356,228	\$	425,780	\$ 417,859	\$	413,930	\$	453,746	\$	449,944	\$	492,959
4380	Expenses Non-Utility Streetlights	\$ 57,487	\$	40,400	\$	28,957	\$	20,637	\$ 30,055	\$	26,463	\$ 37,971	\$	25,740	\$	34,157	\$	29,214	\$	29,798
4380	Expenses Non Utility Grand Valley				\$	1,374	\$	181	\$ 388	49	-	\$ -	\$	-	\$	-	\$	-	\$	-
4380	OPA CDM Programs Expenses		\$	70,962	\$	2			\$ (0)	49	-	\$ -	\$	-	\$	-	\$	-	\$	-
4380	Non-Utility Expenses Misc	\$ 17,965	\$	2	\$	7			\$ -	49	-	\$ -	\$	-	\$	-				
4380	Solar Gen Expenses	\$ 6,082	\$	6,083	\$	6,116	\$	44,688	\$ 2,012	\$	3,753	\$ 4,193	\$	3,809	\$	4,092	\$	3,572	\$	3,572
4380	New CDM Programs 2015-2021				\$	243			\$ -	\$	-	\$ -	\$	-	\$	-				
4380	Electric Vehicle Charger expenses								\$ -	\$	-	\$ 600	\$	-	\$	200				
	Total		\$	439,056	\$	363,690	\$	409,840	\$ 388,684	\$	455,996	\$ 460,623	\$	443,479	\$	492,195	\$	482,730	\$	526,329

 Expenses from Non-Utility Operations include the billing and collecting services for water and sewer, street light maintenance, CDM revenues as well as solar generation revenues.

#### Table 6-34 – Account 4390 Miscellaneous Non-Operating Income

USo	A USoA Description	2014		2015	2016		2017	2018		2019	2020		2021	2022	20	)23 Bridge	20:	24 Test
#	OSOA Description	Actual		Actual	Actua		Actual	Actual	Α	ctual	Actual	- 4	Actual	Actual		Year		Year
	Reporting Basis	MIFRS		MIFRS	MIFRS	;	MIFRS	MIFRS	M	IIFRS	MIFRS	N	MIFRS	MIFRS		MIFRS	N	IIFRS
439	Miscellaneous Non-Operating Income	\$	75	\$ (6,597)	\$ (2,6	63)	\$ (4,227)	\$ (260)	\$	(8,725)	\$ (11,127)	\$	(8,612)	\$ (16,670)	\$	(11,009)	\$	(11,009)
	Total	\$ 7	75	\$ (6,597)	\$ (2,6	63)	\$ (4,227)	\$ (260)	\$	(8,725)	\$ (11,127)	\$	(8,612)	\$ (16,670)	\$	(11,009)	\$	(11,009)

• Included in this account are the proceeds from the sale of scrap metal.

#### Table 6-35 – Account 4405 Interest and Dividend Income

USoA #	USoA Description		2014 ctual	,	2015 Actual		2016 Actual		2017 Actual	,	2018 Actual		2019 Actual		2020 Actual	,	2021 Actual		2022 Actual	20	23 Bridge Year	20	)24 Test Year
	Reporting Basis	M	IIFRS	•	MIFRS	١	MIFRS	N	/IIFRS	_	MIFRS		MIFRS	-	MIFRS	_	MIFRS	-	MIFRS		MIFRS		MIFRS
4405	Dividend Income	\$	(1,320)			\$	522			\$	(50)	\$	-	\$	-	\$	-	\$	-				
4405	Reg Asset Interest Income			\$	(12,883)	\$	(12,511)	\$	(14,964)	\$	(24,658)	69	(43,511)	\$	(49,462)	\$	(19,909)	\$	(74,789)	\$	(94,972)	\$	(21,705)
4405	Interest Earned - Bank	\$	(68,941)	\$	(36,101)	\$	(25,383)	\$	(34,762)	\$	(36,975)	69	(57,633)	\$	(12,972)	\$	(6,828)	\$	(21,878)	\$	(17,412)	\$	(10,000)
	Total	Ś (	(70.261)	Ś	(48.984)	Ś	(37.372)	Ś	(49.725)	Ś	(61.683)	Ś	(101.143)	Ś	(62,434)	Ś	(26.737)	Ś	(96.668)	Ś	(112.384)	Ś	(31.705)

- The Interest and Dividend Income account includes bank deposit interest, miscellaneous interest revenue, regulatory account carrying charges, and interest income from affiliates and customers.
- Increasing regulatory balances have resulted in an increase of regulatory account interest year over year. Higher bank balances in 2019 resulted in higher bank interest.

# 6.3.3 REVENUE FROM AFFILIATES, SHARED SERVICES OR CORPORATE COST

### 2 ALLOCATION

- 3 OHL earns revenue from Affiliates through water and sewer billing and collecting as well as
- 4 street light maintenance. This revenue is recorded in Account 4375. A detailed summary of the
- annual amounts earned from both categories is presented in Exhibit 4, Section 4.3.2 Shared
- 6 Servies and Corporate Cost Allocation. OHL confirms these costs are not included in the
- 7 distributor's OM&A.

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- 9 OHL confirms that allocation of cost methods does not result in cross-subsidization between
- regulated and non-regulated lines of business and complies with article 340 of the APH.

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# 6.3.4 NEW PROPOSED SPECIFIC SERVICE CHARGES

- OHL proposes to change the current monthly Service Charge for the MicroFIT customer class.
- OHL incurs a \$26.50 monthly fee per MicroFIT meter point, from OHL's settlement provider.
- 15 This \$26.50 per month per MicroFIT meter point settlement fee pays for the collection of daily
- interval 15-minute data and calculation of the total kWh generated that needs to be deducted
- 17 from IESO kWh purchases. OHL is invoiced each month for settlement calculation and
- validation activities performed by the provider; and included in the invoice is the number of
- MicroFIT meters x \$26.50 per MicroFIT meter point. As the settlement cost is a recoverable
- 20 expense, in OHL's opinion, the cost for this specific charge associated with MicroFIT data
- should be recovered directly from the MicroFIT rate class. OHL does not feel it is appropriate
- that other customer classes are cross-subsidizing this customer class.

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- In St. Thomas Energy Inc.'s Rate Order (EB-2014-0113) dated December 18th, 2014, the Board
- approved the Applicant's request to adjust the MicroFIT service charge to \$10.00.

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- 27 In Lakeland Power Distribution Ltd.'s Rate Order (EB-2018-0050) dated April 18, 2019, the
- 28 Board approved the Applicant's request to adjust the MicroFIT service charge to \$10.00 for third
- 29 party meter costs.

- In Centre Wellington Hydro Ltd.'s Rate Order (EB-2017-0032) dated January 4, 2018, the Board
- approved the Applicant's request to adjust the MicroFIT service charge to \$10.00.

Orangeville Hydro Limited EB-2023-0045

Exhibit 6 - Revenue Requirement and Other Revenue

September 29, 2023

Page **34** of **41** 

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- 2 OHL proposes that this charge should be passed directly to OHL's MicroFIT customers effective
- 3 May 1, 2024, or when the Applicant's 2024 distribution rates are approved by the Board. OHL
- 4 has provided for this increase in revenue in the Applicant's 2024 revenue offsets in account
- 5 4235 and is not part of base revenue requirement.
- 6 OHL confirms that MicroFIT customers will be impacted by the increased service charge.

Orangeville Hydro Limited EB-2023-0045 Exhibit 6 – Revenue Requirement and Other Revenue September 29, 2023

Page **35** of **41** 

# APPENDIX 6-A OEB RRWF MODEL

OHL has filed the 2024 OEB RRWF Model separately in excel.

Orangeville Hydro Limited EB-2023-0045 Exhibit 6 – Revenue Requirement and Other Revenue September 29, 2023 Page **36** of **41** 

# APPENDIX 6-B OEB PILS MODEL

OHL has filed the 2024 OEB PILS Model separately in excel.

Orangeville Hydro Limited EB-2023-0045

Exhibit 6 – Revenue Requirement and Other Revenue

September 29, 2023

Page **37** of **41** 

# APPENDIX 6-C 2018 PILS TAX RETURN



**KPMG LLP** 

Commerce Place
21 King Street West Suite 700
Hamilton, ON L8P 4W7
Canada
Tel 905-523-8200
Fax 905-523-2222
www.kpmg.ca

#### PRIVATE AND CONFIDENTIAL

Ms. Amy Long
Orangeville Hydro Limited
400 C Line
Station A Box 400
Orangeville ON L9W 2Z7

June 1, 2019

Dear Ms. Long:

### **Corporate Income Tax Returns**

We have enclosed the following income tax returns of Orangeville Hydro Limited. (the "Company") for the year ended **December 31, 2018**:

- ☑ T2 Corporation Income Tax Return EXEMPT
- ☐ T183 Information Return For Corporations Filing Electronically (Federal to be e-filed with CRA) Exempt
- ☐ T2 Corporation Income Tax Return (to be filed with Ministry of Finance) PILS
- Instalment Schedule
- One copy of each return for your files

We have prepared these returns based on our understanding of the information provided to us by the Company and we recommend that you review the returns to ensure that all of the relevant facts are properly disclosed. When you are satisfied that the returns are in order, one copy of each return should be retained for your records (the copy stamped "Client Copy") and the remaining copies should be completed by an authorized signing officer of the Company and filed as described below.



# Orangeville Hydro Limited Corporate Tax Returns June 19. 2019

#### **DUE DATE OF RETURNS AND PAYMENTS**

All returns must be filed with the respective taxing authorities by the due date if late filing penalties are to be avoided. We suggest that the returns be sent by registered mail and that the mailing receipt be kept on file in order to have evidence of the date of filing.

Any balances owing must be remitted by the due date or as soon as possible if interest charges are to be minimized.

# T2 - CORPORATION INCOME TAX RETURN (FEDERAL) CRA COPY - EXEMPT

### Signature

The Form T183CORP - *Information Return for Corporations Filing Electronically* should be completed and signed.

#### **Payment**

No amount is payable for the **December 31**, 2018 taxation year.

#### Mailing

One copy of the signed Form T183CORP should be returned to us in the self-addressed envelope no later than **June 30**, **2019** in order to have the Company's corporate income tax return filed on or before the due date for filing. Alternatively, you can fax it to **(905) 523-2222**.

### T2 - CORPORATION INCOME TAX RETURN - MINISTRY OF FINANCE

#### Signature

Form T2 – Corporate Income Tax Return, the certification section at the bottom of page 9 should be completed and signed.

#### Refund

There is an amount refundable in the amount of \$8,339 for the **December 31**, 2018 taxation year.

#### Mailing

One copy of the *T2 Corporate Income Tax Return* must be <u>received</u> by The Ministry of Finance, HYDRO PIL DIVISION, P.O. Box 620, 33 King Street West, Oshawa, Ontario, L1H 8E9 no later than **June 30, 2019**. The Company's account number should be recorded on each of the paper documents submitted.



# Orangeville Hydro Limited Corporate Tax Returns June 19. 2019

#### **NOTICES OF ASSESSMENT**

If your Company receives a Notice of Assessment that does not agree with the returns prepared by us, please contact us so that we can determine whether any action should be taken. The Company has only 90 days (180 days in the case of Ontario) from the date of mailing of the Assessment in which to object. Failure to respond within the prescribed time limit will cause the Company to lose its right to object to the Assessment.

#### **INSTALMENTS**

We have prepared and enclose an estimate of PILS tax instalments as applicable for the Company for the **2019** taxation year. The amounts were computed with reference to the Company's taxable income, taxable capital and taxes payable for prior years. If during the year it is evident that the taxable income or taxable capital for the current year will be substantially less than for the previous taxation year, your instalments may be recalculated. Please call your KPMG advisor in order that we may determine what course of action should be taken.

In order to avoid interest charges, the Ministry of Finance must receive the instalment payments no later than the date indicated on the attached schedule.

If you have any questions concerning these returns, or if we may be of any further assistance, please do not hesitate to contact us.

Yours truly,

Tony Italiano Partner

905-523-2227

**Enclosures** 



# Information Return for Corporations Filing Electronically

- You have to complete this return for every initial and amended T2 Corporation Income Tax Return electronically filed to the Canada Revenue Agency (CRA) on your behalf.
- By completing Part 2 and signing Part 3, you acknowledge that, under the *Income Tax Act*, you have to keep all records used to prepare your corporation income tax return, and provide this information to us on request.
- Part 4 must be completed by either you or the electronic transmitter of your corporation income tax return.
- · Give the signed original of this return to the transmitter and keep a copy in your own records for six years.
- Do not submit this form to the CRA unless we ask for it.
- We are responsible for ensuring the confidentiality of your electronically filed tax information only after we have accepted it.

– Part 1 – Identi	ification ————			
Corporation's name			Business number	
Orangeville Hydr	ro Limited		86463 9562 RC0002	
Taxyear <b>&gt;</b>	From Y M D	To Y M D	Is this an amended return?	Yes X No
	2018-01-01	2018-12-31		
- Part 2 – Decla	ration ————			
Enter the following a	mounts, if applicable, from your corpo	ration income tax return for the	tax year noted above:	
Net income (or los	s) for income tax purposes from Sche	dule 1, financial statements, or	GIFI (line 300)	727,370
Part I tax payable (	(line 700)			
Part II surtax paya	ble (line 708)			
Part III.1 tax payab	ole (line 710)			
Part IV tax payable	e (line 712)			
Part IV.1 tax payat	ole (line 716)			
Part VI tax payable	e (line 720)			
Part VI.1 tax payat	ole (line 724)			
Part XIV tax payab	ole (line 728)			
Net provincial and	territorial tax payable (line 760)			
and other correspon	dence eligible for electronic delivery w My Business Account and requiring in	rill no longer be printed and mai	Manage online mail' service. I understand and agre led. The CRA will notify the corporation at this emai presumed to have been received on the date that t	il address when
Linai addi ess ioi o	mine maii (optional).			
I, Tyrrell	Last name	Ruth First nam	Chief Corporate Officer	fice, or rank
and statements, and complete. I also certi disclosed in a statem I authorize the transr	gning officer of the corporation. I certify I that the information given on the T2 rify that the method of calculating inconnent attached to this return.  mitter identified in Part 4 to electronically filed in response to any errors Canada.	r that I have examined the corporteturn and this T183 Corp informine for this tax year is consistentially file the corporation income to	praction T2 income tax return, including accompany nation return is, to the best of my knowledge, correct with that of the previous tax year except as specificax return identified in Part 1. The transmitter can also his authorization expires when the Minister of Nation	ing schedules ct and cally so modify the
2019-06-19				(519) 942-8000
Date (yyyy/mm/dd)	Signat	ture of an authorized signing office	er of the corporation	Telephone number
– Part 4 – Trans	smitter identification ———			
	nitter has electronically filed the tax ret	urn of the cornoration identified	lin Part 1	
ŭ	inter has electronically filed the tax ret			
KPMG LLP	Name of person or fire	m	A6698 Electronic filer nu	mher.
	name of person of fill	II .	Electronic filer nui	IIINOI

#### - Privacy statement -

Personal information is collected under the *Income Tax Act* to administer tax, benefits, and related programs. It may also be used for any purpose related to the administration or enforcement of the Act such as audit, compliance and the payment of debts owed to the Crown. It may be shared or verified with other federal, provincial/territorial government institutions to the extent authorized by law. Failure to provide this information may result in interest payable, penalties or other actions. Under the *Privacy Act*, individuals have the right to access their personal information and request correction if there are errors or omissions. Refer to Info Source cra.gc.ca/gncy/tp/nfsrc/nfsrc-eng.html, personal information bank CRA PPU 047.



# \*

Canada Revenue Agence du revenu du Canada

# **T2 Corporation Income Tax Return**

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**EXEMPT FROM TAX** 

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

All legislative references on this return are to the federal Income Tax Act and Income Tax Regulations. This return may contain changes that had not yet become law at the time of publication.

Send one completed copy of this return, including schedules and the General Index of Financial Information (GIFI), to your tax centre. You have to file the return within six months after the end of the corporation's tax year.

For more information see canada.ca/taxes or Guide T4012, T2 Corporation – Income Tax Guide.

055	Do not use this area
000	

┌ Identification ————————————————————————————————————	
<b>Business number (BN)</b>	
Corporation's name OO2 Orangeville Hydro Limited	To which tax year does this return apply?  Tax year start  Year Month Day  Tax year-end  Year Month Day
Address of head office Has this address changed since the last	<b>060</b> 2018-01-01 <b>061</b> 2018-12-31
time we were notified?	Has there been an acquisition of control resulting in the application of subsection 249(4) since the tax year start on line 060?
Country (other than Canada) Postal or ZIP code  O17 CA  Mailing address (if different from head office address)	tax year-end according to subsection 249(3.1)?
Has this address changed since the last time we were notified?	Is the corporation a professional corporation that is a member of a partnership?
021 c/o 022 023 City Province, territory, or state	Is this the first year of filing after:  Incorporation?
Country (other than Canada) Postal or ZIP code  027  Location of books and records (if different from head office address)	Has there been a wind-up of a subsidiary under section 88 during the current tax year?
Has this address changed since the last time we were notified?	before amalgamation?
031 400 C Line 032 Station A Box 400 City Province, territory, or state	If an election was made under section 261, state the functional currency used
035         Orangeville         036         ON           Country (other than Canada)         Postal or ZIP code           037         CA         038         L9W 2Z7	Is the corporation a resident of Canada?  If no, give the country of residence on line 081 and complete and attach Schedule 97.
040 Type of corporation at the end of the tax year (tick one)	081
X 1 Canadian-controlled private corporation (CCPC) 2 Other private corporation 3 Public corporation	Is the non-resident corporation claiming an exemption under an income tax treaty?
4 Corporation controlled by a public corporation  5 Other corporation (specify)  If the type of corporation changed during	If the corporation is exempt from tax under section 149, tick one of the following boxes:  1 Exempt under paragraph 149(1)(e) or (I)  2 Exempt under paragraph 149(1)(f)
the tax year, provide the effective date of the change	3 Exempt under paragraph 149(1)(t) (for tax years starting before 2019)  X 4 Exempt under other paragraphs of section 149
Do not use	
095 096	898

- Attachments	
Financial statement information: Use GIFI schedules 100, 125, and 141.	
Schedules – Answer the following questions. For each yes response, attach the schedule to the T2 return, unless otherwise instructed.  Yes	Schedule
Is the corporation related to any other corporations?	9
Is the corporation an associated CCPC?	23
Is the corporation an associated CCPC that is claiming the expenditure limit?	49
Does the corporation have any non-resident shareholders who own voting shares?	19
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	11
If you answered <b>yes</b> 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?	44
Has the corporation paid any royalties, management fees, or other similar payments to residents of Canada?	14
Is the corporation claiming a deduction for payments to a type of employee benefit plan?	15
Is the corporation claiming a loss or deduction from a tax shelter?	T5004
Is the corporation a member of a partnership for which a partnership account number has been assigned?	T5013
Did the corporation, a foreign affiliate controlled by the corporation, or any other corporation or trust that did not deal at arm's length with the corporation have a beneficial interest in a non-resident discretionary trust (without reference to section 94)?	22
Did the corporation own any shares in one or more foreign affiliates in the tax year?	25
Has the corporation made any payments to non-residents of Canada under subsections 202(1) and/or 105(1) of the Income Tax Regulations?	29
Did the corporation have a total amount over CAN\$1 million of reportable transactions with non-arm's length non-residents?	T106
For private corporations: Does the corporation have any shareholders who own 10% or more of the corporation's common and/or preferred shares?	50
Has the corporation made payments to, or received amounts from, a retirement compensation plan arrangement during the year? 172	
Does the corporation earn income from one or more Internet web pages or websites?	88
Is the net income/loss shown on the financial statements different from the net income/loss for income tax purposes?	1
Has the corporation made any charitable donations; gifts of cultural or ecological property; or gifts of medicine?	2
Has the corporation received any dividends or paid any taxable dividends for purposes of the dividend refund?	3
Is the corporation claiming any type of losses?	4
Is the corporation claiming a provincial or territorial tax credit or does it have a permanent establishment in more than one jurisdiction?	5
Has the corporation realized any capital gains or incurred any capital losses during the tax year?	6
i) Is the corporation a CCPC and reporting a) income or loss from property (other than dividends deductible on line 320 of the T2 return), b) income from a partnership, c) income from a foreign business, d) income from a personal services business, e) income referred to in clause 125(1)(a)(i)(C) or 125(1)(a)(i)(B), f) aggregate investment income as defined in subsection 129(4), or g) an amount assigned to it under subsection 125(3.2) or 125(8); or	
ii) Is the corporation a member of a partnership and assigning its specified partnership business limit to a designated member under subsection 125(8)?	7
Does the corporation have any property that is eligible for capital cost allowance?	8
Does the corporation have any resource-related deductions?	12
Is the corporation claiming deductible reserves?	13
Is the corporation claiming a patronage dividend deduction?	16
Is the corporation a credit union claiming a deduction for allocations in proportion to borrowing or a provincial credit union tax reduction? 217	17
Is the corporation an investment corporation or a mutual fund corporation?	18
Is the corporation carrying on business in Canada as a non-resident corporation?	20
Is the corporation claiming any federal, provincial, or territorial foreign tax credits, or any federal logging tax credits?	21
Does the corporation have any Canadian manufacturing and processing profits?	27
Is the corporation claiming an investment tax credit?	31
Is the corporation claiming any scientific research and experimental development (SR&ED) expenditures?	T661
Is the total taxable capital employed in Canada of the corporation and its related corporations over \$10,000,000?	33/34/35
Is the total taxable capital employed in Canada of the corporation and its associated corporations over \$10,000,000?	
Is the corporation subject to gross Part VI tax on capital of financial institutions?	38
Is the corporation claiming a Part I tax credit?	42
Is the corporation subject to Part IV.1 tax on dividends received on taxable preferred shares or Part VI.1 tax on dividends paid? 243	43
Is the corporation agreeing to a transfer of the liability for Part VI.1 tax?	45
Is the corporation subject to Part II – Tobacco Manufacturers' surtax?	46
For financial institutions: Is the corporation a member of a related group of financial institutions with one or more members subject to gross Part VI tax?	39
Is the corporation claiming a Canadian film or video production tax credit?	T1131
Is the corporation claiming a film or video production services tax credit?	T1177
Is the corporation subject to Part XIII.1 tax? (Show your calculations on a sheet that you identify as Schedule 92.)	92

- Attachments (continued)	Yes Schedule
Did the corporation have any foreign affiliates in the tax year?	T1134
Did the corporation own or hold specified foreign property where the total cost amount of all such property, at any time in the year, was more than CAN\$100,000?	T1135
Did the corporation transfer or loan property to a non-resident trust?	T1141
Did the corporation receive a distribution from or was it indebted to a non-resident trust in the year?	T1142
Has the corporation entered into an agreement to allocate assistance for SR&ED carried out in Canada?	T1142
Has the corporation entered into an agreement to transfer qualified expenditures incurred in respect of SR&ED contracts?	T1146
Has the corporation entered into an agreement with other associated corporations for salary or wages of specified employees for SR&ED?	T1174
Did the corporation pay taxable dividends (other than capital gains dividends) in the tax year?	X 55
Has the corporation made an election under subsection 89(11) not to be a CCPC?	T2002
Has the corporation revoked any previous election made under subsection 89(11)?	T2002
Did the corporation (CCPC or deposit insurance corporation (DIC)) pay eligible dividends, or did its	12002
general rate income pool (GRIP) change in the tax year?	X 53
Did the corporation (other than a CCPC or DIC) pay eligible dividends, or did its low rate income pool (LRIP) change in the tax year? 269	54
Additional information —	
Did the corporation use the International Financial Reporting Standards (IFRS) when it prepared its financial statements? Yes X	No
Is the corporation inactive?	No X
What is the corporation's main	
revenue-generating business activity? 221122 Electric Power Distribution	
Specify the principal products mined, manufactured, 284 Hydro distribution 285	100.000 %
sold, constructed, or services provided, giving the	%
approximate percentage of the total revenue that each product or service represents.	/v %
product of oct vice represente.	
Did the corporation immigrate to Canada during the tax year?	No X
Did the corporation emigrate from Canada during the tax year?	No X
Do you want to be considered as a quarterly instalment remitter if you are eligible?	No
in the dolporation was digible to remit installments on a quarterly sadisfor part of the tax year, provide	Nonth Day
the date the corporation ceased to be eligible	
If the corporation's major business activity is construction, did you have any subcontractors during the tax year? Yes	No
Taxable income ————————————————————————————————————	
Net income or (loss) for income tax purposes from Schedule 1, financial statements, or GIFI	727,370 A
Deduct:	
Charitable donations from Schedule 2	
Cultural gifts from Schedule 2	
Ecological gifts from Schedule 2	
Gifts of medicine made before March 22, 2017, from Schedule 2	
Taxable dividends deductible under section 112 or 113, or subsection 138(6) from Schedule 3	
Part VI.1 tax deduction*	
Non-capital losses of previous tax years from Schedule 4	
Net capital losses of previous tax years from Schedule 4	
Restricted farm losses of previous tax years from Schedule 4	
Farm losses of previous tax years from Schedule 4	
Limited partnership losses of previous tax years from Schedule 4	
Taxable capital gains or taxable dividends allocated from	
a central credit union	
Prospector's and grubstaker's shares	5 050
Subtotal	5,050 B
Subtotal (amount A <b>minus</b> amount B) (if negative, enter "0")	722,320 C
Section 110.5 additions or subparagraph 115(1)(a)(vii) additions	D
Taxable income (amount C plus amount D)	722,320
Income exempt under paragraph 149(1)(t) (for tax years starting before 2019)	
Taxable income for a corporation with exempt income under paragraph 149(1)(t) (line 360 minus line 370)  Taxable income for the year from a personal services business	Z Z.1
* This amount is equal to 3.5 times the Part VI.1 tax payable at line 724 on page 9.	
This amount is equal to 3.3 times the Fart vt. Lax payable at lifte 724 OH page 3.	

- Small business dedu Canadian-controlled private		s) throughout the tax	year						
Income eligible for the small bu	isiness deduction from	Schedule 7	·				400	727,370	_ A
Taxable income from line 360 ominus 4 times the amount					e 8,				
federal law, is exempt from Pa									_ B
Business limit (see notes 1 and	d 2 below)						410	500,000	_ C
Notes:									
For CCPCs that are not ass weeks, prorate this amount	, ,		, .		,	an 51			
2. For associated CCPCs, us	e Schedule 23 to calcu	late the amount to be e	ntered on line 4	10.					
Business limit reduction									
Taxable capital business	limit reduction								
Amount C	500,000 x <b>415</b>	*** 45,65 11,25		_=				2,028,978	_ E
Passive income business	s limit reduction								
Adjusted aggregate investr	nent income from Sche	edule 7**** . 417				50,000	=		_ F
Amount C	500,000 × Amo	unt F		=			· · · · · <u> </u>		_ G
	100,000		0	/th	-f		0) 422	2,028,978	
					of amount E a	na amount		2,020,770	= □
Reduced business limit for tax	•	,	, ,	•	•		425 426		- !
Reduced business limit for tax Business limit the CCPC assign	,	,	, ( )	gative, enter "	0")		4720		- J K
		. , .	,				427		- '`
Reduced business limit afte	-	_	,		,				= -
Reduced business limit afte	r assignment for tax	years starting after 20	<b>018</b> (amount J r	<b>ninus</b> amour	ntK) .		428		_ M
Small business deduction									
Tax years starting before 20	19								
Amount A, B, C, or L, whichever is the least	x		days in the tax y January 1, 2018			x 17	5 %=		1
	-		days in the tax y		365				- '
Amount A, B, C, or L, whichever is the least	x		ys in the tax yea , and before Jar		365_	x 1	8 % =		_ 2
		Number of	days in the tax y	year	365				
Amount A, B, C, or L, whichever is the least	x		ys in the tax yea mber 31, 2018	ar after		x 1	9 % =		_ 3
		Number of	days in the tax y	year	365				
Tax years starting after 2018	3								
Amount A, B, C, or M, whichever	er is the least	•				x 1	9 % =		_ 4
Small business deduction (t	otal of amounts 1 to 4)						430		N
Enter amount N at amount J or	n page 8.								-

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

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

#### \*\*\* Large corporations

- If the corporation is not associated with any corporations in both the current and previous tax years, the amount to be entered on line 415 is: (total taxable capital employed in Canada for the **prior** year **minus** \$10,000,000) x 0.225%.
- If the corporation is not associated with any corporations in the current tax year, but was associated in the previous tax year, the amount to be entered on line 415 is: (total taxable capital employed in Canada for the **current** year **minus** \$10,000,000) x 0.225%.
- For corporations associated in the current tax year, see Schedule 23 for the special rules that apply.

\*\*\*\* Enter the total adjusted aggregate investment income of the corporation and all associated corporations. For the first tax year starting after 2018, use the total of lines 744 of Schedule 7. Otherwise, use the total of lines 745 of the preceding tax year.

-Small business deduction (continued	1)—————————————————————————————————————		
Specified corporate income and assignment unde	er subsection 125(3.2)		
O1 Name of corporation receiving the income and assigned amount	e Business number of the corporation receiving the assigned amount	P Income paid under clause 125(1)(a)(i)(B) to the corporation identified in column O <sup>3</sup>	Q Business limit assigned to corporation identified in column O <sup>4</sup>
	490	500	505
1.		_	
		гоtal <b>510</b>	otal 515
Notes:			
<ol> <li>This amount is [as defined in subsection 125(7) sp business of the corporation for the year from the pre (A) at any time in the year, the corporation (or one of shareholders) holds a direct or indirect interest in the (B) it is not the case that all or substantially all of the property to         <ul> <li>(I) persons (other than the private corporation) w</li> <li>(II) partnerships with which the corporation deals with the corporation holds a direct or indirect inte</li> </ul> </li> </ol>	ovision of services or property to a private of its shareholders) or a person who doe not private corporation, and se corporation's income for the year from with which the corporation deals at arm's less at arm's less at arm's less at arm's less at arm's length, other than a partnership	e corporation (directly or indirectly, ir s not deal at arm's length with the co an active business is from the provis ength, or	n any manner whatever) if rporation (or one of its sion of services or
<ol> <li>The amount of the business limit you assign to a C income referred to in column P in respect of that C amount of income referred to in clauses 125(1)(a)( for tax years starting after 2018).</li> </ol>	CPC and B is the portion of the amount	described in A that is deductible by y	ou in respect of the
- General tax reduction for Canadian-co	ontrolled private corporation	e	
Canadian-controlled private corporations through		3	
Taxable income from page 3 (line 360 or amount Z, wh	•		
Lesser of amounts 9B and 9H from Part 9 of Schedule	,		
Amount 13K from Part 13 of Schedule 27			
Personal services business income Amount from line 400, 405, 410, or 427 (428 instead o		432	D
Aggregate investment income from line 440 on page 6		·	
		ounts B to F)	
	Subtotal ( <b>add</b> am	ounts B to F)	= <b>-</b>
Amount A <b>minus</b> amount G (if negative, enter "0")			
General tax reduction for Canadian-controlled pri Enter amount I on line 638 on page 8.	vate corporations – Amount H multipl	ied by 13 %	
* Except for a corporation that is, throughout the year	, a cooperative corporation (within the m	eaning assigned by subsection 136(	2)) or a credit union.
Company to a superior			
<ul> <li>General tax reduction</li> <li>Do not complete this area if you are a Canadian-can a mutual fund corporation, or any corporation with</li> </ul>			
Taxable income from page 3 (line 360 or amount Z, wh	nichever applies)		
Lesser of amounts 9B and 9H from Part 9 of Schedule	e 27		K
		· · · · · · · · · · · · · · · · · · ·	
Personal services business income		434	 M
		ounts K to M)	
Amount I minus amount N /if pageting enter "0"\			
Amount J minus amount N (if negative, enter "0")			
<b>General tax reduction</b> – Amount O <b>multiplied</b> by Enter amount P on line 639 on page 8.	13 %		

┌ Refundable portion of Part I tax ───────────────────────────────────
Canadian-controlled private corporations throughout the tax year
Aggregate investment income from Schedule 7
from Schedule 7
Foreign non-business income tax credit from line 632 on page 8 B
Foreign investment income
from Schedule 7
Subtotal (amount B minus amount C) (if negative, enter "0") D
Amount A <b>minus</b> amount D (if negative, enter "0")
Taxable income from line 360 on page 3
Amount from line 400, 405, 410, or 427 (428 instead of 427 for tax years starting after 2018) on page 4, whichever is the least G
Foreign non- business income tax credit from line 632 on page 8 H
Foreign business income tax credit from line 636 on page 8 x
Subtotal (amount F <b>minus</b> amount J) (if negative, enter "0") 722,320 K × 30 2 / 3 % = 221,511 L
Part I tax payable minus investment tax credit refund (line 700 minus line 780 from page 9)
Refundable portion of Part I tax – Amount E, L, or M, whichever is the least
┌ Refundable dividend tax on hand (for tax years starting before 2019)
Refundable dividend tax on hand at the end of the previous tax year
Subtotal (line 460 <b>minus</b> line 465)
Refundable portion of Part I tax from line 450 above P
Total Part IV tax payable from Schedule 3
Net refundable dividend tax on hand transferred on an amalgamation or the wind-up
of a subsidiary
Subtotal (amount P plus amount Qplus line 480) R
Refundable dividend tax on hand at the end of the tax year – Amount O plus amount R
Private and subject corporations at the time taxable dividends were paid in the tax year
Taxable dividends paid in the tax year from line 460 on page 3 of Schedule 3
Refundable dividend tax on hand at the end of the tax year from line 485 above
Dividend refund – Amount S or T, whichever is less     U       Enter amount U on line 784 on page 9.

─ Refundable dividend tax on hand (for tax years starting after 2018) -	
Refundable dividend tax on hand (RDTOH) at the end of the previous tax year	460
Dividend refund for the previous tax year	465
Net RDTOH transferred on an amalgamation or the wind-up of a subsidiary	480
Subtotal (line 460 minus line 465 plus	<b>s</b> line 480) A
General rate income pool (GRIP) at the end of the previous tax year (from line 100 of schedule 53	3) B
Total eligible dividends paid in the previous tax year (from line 300 of schedule 53)	C
Total excessive eligible dividend designation in the previous tax year (from line 310 of Schedule 5	
Subtotal (amount C minus amount D) (if negative	· · · · · · · · · · · · · · · · · · ·
Net GRIP at the end of the previous tax year (amount B <b>minus</b> amount E) (if negative, enter "0") GRIP transferred on an amalgamation or the wind-up of a subsidiary	F
	amount G) H
Amount H multiplied by 38 1 / 3 %	•
Eligible refundable dividend tax on hand (ERDTOH) at the end of the previous tax year (for the fir	·
amount A or I, whichever is less, otherwise, use line 530 of the preceding	
Non-eligible refundable dividend tax on hand (NERDTOH) at the end of the previous tax year (for	the first tax year starting after
2018, amount A <b>minus</b> amount I, otherwise, use line 545 of the preceding	g tax year) (if negative, enter "0") 535 K
Part IV tax payable on taxable dividends from connected corporations (amount 2G from Schedule	23)
Part IV tax payable on eligible dividends from non-connected corporations (amount 2J from Sche	·
, , , , , , , , , , , , , , , , , , , ,	amount M) N
	FOE
Net ERDTOH transferred on an amalgamation or the wind-up of a subsidiary  ERDTOH dividend refund for the previous tax year	
( ) ( ) ( ) ( ) ( ) ( ) ( ) ( ) ( ) ( )	Q
· · · · · · · · · · · · · · · · · · ·	R
Part IV tax allocated to ERDTOH (amount N)	
, , ,	· · · · · · · · Ţ
Subtotal (amount R <b>minus</b> total of amount	
	<mark>540</mark> ∨
NERDTOH dividend refund for the previous tax year	
,	X
Part IV tax payable allocated to NERDTOH, net of losses claimed (amount U <b>minus</b> amount X) (i	<u> </u>
<b>NERDTOH</b> at the end of the tax year* (total of amounts K, Q, V, and Y minus amount W) (if not Part IV tax payable allocated to ERDTOH, net of losses claimed (amount N minus amount X plu greater than amount U, otherwise, amount N.) (if negative, enter "0")	s amount U, if amount X is
<b>ERDTOH</b> at the end of the tax year* (total of amounts J, O, and Z minus amount P) (if negative	re, enter "0")
* For more information, consult the Help (F1).	
− Dividend refund (for tax years starting after 2018) −−−−−	
38 1/3% of total eligible dividends paid in the tax year (amount 3A from Schedule 3)	AA
, , ,	BB
	cc
38 1/3% of total non-eligible taxable dividends paid in the tax year (amount 3B from Schedule 3)	 DD
· · · · · · · · · · · · · · · · · · ·	
,	
, - <del>-</del> , - , - , - , - , - , - , - , - , - ,	GG
Additional non-eligible dividend refund (amount GG or HH, whichever is less)	
·	JJ
Enter amount JJ on line 784 on page 9.	
* For more information, consult the Help (F1).	

Part I tax ———————————————————————————————————	
Base amount Part I tax – Taxable income from page 3 (line 360 or amount Z, whichever applies) multiplied by 38 %	_ A
Additional tax on personal services business income (section 123.5)	
Taxable income from a personal services business	В
Recapture of investment tax credit from Schedule 31	_ C
Calculation for the refundable tax on the Canadian-controlled private corporation's (CCPC) investment income (if it was a CCPC throughout the tax year)	
Aggregate investment income from line 440 on page 6 D	
Taxable income from line 360 on page 3	
Deduct:	
Amount from line 400, 405, 410, or 427 (428 instead of 427 for tax years starting after 2018) on page 4, whichever is the least F	
Net amount (amount E <b>minus</b> amount F) 722,320 ► 722,320 G	
Refundable tax on CCPC's investment income – 10 2 / 3 % of whichever is less: amount D or amount G	н
Subtotal ( <b>add</b> amounts A, B, C, and H)	- '
Deduct:	
Small business deduction from line 430 on page 4	
Federal tax abatement	
Manufacturing and processing profits deduction from Schedule 27 616	
Investment corporation deduction	
Taxed capital gains 624	
Federal foreign non-business income tax credit from Schedule 21	
Federal foreign business income tax credit from Schedule 21	
General tax reduction for CCPCs from amount I on page 5 638	
General tax reduction from amount P on page 5	
Federal logging tax credit from Schedule 21	
Eligible Canadian bank deduction under section 125.21	
Federal qualifying environmental trust tax credit	
Investment tax credit from Schedule 31	
Subtotal	_ K
Part I tax payable – Amount I minus amount K	<u>-</u> L
Enter amount L on line 700 on page 9.	

#### Privacy statement

Personal information is collected under the Income Tax Act to administer tax, benefits, and related programs. It may also be used for any purpose related to the enforcement of the Act such as audit, compliance and collections activities. It may be shared or verified with other federal, provincial, territorial or foreign government institutions to the extent authorized by law. Failure to provide this information may result in interest payable, penalties or other actions. Under the Privacy Act, individuals have the right to access, or request correction of, their personal information, or to file a complaint with the Privacy Commissioner of Canada regarding the handling of their personal information. Refer to Personal Information Bank CRA PPU 047 at **canada.ca/cra-info-source**.

- Summary of tax and credits	
Federal tax	
Part I tax payable from amount L on page 8	
Part II surtax payable from Schedule 46	
Part III.1 tax payable from Schedule 55	
Part IV tax payable from Schedule 3	
Part IV.1 tax payable from Schedule 43	
Part VI tax payable from Schedule 38	704
Part VI.1 tax payable from Schedule 43	
Part XIII.1 tax payable from Schedule 92	700
Part XIV tax payable from Schedule 20	
Add provincial or territorial tax:	Total federal tax
Provincial or territorial jurisdiction	
(if more than one jurisdiction, enter "multiple" and complete Schedule 5)	
Net provincial or territorial tax payable (except Quebec and Alberta)	
De deut ath an ann Pte	Total tax payable 770 A
Deduct other credits:	700
Investment tax credit refund from Schedule 31	
Dividend refund from amount U on page 6 or JJ on page 7	
Federal capital gains refund from Schedule 18	
Federal qualifying environmental trust tax credit refund  Canadian film or video production tax credit (Form T1131)	
Canadian film or video production tax credit (Form T1131) Film or video production services tax credit (Form T1177)	
Tax withheld at source	
Total payments on which tax has been withheld	
Provincial and territorial capital gains refund from Schedule 18	808
Provincial and territorial refundable tax credits from Schedule 5	
Tax instalments paid	
Labour tax credit for qualifying journalism organizations	
Tota	al credits 890 B
	Balance (amount A <b>minus</b> amount B)
Refund code 894 1 Refund	If the result is negative, you have a <b>refund</b> .
	If the result is positive, you have a <b>balance owing</b> .
Direct deposit request  To have the corporation's refund deposited directly into the corporation's bank	Enter the amount on whichever line applies.
account at a financial institution in Canada, or to change banking information you	Generally, we do not charge or refund a difference of \$2 or less.
already gave us, complete the information below:	Balance owing
Start Change information 910	For information on how to make your payment, go to
Branch number	canada.ca/payments.
914 918 Account number	
institutionnumber Account number	
If the corporation is a Canadian-controlled private corporation throughout the tax year,	
does it qualify for the one-month extension of the date the balance of tax is due?	
If this return was prepared by a tax preparer for a fee, provide their EFILE number	
PREPARED SOLELY FOR INCOME TAX PURPOSES WITHOUT AUDIT OR REVIEW  Certification	FROM INFORMATION PROVIDED BY THE TAXPAYER.
	0.54
I, 950 Tyrrell 951 Ruth Last name First name	954 Chief Corporate Officer Position, office, or rank
am an authorized signing officer of the corporation. I certify that I have examined this return, i	
the information given on this return is, to the best of my knowledge, correct and complete. I a	llso certify that the method of calculating income for this tax
year is consistent with that of the previous tax year except as specifically disclosed in a state	ment attached to this return.
<b>955</b> 2019-06-19	<b>956</b> (519) 942-8000
Date (yyyy/mm/dd) Signature of the authorized signing officer of t	· — — — —
Is the contact person the same as the authorized signing officer? If <b>no</b> , complete the information	
958 Suzanne Presseault	<b>959</b> (519) 942-8000
Name of other authorized person	Telephone number
- Language of correspondence - Langue de correspondance	
Indicate your language of correspondence by entering 1 for English or 2 for French.	000
Indiquez votre langue de correspondance en inscrivant 1 pour anglais ou 2 pour français.	990 1

# **SCHEDULE 100**

#### Form identifier 100

# **GENERAL INDEX OF FINANCIAL INFORMATION – GIFI**

Corporation's name	Business number	Tax year end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2018-12-31

# **Balance sheet information**

Account	<b>Description</b> GIF	1	Current year	Prior year
Assets -				
	Total current assets	9 +	8,006,705	9,695,058
	Total tangible capital assets	8 +	24,460,155	22,809,841
	Total accumulated amortization of tangible capital assets	9 –	4,035,767	3,178,86
	Total intangible capital assets	8 +	474,679	453,74
	Total accumulated amortization of intangible capital assets	9 –	279,053	233,87
	Total long-term assets	9 +	2,124,583	2,594,552
	*Assets held in trust	0 + _		
	Total assets (mandatory field) 259	9 =	30,751,302	32,140,45
Liabilities	3.—			
	Total current liabilities	9 +	5,135,398	6,348,21
	Total long-term liabilities	0 +	14,621,019	15,502,63
	*Subordinated debt	0 +		
	*Amounts held in trust	0 +		
	Total liabilities (mandatory field)	9 = _	19,756,417	21,850,854
Sharehol	der equity —			
	Total shareholder equity (mandatory field)	0 + _	10,994,885	10,289,60
	_ Total liabilities and shareholder equity	0 = _	30,751,302	32,140,45
Retained	earnings —			
	Retained earnings/deficit – end (mandatory field)		2,656,771	1,998,889

<sup>\*</sup> Generic item

PREPARED SOLELY FOR INCOME TAX PURPOSES WITHOUT AUDIT OR REVIEW FROM INFORMATION PROVIDED BY THE TAXPAYER.

# **SCHEDULE 125**

# Form identifier 125

# **GENERAL INDEX OF FINANCIAL INFORMATION - GIFI**

Corporation's name	Business number	Tax year end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2018-12-31

### Income statement information

Description	GIFI	
Operating name	0001 0002 0003 01	

Account	Description G	IFI	Current year	Prior year
Income s	tatement information			
	Total sales of goods and services	989 +	33,936,168	35,268,525
	Cost of sales	518 –	28,490,799	30,807,313
	Gross profit/loss	5 <b>19</b> =	5,445,369	4,461,21
	Cost of sales	518 + _	28,490,799	30,807,31
	_ Total operating expenses 93	867 + _	4,512,362	4,573,00
	_ Total expenses (mandatory field) 93	868 = _	33,003,161	35,380,320
	Total revenue (mandatory field)	299 +	34,309,717	35,795,076
		868 –	33,003,161	35,380,320
	Net non-farming income 93	B69 = _	1,306,556	414,756
		399 = <u> </u>	1,306,556	414,75
	_ Total other comprehensive income99	998 = _		
Extraord	inary items and income (linked to Schedule 140)			
	· · · · · · · · · · · · · · · · · · ·	975 – _		
	_ Legal settlements 99	976 – _		
	Unrealized gains/losses	980 + _	19,504	
		985 – _	-131,025	-841,05
	_ Current income taxes 99	90 – _	161,711	185,66
	_ Future (deferred) income tax provision 99	95 – _	143,000	
		998 + _		
	Net income/loss after taxes and extraordinary items (mandatory field) 99	999 =	1,152,374	1,070,15

PREPARED SOLELY FOR INCOME TAX PURPOSES WITHOUT AUDIT OR REVIEW FROM INFORMATION PROVIDED BY THE TAXPAYER.

# **Notes Checklist**

Corporation's name	Business number	Tax Year End Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2018-12-31

- Parts 1, 2, and 3 of this schedule must be completed from the perspective of the person (referred to in these parts as the **accountant**) who prepared or reported on the financial statements. If the person preparing the tax return is not the accountant referred to above, they must still complete Parts 1, 2, 3, and 4, as applicable.
- For more information, see Guide RC4088, General Index of Financial Information (GIFI) and T4012, T2 Corporation Income Tax Guide.
- Complete this schedule and include it with your T2 return along with the other GIFI schedules.

¬ Part 1 − Information on the accountant who prepared or reported on the financial statements ————————————————————————————————————	
	No 🗌
	No X
	10 11
Note  If the accountant does not have a professional designation or is connected to the corporation, you do not have to complete Parts 2 and 3 of this schedule. However, you do have to complete Part 4, as applicable.	
* A person connected with a corporation can be: (i) a shareholder of the corporation who owns more than 10% of the common shares; (ii) a director, an officer, or an employee of the corporation; or (iii) a person not dealing at arm's length with the corporation.	
┌ Part 2 – Type of involvement with the financial statements ————————————————————————————————————	
Choose the option that represents the highest level of involvement of the accountant:	198
Completed an auditor's report	1 X
Completed a review engagement report	2
Conducted a compilation engagement	3
┌ Part 3 – Reservations	
If you selected option 1 or 2 under <b>Type of involvement with the financial statements</b> above, answer the following question:	
Has the accountant expressed a reservation?	No X
¬ Part 4 – Other information —	
rait 4 – Other information	
If you have a professional designation and are not the accountant associated with the financial statements in Part 1 above, choose one of the following options:	110
If you have a professional designation and are not the accountant associated with the financial statements in Part 1 above, choose one of the	110 1 X
If you have a professional designation and are not the accountant associated with the financial statements in Part 1 above, choose one of the following options:	
If you have a professional designation and are not the accountant associated with the financial statements in Part 1 above, choose one of the following options:  Prepared the tax return (financial statements prepared by client)  Prepared the tax return and the financial information contained therein (financial statements have not been prepared)	1 X
If you have a professional designation and are not the accountant associated with the financial statements in Part 1 above, choose one of the following options:  Prepared the tax return (financial statements prepared by client)  Prepared the tax return and the financial information contained therein (financial statements have not been prepared)	1 X 2
If you have a professional designation and are not the accountant associated with the financial statements in Part 1 above, choose one of the following options:  Prepared the tax return (financial statements prepared by client)  Prepared the tax return and the financial information contained therein (financial statements have not been prepared)  Were notes to the financial statements prepared?  If yes, complete lines 104 to 107 below:	1 X 2
If you have a professional designation and are not the accountant associated with the financial statements in Part 1 above, choose one of the following options:  Prepared the tax return (financial statements prepared by client)  Prepared the tax return and the financial information contained therein (financial statements have not been prepared)  Were notes to the financial statements prepared?  If yes, complete lines 104 to 107 below:  Are subsequent events mentioned in the notes?  Yes X	1 <b>X</b> 2
If you have a professional designation and are not the accountant associated with the financial statements in Part 1 above, choose one of the following options:  Prepared the tax return (financial statements prepared by client)  Prepared the tax return and the financial information contained therein (financial statements have not been prepared)  Were notes to the financial statements prepared?  If yes, complete lines 104 to 107 below:  Are subsequent events mentioned in the notes?  Is re-evaluation of asset information mentioned in the notes?  To a subsequent events mentioned in the notes?  To a subsequent events mentioned in the notes?  To a subsequent events mentioned in the notes?	1 X 2
If you have a professional designation and are not the accountant associated with the financial statements in Part 1 above, choose one of the following options:  Prepared the tax return (financial statements prepared by client)  Prepared the tax return and the financial information contained therein (financial statements have not been prepared)  Were notes to the financial statements prepared?  If yes, complete lines 104 to 107 below:  Are subsequent events mentioned in the notes?  Is re-evaluation of asset information mentioned in the notes?  Is contingent liability information mentioned in the notes?	1 X 2



Part 4 – Other information (continued)     —					
Impairment and fair value changes					
In any of the following assets, was an amount recognized in net income result of an impairment loss in the tax year, a reversal of an impairment change in fair value during the tax year?		us tax year, or a		200 Yes	No X
If <b>yes</b> , enter the amount recognized:	In net income Increase (decrease)	Incre	In OCI ase (decrease)		
Property, plant, and equipment		211			
Intangible assets		216			
Investment property 220					
Biological assets					
Financial instruments		231			
Other		236			
Financial instruments					
Did the corporation derecognize any financial instrument(s) during the	tax year (other than trade re	ceivables)? .		<b>250</b> Yes	No X
Did the corporation apply hedge accounting during the tax year?				<b>255</b> Yes	No X
Did the corporation discontinue hedge accounting during the tax year?				<b>260</b> Yes	No X
Adjustments to opening equity					
Was an amount included in the opening balance of retained earnings or recognize a change in accounting policy, or to adopt a new accounting				<b>265</b> Yes	No X
If <b>yes</b> , you have to maintain a separate reconciliation.					

# **SCHEDULE 100**

# GENERAL INDEX OF FINANCIAL INFORMATION – GIFI

Name of corpora	ation			Business Number	Tax year-end Year Month Day
Orangeville I	Hydro Limited			86463 9562 RC0002	2018-12-31
Assets – lin	es 1000 to 2599				
1000	582,924	1060	4,045,053	1066	15,429
1120	322,002	1480	2,909,769	1484	131,528
1599	8,006,705	1600	133,497	1680	1,923,592
1681	-393,046	1740	20,915,704	1741	-3,065,78
1785	1,458,004	1786	-576,939	1920	29,358
2008	24,460,155	2009	-4,035,767	2024	474,679
2025	-279,053	2178	474,679	2179	-279,05
2420	1,847,583	2421	277,000	2589	2,124,58
2599	30,751,302				
l iabilitias –	lines 2600 to 3499				
2620	4,345,892	2700	500,846	2960	108,660
2961	180,000	3139	5,135,398	3140	11,053,998
3320	3,567,021	3450	14,621,019	3499	19,756,41
Shareholde	r equity – lines 3500 to 36	40			
3500	8,290,714	3580	47,400	3600	2,656,77
3620	10,994,885	3640	30,751,302		
Retained ea	rnings – lines 3660 to 384	9			
3660	1,998,889	3680	1,152,374	3700	447,092
3740	-47,400	3849	2,656,771		

PREPARED SOLELY FOR INCOME TAX PURPOSES WITHOUT AUDIT OR REVIEW FROM INFORMATION PROVIDED BY THE TAXPAYER.

# **SCHEDULE 125**

# **GENERAL INDEX OF FINANCIAL INFORMATION – GIFI**

Form identifier 125							
Name of corporation		Business Number	Tax year-end Year Month Day				
Orangeville Hydro Limited		86463 9562 RC0002	2018-12-31				
┌ Description							
Sequence number							
Revenue – lines 8000 to 8299							
8000 33,936,168	808933,	,936,168	20 37,655				
-39,851	8230	375,745	34,309,717				
Cost of sales – lines 8300 to 8519	Cost of sales – lines 8300 to 8519						
8320 28,490,799	851828,	,490,799	9 5,445,369				
Operating expenses – lines 8520 to 936	69						
8523 5,186	8670	956,761	418,652				
8960 748,590	9270	793,905	1,589,268				
9367 4,512,362	936833,	,003,161 936	1,306,556				
Extraordinary items and taxes – lines 9	9970 to 9999						
9970 1,306,556	9980	19,504	-131,025				
9990 161,711	9995	143,000	1,152,374				

PREPARED SOLELY FOR INCOME TAX PURPOSES WITHOUT AUDIT OR REVIEW FROM INFORMATION PROVIDED BY THE TAXPAYER.

# \*

Canada Revenue Agency Agence du revenu du Canada

# **Net Income (Loss) for Income Tax Purposes**

Schedule 1

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2018-12-31

- The purpose of this schedule is to provide a reconciliation between the corporation's net income (loss) as reported on the financial statements and its net income (loss) for tax purposes. For more information, see the T2 Corporation Income Tax Guide.
- All legislative references are to the Income Tax Act.

Net income (loss) after taxes and extraordinary items from line 9999 of Schedule 125	1,152,374 A
Add:	
Provision for income taxes – current	
Provision for income taxes – deferred	
Interest and penalties on taxes	
Amortization of tangible assets	
Loss on disposal of assets	
Charitable donations and gifts from Schedule 2 5,050	
Non-deductible meals and entertainment expenses 2,593	
Reserves from financial statements – balance at the end of the year	
Subtotal of additions 1,668,672	1,668,672

# Other additions:

# Miscellaneous other additions:

	1	2			
	Description	Amount			
	605	295			
1	Inducement under 12(1)(x) ITA	15,247			
2	Paragraph 12(1)(x) - Contributed capital	205,712			
3	Paragraph 12(1)(a) - Customer Deposits	866,522			
	Total of column 2	1,087,481	<b>296</b>	1,087,481	
		Subtotal of other addition	ns <b>199</b>	1,087,481	1,087,481
		Total addition	ns <b>500</b>	2,756,153	2,756,153 B
Amoun	at A <b>plus</b> amount B				3,908,527_C

### **Deduct:**

Capital cost allowance from Schedule 8	1,355,116	
Reserves from financial statements – balance at the beginning of the year 414	382,533	
Subtotal of deductions	1,737,649	1,737,649

# Other deductions:

#### Miscellaneous other deductions:

	1 Description <b>705</b>	2 Amount <b>395</b>
1	Amortization of contributed capital	47,366
2	Deferred CGAAP Credits	150,363
3	2018 ATTC included in income	8,712
4	Subsection 13(7.4) election	205,712
5	Paragraph 20(1)(m) - Customer Deposits	866,522
6	Tax movement in reg account	143,000
7	True up of 2014 ITC income inclusion	2,329
8	OCI gain on employee future benefits	19,504
	Total of column 2	1,443,508

**396** 1,443,508

Subtotal of other deductions 4991,443,508 ▶	1,443,508
Total deductions <b>510 510 510</b>	3,181,157 D
Net income (loss) for income tax purposes (amount C minus amount D)	727,370 E
Enter amount E on line 300 of the T2 return.	

T2 SCH 1 E (17)

# Inducement

This form is used to calculate inducements that a corporation must add to its income under paragraph 12(1)(x) ITA. If an amount reduces the capital cost of a property, this amount will be indicated in Part "Tax credits whose amount should reduce the capital cost of property."

If you want to transfer an amount to Schedule 1 and include it in the corporation's income for tax purposes, select the corresponding check box in column A. You can also select the option **Select this check box to add all the amounts to income calculated in Schedule 1** to transfer all the amounts to Schedule 1. In either case, the column A check box will be selected for that amount and it will therefore be updated to Schedule 1.

### Tax credits whose amount should be added to income

Fede	eral eral	
Α		
X	Investment tax credit from apprenticeship job creation expenditures	3,000
	Investment tax credit from child care spaces expenditures	
	Canadian film or video production tax credit*	
	* Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Film or video production services tax credit*	
	* Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Investment tax credit claimed on contributions made to SR&ED farming organizations	
	Labour tax credit for qualifying journalism organizations	
_		
Onta	ario	
Α		
	Portion of the Ontario research and development tax credit that relates to the prescribed proxy amount (PPA) and portion of the Ontario investment tax credit that relates to contributions made to SR&ED farming organizations	
	Ontario co-operative education tax credit	
X	Ontario apprenticeship training tax credit	12,247
	Ontario computer animation and special effects tax credit*	
	* Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Ontario film and television tax credit*	
	* Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Ontario production services tax credit*	
	* Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Ontario interactive digital media tax credit*	
	* Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Ontario sound recording tax credit*	
	* Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Ontario book publishing tax credit	
X	Portion of the Ontario innovation tax credit that relates to the prescribed proxy amount (PPA) and portion of the Ontario investment tax credit that relates to contributions made to SR&ED farming organizations	
	Ontario business-research institute tax credit	
	Ontario community food program donation tax credit for farmers	

Tax credits whose amount should reduce the capital cost of property

#### Schedule 2

# **Charitable Donations and Gifts**

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2018-12-31

- For use by corporations to claim any of the following:
  - the eligible amount of charitable donations to qualified donees
  - the Ontario, Nova Scotia, and British Columbia food donation tax credits for farmers
  - the eligible amount of gifts of certified cultural property
  - the eligible amount of gifts of certified ecologically sensitive land or
  - the additional deduction for gifts of medicine made before March 22, 2017
- All legislative references are to the federal Income Tax Act, unless stated otherwise.
- The eligible amount of a gift is the amount by which the fair market value of the gifted property exceeds the amount of an advantage, if any, for the gift.
- The donations and gifts can be carried forward for 5 years except for gifts of certified ecologically sensitive land made after February 10, 2014, which can be carried forward for 10 years. Provincial food donation tax credits must be applied in the current tax year.
- Use this schedule to show a transfer of unused amounts from previous years following an amalgamation or the wind-up of a subsidiary as described under subsections 87(1) and 88(1).
- Subsection 110.1(1.2) provides as follows:
  - Where a particular corporation has undergone an acquisition of control, for tax years that end on or after the acquisition of control, no corporation can claim a deduction for a gift made by the particular corporation to a qualified donee before the acquisition of control.
  - If a particular corporation makes a gift to a qualified donee pursuant to an arrangement under which both the gift and the acquisition of control is
    expected, no corporation can claim a deduction for the gift unless the person acquiring control of the particular corporation is the qualified donee.
- An eligible medical gift made before March 22, 2017, to a qualifying organization for activities outside of Canada may be eligible for an additional deduction. Calculate the additional deduction in Part 5.
- File one completed copy of this schedule with your T2 Corporation Income Tax Return.
- For more information, see the T2 Corporation Income Tax Guide.

Part 1 – Charitable donations ————————————————————————————————————		
Charity/Recipient	Amo	unt (\$100 or more only)
Various donation slips	_	5,050
	Subtotal	5,050
	Add:Total donations of less than \$100 each	
	Total donations in current tax year	5,050



─ Part 1 – Charitable donations ────				
	Federal		Québec	Alberta
Charitable donations at the end of the previous tax year  Charitable donations expired after 5 tax years*  Charitable donations at the beginning of the current tax year (amount A minus line 239)		A		
Charitable donations transferred on an amalgamation or the wind-up of a subsidiary				
Total charitable donations made in the current year	5,050		5,050	5,050
Subtotal (line 250 <b>plus</b> line 210)	5,050	В	5,050	5,050
Subtotal (line 240 <b>plus</b> amount B)	5,050	С	5,050	5,050
Adjustment for an acquisition of control		_		
Total charitable donations available (amount C <b>minus</b> line 255)	5,050	D	5,050	5,050
Amount applied in the current year against taxable income (cannot be more than amount L in Part 2)	5,050		5,050	5,050
(enter this amount on line 311 of the T2 return)				
Charitable donations closing balance (amount D minus line 260)		_		
The amount of qualifying donations for the Ontario community food program donation tax credit for farmers included in the amount on line 260 (for donations made after December 31, 2013)				
Ontario community food program donation tax credit for farmers (amount on line 262 <b>multiplied</b> by 25 %)		1		
Enter amount 1 on line 420 of Schedule 5, Tax Calculation Supplementary – Corporation is less: the Ontario income tax otherwise payable or amount 1. For more information, see	ons. The maximum you see section 103.1.2 of the	ı can c ne Taxa	laim in the current year is whation Act, 2007 (Ontario).	ichever
The amount of qualifying donations for the Nova Scotia food bank tax credit for farmers included in the amount on line 260 (for donations made after December 31, 2015)				
Nova Scotia food bank tax credit for farmers (amount on line 263 <b>multiplied</b> by 25 %)		2		
Enter amount 2 on line 570 of Schedule 5, Tax Calculation Supplementary – Corporation is less: the Nova Scotia income tax otherwise payable or amount 2. For more information				ichever
The amount of qualifying gifts for the British Columbia farmers' food donation tax credit included in the amount on line 260 (for donations made after February 16, 2016 and before January 1, 2020)				
British Columbia farmers' food donation tax credit (amount on line 265 <b>multiplied</b> by 25 %)		3		
Enter amount 3 on line 683 of Schedule 5, Tax Calculation Supplementary – Corporation is less: the British Columbia income tax otherwise payable or amount 3. For more information in the contraction of th				
* For federal and Alberta tax purposes, donations and gifts expire after five tax years. F	or Québec tax purpos	es, doı	nations and gifts made in a ta	ax year

that ended before March 24, 2006, expire after five tax years; otherwise, donations and gifts expire after twenty tax years.

1º prior year	Year of origin:		Federal	Québec	Alberta
2016-12-31   3"prioryear   2015-12-31   3"prioryear   2015-12-31   3"prioryear   2013-12-31   3"prioryear   2013-12-31   3"prioryear   2013-12-31   3"prioryear   2011-12-31   3"prioryear   2011-12-31   3"prioryear   2011-12-31   3"prioryear   2010-12-31   3"prioryear   2010-12-31   3"prioryear   2010-12-31   3"prioryear   2009-12-31   3"prioryear   21"prioryear   2	ŭ	2017-12-31			
3" prior year 2015-12-31 4" prior year 2014-12-31 5" prior year 2013-12-31 5" prior year 2013-12-31 5" prior year 2011-12-31 5" prior year 2011-12	2 <sup>nd</sup> prior year	2016-12-31			
5° prior year 2013-12-31 6° prior year 2012-12-31 8° prior year 2011-12-31 8° prior year 2010-12-31 8° prior year 2010-12-31 9° prior year 2010-12-31 10° prior year 2009-12-31 10° prior year 309-12-31 10° prior year 4° prior y	3 <sup>rd</sup> prior year	2015-12-31			
5° prior year 2013-12-31 6° prior year 2012-12-31 7° prior year 2011-12-31 8° prior year 2011-12-31 8° prior year 2011-12-31 8° prior year 2010-12-31 9° prior year 2010-12-31 9° prior year 2009-12-31 10° prior year 2009-12-31	4 <sup>th</sup> prior year				_
7" prior year 2011-12-31 8" prior year 2010-12-31 9" prior year 2009-12-31 10" prior year 2009-12-31 10" prior year 2009-12-31 10" prior year 2009-12-31 10" prior year 2009-12-31 13" prior year 21" prior year 21" prior year 21" prior year 21" prior year 31" pri	5 <sup>th</sup> prior year	<u>2013-12-31</u>			
8° prior year 2010-12-31 9° prior year 2009-12-31 10° prior year 2009-12-31 11° prior year 2009-12-31 13° prior year 30° prior	6 <sup>th</sup> prior year*	<u>2012-12-31</u>			
9° prior year 10° prior year 11° prior year 12° prior year 12° prior year 12° prior year 12° prior year 13° prior year 15° pri	7 <sup>th</sup> prior year	<u>2011-12-31</u>			
10 <sup>th</sup> prior year 11 <sup>th</sup> prior year 11 <sup>th</sup> prior year 13 <sup>th</sup> prior year 13 <sup>th</sup> prior year 13 <sup>th</sup> prior year 13 <sup>th</sup> prior year 14 <sup>th</sup> prior year 16 <sup>th</sup> prior year 20 <sup>th</sup> prior year 21 <sup>th</sup> prior year 21 <sup>th</sup> prior year 21 <sup>th</sup> prior year 21 <sup>th</sup> prior	8 <sup>th</sup> prior year				
11 <sup>th</sup> prior year 12 <sup>th</sup> prior year 13 <sup>th</sup> prior year 14 <sup>th</sup> prior year 14 <sup>th</sup> prior year 14 <sup>th</sup> prior year 15 <sup>th</sup> prior year 15 <sup>th</sup> prior year 16 <sup>th</sup> prior year 17 <sup>th</sup> prior year 18 <sup>th</sup> prior year 19 <sup>th</sup> prior year 20 <sup>th</sup> prior year 21 <sup>th</sup> prior	9 <sup>th</sup> prior year				
12 <sup>th</sup> prior year 13 <sup>th</sup> prior year 13 <sup>th</sup> prior year 15 <sup>th</sup> prior year 16 <sup>th</sup> prior year 16 <sup>th</sup> prior year 18 <sup>th</sup> prior year 18 <sup>th</sup> prior year 18 <sup>th</sup> prior year 18 <sup>th</sup> prior year 19 <sup>th</sup> prior year 21 <sup>th</sup> prior year sand allowable debugger of the current tax year. For Québec tax purposes, donations and gifts made in a tax year that ended be fore March 24, 2006, that are included on line 6 <sup>th</sup> prior year and donations and gifts that are included on line 21 <sup>th</sup> prior year expire automatically in the current tax year.  Part 2 — Maximum allowable deduction for charitable donations Net income for tax purposes* multiplied by 75 % 545,528 E Taxable capital gains arising in respect of a disposition of a non-qualifying security under subsection 40(1.01) The amount of the recapture of capital cost allowance in respect of charitable donations Proceeds of disposition, less allowance in respect of the prior prior year and donations Proceeds of disposition, less allowance in respect of charitable donations Subtotal (add line 225, 227, and amount H)  Amount I multiplied by 25 % Subtotal (amount E plus amount.)  Subtotal (amount E plus amount.)  Maximum allowable deduction for charitable donations (enter amount D from Part 1 amount K or activition for the respect for the plus amount.)	10 <sup>th</sup> prior year	· · · · · · · · · · · · · · · · · · ·			
13th prior year 14th prior year 14th prior year 15th prior year 16th prior year 15th prior year year expire automatically in the current tax year. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, that are included on line 6th prior year and donations and gifts that are included on line 21th prior year expire automatically in the current tax year.  Part 2 — Maximum allowable deduction for charitable donations  Part 2 — Maximum allowable deduction for charitable donations  Net income for tax purposes* multiplied by 75 % 545,528 generally agains arising in respect of gifts of capital property included in Part 1 ** 225  Taxable capital gains arising in respect of a disposition of a non-qualifying security under subsection 40(1.01)  The amount of the recapture of capital cost allowance in respect of charitable donations  Proceeds of disposition, less 230  The amount of the recapture of capital cost allowance in respect of charitable donations  Subtotal (add line 225, 227, and amount H)  Amount I multiplied by 25 %  Subtotal (amount E plus amount.)  545,528 publicated (amount E plus amount.)  545,528 publicated (amount E plus amount.)	11 <sup>th</sup> prior year	· · · · · · · · · · · · · · · · · · ·			
14th prior year 15th prior year expire automatically in the current tax year. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, that are included on line 6th prior year and donations and gifts that are included on line 2fth prior year expire automatically in the current tax year.  Part 2 - Maximum allowable deduction for charitable donations 15th prior year expire automatically in the current tax year.  Part 2 - Maximum allowable deduction for charitable donations 15th prior year and donations and gifts that are included on line 6th prior year and donations and gifts that are included on line 2fth prior year expire automatically in the current tax year. For Québec tax purposes, donations and gifts included on line 6th prior year and donations and gifts that are included on line 2fth prior year and donations and gifts that are included on line 2fth prior year and donations and gifts that are included on line 6th prior year and donations and gifts that are included on line 6th prior year and donations and gifts that are included on line 6th prior year and donations and gifts that are included on line 6th prior year and donations and gifts that are included on line 6th prior year and donations and gifts that are included on line 6th prior year and donations and gifts that are included on line 6th prior year and donations and gifts that are included on line 6th prior year and donations and gifts that are included on line 6th prior year and donations and gifts that are included on line 6th prior year and donations and gifts that are included on line 6th prior y	12 <sup>th</sup> prior year	·····			
15 <sup>th</sup> prior year 16 <sup>th</sup> prior year 18 <sup>th</sup> prior year 18 <sup>th</sup> prior year 19 <sup>th</sup> prior year 20 <sup>th</sup> prior year 30 <sup>th</sup> year expire automatically in the current tax year. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, that are included on line 6 <sup>th</sup> prior year and donations and gifts that are included on line 2 <sup>th</sup> prior year expire automatically in the current tax year.  Part 2 – Maximum allowable deduction for charitable donations Net income for tax purposes* multiplied by 75 % 545,528 E  Taxable capital gains arising in respect of gifts of capital property included in Part 1 **  Taxable capital gains in respect of a disposition of a non-qualifying security under subsection 40(1.01)  The amount of the recapture of capital cost allowance in respect of charitable donations  Proceeds of disposition, less outlays and expenses**  F Capital cost**  G Amount F or G, whichever is less  Subtotal (add line 225, 227, and amount H)  Amount I multiplied by 25 %  Subtotal (amount E plus amount J)  Subtotal (amount E plus amount J)  Maximum allowable deduction for charitable donations (enter amount D from Part 1, amount K or net income for tax)	13 <sup>th</sup> prior year				
16th prior year 17th prior year 18th prior year 18th prior year 18th prior year 18th prior year 19th prior year 20th prior year year and donations and gifts that are included on line 6th prior year and donations and gifts that are included on line 2th prior year expire automatically in the current tax year.  Part 2 — Maximum allowable deduction for charitable donations Net income for tax purposes* multiplied by 75 % 545,528 E Taxable capital gains arising in respect of gifts of capital property included in Part 1 *** 225 Taxable capital gain in respect of a disposition of a non-qualifying security under subsection 40(1.01) The amount of the recapture of capital cost allowance in respect of charitable donations Proceeds of disposition, less outlays and expenses**  F Capital cost**  G Amount F or G, whichever is less  Subtotal (add line 225, 227, and amount H)  Amount I multiplied by 25 %  Subtotal (amount E plus amount J)  Maximum allowable deduction for charitable donations (enter amount D from Part 1 amount K or net income for tax	14 <sup>th</sup> prior year				
17th prior year 18th prior year 18th prior year 19th prior year 20th prior year 20th prior year 21th prior year with prior year with the current tax year. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, that are included on line 6th prior year and donations and gifts that are included on line 21th prior year expire automatically in the current tax year.  Part 2 — Maximum allowable deduction for charitable donations Net income for tax purposes* multiplied by 75 % 545,528 E  Taxable capital gains arising in respect of gifts of capital property included in Part 1 **  Taxable capital gain in respect of a disposition of a non-qualifying security under subsection 40(1.01)  The amount of the recapture of capital cost allowance in respect of charitable donations Proceeds of disposition, less outlays and expenses**  F Capital cost**  G Amount F or G, whichever is less  Subtotal (add line 225, 227, and amount H)  Amount I multiplied by 25 %  Subtotal (amount E plus amount J)  545,528 F  Maximum allowable deduction for charitable donations (enter amount D from Part 1, amount K or retirecting for tax.	15 <sup>th</sup> prior year				
18 <sup>th</sup> prior year 19 <sup>th</sup> prior year 20 <sup>th</sup> prior year 30 <sup>th</sup> For federal and Alberta tax purposes, donations and gifts included on line 6 <sup>th</sup> prior year expire automatically in the current tax year. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, that are included on line 6 <sup>th</sup> prior year and donations and gifts that are included on line 21 <sup>st</sup> prior year expire automatically in the current tax year.  Part 2 – Maximum allowable deduction for charitable donations Net income for tax purposes* multiplied by 75 % 545,528 E  Taxable capital gain in respect of a disposition of a non-qualifying security under subsection 40(1.01) 227  The amount of the recapture of capital cost allowance in respect of haritable donations Proceeds of disposition, less outlays and expenses*	16 <sup>th</sup> prior year				
19th prior year 20th prior year 21st prior year* Total (to line A)  * For federal and Alberta tax purposes, donations and gifts included on line 6th prior year expire automatically in the current tax year. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, that are included on line 6th prior year and donations and gifts that are included on line 21st prior year expire automatically in the current tax year.  Part 2 — Maximum allowable deduction for charitable donations  Net income for tax purposes* multiplied by 75 %  Taxable capital gains arising in respect of gifts of capital property included in Part 1 **  Taxable capital gain in respect of a disposition of a non-qualifying security under subsection 40(1.01)  The amount of the recapture of capital cost allowance in respect of charitable donations  Proceeds of disposition, less outlays and expenses**  F Capital cost**  G Amount F or G, whichever is less  Amount on line 230 or 235, whichever is less  Amount I multiplied by 25 % Subtotal (amount E plus amount J)  Maximum allowable deduction for charitable donations (enter amount D from Part 1, amount K or net income for tax purposes)  Maximum allowable deduction for charitable donations (enter amount D from Part 1, amount K or net income for tax purposes)	17 <sup>th</sup> prior year				
20 <sup>th</sup> prior year*  Total (to line A)  *For federal and Alberta tax purposes, donations and gifts included on line 6 <sup>th</sup> prior year expire automatically in the current tax year. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, that are included on line 6 <sup>th</sup> prior year and donations and gifts that are included on line 21 <sup>st</sup> prior year expire automatically in the current tax year.  **Part 2 - Maximum allowable deduction for charitable donations**  Net income for tax purposes* multiplied by 75 % 545,528 E  Taxable capital gains arising in respect of gifts of capital property included in Part 1 **  Taxable capital gain in respect of a disposition of a non-qualifying security under subsection 40(1.01)  The amount of the recapture of capital cost allowance in respect of charitable donations  Proceeds of disposition, less outlays and expenses**  F Capital cost**  G Amount F or G, whichever is less  Amount on line 230 or 235, whichever is less  Amount I multiplied by 25 %  Subtotal (and line 225, 227, and amount J)  **Amount I multiplied by 25 %  Subtotal (amount E plus amount J)  **Amount D from Part 1 amount D from Part 1 amount K or net income for tax purposes, and purposes, and purposes, pu	18 <sup>th</sup> prior year				
21st prior year* Total (to line A)  * For federal and Alberta tax purposes, donations and gifts included on line 6th prior year expire automatically in the current tax year. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, that are included on line 6th prior year and donations and gifts that are included on line 2th prior year expire automatically in the current tax year.  Part 2 - Maximum allowable deduction for charitable donations  Net income for tax purposes* multiplied by 75 % 545,528 E  Taxable capital gains arising in respect of gifts of capital property included in Part 1 ** 225  Taxable capital gain in respect of a disposition of a non-qualifying security under subsection 40(1.01)  The amount of the recapture of capital cost allowance in respect of charitable donations  Proceeds of disposition, less outlays and expenses**  F Capital cost**  G Amount F or G, whichever is less  Amount on line 230 or 235, whichever is less  Amount I multiplied by 25 %  Subtotal (add line 225, 227, and amount H)  Amount E plus amount J  545,528 F  Maximum allowable deduction for charitable donations (enter amount D from Part 1 amount K or net income for tax	19 <sup>th</sup> prior year				
* For federal and Alberta tax purposes, donations and gifts included on line 6th prior year expire automatically in the current tax year. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, that are included on line 6th prior year and donations and gifts that are included on line 21st prior year expire automatically in the current tax year.  Part 2 — Maximum allowable deduction for charitable donations  Net income for tax purposes* multiplied by 75 % 545,528 E  Taxable capital gains arising in respect of gifts of capital property included in Part 1 **  Taxable capital gain in respect of a disposition of a non-qualifying security under subsection 40(1.01)  The amount of the recapture of capital cost allowance in respect of charitable donations  Proceeds of disposition, less outlays and expenses**  F Capital cost**  G Amount F or G, whichever is less  Amount on line 230 or 235, whichever is less  Subtotal (add line 225, 227, and amount H)    Amount I multiplied by 25 %  Subtotal (amount E plus amount.)    Subtotal (amount E plus amount.)    Maximum allowable deduction for charitable donations (enter amount D from Part 1, amount K or net income for tax.)	20 <sup>th</sup> prior year	····· <u> </u>			
* For federal and Alberta tax purposes, donations and gifts included on line 6th prior year expire automatically in the current tax year. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, that are included on line 6th prior year and donations and gifts that are included on line 21st prior year expire automatically in the current tax year.  Part 2 — Maximum allowable deduction for charitable donations  Net income for tax purposes* multiplied by 75 %	21 <sup>st</sup> prior year*		_		
donations and gifts made in a tax year that ended before March 24, 2006, that are included on line 6th prior year and donations and gifts that are included on line 21st prior year expire automatically in the current tax year.  Part 2 — Maximum allowable deduction for charitable donations  Net income for tax purposes* multiplied by 75 %	Total (to line A)				
Taxable capital gains arising in respect of gifts of capital property included in Part 1 **	donations and on line 21 <sup>st</sup> pr	d gifts made in a tax year that ended before March 24, 2006, that are ior year expire automatically in the current tax year.	included on line 6 <sup>th</sup> prior y	in the current tax year. For Quebec ear and donations and gifts that are	tax purposes, e included
Taxable capital gain in respect of a disposition of a non-qualifying security under subsection 40(1.01)  The amount of the recapture of capital cost allowance in respect of charitable donations  Proceeds of disposition, less outlays and expenses**  Capital cost**  G  Amount F or G, whichever is less  Amount on line 230 or 235, whichever is less  Subtotal (add line 225, 227, and amount H)  H  Amount I multiplied by 25 %  Subtotal (amount E plus amount J)  Subtotal (amount E plus amount J)  Maximum allowable deduction for charitable donations (enter amount D from Part 1 amount K or net income for tax	Net income for t	ax purposes* <b>multiplied</b> by 75 %			545,528 E
Amount F or G, whichever is less  Amount on line 230 or 235, whichever is less  Subtotal (add line 225, 227, and amount H)  Amount I multiplied by 25 %  Subtotal (amount E plus amount J)  Subtotal (amount E plus amount J)  Maximum allowable deduction for charitable donations (enter amount D from Part 1 amount K, or net income for tax	Taxable capital under subsection The amount of allowance in re Proceeds of di outlays and ex	gain in respect of a disposition of a non-qualifying security on 40(1.01)			
Amount on line 230 or 235, whichever is less  Subtotal (add line 225, 227, and amount H)  Amount I multiplied by 25 %  Subtotal (amount E plus amount J)  Subtotal (amount E plus amount J)  Maximum allowable deduction for charitable donations (enter amount D from Part 1, amount K, or net income for tax	Capital cost**				
Subtotal (add line 225, 227, and amount H) I  Amount I multiplied by 25 % Subtotal (amount E plus amount J) 545,528 Plus amount J Figure 1 amount E plus amount J 1	Amount F or G	G, whichever is less			
Amount I <b>multiplied</b> by 25 %	Amount on line	230 or 235, whichever is less		H	
Subtotal (amount E plus amount J) 545,528 Amount B plus amount J Subtotal (amount E plus amount J) 545,528 Amount E plus amount J Subtotal (amount E plus amount D from Part 1, amount K, or net income for tax		Subtotal (add line	e 225, 227, and amount H	) I	
Maximum allowable deduction for charitable donations (enter amount D from Part 1, amount K, or net income for tax			An	nount I <b>multiplied</b> by 25 %	J
Maximum allowable deduction for charitable donations (enter amount D from Part 1, amount K, or net income for tax			Subto	otal (amount E <b>plus</b> amount J)	545,528 k
		· ·	Part 1, amount K, or net inc	come for tax	5,050 լ

This amount must be prorated by the following calculation: eligible amount of the gift divided by the proceeds of disposition of the gift.

to borrowing and bonus interest.

Part 3 – Gifts of certified cultural property			
	Federal	Québec	Alberta
Gifts of certified cultural property at the end of the previous tax year		M	
Gifts of certified cultural property expired after 5 tax years* 439			
Gifts of certified cultural property at the beginning			
of the current tax year (amount M minus line 439)			
Gifts of certified cultural property transferred on an amalgamation			
or the wind-up of a subsidiary		<u> </u>	
Total gifts of certified cultural property in the current year			
(include this amount on line 112 of Schedule 1)			
Subtotal (line 450 <b>plus</b> line 410)		N	
Subtotal (line 440 <b>plus</b> amount N)		_ 0	
Adjustment for an acquisition of control			
Amount applied in the current year against taxable income			
(enter this amount on line 313 of the T2 return)			
Subtotal (line 455 <b>plus</b> line 460)		P	
Gifts of certified cultural property closing balance (amount O minus amount P)		_	
* For federal and Alberta tax purposes, donations and gifts expire after five tax years. For ended before March 24, 2006, expire after five tax years; otherwise, donations and gifts			a tax year that

⊢ Amount c	arried forward – Gifts of certified cultural property			
Year of origin:		Federal	Québec	Alberta
1 <sup>st</sup> prior year				
2 <sup>nd</sup> prior year				
3 <sup>rd</sup> prior year				
4 <sup>th</sup> prior year	2014-12-31			
5 <sup>th</sup> prior year				
6 <sup>th</sup> prior year*	2012-12-31			
7 <sup>th</sup> prior year	2011-12-31			
8 <sup>th</sup> prior year	2010-12-31			
9 <sup>th</sup> prior year	2009-12-31_			
10 <sup>th</sup> prior year				
11 <sup>th</sup> prior year				
12 <sup>th</sup> prior year				
13 <sup>th</sup> prior year	·····			
14 <sup>th</sup> prior year	·····			
15 <sup>th</sup> prior year				
16 <sup>th</sup> prior year				
17 <sup>th</sup> prior year				
18 <sup>th</sup> prior year				
19 <sup>th</sup> prior year				
20 <sup>th</sup> prior year				
21st prior year*				
Total				

<sup>\*</sup> For federal and Alberta tax purposes, donations and gifts included on line 6<sup>th</sup> prior year expire automatically in the current tax year. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, that are included on line 6<sup>th</sup> prior year and donations and gifts that are included on line 21<sup>st</sup> prior year expire automatically in the current tax year.

Part 4 – Gifts of certified ecologically sensitive land	Endonel	0.41	Allerate
	Federal	Québec	Alberta
Gifts of certified ecologically sensitive land at the end of the previous tax year Gifts of certified ecologically sensitive land expired after		_ Q	
5 tax years, or after 10 tax years for gifts made after			
February 10, 2014*			
Gifts of certified ecologically sensitive land at the beginning of the current tax year (amount Q <b>minus</b> line 539)			
Gifts of certified ecologically sensitive land transferred on an			
amalgamation or the wind-up of a subsidiary			
Total current-year gifts of certified ecologically sensitive land 520			
(include this amount on line 112 of Schedule 1)			
Subtotal (line 550 <b>plus</b> line 520)		_ R	
Subtotal (line 540 <b>plus</b> amount R)			
Adjustment for an acquisition of control			
Amount applied in the current year against taxable income			
,			
Subtotal (line 555 <b>plus</b> line 560) _		_ T	-
Gifts of certified ecologically sensitive land closing balance (amount S minus amount T)			
* For federal and Alberta tax purposes, donations and gifts made before February 11, expire after ten tax years. For Québec tax purposes, donations and gifts made durin otherwise, donation and gifts expire after twenty tax years.			

#### Amounts carried forward – Gifts of certified ecologically sensitive land Amount of carried forward gifts made on or after February 11, 2014, in the tax year including this date Federal Québec Alberta Year of origin: 1<sup>st</sup> prior year 2<sup>nd</sup> prior year ..... 2016-12-31 2015-12-31 3<sup>rd</sup> prior year 4th prior year 2014-12-31 5<sup>th</sup> prior year .....<u>2013-12-31</u> .....\_\_2012-12-31 6th prior year\* 7<sup>th</sup> prior year 2011-12-31 .....<u>2010-12</u>-31 8<sup>th</sup> prior year 9<sup>th</sup> prior year 10<sup>th</sup> prior year 11th prior year\* 12th prior year 13th prior year 14th prior year 15<sup>th</sup> prior year 16th prior year 17<sup>th</sup> prior year 18<sup>th</sup> prior year 19th prior year

The field "Amount of carried forward gifts made on or after February 11, 2014, in the tax year including this date" is used to distinguish the portion of the gifts made in the tax year straddling February 11, 2014, that expires after ten tax years, from the portion that expires in the current tax year.

For Québec tax purposes, donations and gifts made during a tax year that ended before March 24, 2006, that are included on line 6<sup>th</sup> prior year and gifts that are included on line 21<sup>st</sup> prior year expire automatically in the current tax year.



20<sup>th</sup> prior year 21<sup>st</sup> prior year\* **Total** . . .

<sup>\*</sup> For federal and Alberta tax purposes, donations and gifts made before February 11, 2014, that are included on line 6<sup>th</sup> prior year and gifts that are included on line 11<sup>th</sup> prior year expire automatically in the current year.

- Part 5 – Additional deduction for gifts of medicine ————			
<u>-</u>	Federal	Québec	Alberta
Additional deduction for gifts of medicine at the end of the previous tax year	U _		
Additional deduction for gifts of medicine expired after 5 tax years* 639Additional deduction for gifts of medicine at the beginning of the current tax year (amount U minus line 639)			
Additional deduction for gifts of medicine made before March 22, 2017 ransferred on an amalgamation or the wind-up of a subsidiary			
additional deduction for gifts of medicine made before March 22, 2017:			
Proceeds of disposition 602			
Cost of gifts of medicine made before March 22, 2017 601			
Subtotal (line 602 minus line 601)	V _		
Amount V <b>multiplied</b> by 50 %	W _		
Eligible amount of gifts			
Additional			
deduction for gifts  of medicine made			
before March 22,			
ax ( <u>b</u> ) = 2017			
<b>\</b> c			
deduction for gifts			
Québec of medicine made before March 22,			
/ .			
C	_	_	
Additional deduction for gifts			
Alberta of medicine made			
before March 22,			
a $\times \left( \frac{b}{a} \right) = 2017 \dots$			•
vhere:			
a is the <b>lesser</b> of line 601 and amount W			
b is the eligible amount of gifts (line 600)			
s is the proceeds of disposition (line 602)			
Subtotal (line 650 <b>plus</b> line 610)			
Subtotal (line 640 <b>plus</b> amount X)	Y _		
Adjustment for an acquisition of control			
mount applied in the current year against taxable income			
enter this amount on line 315 of the T2 return)			
Subtotal (line 655 <b>plus</b> line 660)	Z _		
Additional deduction for gifts of medicine closing balance amount Y minus amount Z) 680			
For federal and Alberta tax purposes, donations and gifts expire after five tax years. ended before March 19, 2007, expire after five tax years; otherwise, donations and g			in a tax year that

Year of origin:		Federal	Québec	Alberta
1 <sup>st</sup> prior year				
2 <sup>nd</sup> prior year				
3 <sup>rd</sup> prior year	2015-12-31			
4 <sup>th</sup> prior year				
5 <sup>th</sup> prior year				
6 <sup>th</sup> prior year*	<u>2012-12-31</u>			
7 <sup>th</sup> prior year	<u>2011-12-31</u>			
3 <sup>th</sup> prior year	<u>2010-12-31</u>			
9 <sup>th</sup> prior year				
0 <sup>th</sup> prior year				
1 <sup>th</sup> prior year				
2 <sup>th</sup> prior year	····· <u> </u>			
13 <sup>th</sup> prior year				
4 <sup>th</sup> prior year				
5 <sup>th</sup> prior year				
16 <sup>th</sup> prior year				
17 <sup>th</sup> prior year				
18 <sup>th</sup> prior year				
19 <sup>th</sup> prior year				
20 <sup>th</sup> prior year				
21 <sup>st</sup> prior year*				
Total				
donations and line 21 <sup>st</sup> prior	d Alberta tax purposes, donations and gifts included on line 6 <sup>th</sup> prior gifts made in a tax year that ended before March 19, 2007, that are year expire automatically in the current tax year.  Gifts of musical instruments	ryear expire automatically included on line 6 <sup>th</sup> prior y	in the current tax year. For Quebect rear and donations and gifts that are	ax purposes, included on
	instruments at the end of the previous tax year			
	musical instruments expired after twenty tax years			
	instruments at the beginning of the tax year			
Add:	Total and the boginning of the tax year			
	l instruments transferred on an amalgamation or the wind-up of a su	ıhsidiarv		
	ear gifts of musical instruments	abolalary		
. o.u. ourront-y	sai gilo orinasioarinottamonto		Subtotal (line D <b>plus</b> line E)	
Deduct: Adjust	ment for an acquisition of control		<u> </u>	
otal gifts of mu	sical instruments available			

Gifts of musical instruments closing balance

**Deduct:** Amount applied against taxable income (enter this amount on line 255 of form CO-17)

Year of origin:		Québec
1 <sup>st</sup> prior year		
2 <sup>nd</sup> prior year		
3 <sup>rd</sup> prior year		
4 <sup>th</sup> prior year		
5 <sup>th</sup> prior year		
6 <sup>th</sup> prior year*		
7 <sup>th</sup> prior year	<u>2011-12-31</u>	
8 <sup>th</sup> prior year		
9 <sup>th</sup> prior year		
10 <sup>th</sup> prior year		
11 <sup>th</sup> prior year		
12 <sup>th</sup> prior year		
13 <sup>th</sup> prior year		
14 <sup>th</sup> prior year		
15 <sup>th</sup> prior year		
16 <sup>th</sup> prior year		
17 <sup>th</sup> prior year		
18 <sup>th</sup> prior year		
19 <sup>th</sup> prior year		
20 <sup>th</sup> prior year		
21 <sup>st</sup> prior year*	<u> </u>	
Total		

#### Schedule 3

# Dividends Received, Taxable Dividends Paid, and Part IV Tax Calculation

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2018-12-31

- · Corporations must use this schedule to report:
  - non-taxable dividends under section 83;
  - deductible dividends under subsection 138(6);
  - taxable dividends deductible from income under section 112, subsection 113(2) and paragraphs 113(1)(a), (a.1), (b) or (d); or
  - taxable dividends paid in the tax year that qualify for a dividend refund (see page 3).
- All legislative references are to the federal Income Tax Act.
- The calculations in this schedule apply only to private or subject corporations.
- A recipient corporation is **connected** with a payer corporation at any time in a tax year, if at that time the recipient corporation:
  - controls the payer corporation, other than because of a right referred to in paragraph 251(5)(b); or
  - owns more than 10% of the issued share capital (with full voting rights), and shares that have a fair market value of more than 10% of the fair market value of all shares of the payer corporation.
- If you need more space, continue on a separate schedule.
- File this schedule with your T2 Corporation Income Tax Return.
- Column A1 Enter "X" if dividends received from a foreign source.
- Column F1 Enter the code that applies to the deductible taxable dividend.

# - Part 1 - Dividends received in the tax year

- Do not include dividends received from foreign non-affiliates.
- Complete columns B, C, D, H and I only if the payer corporation is connected.

#### Important instructions to follow if the payer corporation is connected

- If your corporation's tax year-end is different than that of the connected payer corporation, dividends could have been received from more than one
  tax year of the payer corporation. If so, use a separate line to provide the information according to each tax year of the payer corporation.
- When completing column J and K use the **special calculations provided in the notes**.

	A	A1	В	С	D	E
	Name of payer corporation		Enter 1	Business Number	Tax year-end of the	Non-taxable
	(from which the corporation received the dividend)		if payer corporation is connected	of <b>connected</b> corporation	payer corporation in which the sections 112/113 and subsection 138(6) dividends in column F were paid YYYYMMDD	dividends under section 83
	200		205	210	220	230
1			2			

Total of column E (enter amount on line 402 of Schedule 1)

### Part 1 - Dividends received in the tax year (continued) -

F1

	Taxable dividends deductible from taxable income under section 112, subsections 113(2) and 138(6), and paragraphs 113(1)(a), (a.1),(b), or (d) <sup>note 1</sup>	rı	Eligible dividends included in column F	Total taxable dividends paid by <b>connected</b> payer corporation (for tax year in column D)	Dividend refund of the <b>connected</b> payer corporation (for tax year in column D) <sup>note 2</sup>	Part IV tax for eligible dividends. Dividends (from column G) multiplied by 38 1/3% <sup>note 3</sup>	Part IV tax before deductions. Dividends (from column F) multiplied by 38 1/3% <sup>note 4</sup>
	240		242	250	260	265	275
1							
Taxa	ble dividends received from	n connect	ed corporations (total amo	ounts from column F with	code 1 in column B)		1A
	ble dividends received from				,		1B
			Subtotal (amou	int 1A <b>plus</b> amount 1B, in	clude this amount on line		1C
Eligib	ole dividends received from	connecte	ed corporations (total amo	ounts from column G with	code 1 in column B)	· · · · · · · · · · · <u> </u>	1D
Eligib	ole dividends received from	non-conr	nected corporations (total	amounts from column G	with code 2 in column B)	· · · · · · · · <u> </u>	1E
(total	V tax before deductions on amounts from column K will V tax before deductions on the column of the c	ith code 1	in column B)			1F	
	amounts from column K wi			•		1G	
				Subtotal (amount 1F p	olusamount 1G)	<b>&gt;</b> _	1H
with o				ons (total amounts from c	olumn J 		
	V tax on eligible dividends r n code 2 in column B)		•	•	om column 	1J	
	,				plusamount 1J)		1K

- 1 If taxable dividends are received, enter the amount in column F, but if the corporation is not subject to Part IV tax (such as a public corporation other than a subject corporation as defined in subsection 186(3)), enter "0" in column J or column K whichever one applies. Life insurers are not subject to Part IV tax on subsection 138(6) dividends.
- 2 If the connected payer corporation's tax year ends after the corporation's balance-due day for the tax year (two or three months, as applicable), you have to estimate the payer's dividend refund when you calculate the corporation's Part IV tax payable.

Part IV tax before deductions on taxable dividends (other than eligible dividends) (amount 1H minus amount 1K)

- 3 For eligible dividends received from connected corporations, Part IV tax on dividends is equal to: column I divided by column H multiplied by column G.
- 4 For taxable dividends received from connected corporations, Part IV tax on dividends is equal to: column I divided by column H multiplied by column F.

rt IV tax on dividends received before deductions (amount 1H in part				
rt IV.I tax payable on dividends subject to Part IV tax (from line 360 o	, i	320	2A	
Current-year non-capital loss claimed to reduce Part IV tax  Ion-capital losses from previous years claimed to reduce Part IV tax		330 335 340		
	Part IV tax (total of lines 330 to			
rt IV tax payable (amount 2B minus amount 2D, if negative enter "C ter amount on line 712 of the T2 return)				
our tax year begins after 2018, complete the following part to determi undable dividend tax on hand (ERDTOH) at the end of the tax year.	ne the required amount of Part	IV taxes payable in	order to calculate the eli	gible
rt IV tax before deductions on taxable dividends received from connec				
ount 4A from Schedule 43 rt IV tax payable on taxable dividends received from connected	Learnerations (amount 25 mir	t 2E if no		
er "0")				
ter at amount L on page 7 of the T2 return)				
our tax year begins after 2018, complete the following part to determi undable dividend tax on hand (ERDTOH) at the end of the tax year.	ne the required amount of Part	IV taxes payable in	order to calculate the eli	gible
rt IV tax on eligible dividends received from non-connected corporation	ons (amount 1J in part 1)		<u></u>	
ount 4C from Schedule 43				
rt IV tax payable on eligible dividends received from non-conne	ected corporations (amount 2	H minus amount 2I,	if negative	
rt IV tax payable on eligible dividends received from non-conne er "0")	ected corporations (amount 2	H minus amount 2I,	if negative	
rt IV tax payable on eligible dividends received from non-conne	ected corporations (amount 2	H minus amount 2I,	if negative	
rt IV tax payable on eligible dividends received from non-conner "0")  ter "0")  ter at amount M on page 7 of the T2 return)  To the extent of a dividend refund to the connected payer corporatio Otherwise, the amount 2E is nil.	ected corporations (amount 2	H minus amount 2I,	if negative	
rt IV tax payable on eligible dividends received from non-conner "0")  ter at amount M on page 7 of the T2 return)  To the extent of a dividend refund to the connected payer corporatio Otherwise, the amount 2E is nil.  art 3 — Taxable dividends paid in the tax year that If your corporation's tax year-end is different than that of the connerted payer corporation's tax year-end is different than that of the connerted payer corporation's tax year-end is different than that of the connerted payer corporation's tax year-end is different than that of the connerted payer corporation's tax year-end is different than that of the connerted payer corporation's tax year-end is different than that of the connerted payer corporation payer corporation.	n from its eligible refundable div	H minus amount 21, ridend tax on hand (  d refund corporation could h	if negativeERDTOH).  nave paid dividends in m	ore than
rt IV tax payable on eligible dividends received from non-conner "0")  ter at amount M on page 7 of the T2 return)  To the extent of a dividend refund to the connected payer corporatio Otherwise, the amount 2E is nil.	n from its eligible refundable div	H minus amount 21, ridend tax on hand (  d refund corporation could h	if negativeERDTOH).  nave paid dividends in m	ore than
rt IV tax payable on eligible dividends received from non-conner "0")  ter at amount M on page 7 of the T2 return)  To the extent of a dividend refund to the connected payer corporatio Otherwise, the amount 2E is nil.  art 3 — Taxable dividends paid in the tax year that If your corporation's tax year-end is different than that of the connerted payer corporation's tax year-end is different than that of the connerted payer corporation's tax year-end is different than that of the connerted payer corporation's tax year-end is different than that of the connerted payer corporation's tax year-end is different than that of the connerted payer corporation's tax year-end is different than that of the connerted payer corporation payer corporation.	n from its eligible refundable div	H minus amount 21, ridend tax on hand (  d refund corporation could h	if negativeERDTOH).  nave paid dividends in m	ore than
rt IV tax payable on eligible dividends received from non-conner "0")  ter at amount M on page 7 of the T2 return)  To the extent of a dividend refund to the connected payer corporatio Otherwise, the amount 2E is nil.  art 3 — Taxable dividends paid in the tax year that If your corporation's tax year-end is different than that of the conner one tax year of the recipient corporation. If so, use a separate line to	n from its eligible refundable dividend recipient corporation, your to provide the information according to M	ridend tax on hand (  drefund  corporation could have each tax year  N  Tax year-end of connected recipient corporation in which the dividends in column O were received	eractive ERDTOH).  The ave paid dividends in mar of the recipient corpor  Or Taxable dividends paid to connected	ore than ation.  P Eligible dividends included in
rt IV tax payable on eligible dividends received from non-conner "0")  ter at amount M on page 7 of the T2 return)  To the extent of a dividend refund to the connected payer corporatio Otherwise, the amount 2E is nil.  art 3 — Taxable dividends paid in the tax year that  If your corporation's tax year-end is different than that of the conner one tax year of the recipient corporation. If so, use a separate line to Name of connected recipient corporation	n from its eligible refundable diverse t qualify for a dividence acted recipient corporation, your to provide the information according to Business Number	ridend tax on hand (  drefund  corporation could hading to each tax year end of connected recipient corporation in which the dividends in column O were received YYYMMDD	eractive ERDTOH).  The ave paid dividends in man of the recipient corpor  Or Taxable dividends paid to connected corporations	ore than ation.  P Eligible dividends included in column O
rt IV tax payable on eligible dividends received from non-conner "0")  ter at amount M on page 7 of the T2 return)  To the extent of a dividend refund to the connected payer corporation Otherwise, the amount 2E is nil.  art 3 — Taxable dividends paid in the tax year that If your corporation's tax year-end is different than that of the conner one tax year of the recipient corporation. If so, use a separate line to Name of connected recipient corporation.	n from its eligible refundable diverse determined and the refundable diverse determined and the rectangle of	ridend tax on hand ( drefund corporation could hading to each tax year end of connected recipient corporation in which the dividends in column O were received YYYYMMDD	erange paid dividends in mar of the recipient corpor Taxable dividends paid to connected corporations	ore than ation.  P Eligible dividends included in column O

$_{ extstyle }$ Part 3 – Taxable dividends paid in the tax year that qualify for a dividend refund (continued) –	
Total taxable dividends paid in the tax year to other than connected corporations	24,590
Eligible dividends included in line 450	
Total taxable dividends paid in the tax year that qualify for a dividend refund (total of column O plus line 450)	447,092
Total eligible dividends paid in the tax year (total of column P plus line 455)	
Total non-eligible taxable dividends paid in the tax year (line 460 minus line 465)	447,092
Complete this part to determine the following amounts in order to calculate the dividend refund.	
Line 465 <b>multiplied</b> by 38 1 / 3 %	3A
(enter at amount AA on page 7 of the T2 return)	
Line 470 <b>multiplied</b> by 38 1 / 3 %	<u>171,385</u> зв
(enter at amount DD on page 7 of the T2 return)	
┌ Part 4 – Total dividends paid in the tax year ───────────────────────────────	
Complete this part <b>if</b> the total taxable dividends paid in the tax year that qualify for a dividend refund (line 460) is different from the total dividends paid in the tax year.	
Total taxable dividends paid in the tax year for the purposes of a dividend refund (from above)	447,092
Other dividends paid in the tax year (total of 510 to 540)	
Total dividends paid in the tax year	447,092
Dividends paid out of capital dividend account	
Capital gains dividends	
Dividends paid on shares described in subsection 129(1.2)	
Taxable dividends paid to a controlling corporation that was bankrupt at any time in the year	
Subtotal (total of lines 510 to 540)	4A

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Total taxable dividends paid in the tax year that qualify for a dividend refund (Line 500 minus amount 4A)

447,092<sub>4B</sub>

Schedule 8

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## **Capital Cost Allowance (CCA)**

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2018-12-31

For more information, see the section called "Capital Cost Allowance" in the T2 Corporation Income Tax Guide.

Is the corporation electing under Regulation 1101(5q)?

<b>101</b> Yes	No	X
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	1		2	3	4	5	6	7	8	
	Class number * See note 1	Description	Undepreciated capital cost (UCC) at the beginning of the year	Cost of acquisitions during the year (new property must be available for use) See note 2	Cost of acquisitions from column 3 that are accelerated investment incentive properties (AIIP) See note 3	Adjustments and transfers See note 4	Amount from column 5 that is assistance received or receivable during the year for a property, subsequent to its disposition	Amount from column 5 that is repaid during the year for a property, subsequent to its disposition See note 6	Proceeds of dispositions See note 7	For tax years ending before November 21, 2018: 50% rule (1/2 of net acquisitions)
	200		201	203	225	205	See note 5  221	222	207	211
1.	1	Buildings	8,669,082						0	
2.	8	Equipment	115,855	51,451	996				0	
3.	10	Trucks	197,361	293,225	1,051				8,000	
4.	12	Computer Software	26,941	22,371		-44,758			0	
5.	45	Computer equipment	43						0	
6.	47	Electric Distribution Equipment	9,699,544	1,131,362	678,373	-314,295			20,036	
7.	50	Computer equipment	19,712	13,899	4,769	-4,851			286	
8.	43.2	Solar Generation	879						0	
9.	14.1		133,072						0	
10.	1b		6,439						0	
11.	1b	2018 Addition		69,750	20,310				0	
12.	95	CIP		29,360					0	
		Totals	18,868,928	1,611,418	705,499	-363,904			28,322	

1		9	10	11	12	13	14	15	16	17	18
Class number * See note 1	Des- crip- tion	UCC (column 2 plus column 3 plus or minus column 5 minus column 5	Proceeds of disposition available to reduce the UCC of AllP (column 8 plus column 6 minus column 4 minus column 7) (if negative, enter "0")	Net capital cost additions of AIIP acquired during the year (column 4 minus column 10) (if negative, enter "0")	UCC adjustment for AIIP acquired during the year (column 11 multiplied by the relevant factor) See note 9	UCC adjustment for non-AIIP acquired during the year (0.5 multiplied by the result of column 3 minus column 4 minus column 6 plus column 7 minus column 8) (if negative, enter "0")	CCA rate % See note 11	Recapture of CCA  See note 12	Terminal loss See note 13	CCA (for declining balance method, the result of column 9 plus column 12 minus column 13, multiplied by column 14 or a lower amount)  See note 14	UCC at the end of the year (column 9 minus column 17)
200						224	212	213	215	217	220
. 1	Buildin	8,669,082					4	0	0	346,763	8,322,319
. 8	Equipm	167,306		996	498	25,228	20	0	0	28,515	138,791
10	Trucks	482,586		1,051	526	142,087	30	0	0	102,308	380,278
12	Compu	4,554				11,186	100	0	0		4,554
45	Compu	43					45	0	0	19	24
47	Electric	10,496,575		678,373	339,187	216,477	8	0	0	849,543	9,647,032
50	Compu	28,474		4,769	2,385	4,422	55	0	0	14,540	13,934
43.2	Solar G	879					50	0	0	440	439
14.1		133,072					5	0	0	9,291	123,781
1b		6,439					6	0	0	386	6,053
1b	2018 A	69,750		20,310	10,155	24,720	6	0	0	3,311	66,439
95	CIP	29,360				14,680	0	0	0		29,360
	Totals	20,088,120		705,499	352,751	438,800				1,355,116	18,733,0

Enter the total of column 15 on line 107 of Schedule 1.

Enter the total of column 16 on line 404 of Schedule 1.

Enter the total of column 17 on line 403 of Schedule 1.

- Note 1. If a class number has not been provided in Schedule II of the Income Tax Regulations for a particular class of property, use the subsection provided in Regulation 1101. Class numbers followed by a letter indicate the basic rate of the class taking into account the additional deduction allowed. Class 1a: 4% + 6% = 10% (class 1 to 10%), class 1b: 4% + 2% = 6% (class 1 to 6%).
- Note 2. 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 of property in the class that are not subject to the 50% rule. See Income Tax Folio S3-F4-C1. General Discussion of Capital Cost Allowance, for exceptions to the 50% rule.
- Note 3. An accelerated investment incentive property (AIIP) is a property (other than property included in Class 54 or 55) that you acquired after November 20, 2018 and became available for use before 2028. See the T2 Corporation Income Tax Guide for more information. Classes 54 and 55 include property that is a zero-emission vehicle you acquired after March 18, 2019 and became available for use before 2028.
- Note 4. Enter in column 5, "Adjustments and transfers", amounts that increase or reduce the undepreciated capital cost (column 9). Items that increase the undepreciated capital cost include amounts transferred under section 85, or transferred on amalgamation or winding-up of a subsidiary. Items that reduce the undepreciated capital cost (show amounts that reduce the undepreciated capital cost in brackets) include government assistance received or entitled to be received in the year, or a reduction of capital cost after the application of section 80. See the T2 Corporation Income Tax Guide for other examples of adjustments and transfers to include in column 5.
- Note 5. Include all amounts of assistance you received (or were entitled to receive) after the disposition of a depreciable property that would have decreased the capital cost of the property by virtue of paragraph 13(7.1)(f) if received before the disposition.
- Note 6. Include all amounts you have repaid during the year with respect to any legally required repayment, made after the disposition of a corresponding property, of:
  - assistance that would have otherwise increased the capital cost of the property under paragraph 13(7.1)(d); and
  - an inducement, assistance or any other amount contemplated in paragraph 12(1)(x) received, that otherwise would have increased the capital cost of the property under paragraph 13(7.4)(b).

Also include the UCC of each property of a prescribed class acquired in the course of a corporate reorganization described under paragraph 55(3)(b) of the Act (also known as "butterfly reorganization") or in a non-arm's length transaction (other than by virtue of a right referred to in paragraph 251(5)(b) of the Act) if the property was a depreciable property acquired by the transferor less than 364 days before the end of your tax year.

- Note 7. For each property disposed of during the year, deduct from the proceeds of disposition any outlays and expenses to the extent that they were made or incurred for the purpose of making the disposition(s). The amount reported in respect of the property cannot exceed the property's capital cost, unless that property is a timber resource property as defined in subsection 13(21).
- Note 8. If the amount in column 5 reduces the undepreciated capital cost (i.e. it is shown in brackets), you must subtract it for the purposes of the calculation. Otherwise, add the amount in column 5 for the purposes of the calculation.
- Note 9. The relevant factors for AIIP of a class in Schedule II and for property included in classes 54 and 55, available for use before 2024, are:
  - 2 1/3 for property in Classes 43.1 and 54;
  - 1 1/2 for property in Class 55;
  - 1 for property in Classes 43.2 and 53;
  - 0 for property in Classes 12, 13, 14, and 15, as well as properties that are Canadian vessels included in paragraph 1100(1)(v) of the Regulations (see note 14 for additional information); and
  - 0.5 for all other property that is AIIP.
- Note 10. The UCC adjustment for non-AIIP acquired during the year (formerly known as the half-year rule or 50% rule) does not apply to certain property (including AIIP). For special rules and exceptions, see Income Tax Folio S3-F4-C1, General Discussion of Capital Cost Allowance.
- Note 11. Enter a rate only if you are using the declining balance method. For any other method (for example the straight-line method, where calculations are always based on the cost of acquisitions), enter N/A. Then enter the amount you are claiming in column 17.
- Note 12. If the amount in column 9 is negative, you have a recapture of CCA. If applicable, enter the negative amount from column 9 in column 15 as a positive. The recapture rules do not apply to passenger vehicles in Class 10.1.
- Note 13. If no property is left in the class at the end of the tax year and there is still a positive amount in the column 9, you have a terminal loss. If applicable, enter the positive amount from column 9 in column 16. The terminal loss rules do not apply to:
  - passenger vehicles in Class 10.1;
  - property in Class 14.1, unless you have ceased carrying on the business to which it relates; or
  - limited-period franchises, concessions, or licences in Class 14 if, at the time of acquisition, the property was a former property of the transferor or any similar property attributable to the same fixed place of business, and you had jointly elected with the transferor to have the replacement property rules apply.
- Note 14. If the tax year is shorter than 365 days, prorate the CCA claim. Some classes of property do not have to be prorated. See the T2 Corporation Income Tax Guide for more information. For property in class 10.1 disposed of during the year, deduct a maximum of 50% of the regular CCA deduction if you owned the property at the beginning of the tax year. For AIIP listed below, the maximum first year allowance you can claim is determined as follows:
  - Class 13: the lesser of 150% of the amount calculated in Schedule III of the Regulations and the UCC at the end of the tax year (before any CCA deduction).
  - Class 14: the lesser of 150% of the allocation for the year of the capital cost of the property apportioned over the remaining life of the property (at the time the cost was incurred) and the UCC a
    the end of the tax year (before any CCA deduction).
  - Class 15: the lesser of 150% of an amount computed on the basis of a rate per cord, board foot or cubic metre cut in the tax year and the UCC at the end of the tax year (before any CCA deduction).
  - Canadian vessels described under paragraph 1100(1)(v) of the Regulations: the lesser of 50% of the capital cost of the property and the UCC at the end of the tax year (before any CCA deduction).
  - Class 41.2: use a 25% CCA rate. The additional allowance under paragraph 1100(1)(y.2)(for single mine properties) and 1100(1)(ya.2 (for multiple mine properties) of the Regulations is not eligible for the accelerated investment incentive. The additional allowance in respect of natural gas liquefaction under paragraph 1100(1)(yb) of the Regulations is eligible for the accelerated investment incentive.
  - Property (other than a timber resource property) that is a timber limit or a right to cut timber from a limit: 150% of the amount determined by first subtracting the total of the residual value of the timber limit and all amounts you expended for the 1949 or later tax years for surveys, cruises or preparation of prints, maps or plans for the purpose of obtaining a licence or right to cut timber from the capital cost of the limit or right, and then dividing the result by the quantity of timber in the limit or the quantity of timber you have the right to cut.
  - Industrial mineral mine or a right to remove industrial minerals from an industrial mineral mine: 150% of the amount determined by first subtracting the residual value, if any, of the mine or right from the capital cost of the mine or right, and then dividing the result by the number of units of commercially mineable material estimated to be in the mine when the mine or right was acquired (alternatively, if you have acquired a right to remove only a specified number of units, that number of units that you acquired a right to remove).

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# Fixed Assets Reconciliation

 $Reconciliation \ of \ change \ in \ fixed \ assets \ per \ financial \ statements \ to \ amounts \ used \ per \ tax \ return.$ 

Tax	return
Δdditi	ions for ta

rax return			
Additions for tax purposes – Schedule 8 regular classes	1,611,418		
Additions for tax purposes – Schedule 8 leasehold improvements	+		
Operating leases capitalized for book purposes	+		
Capital gain deferred	+		
Recapture deferred	+		
Deductible expenses capitalized for book purposes – Schedule 1	+		
Other (specify):			
Contributed capital - Subsection 13(7.4) election	+205,712		
Less: beg WIP balance	+23,029		
Total additions per books	= 1,794,101	<b>1</b> ,794,	101
Proceeds up to original cost – Schedule 8 regular classes	28,322		
Proceeds up to original cost – Schedule 8 leasehold improvements	+		
Proceeds in excess of original cost – capital gain	+		
Recapture deferred – as above	+		
Capital gain deferred – as above	+		
Pre V-day appreciation	+		
Other (specify):	<del></del> -		
	+		
Total proceeds per books	= 28,322	<b>►</b> 28,	322
Depreciation and amortization per accounts – Schedule 1		<b>–</b> 956,	761
Loss on disposal of fixed assets per accounts		<b>–</b> 39,	851
Gain on disposal of fixed assets per accounts		+	
N	let change per tax return	= 769,	167
Financial statements			
Fixed assets (excluding land) per financial statements			
Closing net book value		20,373,	
Opening net book value		- <u>19,604,</u>	
Net change	per financial statements	= 769,	<u>167</u>
If the amounts from the tax return and the financial statements differ, explain why below.			
	<del></del>		
	<del></del>		

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**SCHEDULE 9** 

### **RELATED AND ASSOCIATED CORPORATIONS**

Name of corporation	Business Number	Tax year end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2018-12-31

- Complete this schedule if the corporation is related to or associated with at least one other corporation.
- For more information, see the T2 Corporation Income Tax Guide.

	Name	Country of resi- dence (other than Canada)	Business number (see note 1)	Relation-ship code (see note 2)	Number of common shares you own	% of common shares you own	Number of preferred shares you own	% of preferred shares you own	Book value of capital stock
	100	200	300	400	500	550	600	650	700
1.	Corporation of the Town of Orange		10698 6151 RC0001	1					
2.	Corporation of the Township of East		NR	1					
3.	Orangeville Hydro Services Inc.		89454 8015 RC0001	3					
4.	Orangville Railway Development Co		86433 3166 RC0001	3					

Note 1: Enter "NR" if the corporation is not registered or does not have a business number.

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

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# Continuity of financial statement reserves (not deductible)

<ul> <li>Financial statement reserves (not deduce</li> </ul>	ctible) –
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			<u> </u>			
	Description	Balance at the beginning of the year	Transfer on an amalgamation or the wind-up of a subsidiary	Add	Deduct	Balance at the end of the year
1	Allowance for doubtful accts	30,000		30,000	30,000	30,000
2	Employee Future Benefits	352,533		-23,449		329,084
3						
	Reserves from Part 2 of Schedule 13					
			·			·
	Totals	382,533		6,551	30,000	359,084

The total opening balance plus the total transfers should be entered on line 414 of Schedule 1 as a deduction. The total closing balance should be entered on line 126 of Schedule 1 as an addition.

#### Schedule 23

# Agreement Among Associated Canadian-Controlled Private Corporations to Allocate the Business Limit

- For use by a Canadian-controlled private corporation (CCPC) to identify all associated corporations and to assign a percentage for each associated
  corporation. This percentage will be used to allocate the business limit for purposes of the small business deduction. Information from this schedule
  will also be used to determine the date the balance of tax is due and to calculate the reduction to the business limit.
- An associated CCPC that has more than one tax year ending in a calendar year is required to file an agreement for each tax year ending in that
  calendar year.
- Column 1: Enter the legal name of each of the corporations in the associated group, including those deemed to be associated under subsection 256(2) of the Income Tax Act.
- Column 2: Provide the business number for each corporation (if a corporation is not registered, enter "NR").
- **Column 3:** Enter the association code from the list below that applies to each corporation:
  - 1 Associated for purposes of allocating the business limit (unless association code 5 applies)
  - 2 CCPC that is a **third corporation** as referred to in subsection 256(2) and has filed Schedule 28, Election not to be Associated Through a Third Corporation
  - 3 Non-CCPC that is a third corporation
  - 4 Associated non-CCPC
  - 5 Associated CCPC to which association code 1 does not apply because a third corporation has filed Schedule 28
- **Column 4:** Enter the business limit for the year of each corporation in the associated group. Enter "0" if the corporation has association code 2, 3 or 4 in column 3 (except if the corporation is a cooperative or a credit union eligible for the SBD and it has association code 4).
- **Column 5:** Assign a percentage to allocate the business limit to each corporation that has association code 1 in column 3. The total of all percentages in column 5 cannot exceed 100%.
- **Column 6:** Enter the business limit allocated to each corporation by multiplying the amount in column 4 by the percentage in column 5. Add all business limits allocated in column 6 and enter the total at line A.

Ensure that the total at line A does not exceed \$500,000.

711	ocating the business limit					Year Month Day
Date	iled (do not use this area)				025	
						Year
Enter	the calendar year to which the agreement applies .				050	2018
	an amended agreement for the above calendar year that is	•			075	
an ag	reement previously filed by any of the associated corporation	ons listed below?			075	Yes X No
	1	2	3	4	5	6
	Name of associated corporations	Business	Asso-	Business limit	Percentage	Business
		number of	ciation	for the year	of the	limit
		associated	code	before the allocation	business limit	allocated* \$
		corporations		Ψ	% IIIII	Φ
	100	200	300		350	400
	100	200	000		000	100
1	Orangeville Hydro Limited	86463 9562 RC0002	1	500,000	100.0000	500,000
2	Corporation of the Town of Orangeville	10698 6151 RC0001	1	500,000		
3	Corporation of the Township of East Luther Gra	NR	1	500,000		
4	Orangeville Hydro Services Inc.	89454 8015 RC0001	1	500,000		
5	Orangville Railway Development Corporation	86433 3166 RC0001	1	500,000		
				Total	100.0000	500,000

#### Business limit reduction under subsection 125(5.1) of the Act

The business limit reduction is calculated in the small business deduction area of the T2 return. One of the factors used in this calculation is the "large corporation amount" at line 415 of the T2 return. The amount at line 415 is determined using the formula 0.225% x (D - \$10,000,000). Details of this formula and variable D are in subsection 125(5.1) of the Act.

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

#### Special rules for business limit

Special rules apply under subsection 125(5) if a CCPC has more than one tax year ending in the same calendar year and it is associated in more than one of those tax years with another CCPC that has a tax year ending in that calendar year. The business limit for the second or later tax year will be equal to the business limit determined for the first tax year ending in the calendar year or the business limit determined for the second or later tax year ending in the same calendar year, whichever is less.

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### **Investment Tax Credit – Corporations**

#### - General information

- Use this schedule:
  - to calculate an investment tax credit (ITC) earned during the tax year;
  - to claim a deduction against Part I tax payable;
  - to claim a refund of credit earned during the current tax year;
  - to claim a carryforward of credit from previous tax years:
  - to transfer a credit following an amalgamation or the wind-up of a subsidiary, as described under subsections 87(1) and 88(1);
  - to request a credit carryback to one or more previous years;
  - if you are subject to a recapture of ITC; or
  - if you are claiming:
    - the Ontario Research and Development Tax Credit;
    - the Ontario Innovation Tax Credit.
- Unless otherwise stated, all legislative references are to the Income Tax Act and the Income Tax Regulations.
- The ITC is eligible for a three-year carryback (if not deductible in the year earned). It is also eligible for a twenty-year carryforward.
- Investments or expenditures, described in subsection 127(9) and Regulation Part XLVI, that earn an ITC are:
  - qualified property and qualified resource property (Parts 4 to 7 of this schedule);
  - qualified scientific research and experimental development (SR&ED) expenditures (Parts 8 to 17). File Form T661, Scientific Research and Experimental Development (SR&ED) Expenditures Claim;
  - pre-production mining expenditures (Parts 18 to 20);
  - apprenticeship job creation expenditures (Parts 21 to 23); and
  - child care spaces expenditures (Parts 24 to 28).
    - Expenditures related to child care spaces incurred after March 21, 2017 no longer qualify for the investment tax credit. If you entered into a written
      agreement before March 22, 2017, eligible expenditures incurred before 2020 will remain eligible for the credit.
- File this schedule with the T2 Corporation Income Tax Return. If you need more space, attach additional schedules.
- For more information on ITCs, see "Investment Tax Credit" in Guide T4012, T2 Corporation Income Tax Guide and read Information Circular IC78-4, Investment Tax Credit Rates, and its related Special Release.
- For more information on SR&ED, see guide T4088, Guide to Form T661 Scientific Research and Experimental Development (SR&ED) Expenditures Claim.

#### **Detailed information**

- For the purpose of this schedule, **investment** means the capital cost of the property (excluding amounts added by an election under section 21), determined without reference to subsections 13(7.1) and 13(7.4), minus the amount of any government or non-government assistance that the corporation has received, is entitled to receive, or can reasonably be expected to receive for that property when it files the income tax return for the year in which the property was acquired.
- An ITC deducted or refunded in a tax year for a depreciable property, other than a depreciable property deductible under paragraph 37(1)(b), reduces both
  the capital cost of that property and the undepreciated capital cost of that class in the next tax year. An ITC for SR&ED deducted or refunded in a tax year
  will reduce the balance in the pool of deductible SR&ED expenditures and the adjusted cost base (ACB) of an interest in a partnership in the next tax year.
  An ITC from pre-production mining expenditures deducted in a tax year reduces the balance in the pool of deductible cumulative Canadian exploration
  expenses in the next tax year.
- Property acquired has to be available for use before a claim for an ITC can be made. See subsections 127(11.2) and 248(19) for more information.
- Expenditures for SR&ED and capital costs for a property qualifying for an ITC must be identified by the claimant on Form T661 and Schedule 31 no later than 12 months after the claimant's income tax return is due for the tax year in which it incurred the expenditures or capital costs.
- Expenditures for pre-production mining, apprenticeship, or child care space for an ITC must be identified by the claimant on Schedule 31 no later than 12 months after the claimant's income tax return is due for the tax year in which it incurred the expenditures or capital costs.
- Partnership allocations Subsection 127(8) provides for the allocation of the amount that may reasonably be considered to be a partner's share of
  the ITCs of the partnership at the end of the fiscal period of the partnership. An allocation of ITCs is generally considered to be the partner's
  reasonable share of the ITCs if it is made in the same proportion in which the partners have agreed to share any income or loss and if section 103 is
  not applicable for the agreement to share any income or loss. Special rules apply to specified members of a partnership and limited partners.
   For more information, see Guide T4068, Guide for the Partnership Information Return.
- For tax purposes, Canada includes the **exclusive economic zone of Canada** as defined in the *Oceans Act* (which generally consists of an area of the sea that is within 200 nautical miles from the Canadian coastline), including the airspace, seabed and subsoil of that zone.
- For the purpose of this schedule, the expression **Atlantic Canada** includes the Gaspé Peninsula and the provinces of Newfoundland and Labrador, Prince Edward Island, Nova Scotia, and New Brunswick, as well as their respective offshore regions (prescribed in Regulation 4609).
- For the purpose of this schedule, **qualified property** means property in Atlantic Canada that is used primarily for manufacturing and processing, farming or fishing, logging, storing grain, or harvesting peat. Property in Atlantic Canada that is used primarily for oil and gas, and mining activities is considered qualified property only if acquired by the taxpayer **before** March 29, 2012. Qualified property includes new buildings and new machinery and equipment (prescribed in Regulation 4600), and if acquired by the taxpayer **after** March 28, 2012, new energy generation and conservation property (prescribed in Regulation 4600). Qualified property can also be used primarily to produce or process electrical energy or steam in a prescribed area (as described in Regulation 4610). See the definition of **qualified property** in subsection 127(9) for more information.



#### **Detailed information (continued)**

- For the purpose of this schedule, **qualified resource property** means property in Atlantic Canada that is used primarily for oil and gas, and mining activities, if acquired by the taxpayer **after** March 28, 2012, and **before** January 1, 2016. Qualified resource property includes new buildings and new machinery and equipment (prescribed in Regulation 4600). See the definition of **qualified resource property** in subsection 127(9) for more information.
- For the purpose of this schedule, **pre-production mining exploration expenditures** are pre-production mining expenditures incurred **after** March 28, 2012, by the taxpayer to determine the existence, location, extent, or quality of certain mineral resources in Canada, excluding expenses incurred in the exploration of an oil or gas well. See subparagraph (a)(i) of the definition of **pre-production mining expenditure** in subsection 127(9) for more information.
- For the purpose of this schedule, **pre-production mining development expenditures** are pre-production mining expenditures incurred **after** March 28, 2012, by the taxpayer to bring a new mineral resource mine in Canada into production, excluding expenses in the development of a bituminous sands deposit or an oil shale deposit. See subparagraph (a)(ii) of the definition of **pre-production mining expenditure** in subsection 127(9) for more information.

<ul><li>Part 1 – Investments</li></ul>	, expenditures,	and percentages -
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r art i investments, expenditures, and percentages	
Investments	Specified percentage
Qualified property acquired primarily for use in Atlantic Canada	10 %
Qualified resource property acquired primarily for use in Atlantic Canada and acquired:	
- after March 28, 2012, and before 2014	10 %
- after 2013 and before 2016	5 %
- after 2015*	0 %
Expenditures	
If you are a Canadian-controlled private corporation (CCPC), this percentage may apply to the portion that you claim of the SR&ED qualified expenditure pool that does not exceed your expenditure limit (see Part 10)	35 %
Note: If your current year's qualified expenditures are more than your expenditure limit (see Part 10), the excess is eligible for an ITC calculated at the 15 % rate.	
If you are a corporation that is not a CCPC and have incurred qualified expenditures for SR&ED in any area in Canada:	
— before 2014**	20 %
- after 2013**	15 %
If you are a taxable Canadian corporation that incurred pre-production mining expenditures before March 29, 2012	10 %
If you are a taxable Canadian corporation that incurred pre-production mining exploration expenditures:	
- after March 28, 2012, and before 2013	10 %
- in 2013	5 %
- after 2013	0 %
If you are a taxable Canadian corporation that incurred pre-production mining development expenditures***:	
- after March 28, 2012, and before 2014	10 %
- in 2014	7 %
- in 2015	4 %
- after 2015	0 %
If you paid salary and wages to apprentices in the first 24 months of their apprenticeship contract for employment	10 %
If you incurred expenditures after March 18, 2007 and before March 22, 2017 (or before 2020 if you entered into a written agreement before March 22, 2017) for the creation of licensed child care spaces for the children of your employees and, potentially, for other children	25 %

- A transitional relief rate of 10% may apply to property acquired after 2013 and before 2017, if the property is acquired under a written agreement entered into before March 29, 2012, or the property is acquired as part of a **phase** of a project where the construction or the engineering and design work for the construction started before March 29, 2012. See paragraph (a.1) of the definition of **specified percentage** in subsection 127(9) for more information.
- \*\* The reduction of the rate from 20% to 15% applies to 2014 and later tax years, except that, for 2014 tax years that start before 2014, the reduction is pro-rated based on the number of days in the tax year that are after 2013.
- \*\*\* A transitional relief rate may apply to expenditures incurred after 2013 and before 2016, if the expenditure is incurred under a written agreement entered into before March 29, 2012, or the expenditure is incurred as part of the development of a new mine where the construction or the engineering and design work for the construction of the new mine started before March 29, 2012. See subparagraphs (k)(ii) and (iii) of the definition of **specified percentage** in subsection 127(9) for more information.

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2018-12-31

### Part 2 – Determination of a qualifying corporation -

Is the corporation a qualifying corporation?

..... 101 1 Yes 2 No X

For the purpose of a refundable ITC, a **qualifying corporation** is defined under subsection 127.1(2). The corporation has to be a CCPC and its taxable income (before any loss carrybacks) for its previous tax year cannot be more than its **qualifying income limit** for the particular tax year. If the corporation is associated with any other corporations during the tax year, the total of the taxable incomes of the corporation and the associated corporations (before any loss carrybacks), for their last tax year ending in the previous calendar year, cannot be more than their qualifying income limit for the particular tax year.

Note: A CCPC considered associated with another corporation under subsection 256(1) will be considered **not** associated for the calculation of a refundable ITC if:

- one corporation is associated with another corporation solely because one or more persons own shares of the capital stock of both corporations; and
- one of the corporations has at least one shareholder who is not common to both corporations.

If you are a **qualifying** corporation, you will earn a **100%** refund on your share of any ITCs earned at the 35% rate on qualified **current** expenditures for SR&ED, up to the allocated expenditure limit. The 100% refund does not apply to qualified **capital** expenditures eligible for the 35% credit rate. They are only eligible for the **40%** refund\*.

Some CCPCs that are **not qualifying** corporations may also earn a **100%** refund on their share of any ITCs earned at the 35% rate on qualified **current** expenditures for SR&ED, up to the allocated expenditure limit. The expenditure limit can be determined in Part 10. The 100% refund does not apply to qualified **capital** expenditures eligible for the 35% credit rate. They are only eligible for the **40%** refund\*.

The 100% refund will not be available to a corporation that is an **excluded corporation** as defined under subsection 127.1(2). A corporation is an excluded corporation if, at any time during the year, it is a corporation that is either controlled by (directly or indirectly, in any manner whatever) or is related to:

- a) one or more persons exempt from Part I tax under section 149;
- b) Her Majesty in right of a province, a Canadian municipality, or any other public authority; or
- c) any combination of persons referred to in a) or b) above.
- \* Capital expenditures incurred after December 31, 2013, including lease payments for property that would have been a capital expenditure if purchased directly, are **not** qualified SR&ED expenditures and are **not** eligible for an ITC on SR&ED expenditures.

– Part 3 – Corporations in the farming industry <del>– – – – – – – – – – – – – – – – – – –</del>	
Complete this area if the corporation is making SR&ED contributions.	
Is the corporation claiming a contribution in the current year to an agricultural organization whose goal is to finance SR&ED work (for example, check-off dues)?	
If yes, complete Schedule 125, Income Statement Information, to identify the type of farming industry the corporation is involved in.	
Contributions to agricultural organizations for SR&ED*	
* Enter only contributions not already included on Form T661. Include 80% of the contributions made <b>after</b> 2012. For contributions made <b>before</b> 2013, include all of the contributions.	

### **Qualified Property and Qualified Resource Property**

### Part 4 – Eligible investments for qualified property and qualified resource property from the current tax year

allowance class number	110	for use 115	Atlantic Canada (province) 120	investment

	edit and account balances esource property	s – ITC fron	n investments in qua	alified property ————	
ITC at the end of the previous tax y	year				B1
Credit deemed as a remittance of o	co-op corporations		210		
Credit expired			215		
		Subtotal (line	210 <b>plus</b> line 215)	<b>&gt;</b>	C1
ITC at the beginning of the tax yea	ar (amount B1 <b>minus</b> amount C1)			220	
Credit transferred on an amalgam	ation or the wind-up of a subsidiary				
ITC from repayment of assistance			235		
Qualified property; and qualified re acquired after March 28, 2012, an January 1, 2014* (applicable part t amount A1 in Part 4)	d before	x	10 % = <b>240</b>		
Qualified resource property acquir December 31, 2013, and before Ja (applicable part from amount A1 ir	anuary 1, 2016 n Part 4)		5 % = 242		
Credit allocated from a partnership	)				
			of lines 230 to 250)		D1
Total credit available (line 220 <b>plu</b>	s amount D1)			·····	E1
Credit deducted from Part I tax			<u>260</u>		
Credit carried back to previous year	ars (amount H1 in Part 6)				
Credit transferred to offset Part VI	I tax liability		<mark>280</mark>		
	Subtotal (total	of line 260, am	ount a, and line 280)	<b>&gt;</b>	F1
Credit balance before refund (amo	ount E1 <b>minus</b> amount F1)			· · · · · · · · · · · · · · · · · · ·	G1
Refund of credit claimed on invest	ments from qualified property and qu	alified resource	e property (from Part 7)	310	
ITC closing balance of investme (amount G1 minus line 310)	ents from qualified property and c			320	
* Include investments acquired af	ter 2013 and before 2017 that are eliq	gible for transition	onal relief.		
- Part 6 - Request for car 1st previous tax year 2nd previous tax year 3rd previous tax year	Year Month Day		Credi Credi Credi		operty ————————————————————————————————————
	for qualifying corporations esource property	on investr	ments from qualified	I property —	
Current-year ITCs (total of lines 24	40, 242, and 250 in Part 5)			· · · · · · · · · · · · · · · · · · ·	I1
Credit balance before refund (fron	n amount G1 in Part 5)			<u></u>	J1
Refund ( 40 % of amount	I1 or J1, whichever is less)			<u></u> _	K1
Enter amount K1 or a lossor amou	unt on line 310 in Part 5 (also enter o	n line 720 of the	T2 return if you do not also	m an SR&ED ITC refund\	

### SR&ED

– Part 8 – Qualified SR&ED expenditures <del>– – – – – – – – – – – – – – – – – – –</del>	
Current expenditures (from line 557 on Form T661)	
Contributions to agricultural organizations for SR&ED	
Government assistance, non-government assistance, or contract payment	
Contributions to agricultural organizations for SR&ED for the federal ITC (this amount is updated to line 103 of Part 3. For more details, consult the Help.)*	
Current expenditures (line 557 on Form T661 <b>plus</b> line 103 in Part 3)*	
Capital expenditures incurred <b>before</b> 2014 (from line 558 on Form T661)**	
Repayments made in the year (from line 560 on Form T661)	
Qualified SR&ED expenditures (total of lines 350 to 370)	
* If you are claiming only contributions made to agricultural organizations for SR&ED, line 350 should equal line 103 in Part 3. Do not file Form T661.	
** Capital expenditures incurred after December 31, 2013, are not qualified SR&ED expenditures. Capital cost allowance can be claimed for depreciable property acquired for use in SR&ED after 2013.	
Part 9 – Components of the SR&ED expenditure limit calculation ————————————————————————————————————	
Part 9 only applies if you are a CCPC.	
Note: A CCPC considered associated with another corporation under subsection 256(1) will be considered not associated for the calculation of an SR&ED expenditure limit if:	
<ul> <li>one corporation is associated with another corporation solely because one or more persons own shares of the capital stock of the corporation; and</li> </ul>	
one of the corporations has at least one shareholder who is not common to both corporations.	
Is the corporation associated with another CCPC for the purpose of calculating the SR&ED expenditure limit? 385 1 Yes 2 No X	
If you answered <b>no</b> to the question on line 385 or if you are not associated with any other corporations, complete lines 390 and 398. If you answered <b>yes</b> , the amounts for associated corporations will be determined on Schedule 49.	
Enter your taxable income for the previous tax year* (prior to any loss carrybacks applied)	
Enter your taxable capital employed in Canada for the previous tax year 10,289,603 minus \$10 million. If this amount is nil or negative, enter "0".  If this amount is over \$40 million, enter \$40 million	
* If the tax year referred to on line 390 is less than 51 weeks, <b>multiply</b> the taxable income by the following result: 365 <b>divided</b> by the number of days in that tax year.	
Part 10 – SR&ED expenditure limit for a CCPC	
For a stand-alone (not associated) corporation: $$8,000,000$$ Taxable income for the previous tax year (line 390 in Part 9) or \$500,000, whichever is more $694,911 \times 10 = 6,949,110$	۸۵
Excess (\$8,000,000 minus amount A2 if the taxation year ends before March 19, 2019; otherwise, enter \$3,000,000)  (if negative, enter "0")*	
\$ 40,000,000 <b>minus</b> line 398 in Part 9	
Amount b <b>divided</b> by \$ 40,000,000	C2
Expenditure limit for the stand-alone corporation (amount B2 multiplied by amount C2)**	D2
For an associated corporation:	
	E2
If your tax year is less than 51 weeks, calculate the amount of the expenditure limit as follows:	
Amount D2 or E2 x Number of days in the tax year 365 = 365	F2
Your SR&ED expenditure limit for the year (enter amount D2, E2, or F2, whichever applies)	
* For taxation years ending after March 18, 2019, the taxable income is no longer taken into account in the SR&ED expenditure limit calculation. For more information, consult the Help (F1).	
**Amount D2 or E2 cannot be more than \$3,000,000.	

Current expenditures (fro			is less*		420		x	35 %	=	G2
Line 350 minus line 410	O (if negative, er	nter "0")			430					
Amount from line 430		Number of days in the tax year before 2014	x	20%	γ <sub>0</sub> =		С			
		Number of days in the tax year								
Amount from line		Number of days in the tax year after 2013	0.5 V							
430**		Number of days in the tax year	365 x	15 %	。 = <u> </u>		d			
Subtotal (amount c plus	amount d)				=		<b>&gt;</b>			H2
Line 410 minus line 350	O (if negative, er	nter "0")				1,04	3,282 e			
Capital expenditures (lin whichever is less*		or amount e,			440		x	35 %	=	12
Line 360 minus amount	t e (if negative, e	enter "0")			450					
Amount from line 450		Number of days in the tax year before 2014	x	20%	<sub>6</sub> =		f			
		Number of days in the tax year			_					
Amount from line 450**		Number of days in the tax year after 2013	_365_ x	15 %	<sub>ω</sub> =		g			
		Number of days in the tax year	365							
Subtotal (amount f plus	amountg)				=		<b>&gt;</b>			J2
If a corporation makes a amount of qualified expe							nts that reduce	ed the		
Repayments (amount fr	rom line 370 in	Part 8)								
Enter the amount of the r	repayment on th	ne line that corresp	onds to the a	appropriate rat	e.					
Repayment of assistance qualifying expenditure for		a <mark>460</mark>			x	35 %	=		h	
Repayment of assistance September 16, 2016 that qualifying expenditure in	at reduced a	015 <mark>480</mark>			x	20 %	=		i	
Repayment of assistance September 16, 2016 that qualifying expenditure in	ce made after at reduced a	<b>-</b>	1		x		=		:	
qualifying expenditure in	icurred arter 20	14							)	140
					aı ( <b>add</b>		j)			K2
Current-year SR&ED	`	•		,					• • • —	L2
* For corporations that		•			00/ 1- 4/	<b>5</b> 0/	-1 ( 00441-		lant bafana O	04.4
** For tax years that end the reduction is pro-ra the amount by 15%.										
*** If you were a Canadia expenditure pool that to investment tax c appropriate.	it did not exceed	l your expenditure	limit at the tir	ne. This perce	ntage ir	ncludes the ra	te under subs	ection 127(10	.1), addition	S

– Part 12 – Current-yea	r credit and account bala	ances – ITC from SR&ED expenditures ——		
ITC at the end of the previous to	ax year			M2
Credit deemed as a remittance	of co-op corporations	<mark>510</mark>		
Credit expired		<mark>515</mark>		
		Subtotal (line 510 <b>plus</b> line 515)	<u></u> >	N2
ITC at the beginning of the tax y	year (amount M2 <b>minus</b> amount N	12)	520	
Credit transferred on an amalg	amation or the wind-up of a subsidi	iary 530		
Total current-year credit (from	amount L2 in Part 11)	540		
Credit allocated from a partners	ship	550		
		Subtotal (total of lines 530 to 550)	<u> </u>	O2
Total credit available (line 520	plus amount O2)		<u></u>	P2
Credit deducted from Part I tax				
Credit carried back to previous	years (amount S2 in Part 13)		k	
Credit transferred to offset Part	VII tax liability			
	Subtotal (1	total of line 560, amount k, and line 580)	<b>&gt;</b>	Q2
Credit balance before refund (a	mount P2 <b>minus</b> amount Q2)			R2
Refund of credit claimed on SR	R&ED expenditures (from Part 14 o	r 15, whichever applies)	610	
ITC closing balance on SR&I	ED (amount R2 minus line 610)			
– Part 13 – Paguest for	carryback of credit from	SP&ED expenditures		
Fait 13 - Nequest 101	Year Month Day	SNALD experiuntures		
1st previous tax year	real Month Day		ed <b>911</b>	
2nd previous tax year				
3rd previous tax year		Credit to be applie	· · · · · · · · · · · · · · · · · · ·	
		Total of lines		S2
		Enter at amount k	in Part 12.	

− Part 14 − Refund of ITC for qualifying corporations − SR&ED −−−−−	
Complete this part only if you are a qualifying corporation as determined on line 101 in Part 2.	
Is the corporation an excluded corporation as defined under subsection 127.1(2)?	X
Current-year ITC (lines 540 <b>plus</b> 550 in Part 12 <b>minus</b> amount K2 in Part 11)	
Refundable credits (amount I or amount R2 in Part 12, whichever is less)*	T2
Amount T2 or amount G2 in Part 11, whichever is less	U2
Net amount (amount T2 <b>minus</b> amount U2; if negative, enter "0")	V2
Amount V2 <b>multiplied</b> by 40 %	W2
Amount U2	X2
Refund of ITC (amount W2 plus amount X2 – enter this, or a lesser amount, on line 610 in Part 12)  Enter the total of line 310 in Part 5 and line 610 in Part 12 on line 780 of the T2 return.	Y2
* If you are also an excluded corporation, as defined in subsection 127.1(2), this amount must be multiplied by 40%. Claim this, or a lesser amount, as your refund of ITC for amount Y2.	
- Part 15 - Refund of ITC for CCPCs that are not qualifying or excluded corporations - SR&ED	
Complete this part only if you are a CCPC that is not a qualifying or excluded corporation as determined on line 101 in Part 2.	
Credit balance before refund (amount R2 in Part 12)	Z2
Amount Z2 or amount G2 in Part 11, whichever is less	AA2
Net amount (amount Z2 <b>minus</b> amount AA2; if negative, enter "0")	BB2
Amount BB2 or amount I2 in Part 11, whichever is less	CC2
Amount CC2 multiplied by 40 %	DD2
Amount AA2	EE2
Refund of ITC (amount DD2 plus amount EE2)	FF2

### Recapture - SR&ED

### ¬ Part 16 − Recapture of ITC for corporations and partnerships − SR&ED

You will have a recapture of ITC in a year when all of the following conditions are met:

- you acquired a particular property in the current year or in any of the 20 previous tax years, and the credit was earned in a tax year ending after 1997 and did not expire before 2008;
- you claimed the cost of the property as a qualified expenditure for SR&ED on Form T661;
- the cost of the property was included in calculating your ITC or was the subject of an agreement made under subsection 127(13) to transfer qualified expenditures; and
- you disposed of the property or converted it to commercial use after February 23, 1998. This condition is also met if you disposed of or converted to commercial use a property that incorporates the particular property previously referred to.

#### Note:

The recapture **does not apply** if you disposed of the property to a non-arm's-length purchaser who intended to use it all or substantially all for SR&ED. When the non-arm's-length purchaser later sells or converts the property to commercial use, the recapture rules will apply to the purchaser based on the historical ITC rate of the original user.

You will report a recapture on the T2 return for the year in which you disposed of the property or converted it to commercial use. In the following tax year, add the amount of the ITC recapture to the SR&ED expenditure pool.

If you have more than one disposition for calculations 1 and 2, complete the columns for each disposition for which a recapture applies, using the calculation formats below.

Amount of ITC you originally calculated for the property you acquired, or the original user's ITC where you acquired the property from a non-arm's length party, as described in the <b>note</b> above	Amount calculated using ITC rate at the date of acquisition (or the original user's date of acquisition) on either the proceeds of disposition (if sold in an arm's length transaction) or the fair market value of the property (in any other case)	Amount from column 700 or 710, whichever is less
700	710	

Α	В	С	D	E	F
Rate that the transferee used in determining its ITC for qualified expenditures under a subsection 127(13) agreement	Proceeds of disposition of the property if you dispose of it to an arm's length person; or, in any other case, enter the fair market value of the property at conversion or disposition	Amount, if any, already provided for in Calculation 1 (This allows for the situation where only part of the cost of a property is transferred under a subsection 127(13) agreement.)	Amount determined by the formula (A x B) – C	ITC earned by the transferee for the qualified expenditures that were transferred	Amount from column D or E, whichever is less

### Part 16 – Recapture of ITC for corporations and partnerships – SR&ED (continued)

### - Calculation 3 -

As a member of the partnership, you will report your share of the SR&ED ITC of the partnership after the SR&ED ITC has been reduced by the amount of the recapture. If this amount is a positive amount, you will report it on line 550 in Part 12. However, if the partnership does not have enough ITC otherwise available to offset the recapture, then the amount by which reductions to ITC exceed additions (the excess) will be determined and reported on line 760.

Corporate partner's share of the excess of SR&ED ITC Enter at amount E3 in Part 17.

– Part 17 – Total recapture of SR&ED investr	ment tax credit ————————————————————————————————————	
Recaptured ITC from calculation 1, amount A3 in Part 16		C3
Recaptured ITC from calculation 2, amount B3 in Part 16		D3
Recaptured ITC from calculation 3, line 760 in Part 16		E3
Total recapture of SR&ED investment tax credit (total of	amounts C3 to E3)	F3
Enter at amount A8 in Part 29.		

### **Pre-Production Mining**

### ¬ Part 18 – Pre-production mining expenditures -

#### **Exploration information**

A mineral resource that qualifies for the credit means a mineral deposit from which the principal mineral to be extracted is diamond, a base or precious metal deposit, or a mineral deposit from which the principal mineral to be extracted is an industrial mineral that, when refined, results in a base or precious metal.

In column 800, list all minerals for which pre-production mining expenditures have taken place in the tax year.

For each of the minerals reported in column 800, identify each project (in column 805), mineral title (in column 806), and mining division (in column 807) where title is registered. If there is no mineral title, identify only the project and mining division.

List of minerals 800	Project name 805
Mineral title 806	Mining division 807
Per any frattra ar	
	ning expenditures*
Exploration:  Pre-production mining expenditures that you incurred in the tax year ( <b>before</b> Janua the existence, location, extent, or quality of a mineral resource in Canada:	
Prospecting	
Geological, geophysical, or geochemical surveys	811
Orilling by rotary, diamond, percussion, or other methods	812
Trenching, digging test pits, and preliminary sampling	813
Development: Pre-production mining expenditures incurred in the tax year for bringing a new mine production in reasonable commercial quantities and incurred before the new mine concluding, removing overburden, and stripping  Sinking a mine shaft, constructing an adit, or other underground entry	
Other pre-production mining expenditures incurred in the tax year:	
Description 825	Amount 826
	Total of column 826 A4
Fotal pre-production mining expenditures (total of lines 810 to 821 and amount A4)	
Total of all assistance (grants, subsidies, rebates, and forgivable loans) or reimburs received or is entitled to receive in respect of the amounts referred to on line 830 about 1	
Excess (line 830 <b>minus</b> line 832) (if negative, enter "0")	B4
Repayments of government and non-government assistance	835
Pre-production mining expenditures (amount B4 plus line 835)	C4
* A pre-production mining expenditure is defined under subsection 127(9).	

– Paı	t 19 – Current-year cred	it and account balance	s – ITC from	pre-production m	ining expenditure	s ———
ITC a	t the end of the previous tax year					D4
Credi	t deemed as a remittance of co-op	corporations		841		
Credi	t expired			845		
			Subtotal (line 84	1 <b>plus</b> line 845)	<b>&gt;</b>	E4
ITC a	t the beginning of the tax year (am	ount D4 <b>minus</b> amount E4)			850	
Credi	t transferred on an amalgamation	or the wind-up of a subsidiary			860	
incurr	roduction mining expenditures* ed before January 1, 2013 cable part from amount C4 in Part	18) <b>870</b>	x	10 % =	m	
Pre-p	roduction mining exploration aditures** incurred in 2013 cable part from amount C4 in Part		x		···	
exper	roduction mining development nditures incurred in 2014 cable part from amount C4 in Part	18) 874	x	7 % =	0	
exper	roduction mining development nditures incurred in 2015 cable part from amount C4 in Part	18) <b>876</b>	x	4 % =	p	
		Current year cre	dit (total of amour	nts m to p) <b>880</b>	<b>&gt;</b> _	F4
Total	credit available (total of lines 850,	860, and amount F4)				G4
Credi	t deducted from Part I tax			885		
Credi	t carried back to previous years (a	mount I4 in Part 20)		<u> </u>	q	
			Subtotal (line 885	plus amount q)	<b>&gt;</b> _	H4
ITC c	losing balance from pre-produc	etion mining expenditures (an	nount G4 <b>minus</b> a	amount H4)	890	
* Al	so include pre-production mining d	evelopment expenditures incur	red before 2014 ar	nd pre-production mining	development expenditure	es incurred after
** Al	p13 and before 2016 that are eligib so include pre-production mining one- e-production mining expenditures expense in subsection 66.1(6) of the	development expenditures incur re in subsection 127(9) of the A				
– Pai	t 20 – Request for carry	hack of credit from hre	-production	mining expenditur	98	
ı aı		ear Month Day	-production i	mining experiental	CS	
1st pr	evious tax year	World Day		Credit	t to be applied 921	
2nd p	revious tax year			Credit	000	
3rd pr	evious tax year				t to be applied 923 otal of lines 921 to 923 at amount q in Part 19.	14
		<b>A</b>		L O		
			enticeship Jo			
– Pai	rt 21 – Total current-year	credit – ITC from appr	enticeship jo	b creation expend	ditures ————	
who v	are a related person as defined ur vill be claiming the apprenticeship cial insurance number (SIN) or na	job creation tax credit for this tax	cyear for each app	orentice whose contract n		1 Yes 2 No
under	ach apprentice in their first 24 mon an apprenticeship program desig act number, enter the SIN or the na	ned to certify or license individu				
	A	B		C	D	E
	Contract number (SIN or name of apprentice)	Name of eligible t	rade	Eligible salary and wages*	Column C x 10 %	Lesser of column D or \$ 2,000
	601	602		603	604	605
1	SYS045899	Powerline Technician		90,927	9,093	2,000

	A Contract number (SIN or name of apprentice)	B Name of eligible trade	C Eligible salary and wages*	D Column C x 10 %	E Lesser of column D or \$ 2,000	
2.	SYS089443	Powerline Technician	17,556	1,756	1,756	
				edit (total of column E) on line 640 in Part 22.	3,756	A5

\* Other than qualified expenditure incurred, and net of any other government or non-government assistance received or to be received. Eligible salary and wages, and qualified expenditures are defined under subsection 127(9).

− Part 22 − Current-year credit and account balances − ITC from apprenticeship job creation ex	kpenditures ————	_
ITC at the end of the previous tax year	B5	5
Credit deemed as a remittance of co-op corporations		
Credit expired after 20 tax years		
Subtotal (line 612 <b>plus</b> line 615)	CS	5
ITC at the beginning of the tax year (amount B5 <b>minus</b> amount C5)	625	
Credit transferred on an amalgamation or the wind-up of a subsidiary		
ITC from repayment of assistance		
Total current-year credit (amount A5 in Part 21)		
Credit allocated from a partnership		
Subtotal (total of lines 630 to 655)3,756	▶ <u>3,756</u> D	5
Total credit available (line 625 <b>plus</b> amount D5)	<u>3,756</u> E	5
Credit deducted from Part I tax		
Credit carried back to previous years (amount G5 in Part 23)	r	
Subtotal (line 660 <b>plus</b> amount r)	► F5	5
ITC closing balance from apprenticeship job creation expenditures (amount E5 minus amount F5)	<b>690</b> 3,756	

	Year	Month	Day		
1st previous tax year					
2nd previous tax year				Credit to be applied 932	
3rd previous tax year				Credit to be applied 933	
				Total of lines 931 to 933  Enter at amount r in Part 22.	_

### **Child Care Spaces**

### ¬ Part 24 – Eligible child care spaces expenditures -

Enter the eligible expenditures that you incurred after March 18, 2007 and before March 22, 2017\* to create licensed child care spaces for the children of the employees and, potentially, for other children. You cannot be carrying on a child care services business. The eligible expenditures include:

- the cost of depreciable property (other than specified property); and
- the specified child care start-up expenditures.

Properties should be acquired and expenditures should be incurred only to create new child care spaces at a licensed child care facility.

	Capital cost allowance class number	Description of investment	Date available for use	Amount of investment
	665	675	685	695
1.				
		Total cost of depreciable property from the current tax y	rear (total of column 695) <b>715</b>	
ecified	child care start-up expenditure		705	-
tal gros	ss eligible expenditures for child	care spaces (line 715 <b>plus</b> line 705)		
otal of al orporation	l assistance (including grants, on has received or is entitled to	subsidies, rebates, and forgivable loans) or reimbursements that t receive in respect of the amounts referred to in amount A6	he	
cess (a	mount A6 <b>minus</b> line 725) (if n	egative, enter "0")		
epayme	nts by the corporation of govern	ment and non-government assistance	735	
stal alia	ible expenditures for child c	are spaces (amount B6 plus line 735)		
nai ciiy				

	P	art	25	5 – (	Curi	·ent	-year	credit	t —	ITO	C f	rom	child	l care	S	paces	s ex	pend	litu	ires
--	---	-----	----	-------	------	------	-------	--------	-----	-----	-----	-----	-------	--------	---	-------	------	------	------	------

The credit is equal to 25% of eligible child care spaces expenditures incurred to a maximum of \$10,000 per child care space created in a licens	ed child
care facility.	

Eligible expenditures (from line 745 in Part 24)	X	25 % =	C6
Number of child care spaces	x \$	10,000 =	D6

ITC from child care spaces expenditures (amount C6 or D6, whichever is less)

E6

Part 26 – Current-ye	ear credit and account bala	nces – ITC from child care spaces expenditu	ures ———	
ITC at the end of the previous	s tax year			F6
Credit deemed as a remittand	ce of co-op corporations	<mark>765</mark>		
Credit expired after 20 tax yea		<mark>770</mark>	<u></u>	
		Subtotal (line 765 <b>plus</b> line 770)	<b> &gt;</b>	G6
ITC at the beginning of the ta	x year (amount F6 <b>minus</b> amount G	6)	775	
Credit transferred on an ama	Igamation or the wind-up of a subsidi	ary		
Total current-year credit (ame	ount E6 in Part 25)	<mark>780</mark>		
Credit allocated from a partne		<mark>782</mark>		
		Subtotal (total of lines 777 to 782)	<u> </u>	H6
Total credit available (line 775	5 <b>plus</b> amount H6)		<u></u>	16
Credit deducted from Part I ta	ах	<mark>785</mark>		
Credit carried back to previou	us years (amount K6 in Part 27)		s	
		Subtotal (line 785 <b>plus</b> amount s)	<b>&gt;</b>	J6
ITC closing balance from c	child care spaces expenditures (ar	nount I6 <b>minus</b> amount J6)		
Part 27 – Request fo	or carryback of credit from	child care space expenditures		
	Year Month Day			
1st previous tax year	2017-12-31			
2nd previous tax year	2016-12-31			
3rd previous tax year	2015-12-31			
		Total of lines 9 Enter at amount s ir		K6
		Linei at amount sir	iii ait 20.	

### **Recapture – Child Care Spaces**

┌ Part 28 – Recapture of ITC for corporations and partnerships – Child care spaces ————————————————————————————————————	$\neg$
The ITC will be recovered against the taxpayer's tax otherwise payable under Part I of the Act if, at any time within 60 months of the day on which the taxpayer acquired the property:	
the new child care space is no longer available; or	
property that was an eligible expenditure for the child care space is:	
<ul> <li>disposed of or leased to a lessee; or</li> </ul>	
<ul> <li>converted to another use.</li> </ul>	
If the property disposed of is a child care space, the amount that can reasonably be considered to have been included in the original ITC (paragraph 127(27.12)(a))	
In the case of eligible expenditures (paragraph 127(27.12)(b)), the lesser of:	
The amount that can reasonably be considered to have been included in the original ITC 795	
25% of either the proceeds of disposition (if sold in an arm's length transaction) or the fair market value (in any other case) of the property	
Amount from line 795 or line 797, whichever is less	A7
Partnerships —	
As a member of the partnership, you will report your share of the child care spaces ITC of the partnership after the child care spaces ITC has been reduced by the amount of the recapture. If this amount is a positive amount, you will report it on line 782 in Part 26. However, if the partnership does not have enough ITC otherwise available to offset the recapture, then the amount by which reductions to ITC exceed additions (the excess) will be determined and reported on line 799 below.	
Corporate partner's share of the excess of ITC  Total recapture of child care spaces investment tax credit (total of line 792, amount A7, and line 799)  Enter at amount B8 in Part 29.	В7
Liner at amount 50 mm att 25.	
Summary of Investment Tax Credits	
Part 29 – Total recapture of investment tax credit	
Recaptured SR&ED ITC (amount F3 in Part 17)	A8
Recaptured child care spaces ITC (amount B7 in Part 28)	В8
Total recapture of investment tax credit (amount A8 plus amount B8)	C8
Enter on line 602 of the T2 return.	
Part 30 – Total ITC deducted from Part I tax	
ITC from investments in qualified property deducted from Part I tax (line 260 in Part 5)	D8
ITC from SR&ED expenditures deducted from Part I tax (line 560 in Part 12)	E8
ITC from pre-production mining expenditures deducted from Part I tax (line 885 in Part 19)	F8
	G8
	H8
Total ITC deducted from Part I tax (total of amounts D8 to H8)	18
Enter on line 652 of the T2 return.	ادا

# Summary of Investment Tax Credit Carryovers

CCA class number	97	Apprenticeship	job creation ITC			
Current year		Addition	Applied	Claimed	Carried back	ITC end
		current year (A)	current year (B)	as a refund (C)	(D)	of year (A-B-C-D)
	_	3,756				3,756
rior years						
axation year			ITC beginning of year (E)	Adjustments (F)	Applied current year (G)	ITC end of year (E-F-G)
2017-12-31						
2016-12-31						
2015-12-31						
2014-12-31						
2013-12-31						
2012-12-31						
2011-12-31						
2010-12-31						
2009-12-31						
		Total				
+C+D+G					Total ITC utilized	

any expired credit will be posted to line 215, 515, 615, 770 or 845, as applicable, in Schedule 31 the following year.

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Agence du revenu du Canada Schedule 33

### Taxable Capital Employed in Canada – Large Corporations

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2018-12-31

- Use this schedule in determining if the total taxable capital employed in Canada of the corporation (other than a financial institution or an insurance corporation) and its related corporations is greater than \$10,000,000.
- If the total taxable capital employed in Canada of the corporation and its related corporations is greater than \$10,000,000, file a completed Schedule 33 with your T2 Corporation Income Tax Return no later than six months from the end of the tax year.
- Unless otherwise noted, all legislative references are to the Income Tax Act and the Income Tax Regulations.
- Subsection 181(1) defines the terms financial institution, long-term debt, and reserves.
- Subsection 181(3) provides the basis to determine the carrying value of a corporation's assets or any other amount under Part I.3 for its capital, investment allowance, taxable capital, or taxable capital employed in Canada, or for a partnership in which it has an interest.
- If the corporation was a non-resident of Canada throughout the year and carried on a business through a permanent establishment in Canada, go to Part 4,
   Taxable capital employed in Canada.

Part 1 – Capital –
Add the following year-end amounts:
Reserves that have not been deducted in calculating income for the year under Part I 101 359,084
Capital stock (or members' contributions if incorporated without share capital) 103
Retained earnings
Contributed surplus
Any other surpluses
Deferred unrealized foreign exchange gains
All loans and advances to the corporation 108
All indebtedness of the corporation represented by bonds, debentures, notes, mortgages, hypothecary claims, bankers' acceptances, or similar obligations
Any dividends declared but not paid by the corporation before the end of the year 110
All other indebtedness of the corporation (other than any indebtedness for a lease) that has been outstanding for more than 365 days before the end of the year
The total of all amounts, each of which is the amount, if any, in respect of a partnership in which the corporation held a membership interest at the end of the year, either directly or indirectly through another partnership (see note below)
Subtotal ( <b>add</b> lines 101 to 112) 11,306,569

#### Note:

Line 112 is determined by the formula (A – B) x C/D (as per paragraph 181.2(3)(g)) where:

- A is the total of all amounts that would be determined for lines 101, 107, 108, 109, and 111 in respect of the partnership for its last fiscal period that ends at or before the end of the year if
  - a) those lines applied to partnerships in the same manner that they apply to corporations, and
  - b) those amounts were computed without reference to amounts owing by the partnership
    - (i) to any corporation that held a membership interest in the partnership either directly or indirectly through another partnership, or
    - (ii) to any partnership in which a corporation described in subparagraph (i) held a membership interest either directly or indirectly through another partnership.
- B is the partnership's deferred unrealized foreign exchange losses at the end of the period,
- C is the share of the partnership's income or loss for the period to which the corporation is entitled either directly or indirectly through another partnership, and
- D is the partnership's income or loss for the period.



			86463 9562 RC0002
Part 1 – Capital (continued)			
		Subtotal A (from page 1)	<u>11,306,569</u> A
<b>Deduct</b> the following amounts:	_		
Deferred tax debit balance at the end of the year			
Any deficit deducted in calculating its shareholders' equity (including, for amount of any provision for the redemption of preferred shares) at the experience of the control of the contr			
To the extent that the amount may reasonably be regarded as being inc 101 to 112 above for the year, any amount deducted under subsection income under Part I for the year.	135(1) in calculating		
Deferred unrealized foreign exchange losses at the end of the year			
	Subtotal (add lines 121 to 124)	<b>&gt;</b> _	В
Capital for the year (amount A minus amount B) (if negative, enter "0"	)	190 <u> </u>	11,306,569
Part 2 – Investment allowance			
Add the carrying value at the end of the year of the following assets of th	e corporation:		
A share of another corporation		401	
A loan or advance to another corporation (other than a financial institution	on)	402	
A bond, debenture, note, mortgage, hypothecary claim, or similar obliga (other than a financial institution)	ation of another corporation	403	
Long-term debt of a financial institution			
A dividend payable on a share of the capital stock of another corporatio	on	405	
A loan or advance to, or a bond, debenture, note, mortgage, hypotheca member of which was, throughout the year, another corporation (other tax under this Part (otherwise than because of paragraph 181.1(3)(d)), paragraph 181.2(4)(d.1)	than a financial institution) that was not	exempt from	
An interest in a partnership (see note 2 below)			
Investment allowance for the year (add lines 401 to 407)			
Notes:			
<ol> <li>Lines 401 to 405 should not include the carrying value of a share of the exempt from tax under Part I.3 (other than a non-resident corporation establishment).</li> </ol>			
2. Where the corporation has an interest in a partnership held either dire additional rules regarding the carrying value of an interest in a partner		ership, refer to subsection 181.	2(5) for
<ol> <li>Where a trust is used as a conduit for loaning money from a corporation considered to have been made directly from the lending corporation tapply.</li> </ol>			
Part 3 – Taxable capital			
Capital for the year (line 190)			11 306 569 C

Part 3 – Taxable capital	
Capital for the year (line 190)	11,306,569 C
Deduct: Investment allowance for the year (line 490)	D
Taxable capital for the year (amount C minus amount D) (if negative, enter "0")	11,306,569

– Part 4 – Taxable	e capital employed	in Canada				
	To be com	pleted by a corporation that was	s resident in Canada at	any time in the year		
Taxable capital for the year (line 500)	11,306,569 x	Taxable income earned in Canada 610  Taxable income	1,000 =	Taxable capital employed in Canada	690	11,306,569
2. Where a control to have a to	corporation's taxable incom axable income for that yea	culating the amount of taxable income for a tax year is "0," it shall, for the	ne earned in Canada. e purposes of the above o			
		eted by a corporation that was a carried on a business through a				
		value at the end of the year of an as usiness during the year through a p			701	
<b>Deduct</b> the following a	mounts:					
paragraphs 181.2(3)(c		[other than indebtedness described y be regarded as relating to a busing ment in Canada				
described in subsectio	n 181.2(4) of the corporation arrying on any business du	value at the end of year of an asset on that it used in the year, or held in ring the year through a permanent	the			
corporation that is a sh personal or movable pi	ip or aircraft the corporatio roperty used or held by the	value at the end of year of an asset n operated in international traffic, or corporation in carrying on any busir nt in Canada (see note below)	•			
		Total deductions (add li	nes 711, 712, and 713)		<b>&gt;</b>	E
Taxable capital empl	oyed in Canada (line 701	minus amount E) (if negative, ente	r "0")		790	
		hich the corporation is resident did a ship or aircraft in international traf				the
⊢ Part 5 – Calcula	ation for purposes	of the small business dec	luction —			
This part is applicabl	e to corporations that ar	e not associated in the current y	ear, but were associate	ed in the prior year.		
Taxable capital employ	ved in Canada (amount fror	n line 690)				F
Deduct:	,	,				10,000,000 G
			ess (amount F <b>minus</b> am			
	oses of the small busines ne 415 of the T2 return.	ss deduction (amount H x 0.225%)	)			I

Agence du revenu du Canada

### **SCHEDULE 50**

### SHAREHOLDER INFORMATION

Name of corporation	Business Number	Tax year end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2018-12-31

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

		Provide only or	ne number per sha	areholder		
	Name of shareholder (after name, indicate in brackets if the shareholder is a corporation, partnership, individual, or trust)	Business Number (If a corporation is not registered, enter "NR")	Social insurance number	Trust number	Percentage common shares	Percentage preferred shares
	100	200	300	350	400	500
1	The Corporation of the Town of Orangeville	10698 6151 RC0001			94.500	
2	The Corporation of the Township of East Luther Grand	NR			5.500	
3						
4						
5						
6						
7						
8						
9						
10						

Canada Revenue Agency

Agence du revenu du Canada Schedule 53

### **General Rate Income Pool (GRIP) Calculation**

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2018-12-31

On: 2018-12-31

- If you are a Canadian-controlled private corporation (CCPC) or a deposit insurance corporation (DIC), use this schedule to determine the general rate income pool (GRIP).
- Credit unions are **not** required to complete this schedule.
- All legislative references are to the Income Tax Act and the Income Tax Regulations.
- When an eligible dividend was paid in the tax year or there was a change in the GRIP balance, file a completed copy of this schedule with your T2 Corporation Income Tax Return. Do not send your worksheets with your return, but keep them in your records in case we ask to see them later.
- Subsection 89(1) defines the terms eligible dividend, excessive eligible dividend designation, general rate income pool, and low rate income pool.

┌ Eligibility for the various additions ───────────────────────	
Answer the following questions to determine the corporation's eligibility for the various additions:	
2006 addition	
1. Is this the corporation's first taxation year that includes January 1, 2006?	Yes X No
2. If not, what is the date of the taxation year end of the corporation's first year that includes January 1, 2006?  Enter the date and go directly to question 4	2006-12-31
3. During that first year, was the corporation a CCPC or would it have been a CCPC if not for the election of subsection 89(11) ITA?	Yes No
If the answer to question 3 is yes, complete Part "GRIP addition for 2006".	
Change in the type of corporation	
4. Was the corporation a CCPC during its preceding taxation year?	X Yes No
5. Corporations that become a CCPC or a DIC	Yes X No
If the answer to question 5 is yes, complete Part 4.	
Amalgamation (first year of filing after amalgamation)	
6. Corporations that were formed as a result of an amalgamation	Yes X No
If the answer to question 6 is yes, answer questions 7 and 8. If the answer is no, go to question 9.	
7. Was one or more of the predecessor corporations neither a CCPC nor a DIC?  If the answer to question 7 is yes, complete Part 4.	Yes No
8. Was one or more of the predecessor corporation a CCPC or a DIC during the taxation year that ended immediately before amalgamation?	Yes No
If the answer to question 8 is yes, complete Part 3.	
Winding-up	
9. Has the corporation wound-up a subsidiary in the preceding taxation year?	Yes X No
If the answer to question 9 is yes, answer questions 10 and 11. If the answer is no, go to Part 1.	
10. Was the subsidiary neither a CCPC nor a DIC during its last taxation year?  If the answer to question 10 is yes, complete Part 4.	Yes No
11. Was the subsidiary a CCPC or a DIC during its last taxation year?  If the answer to question 11 is yes, complete Part 3.	Yes No



Part 1 – General rate income pool (GRIP)		
GRIP at the end of the previous tax year	7,978,892	Α
Taxable income for the year (DICs enter "0") *		
Amount on line 400, 405, 410, or 427 of the T2 return, whichever is less *		
Income taxable at the general corporate rate (amount B <b>minus</b> amount C) (if negative enter "0")		
After-tax income (line 150 multiplied by 0.72 (the general rate factor for the tax year))		D
Eligible dividends received in the tax year		E
Becoming a CCPC (amount W5 in Part 4)  Post-amalgamation (total of amounts E4 in Part 3 and amounts W5 in Part 4)  Post-wind-up (total of amounts E4 in Part 3 and amounts W5 in Part 4)  Subtotal (add lines 220, 230, and 240)  Subtotal (add amounts A. D. E. and F)	7,978,892	F G
Eligible dividends paid in the previous tax year	610,747	
GRIP before adjustment for specified future tax consequences (amount G minus amount H) (amount can be negative) 490	7,368,145	
Total GRIP adjustment for specified future tax consequences to previous tax years (amount N3 in Part 2)		
GRIP at the end of the tax year (line 490 minus line 560)  Enter this amount on line 160 of Schedule 55.	7,368,145	
* For lines 110, 130, and 140, the income amount is the amount before considering specified future tax consequences. This phrase is defined in subsection 248(1). It includes the deduction of a loss carryback from subsequent tax years, a reduction of Canadian exploration expenses and Canadian development expenses that were renounced in subsequent tax years (e.g., flow-through share renunciations), reversals of income inclusions where an option is exercised in subsequent tax years, and the effect of certain foreign tax credit adjustments.		

- Part 2 - GRIP adjusting Complete this part if the corpora defined in subsection 248(1) from	ation's taxable income of ar	ny of the previous three tax	years took into account t	•	onsequences
First previous tax year 20	17-12-31				
Taxable income before specifie from the current tax year	d future tax consequences		694,911_A1		
Enter the following amounts consequences from the curr		ax			
Amount on line 400, 405, 410, of the T2 return, whichever is le		B1			
· ·	<u> </u>				
Subtotal (amount B1 plus	amount C1)	58,221 ▶	58,221 <sub>D1</sub>		
	ninus amount D1) (if negat		636,690	636,690 E1	
	Futu	re tax consequences that	at occur for the current	: year	
	An	nount carried back from the	e current year to a prior y	ear	
Non-capital loss carry-back (paragraph 111 (1)(a) ITA)	Capital loss carry-back	Restricted farm loss carry-back	Farm loss carry-back	Other	Total carrybacks
Taxable income after specified	·		F1		
Enter the following amounts  Amount on line 400, 405, 410, of the T2 return, whichever is le	or 427	•			
Aggregate investment income (line 440 of the T2 return)	<u> </u>	H1			
Subtotal (amount G1 plus	amount H1)	<b>&gt;</b>	I1		
Subtotal (amount F1	minus amount I1) (if negat	ive, enter "0")	<b>&gt;</b>	J1	
		tE1 <b>minus</b> amount J1) (if		K1	
GRIP adjustment for specific	•	es to the first previous t	•		500

	ıs tax year <u>20</u> 1	16-12-31				
axable income ne current tax ye	•	ture tax consequences	from 	A2		
	ring amounts bef from the current	ore specified future t tax year:	ax			
	400, 405, 410, or 42 whichever is less	27 	B2			
Aggregate investine 440 of the 1			C2			
Subtotal (ar	nount B2 <b>plus</b> amo	ount C2)	<b>&gt;</b>	D2		
Subtota	al (amount A2 <b>min</b> u	us amount D2) (if negat	ive, enter "0")	<b>&gt;</b>	E	2
		Futu	re tax consequences tha	t occur for the current	year	
		Ar	nount carried back from the	current year to a prior ye	ar	
(p:	n-capital loss carry-back aragraph 111 (1)(a) ITA)	Capital loss carry-back	Restricted farm loss carry-back	Farm loss carry-back	Other	Total carrybacks
xable income	after specified futu	re tax consequences		F2		
	•	re tax consequences er specified future tax		F2		
inter the follow	ving amounts afte 400, 405, 410, or 42	er specified future tax	consequences:	F2		
nter the follow mount on line 4 f the T2 return, ggregate inves	ving amounts after 100, 405, 410, or 42 whichever is less them the three times are the three times are the three times are thr	er specified future tax	consequences:	F2		
nter the follow mount on line 4 f the T2 return, ggregate invesi ine 440 of the T	ring amounts after 100, 405, 410, or 42 whichever is less ment income 12 return)	er specified future tax	consequences:			
mount on line 4 f the T2 return, ggregate invesi ine 440 of the T	ving amounts after 100, 405, 410, or 42 whichever is less ment income 12 return)	er specified future tax	G2 H2	12	J	2

Third previous tax year $2015$	-12-31				
Taxable income before specified fu he current tax year	•	from 	A3		
Enter the following amounts bef consequences from the current		ax			
Amount on line 400, 405, 410, or 4 of the T2 return, whichever is less		B3			
Aggregate investment income (line 440 of the T2 return)	·				
Subtotal (amount B3 plus amo	ount C3)	<b>&gt;</b>	D3		
		tive, enter "0")		E	3
	Futu	re tax consequences tha	t occur for the current	year	
	Ar	nount carried back from the	current year to a prior ye	ear	
Non-capital loss carry-back (paragraph 111 (1)(a) ITA)	Capital loss carry-back	Restricted farm loss carry-back	Farm loss carry-back	Other	Total carrybacks
			F0		
Faxable income after specified futu	·		F3		
Enter the following amounts after	•	consequences:			
Amount on line 400, 405, 410, or 4 of the T2 return, whichever is less		G3			
Aggregate investment income (line 440 of the T2 return)	· · · · · · · · <u> </u>	H3			
Subtotal (amount G3 plus amo	ount H3)	<b>&gt;</b>	I3		
		ive, enter "0")		J:	3
		t E3 <b>minus</b> amount J3) (if r		K	3
GRIP adjustment for specified for	uture tax consequenc	es to the third previous t	ax year		
(amount K3 <b>multiplied by</b>	0.72 )				540
Total GRIP adjustment for speci add lines 500, 520, and 540) (if ne					
Enter amount L3 on line 560 in par	•				-

┌ Part 3 – Worksheet to calculate the GRIP addition post-amalgamation or post-wind-up	
(predecessor or subsidiary was a CCPC or a DIC in its last tax year)	
nb. 1 Postamalgamation Post wind-up	
Complete this part when there has been an amalgamation (within the meaning assigned by subsection 87(1)) or a wind-up (to which subsection 88(1) applies) and the predecessor or subsidiary corporation was a CCPC or a DIC in its last tax year. The last tax year for a predecessor corporation was its tax year that ended immediately before the amalgamation and for a subsidiary corporation was its tax year during which its assets were distributed to the parent on the wind-up.	
Calculate the GRIP addition of a successor corporation following an amalgamation at the end of its first tax year.	
Calculate the GRIP addition of a parent corporation upon wind-up at the end of the tax year that ends immediately after the tax year in which the parent has received the assets of the subsidiary.	
In the calculation below, <b>corporation</b> means a predecessor or a subsidiary. Complete a separate worksheet for <b>each</b> predecessor and <b>each</b> subsidiary that was a CCPC or a DIC in its last tax year. Keep a copy of this calculation for your records, in case we ask to see it later.	
Corporation's GRIP at the end of its last tax year	_ A4
Eligible dividends paid by the corporation in its last tax year B4	
Excessive eligible dividend designations made by the corporation in its last tax year	
Subtotal (amount B4 minus amount C4)	D4
GRIP addition post-amalgamation or post-wind-up (predecessor or subsidiary was a CCPC or a DIC in its last tax year) (amount A4 minus amount D4)	E4
After you complete this calculation for each predecessor and each subsidiary, calculate the total of all the E4 amounts. Enter this total amount on:  — line 230 for post-amalgamation; or  — line 240 for post-wind-up.	

(predecessor or subsidiary was not a CCF or the corporation is becoming a CCPC			
nb. 1 Corporation becoming a CCPC Post amal	Igamation	Post wind-up	
Complete this part when there has been an amalgamation (within the m and the predecessor or subsidiary was not a CCPC or a DIC in its last ta immediately before the amalgamation and for a subsidiary corporation was not a subsidiary corporation.	ax year.The last tax year for a p	redecessor corporation was	its tax year that ended
Calculate the GRIP addition of a successor corporation following an am	nalgamation at the end of its firs	t tax year.	
Calculate the GRIP addition of a parent corporation upon wind-up at the received the assets of the subsidiary.	e end of the tax year that ends ir	mmediately after the tax year	in which the parent has
In the calculation below, <b>corporation</b> means a predecessor or a subsid was a CCPC or a DIC in its last year. Keep a copy of this calculation for			and <b>each</b> subsidiary that
Cost amount to the corporation of all property immediately before the en	nd of its previous/last tax year		A5
The corporation's money on hand immediately before the end of its previous	ious/last tax year		B5
Total of subsection 111(1) losses that would have been deductible in ca the previous/last tax year if the corporation had had unlimited income fro had realized an unlimited amount of capital gains for the previous/last ta	om each business carried on ar		
Non-capital losses	C5		
Net capital losses	D5		
Farmlosses			
Restricted farm losses			
Limited partnership losses			
Subtotal (add amounts C5 to G5)			H5
Total of all amounts deducted under subsection 111(1) in calculating the	<del>-</del>	for the previous/last tax year:	
Non-capital losses	15		
Net capital losses	J5		
Farm losses	K5		
Restricted farm losses	L5		
Limited partnership losses	M5		
Subtotal (add amounts I5 to M5)	<b>&gt;</b>		N5
Unused and unexpired losses at the end of the co	rporation's previous/last tax yea (amount H5 <b>minus</b> amount N5		<b>▶</b> 05
	•	, <del></del>	and O5) P5
All the corporation's debts and other obligations to pay that were		,	,
outstanding immediately before the end of its previous/last tax year			Q5
Paid-up capital of all the corporation's issued and outstanding shares			
of capital stock immediately before the end of its previous/last tax year			R5
All the corporation's reserves deducted in its previous/last tax year		• •	S5
The corporation's capital dividend account immediately before the end of its previous/last tax year		·	T5
The corporation's low rate income pool immediately before the end of its previous/last tax year		· · <u> </u>	U5
	Subtotal ( <b>add</b> amounts Q5 to U	5)	<b>▶</b> ∨5
GRIP addition post-amalgamation or post-wind-up (predecessor		-	<u> </u>
or the corporation is becoming a CCPC (amount P5 minus amount			
After you complete this worksheet for each predecessor and each subs  — line 220 for a corporation becoming a CCPC;  — line 230 for post-amalgamation; or  — line 240 for post-wind-up.	idiary, calculate the total of all t	he W5 amounts. Enter this to	otal amount on:

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Schedule 55

Part III.1 Tax on Excessive Eligible Dividend	Design	nations		
Corporation's name		iess number	Tax year-end Year Month Day	
Orangeville Hydro Limited	86463	9562 RC0002	2018-12-31	_
<ul> <li>Every corporation resident in Canada that pays a taxable dividend (other than a capital gains dividend within the meaning assigned by subsection 130.1(4) or 131(1)) in the tax year must file this schedule.</li> </ul>	1	Do not	use this area	
<ul> <li>Canadian-controlled private corporations (CCPC) and deposit insurance corporations (DIC) must complete Part 1 of this schedule. All other corporations must complete Part 2.</li> </ul>				
• Every corporation that has paid an eligible dividend must also file Schedule 53, General Rate Income Pool (GRIP) Calculation, or Schedule 54, Low Rate Income Pool (LRIP) Calculation, whichever is applicable.				
• File the completed schedules with your <i>T2 Corporation Income Tax Return</i> no later than six months from the end of the tax year.				
• All legislative references are to the Income Tax Act and the Income Tax Regulations.				
• Subsection 89(1) defines the terms eligible dividend, excessive eligible dividend designation, general rate in low rate income pool (LRIP).	ncome pool	(GRIP), and		
<ul> <li>The calculations in Part 1 and Part 2 do not apply if the excessive eligible dividend designation arises from t paragraph (c) of the definition of excessive eligible dividend designation in subsection 89(1). This paragraph dividend is paid to artificially maintain or increase the GRIP or to artificially maintain or decrease the LRIP.</li> </ul>				
-Part 1 – Canadian-controlled private corporations and deposit insurance corp	poration	s		_
Taxable dividends paid in the tax year <b>not included</b> in Schedule 3				
Taxable dividends paid in the tax year <b>included</b> in Schedule 3	447	<u>,092</u>		
Total taxable dividends paid in the tax year	447	<u>,092</u>		
Total eligible dividends paid in the tax year		150		Α
GRIP at the end of the tax year (line 590 on Schedule 53) (if negative, enter "0")		160	7,368,145	В
Excessive eligible dividend designation (line 150 minus line 160)				С
Deduct:				
Excessive eligible dividend designations elected under subsection 185.1(2) to be treated as ordinary dividends	s*	180		D
Subtotal (	(amount C r	minus amount D)		Е
Part III.1 tax on excessive eligible dividend designations – CCPC or DIC (amount E multiplied by	20 %	(a) <b>190</b>		F
Enter the amount from line 190 on line 710 of the T2 return.				
Part 2 – Other corporations				
Taxable dividends paid in the tax year <b>not included</b> in Schedule 3				
Taxable dividends paid in the tax year <b>included</b> in Schedule 3				
Total taxable dividends paid in the tax year				
Total excessive eligible dividend designations in the tax year (amount from line A of Schedule 54)				G
Deduct:				
Excessive eligible dividend designations elected under subsection 185.1(2) to be treated as ordinary dividends	s*	<mark>280</mark>		Н
Subtotal (	(amount G r	minus amount H)		I
Part III.1 tax on excessive eligible dividend designations – Other corporations (amount I multiplied by		20 %) . <b>290</b>		J

\* You can elect to treat all or part of your excessive eligible dividend designation as a separate taxable dividend in order to eliminate or reduce the Part III.1 tax otherwise payable. You must file the election on or before the day that is 90 days after the day the notice of assessment for Part III.1 tax was sent. We will accept an election before the assessment of the tax. For more information on how to make this election, go to www.cra.gc.ca/eligibledividends.



Enter the amount from line 290 on line 710 of the T2 return.

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#### **CORPORATIONS INFORMATION ACT ANNUAL RETURN FOR ONTARIO CORPORATIONS**

Name of corporation	Business Number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2018-12-31

- This schedule should be completed by a corporation that is incorporated, continued, or amalgamated in Ontario and subject to the Ontario Business Corporations Act (BCA) or Ontario Corporations Act (CA), except for registered charities under the federal Income Tax Act. This completed schedule serves as a Corporations Information Act Annual Return under the Ontario Corporations Information Act.
- Complete parts 1 to 4. Complete parts 5 to 7 only to report change(s) in the information recorded on the Ontario Ministry of Government Services (MGS) public record.
- This schedule must set out the required information for the corporation as of the date of delivery of this schedule.
- A completed Ontario Corporations Information Act Annual Return must be delivered within six months after the end of the corporation's tax year-end.
   The MGS considers this return to be delivered on the date that it is filed with the Canada Revenue Agency (CRA) together with the corporation's income tax return.

It is the corporation's responsibility to ensure that the information for the corporation on the public record maintained by information.			
This schedule contains non-tax information collected under MGS for the purposes of recording the information on the p		s <i>Information Act</i> . This info	rmation will be sent to the
Part 1 – Identification ——————			
Corporation's name (exactly as shown on the MGS put	olic record)		
Orangeville Hydro Limited	<u></u>		
Jurisdiction incorporated, continued, or amalgamated, whichever is the most recent	Date of incorporation or amalgamation, whichever is the	Year Month Day	Ontario Corporation No.
Ontario	most recent	2009-01-01	1787206
Street number 400 Street name/Rural route/Lot a	nd Concession number	230 Suite number	
	nd Concession number	230 Suite number	
Additional address information if applicable (line 220 m Station A Box 400	nust be completed first)		
Municipality (e.g., city, town)		Country 280	Postal/zip code
Orangeville	ON	CA	L9W 2Z7
Rout 2 Okon no identifica			
Part 3 – Change identifier  Have there been any changes in any of the information most names, addresses for service, and the date elected/appointe senior officers, or with respect to the corporation's mailing acoublic record maintained by the MGS, obtain a Corporation F	ed and, if applicable, the date the election/ ldress or language of preference? To revi	appointment ceased of the iew the information shown	directors and five most
If there have been no changes, enter 1 in this bear 1 in this bear 1 in this box and co			- Certification."
Part 4 – Certification —————			

- Part 4	- Certification -	
I certify	that all information given in this Corporations Information Act Annu	ual Return is true, correct, and complete.
450	Tyrrell	<b>451</b> Ruth
	Lastname	First name
454	Middle name(s)	
460	Please enter one of the following numbers in this box for the knowledge of the affairs of the corporation. If you are a direct	above-named person: 1 for director, 2 for officer, or 3 for other individual having stor and officer, enter 1 or 2.
Note: S	ections 13 and 14 of the Ontario Corporations Information Act pro-	vide penalties for making false or misleading statements or omissions.



Complete the applicable parts to report changes in the information recorded on the MGS public record.

- Pa	nt 5 – Mailing address –
500	Please enter one of the following numbers in this box:  1 - Show no mailing address on the MGS public record.  2 - The corporation's mailing address is the same as the head or registered office address in Part 2 of this schedule.
510	3 - The corporation's complete mailing address is as follows:  Care of (if applicable)
520	Street number 530 Street name/Rural route/Lot and Concession number 540 Suite number
550	Additional address information if applicable (line 530 must be completed first)
560	Municipality (e.g., city, town) 570 Province/state 580 Country 590 Postal/zip code
– Pa	art 6 – Language of preference –
600	Indicate your language of professing 1 for English or 2 for Eropeh. This is the language of professing a good on the MGS public

# Tax Instalments

For the taxation year ended 2019-12-31

Business number 86463 9562 RC0002

You can also mail a cheque or a money order payable to the Minister of Finance, to Ministry of Finance, HYDRO PILS DIVISION, 33 King St, Oshawa ON L1H 1A1

Monthly instalment workchart

Date	Monthly tax instalments	Refund transferred to instalments	Instalments paid	Cumulative difference	Instalments payable
2019-01-31	14,779		15,469	-690	
2019-02-28	14,779	<del></del>	15,469	-1,380	
2019-03-31	14,779		15,469	-2,070	
2019-04-30	14,779		15,469	-2,760	
2019-05-31	14,779		15,469	-3,450	
2019-06-30	14,779				11,32
2019-07-31	14,779				14,77
2019-08-31	14,779				14,77
2019-09-30	14,779				14,77
2019-10-31	14,779				14,77
2019-11-30	14,779				14,77
2019-12-31	14,775				14,77
				_	
Totals	177,344		77,345	_	99,99

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### **T2 Corporation Income Tax Return**

200

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

All legislative references on this return are to the federal Income Tax Act and Income Tax Regulations. This return may contain changes that had not yet become law at the time of publication.

Send one completed copy of this return, including schedules and the General Index of Financial Information (GIFI), to your tax centre. You have to file the return within six months after the end of the corporation's tax year.

For more information see canada.ca/taxes or Guide T4012, T2 Corporation – Income Tax Guide.

055	Do not use this area

┌ Identification ————————————————————————————————————	
<b>Business number (BN)</b>	
Corporation's name O02 Orangeville Hydro Limited	To which tax year does this return apply?  Tax year start  Year Month Day  Tax year-end  Year Month Day
Address of head office	<b>060</b> 2018-01-01 <b>061</b> 2018-12-31
Has this address changed since the last time we were notified?	Has there been an acquisition of control resulting in the application of subsection 249(4) since the tax year start on line 060?
O15 Orangeville O16 ON	
Country (other than Canada) Postal or ZIP code  017 CA 018 L9W 2Z7  Mailing address (if different from head office address)	Is the date on line 061 a deemed tax year-end according to subsection 249(3.1)?
Has this address changed since the last time we were notified?	Is the corporation a professional corporation that is a member of a partnership?
021 c/o	Is this the first year of filing after: Incorporation?
Country (other than Canada) Postal or ZIP code  027  Location of books and records (if different from head office address)	Has there been a wind-up of a subsidiary under section 88 during the current tax year?
Has this address changed since the last time we were notified?	Is this the final tax year before amalgamation?  No X
If yes, complete lines 031 to 038.  031 400 C Line	Is this the final return up to dissolution?
O32 Station A Box 400 City Province, territory, or state	If an election was made under section 261, state the functional currency used
035         Orangeville         036         ON           Country (other than Canada)         Postal or ZIP code           037         CA         038         L9W 2Z7	Is the corporation a resident of Canada?  1s the corporation a resident of Canada?  1s the corporation a residence on line 081 and complete and attach Schedule 97.
040 Type of corporation at the end of the tax year (tick one)	081
X 1 Canadian-controlled private corporation (CCPC) 2 Other private corporation 3 Public corporation	Is the non-resident corporation claiming an exemption under an income tax treaty?
4 Corporation controlled by a public corporation	If the corporation is exempt from tax under section 149, tick one of
5 Other corporation (specify)  If the type of corporation changed during the tax year, provide the effective date of the change	the following boxes:  1 Exempt under paragraph 149(1)(e) or (l)  2 Exempt under paragraph 149(1)(j)  3 Exempt under paragraph 149(1)(t) (for tax years starting before 2019)  4 Exempt under other paragraphs of section 149
Do not use t	this area
095 096	898

- Attachments	
Financial statement information: Use GIFI schedules 100, 125, and 141.	
Schedules – Answer the following questions. For each yes response, attach the schedule to the T2 return, unless otherwise instructed.  Yes	Schedule
Is the corporation related to any other corporations?	9
Is the corporation an associated CCPC?	23
Is the corporation an associated CCPC that is claiming the expenditure limit?	49
Does the corporation have any non-resident shareholders who own voting shares?	19
Has the corporation had any transactions, including section 85 transfers, with its shareholders, officers, or employees,	.0
other than transactions in the ordinary course of business? Exclude non-arm's length transactions with non-residents	11
If you answered <b>yes</b> 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?	44
Has the corporation paid any royalties, management fees, or other similar payments to residents of Canada?	14
Is the corporation claiming a deduction for payments to a type of employee benefit plan?	15
Is the corporation claiming a loss or deduction from a tax shelter?	T5004
Is the corporation a member of a partnership for which a partnership account number has been assigned?	T5013
Did the corporation, a foreign affiliate controlled by the corporation, or any other corporation or trust that did not deal at arm's length with the corporation have a beneficial interest in a non-resident discretionary trust (without reference to section 94)?	22
Did the corporation own any shares in one or more foreign affiliates in the tax year?	25
Has the corporation made any payments to non-residents of Canada under subsections 202(1) and/or 105(1) of the Income Tax Regulations?	29
Did the corporation have a total amount over CAN\$1 million of reportable transactions with non-arm's length non-residents?	T106
For private corporations: Does the corporation have any shareholders who own 10% or more of the corporation's common and/or preferred shares?	50
Has the corporation made payments to, or received amounts from, a retirement compensation plan arrangement during the year? 172	
Does the corporation earn income from one or more Internet web pages or websites?	88
Is the net income/loss shown on the financial statements different from the net income/loss for income tax purposes?	1
Has the corporation made any charitable donations; gifts of cultural or ecological property; or gifts of medicine?	2
Has the corporation received any dividends or paid any taxable dividends for purposes of the dividend refund?	3
Is the corporation claiming any type of losses?	4
Is the corporation claiming a provincial or territorial tax credit or does it have a permanent establishment in more than one jurisdiction?	5
Has the corporation realized any capital gains or incurred any capital losses during the tax year?	6
i) Is the corporation a CCPC and reporting a) income or loss from property (other than dividends deductible on line 320 of the T2 return), b) income from a partnership, c) income from a foreign business, d) income from a personal services business, e) income referred to in clause 125(1)(a)(i)(C) or 125(1)(a)(i)(B), f) aggregate investment income as defined in subsection 129(4), or g) an amount assigned to it under subsection 125(3.2) or 125(8); or	
ii) Is the corporation a member of a partnership and assigning its specified partnership business limit to a designated member under subsection 125(8)?	7
Does the corporation have any property that is eligible for capital cost allowance?	8
Does the corporation have any resource-related deductions?	12
Is the corporation claiming deductible reserves? 213	13
Is the corporation claiming a patronage dividend deduction? 216	16
Is the corporation a credit union claiming a deduction for allocations in proportion to borrowing or a provincial credit union tax reduction? 217	17
Is the corporation an investment corporation or a mutual fund corporation?	18
Is the corporation carrying on business in Canada as a non-resident corporation?	20
Is the corporation claiming any federal, provincial, or territorial foreign tax credits, or any federal logging tax credits?	21
Does the corporation have any Canadian manufacturing and processing profits?	27
Is the corporation claiming an investment tax credit?	31
Is the corporation claiming any scientific research and experimental development (SR&ED) expenditures?	T661
Is the total taxable capital employed in Canada of the corporation and its related corporations over \$10,000,000?	33/34/35
Is the total taxable capital employed in Canada of the corporation and its associated corporations over \$10,000,000?	
Is the corporation subject to gross Part VI tax on capital of financial institutions?	38
Is the corporation claiming a Part I tax credit?	42
Is the corporation subject to Part IV.1 tax on dividends received on taxable preferred shares or Part VI.1 tax on dividends paid? 243	43
Is the corporation agreeing to a transfer of the liability for Part VI.1 tax?	45
Is the corporation subject to Part II – Tobacco Manufacturers' surtax?	46
For financial institutions: Is the corporation a member of a related group of financial institutions with one or more members subject to gross Part VI tax?	39
Is the corporation claiming a Canadian film or video production tax credit?	T1131
Is the corporation claiming a film or video production services tax credit?	T1177
Is the corporation subject to Part XIII.1 tax? (Show your calculations on a sheet that you identify as Schedule 92.)	92

- Attachments (continued)	Yes Schedule
Did the corporation have any foreign affiliates in the tax year?  Did the corporation own or hold specified foreign property where the total cost amount of all such property, at any time in the year, was	T1134
more than CAN\$100,000?  Did the corporation transfer or loan property to a non-resident trust?	T1135
	T1141
, , , , , , , , , , , , , , , , , , , ,	T1142
200	T1145
ή	T1146
	X 55
Did the corporation pay taxable dividends (other than capital gains dividends) in the tax year?	X 55 T2002
Has the corporation revoked any previous election made under subsection 89(11)?	T2002
Did the corporation (CCPC or deposit insurance corporation (DIC)) pay eligible dividends, or did its	
general rate income pool (GRIP) change in the tax year?	X 53
Did the corporation (other than a CCPC or DIC) pay eligible dividends, or did its low rate income pool (LRIP) change in the tax year? 269	54
− Additional information <del> </del>	
Did the corporation use the International Financial Reporting Standards (IFRS) when it prepared its financial statements? 270 Yes X	No
Is the corporation inactive? 280 Yes	No X
What is the corporation's main revenue-generating business activity? 221122 Electric Power Distribution	
Specify the principal products mined, manufactured, 284 Hydro distribution 285	100.000 %
sold, constructed, or services provided, giving the approximate percentage of the total revenue that each	%
product or service represents. 288	%
Did the corporation immigrate to Canada during the tax year?	No X
Did the corporation emigrate from Canada during the tax year?	No X
Do you want to be considered as a quarterly instalment remitter if you are eligible?	No
	1onth Day
the date the corporation ceased to be eligible	
If the corporation's major business activity is construction, did you have any subcontractors during the tax year? Yes	No
_ Taxable income —	
Net income or (loss) for income tax purposes from Schedule 1, financial statements, or GIFI	727,370 A
Charitable donations from Schedule 2	
Cultural gifts from Schedule 2	
Ecological gifts from Schedule 2 314	
Gifts of medicine made before March 22, 2017, from Schedule 2	
Taxable dividends deductible under section 112 or 113, or subsection 138(6)	
from Schedule 3	
Non-capital losses of previous tax years from Schedule 4	
Restricted farm losses of previous tax years from Schedule 4	
Limited partnership losses of previous tax years from Schedule 4	
Taxable capital gains or taxable dividends allocated from a central credit union	
Prospector's and grubstaker's shares	
Subtotal 5,050 ►	5,050 в
Subtotal (amount A <b>minus</b> amount B) (if negative, enter "0")	722,320 C
Section 110.5 additions or subparagraph 115(1)(a)(vii) additions	D
Taxable income (amount C plus amount D)	722,320
Income exempt under paragraph 149(1)(t) (for tax years starting before 2019)	
Taxable income for a corporation with exempt income under paragraph 149(1)(t) (line 360 minus line 370)	722,320 z
Taxable income for the year from a personal services business	Z.1
* This amount is equal to 3.5 times the Part VI.1 tax payable at line 724 on page 9.	

Canadian-controlled private co		hroughout the tax year					
Income eligible for the small busine		-			40	<b>0</b> 72	27,370 A
Taxable income from line 360 on p minus 4 times the amount on li	age 3, <b>minus</b> 100/28	( 3.57143 ) of the amo	unt on line 632* on p			_	
federal law, is exempt from Part I to			•		40	<b>.5</b> 72	22,320 в
Business limit (see notes 1 and 2 b						<b>o</b> 50	00,000 C
Notes:							
For CCPCs that are not associated weeks, prorate this amount by					an 51		
2. For associated CCPCs, use So							
Business limit reduction							
Taxable capital business lim	it reduction						
Amount C5	*** 415	* 45,652 11,250	<u>D</u> =			2,02	28,978 E
Passive income business lin	nit reduction						
Adjusted aggregate investmen	tincome from Schedu	le7**** . <b>417</b>		_	50,000 = .	•	F
	00,000 × Amount	F	= .			-	G
·			Subtotal (the great	ter of amount F a	nd amount G) 42	2.02	28,978 н
Dadwood hyningen limit for toy you	re eterting before 201	Company Coming amou			42		11
Reduced business limit for tax yea Reduced business limit for tax yea	-	,	, , ,	•	42		'
Business limit the CCPC assigns u	· ·	•	, , ,				K
Reduced business limit after as	signment for tax yea	ers starting before 2019	(amount I <b>minus</b> a	mount K)	42	7	L
Reduced business limit after as		_			42	 8	
Small business deduction		(		,			
Tax years starting before 2019							
Amount A, B, C, or L,		Number of days	in the tax year				
whichever is the least	x	before Janua	_ ·		x 17.5 % =	=	1
		Number of days		365			
Amount A, B, C, or L, whichever is the least	X	Number of days in t December 31, 2017, and		019 365	x 18 % =	=	2
		Number of days	•	365			
Amount A, B, C, or L, whichever is the least	x	Number of days in t December			× 19 % =	=	3
		Number of days	in the tax year	365			
Tax years starting after 2018							
Amount A, B, C, or M, whichever is	s the least				x 19 % =	=	4
Small business deduction (total	of amounts 1 to 4)				43	0	N
Enter amount N at amount J on pa	ge 8.						_

- \* Calculate the amount of foreign non-business income tax credit deductible on line 632 without reference to the refundable tax on the CCPC's investment income (line 604) and without reference to the corporate tax reductions under section 123.4.
- \*\* Calculate the amount of foreign business income tax credit deductible on line 636 without reference to the corporation tax reductions under section 123.4.

#### \*\*\* Large corporations

- If the corporation is not associated with any corporations in both the current and previous tax years, the amount to be entered on line 415 is: (total taxable capital employed in Canada for the **prior** year **minus** \$10,000,000) x 0.225%.
- If the corporation is not associated with any corporations in the current tax year, but was associated in the previous tax year, the amount to be entered on line 415 is: (total taxable capital employed in Canada for the **current** year **minus** \$10,000,000) x 0.225%.
- For corporations associated in the current tax year, see Schedule 23 for the special rules that apply.
- \*\*\*\* Enter the total adjusted aggregate investment income of the corporation and all associated corporations. For the first tax year starting after 2018, use the total of lines 744 of Schedule 7. Otherwise, use the total of lines 745 of the preceding tax year.

Specified corporate income and assignment under sub-	section 125(3.2)		
O1 Name of corporation receiving the income and assigned amount	O Business number of the corporation receiving the assigned amount	P Income paid under clause 125(1)(a)(i)(B) to the corporation identified in column O <sup>3</sup>	Q Business limit assigned to corporation identified in column O <sup>4</sup>
	490	500	505
1.			
Notes:	Т	otal <b>510</b>	Total 515
<ol> <li>This amount is [as defined in subsection 125(7) specifie</li> </ol>	ed corporate income (a)(i)] the total	al of all amounts each of which is ir	ncome from an active
business of the corporation for the year from the provision (A) at any time in the year, the corporation (or one of its significant shareholders) holds a direct or indirect interest in the privitial (B) it is not the case that all or substantially all of the corporative (I) persons (other than the private corporation) with which the corporation deals at arrowith the corporation holds a direct or indirect interest.	hareholders) or a person who does ate corporation, and oration's income for the year from a ch the corporation deals at arm's le	anot deal at arm's length with the co an active business is from the provi ength, or	orporation (or one of its ision of services or
<ol> <li>The amount of the business limit you assign to a CCPC of income referred to in column P in respect of that CCPC a amount of income referred to in clauses 125(1)(a)(i)(A) of for tax years starting after 2018).</li> </ol>	and B is the portion of the amount d	lescribed in A that is deductible by	you in respect of the
- General tax reduction for Canadian-contro	olled private corporations	3	
Canadian-controlled private corporations throughout th	•		
Taxable income from page 3 (line 360 or amount Z, whicheve	• • •		
Lesser of amounts 9B and 9H from Part 9 of Schedule 27			B
			C
Amount from line 400, 405, 410, or 427 (428 instead of 427 f	for tax years starting after 2018)		D
Aggregate investment income from line 440 on page 6*			
	Subtotal (add amo	ounts B to F)	_ <b>&gt;</b>
Amount A <b>minus</b> amount G (if negative, enter "0") .			722,320
General tax reduction for Canadian-controlled private c			
Enter amount I on line 638 on page 8.	orporations /timoditerrindiapile	ou by 10 /0	· · · · · · · · · · · · · · · · · · ·
* Except for a corporation that is, throughout the year, a coc	perative corporation (within the me	eaning assigned by subsection 136	(2)) or a credit union.
- General tax reduction -			
Do not complete this area if you are a Canadian-control a mutual fund corporation, or any corporation with taxa			
Taxable income from page 3 (line 360 or amount Z, whicheve	er applies)		
Lesser of amounts 9B and 9H from Part 9 of Schedule 27			К
			M
	Subtotal (add amo	unts K to M)	_ <b>-</b> >
Amount J <b>minus</b> amount N (if negative, enter "0")		-	
			·
<b>General tax reduction</b> – Amount O <b>multiplied</b> by 13 % Enter amount P on line 639 on page 8.			· · · · · · · <u> </u>

┌ Refundable portion of Part I tax ───────────────────────────────────
Canadian-controlled private corporations throughout the tax year
Aggregate investment income from Schedule 7
from Schedule 7
Foreign non-business income tax credit from line 632 on page 8 B
Foreign investment income from Schedule 7
Subtotal (amount B minus amount C) (if negative, enter "0") D
Amount A <b>minus</b> amount D (if negative, enter "0")
Taxable income from line 360 on page 3 722,320 F
Amount from line 400, 405, 410, or 427 (428 instead of 427 for tax years starting after 2018) on page 4, whichever is the least G
Foreign non- business income tax credit from line 632 on page 8 H
Foreign business income tax credit from line 636 on page 8 x
Subtotal (amount F <b>minus</b> amount J) (if negative, enter "0")
Refundable portion of Part I tax – Amount E, L, or M, whichever is the least
┌ Refundable dividend tax on hand (for tax years starting before 2019)
Refundable dividend tax on hand at the end of the previous tax year
Subtotal (line 460 <b>minus</b> line 465)
Refundable portion of Part I tax from line 450 above P
Total Part IV tax payable from Schedule 3 Q  Net refundable dividend tax on hand transferred on an amalgamation or the wind-up of a subsidiary
Subtotal (amount P plus amount Qplus line 480) R
Refundable dividend tax on hand at the end of the tax year – Amount O plus amount R
□ Dividend refund (for tax years starting before 2019)
Private and subject corporations at the time taxable dividends were paid in the tax year
Taxable dividends paid in the tax year from line 460 on page 3 of Schedule 3
Refundable dividend tax on hand at the end of the tax year from line 485 above
Dividend refund – Amount S or T, whichever is less

─ Refundable dividend tax on hand (for tax years starting after 2018) -	
Refundable dividend tax on hand (RDTOH) at the end of the previous tax year	460
Dividend refund for the previous tax year	465
Net RDTOH transferred on an amalgamation or the wind-up of a subsidiary	480
Subtotal (line 460 minus line 465 plus	<b>s</b> line 480) A
General rate income pool (GRIP) at the end of the previous tax year (from line 100 of schedule 53	3) B
Total eligible dividends paid in the previous tax year (from line 300 of schedule 53)	C
Total excessive eligible dividend designation in the previous tax year (from line 310 of Schedule 5	
Subtotal (amount C minus amount D) (if negative	· · · · · · · · · · · · · · · · · · ·
Net GRIP at the end of the previous tax year (amount B <b>minus</b> amount E) (if negative, enter "0") GRIP transferred on an amalgamation or the wind-up of a subsidiary	F
	amount G) H
Amount H multiplied by 38 1 / 3 %	•
Eligible refundable dividend tax on hand (ERDTOH) at the end of the previous tax year (for the fir	·
amount A or I, whichever is less, otherwise, use line 530 of the preceding	
Non-eligible refundable dividend tax on hand (NERDTOH) at the end of the previous tax year (for	the first tax year starting after
2018, amount A <b>minus</b> amount I, otherwise, use line 545 of the preceding	g tax year) (if negative, enter "0") 535 K
Part IV tax payable on taxable dividends from connected corporations (amount 2G from Schedule	23)
Part IV tax payable on eligible dividends from non-connected corporations (amount 2J from Sche	·
, , , , , , , , , , , , , , , , , , , ,	amount M) N
	FOE
Net ERDTOH transferred on an amalgamation or the wind-up of a subsidiary  ERDTOH dividend refund for the previous tax year	
( ) ( ) ( ) ( ) ( ) ( ) ( ) ( ) ( ) ( )	Q
· · · · · · · · · · · · · · · · · · ·	R
Part IV tax allocated to ERDTOH (amount N)	
, , ,	· · · · · · · · Ţ
Subtotal (amount R <b>minus</b> total of amount	
	<mark>540</mark> ∨
NERDTOH dividend refund for the previous tax year	
,	X
Part IV tax payable allocated to NERDTOH, net of losses claimed (amount U <b>minus</b> amount X) (i	<u> </u>
<b>NERDTOH</b> at the end of the tax year* (total of amounts K, Q, V, and Y minus amount W) (if not Part IV tax payable allocated to ERDTOH, net of losses claimed (amount N minus amount X plu greater than amount U, otherwise, amount N.) (if negative, enter "0")	s amount U, if amount X is
<b>ERDTOH</b> at the end of the tax year* (total of amounts J, O, and Z minus amount P) (if negative	re, enter "0")
* For more information, consult the Help (F1).	
− Dividend refund (for tax years starting after 2018) −−−−−	
38 1/3% of total eligible dividends paid in the tax year (amount 3A from Schedule 3)	AA
, , ,	BB
	cc
38 1/3% of total non-eligible taxable dividends paid in the tax year (amount 3B from Schedule 3)	 DD
· · · · · · · · · · · · · · · · · · ·	
·	
, - <del>-</del> , - , - , - , - , - , - , - , - , - ,	GG
Additional non-eligible dividend refund (amount GG or HH, whichever is less)	
·	JJ
Enter amount JJ on line 784 on page 9.	
* For more information, consult the Help (F1).	

Part I tax —		
Base amount Part I tax – Taxable income from page 3 (line 360 or amount Z, whichever applies) <b>multiplied</b> by	38 % <b>550</b>	274,482 A
Additional tax on personal services business income (section 123.5)		
Taxable income from a personal services business 555	x 5 % = <b>560</b>	В
Recapture of investment tax credit from Schedule 31	602	C
Calculation for the refundable tax on the Canadian-controlled private corporation's (CCPC) investment in (if it was a CCPC throughout the tax year)	come	
Aggregate investment income from line 440 on page 6	D	
Taxable income from line 360 on page 3		
Deduct:		
Amount from line 400, 405, 410, or 427 (428 instead of 427 for tax years starting after 2018) on page 4, whichever is the least		
Net amount (amount E <b>minus</b> amount F) 722,320 ►	722,320 G	
Refundable tax on CCPC's investment income – 10 2 / 3 % of whichever is less: amount D or amount G	604	Н
Subtotal ( <b>add</b> a	imounts A, B, C, and H)	274,402
Deduct:		
Small business deduction from line 430 on page 4	J	
Federal tax abatement	72,232	
Manufacturing and processing profits deduction from Schedule 27 616		
Investment corporation deduction		
Taxed capital gains 624		
Federal foreign non-business income tax credit from Schedule 21		
Federal foreign business income tax credit from Schedule 21 636		
General tax reduction for CCPCs from amount I on page 5 638	93,902	
General tax reduction from amount P on page 5		
Federal logging tax credit from Schedule 21 640		
Eligible Canadian bank deduction under section 125.21		
Federal qualifying environmental trust tax credit		
Investment tax credit from Schedule 31 652	3,756	
Subtotal	169,890	<u> 169,890</u> к
		104 E03
Part I tax payable – Amount I minus amount K	· · · · · · · · · · · · · · · · · · ·	104,592 L
Enter amount L on line 700 on page 9.		

#### Privacy statement

Personal information is collected under the Income Tax Act to administer tax, benefits, and related programs. It may also be used for any purpose related to the enforcement of the Act such as audit, compliance and collections activities. It may be shared or verified with other federal, provincial, territorial or foreign government institutions to the extent authorized by law. Failure to provide this information may result in interest payable, penalties or other actions. Under the Privacy Act, individuals have the right to access, or request correction of, their personal information, or to file a complaint with the Privacy Commissioner of Canada regarding the handling of their personal information. Refer to Personal Information Bank CRA PPU 047 at **canada.ca/cra-info-source**.

− Summary of tax and credits — Federal tax		
Part I tax payable from amount L on page 8		<b>700</b> 104,592
Part II surtax payable from Schedule 46		708
Part III.1 tax payable from Schedule 55		710
Part IV tax payable from Schedule 3		712
Part IV.1 tax payable from Schedule 43		716
Part VI tax payable from Schedule 38		720
Part VI.1 tax payable from Schedule 43		724
Part XIII.1 tax payable from Schedule 92		
Part XIV tax payable from Schedule 20		
Add provincial or territorial tax:		Totalfederaltax 104,592
Provincial or territorial jurisdiction (if more than one jurisdiction, enter "multiple		
Net provincial or territorial tax payable (exce	pt Quebec and Alberta)	760 72,752
Deduct other credits:		Total tax payable <b>770</b> 177,344_ A
Investment tax credit refund from Schedule	31	
Dividend refund from amount U on page 6 c	or JJ on page 7	
Federal capital gains refund from Schedule	18	
Federal qualifying environmental trust tax cr		
Canadian film or video production tax credit		
Film or video production services tax credit	,	
Total payments on which tax has been wit		
Provincial and territorial capital gains refund		
Provincial and territorial refundable tax cred Tax instalments paid		
Labour tax credit for qualifying journalism or		100,000
Labour tax credit for qualifying journalism of	Janizauons	Total credits 890 185,683 ► 185,683 E
		0.000
Refund code 894 1	Datum 4 9 220	
	Refund 8,339	If the result is negative, you have a <b>refund</b> .  If the result is positive, you have a <b>balance owing</b> .
Direct deposit request		Enter the amount on whichever line applies.
To have the corporation's refund deposited account at a financial institution in Canada,		Generally, we do not charge or refund a difference
already gave us, complete the information be		
Start Change information	910	Balance owing
orange information	Branch num	nber For information on how to make your payment, go to canada.ca/payments.
914	918	Canada.ca/payments.
Institution number	Account number	
If the corporation is a Canadian-controlled produces it qualify for the one-month extension of		
' '		000
If this return was prepared by a tax preparer	for a fee, provide their EFILE numb	ber
- Certification	RED SOLELY FOR INCOME TAX PURPOSES WITHOUT A	AUDIT OR REVIEW FROM INFORMATION PROVIDED BY THE TAXPAYER.
ı, <b>950</b> Tyrrell	<b>951</b> Ruth	954 Chief Corporate Officer
Lastname		First name Position, office, or rank
		d this return, including accompanying schedules and statements, and that complete. I also certify that the method of calculating income for this tax
year is consistent with that of the previous ta		
<b>955</b> 2019-06-19	,,,	<b>956</b> (519) 942-8000
Date (yyyy/mm/dd)	Signature of the authorized signir	
Is the contact person the same as the author	· ·	
958 Suzanne Presseault	nzod organiy omo <del>o</del> r: ir <b>no</b> , complete	959 (519) 942-8000
	ame of other authorized person	
		·
<ul> <li>Language of correspondence -</li> </ul>	•	
Indicate your language of correspondence b Indiquez votre langue de correspondance er		

#### Orangeville Hydro Limited 86463 9562 RC0002 REGULATION 1101(5b.1) ELECTION FOR THE YEAR ENDED December 31, 2018

Orangeville Hydro Limited ("Orangeville") is electing pursuant to paragraph 1101(5b.1) of the *Income Tax Regulations* to designate a separate 6% capital cost allowance class for eligible non-residential building additions acquired in the 2018 taxation year and included in Class 1.

Effectively, this election will permit Orangeville to claim an additional 2% capital cost allowance on Class 1 additions acquired during the 2018 taxation year. The Class 1 acquisitions made in the taxation year to which this election should apply are as follows:

Class 1b addition – \$69,750

Financial Statements of

# ORANGEVILLE HYDRO LIMITED

Year ended December 31, 2018



KPMG LLP 115 King Street South 2<sup>nd</sup> Floor Waterloo ON N2J 5A3 Canada Tel 519 747-8800 Fax 519 747-8830

#### INDEPENDENT AUDITORS' REPORT

To the Shareholders of Orangeville Hydro Limited

#### **Opinion**

We have audited the financial statements of Orangeville Hydro Limited (the Entity), which comprise:

- the statement of financial position as at December 31, 2018
- the statement of comprehensive income for the year then ended
- the statement of changes in equity for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2018, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

#### Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "Auditors' Responsibilities for the Audit of the Financial Statements" section of our auditors' report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



#### Page 2

# Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRS), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

### Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

#### We also:

- Identify and assess the risks of material misstatement of the financial statements, whether
  due to fraud or error, design and perform audit procedures responsive to those risks, and
  obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
  - The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit
  procedures that are appropriate in the circumstances, but not for the purpose of
  expressing an opinion on the effectiveness of the Entity's internal control.



#### Page 3

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the
  planned scope and timing of the audit and significant audit findings, including any
  significant deficiencies in internal control that we identify during our audit.

Chartered Professional Accountants, Licensed Public Accountants

Waterloo, Canada March 28, 2019

KPMG LLP

Statement of Financial Position
December 31, 2018, with comparative information for 2017

	Note	2018	2017
Assets			
Current assets			
Cash		\$ 582,924	\$ 2,521,688
Accounts receivable	6	4,045,053	2,767,846
Unbilled revenue		2,909,474	3,983,781
Inventory		322,002	289,430
Prepaid expenses		131,528	131,820
Income taxes receivable		15,429	-
Other		295	493
Total current assets		8,006,705	9,695,058
Non-current assets			
Property, plant and equipment	8	20,424,388	19,630,980
Intangible assets	9	195,626	219,867
Deferred tax assets	10	277,000	420,000
Total non-current assets		20,897,014	20,270,847
Total assets		28,903,719	29,965,905
Regulatory debit balances	11	1,847,583	2,174,552
Total assets and regulatory balance	ces	\$ 30,751,302	\$ 32,140,457

Statement of Financial Position
December 31, 2018, with comparative information for 2017

	Note	2018	2017
Liabilities			
Current liabilities			
Accounts payable and accrued			
liabilities	12	\$ 4,345,892	\$ 5,409,780
Long-term debt due within one year	13	500,846	486,205
Customer deposits		180,000	170,000
Other payables		108,660	220,609
Income taxes payable		-	61,624
Total current liabilities		5,135,398	6,348,218
Non-current liabilities			
Long-term debt	13	11,053,998	11,556,964
Employee future benefits	14	329,084	352,533
Customer deposits		686,522	742,076
Contributions in aid of construction	15	1,838,423	1,680,077
Total non-current liabilities		13,908,027	14,331,650
Total liabilities		19,043,425	20,679,868
Equity			
Share capital	16	8,290,714	8,290,714
Retained earnings		2,656,771	1,970,993
Accumulated other comprehensive		, ,	
income .		47,400	27,896
Total equity		10,994,885	10,289,603
Total liabilities and equity		30,038,310	30,969,471
Regulatory credit balances	11	712,992	1,170,986
Total liabilities, equity and regulator			1,170,000
balances	.,	\$ 30,751,302	\$ 32,140,457
See accompanying notes to the first	sial statements		
See accompanying notes to the finance	dai statements.		
On behalf of the Board:			
Di	rector		Director
- <del></del>			

Statement of Comprehensive Income Year ended December 31, 2018, with comparative information for 2017

	Note	2018	2017
Revenue			
Sale of energy	17	\$ 28,491,290	\$ 30,048,911
Distribution revenue	17	5,444,878	5,219,614
Other	17	335,894	491,754
		34,272,062	35,760,279
Operating expenses			
Cost of power purchased		28,490,799	30,807,313
General and administrative		1,687,281	1,542,584
Billing and collecting		793,905	807,242
Operating and maintenance		748,590	989,746
Depreciation and amortization		863,934	826,661
		32,584,509	34,973,546
Income from operating activities		1,687,553	786,733
Finance income	19	37,655	34,797
Finance costs	19	(418,652)	(406,774)
Income before income taxes		1,306,556	414,756
Income tax expense	10	304,711	185,663
Net income for the year		1,001,845	229,093
Net movement in regulatory balances, net of tax		131,025	841,057
Net income for the year and net movement			
in regulatory balances		1,132,870	1,070,150
Other comprehensive income			
Remeasurement of post-employment benefits	14	19,504	-
Other comprehensive income for the year		19,504	
Total comprehensive income for the year		\$ 1,152,374	\$ 1,070,150

Statement of Changes in Equity Year ended December 31, 2018, with comparative information for 2017

•			Accu	mulated		
				other		
		CO	mpre	hensive		
	Share	Retained		income		
	capital	earnings		(loss)	То	tal
Balance at January 1, 2017 Net income and net movement	\$8,290,714	\$1,547,137	\$	27,896	\$ 9,865,7	47
in regulatory balances	-	1,070,150		-	1,070,1	50
Other comprehensive loss	-	-		-		-
Dividends	-	(646,294)			(646,29	<del>)</del> 4)
Balance at December 31, 2017	\$8,290,714	\$1,970,993	\$	27,896	\$ 10,289,6	03
Balance at January 1, 2018  Net income and net movement	\$8,290,714	\$1,970,993	\$	27,896	\$ 10,289,6	03
in regulatory balances	-	1,132,870		_	1,132,8	70
Other comprehensive loss	-	-		19,504	19,5	04
Dividends	-	(447,092)		-	(447,09	<del>3</del> 2)
Balance at December 31, 2018	\$8,290,714	\$2,656,771	\$	47,400	\$ 10,994,8	85

Statements of Cash Flows Year ended December 31, 2018, with comparative information for 2017

	2018	2017
Operating activities		
Net Income and net movement in regulatory balances Adjustments for:	\$ 1,132,870	\$ 1,070,150
Depreciation and amortization  Loss (gain) on disposal of property, plant and equipment	956,761	914,741
and intangible assets	39,851	(79,065)
Net finance costs	380,997	371,977
Income tax expense	304,711	185,663
Employee future benefits	(3,945)	12,512
Contributions received from customers revenue recognized	(47,366)	(36,513)
	2,763,879	2,439,465
Change in non-cash operating working capital:		
Accounts receivable	(1,277,207)	955,659
Unbilled revenue	1,074,307	(450,990)
Inventory	(32,572)	20,726
Prepaid expenses	292	(32,733)
Other current assets	198	(299)
Accounts payable and accrued liabilities	(1,063,888)	780,924
Other payables	(111,949)	139,652
Customer deposits	(45,554) (1,456,373)	32,995 1,445,934
Regulatory balances	(131,025)	(841,057)
Income tax paid	(238,764)	(129,219)
Interest paid	(418,652)	(406,774)
Interest received	37,655	34,797
Net cash from operating activities	556,720	2,543,146
Investing activities		
Purchase of property, plant and equipment	(1,771,730)	(2,505,502)
Proceeds on disposal of property, plant and equipment	28,322	207,022
Proceeds on disposal of intangible assets	_	4,963
Purchase of intangible assets	(22,371)	(55,131)
Contributions received from customers	205,712	633,962
Net cash used by investing activities	(1,560,067)	(1,714,686)
Financing activities		
Proceeds from long-term debt	-	2,000,000
Repayment of long-term debt	(488,325)	(462,031)
Dividends paid	(447,092)	(646,294)
Net cash from financing activities	(935,417)	891,675
Change in cash	(1,938,764)	1,720,135
Cash, beginning of year	2,521,688	801,553
Cash, end of year	\$ 582,924	\$ 2,521,688

Notes to Financial Statements Year ended December 31, 2018

### 1. Reporting entity

Orangeville Hydro Limited (the "Corporation") is a rate regulated, municipally owned hydro distribution company incorporated under the laws of Ontario, Canada. The address of the Corporation's registered office is 400 C Line, Orangeville, Ontario.

The Corporation delivers electricity and related energy services to residential and commercial customers in the Town of Orangeville and Town of Grand Valley. The Corporation is owned by the Town of Orangeville and Town of Grand Valley.

The financial statements are for the Corporation as at and for the year ended December 31, 2018.

#### 2. Basis of presentation

(a) Statement of compliance

The Corporation's financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS").

The financial statements were approved by the Board of Directors on March 28, 2019.

(b) Basis of measurement

These financial statements have been prepared on the historical cost basis, unless otherwise stated.

(c) Functional and presentation currency

These financial statements are presented in Canadian dollars, which is the Corporation's functional currency.

Notes to Financial Statements Year ended December 31, 2018

#### 2. Basis of presentation (continued)

#### (d) Use of estimates and judgments

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and disclosure of contingent assets and liabilities. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future years affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in material adjustment is included in the following notes:

- (i) Note 3(b) measurement of unbilled revenue
- (ii) Notes 8, 9 estimation of useful lives of its property, plant and equipment and intangible assets
- (iii) Note 11 recognition and measurement of regulatory balances
- (iv) Note 14 measurement of defined benefit obligations: key actuarial assumptions
- (v) Note 20 recognition and measurement of provisions and contingencies

#### (e) Rate regulation

The Corporation is regulated by the Ontario Energy Board ("OEB"), under the authority granted by the *Ontario Energy Board Act, 1998*. Among other things, the OEB has the power and responsibility to approve or set rates for the transmission and distribution of electricity, providing continued rate protection for electricity consumers in Ontario, and ensuring that transmission and distribution companies fulfill obligations to connect and service customers. The OEB may also prescribe license requirements and conditions of service to local distribution companies ("LDCs"), such as the Corporation, which may include, among other things, record keeping, regulatory accounting principles, separation of accounts for distinct businesses, and filing and process requirements for rate setting purposes.

The Corporation is required to bill customers for the debt retirement charge set by the province. The Corporation may file to recover uncollected debt retirement charges from Ontario Electricity Financial Corporation ("OEFC") once each year.

Notes to Financial Statements Year ended December 31, 2018

#### 2. Basis of presentation (continued)

(e) Rate regulation (continued)

Rate setting

Distribution revenue

For the distribution revenue included in sale of energy, the Corporation files a "Cost of Service" ("COS") rate application with the OEB every five years where rates are determined through a review of the forecasted annual amount of operating and capital expenditures, debt and shareholder's equity required to support the Corporation's business. The Corporation estimates electricity usage and the costs to service each customer class to determine the appropriate rates to be charged to each customer class. The COS application is reviewed by the OEB and interveners and rates are approved based upon this review, including any revisions resulting from that review.

In the intervening years an Incentive Rate Mechanism application ("IRM") is filed. An IRM application results in a formulaic adjustment to distribution rates that were set under the last COS application. The previous year's rates are adjusted for the annual change in the Gross Domestic Product Implicit Price Inflator for Final Domestic Demand ("GDP IPI-FDD") net of a productivity factor and a "stretch factor" determined by the relative efficiency of an electricity distributor.

As a licensed distributor, the Corporation is responsible for billing customers for electricity generated by third parties and the related costs of providing electricity service, such as transmission services and other services provided by third parties. The Corporation is required, pursuant to regulation, to remit such amounts to these third parties, irrespective of whether the Corporation ultimately collects these amounts from customers.

The Corporation last filed a COS application in October 2013 for rates effective May 1, 2014 to April 30, 2019. The GDP IPI-FDD for 2018 is 1.20%, the Corporation's productivity factor is nil% and the stretch factor is 0.3%, resulting in a net adjustment of 0.9% to the previous year's rates.

#### Electricity rates

The OEB sets electricity prices for low-volume consumers twice each year based on an estimate of how much it will cost to supply the province with electricity for the next year. All remaining consumers pay the market price for electricity. The Corporation is billed for the cost of the electricity that its customers use and passes this cost on to the customer at cost without a mark-up.

Notes to Financial Statements Year ended December 31, 2018

#### 3. Significant accounting policies

The accounting policies set out below have been applied consistently in all years presented in these financial statements.

#### (a) Financial instruments

All financial assets are classified as loans and receivables and all financial liabilities are classified as other liabilities. These financial instruments are recognized initially at fair value plus any directly attributable transaction costs. Subsequently, they are measured at amortized cost using the effective interest method less any impairment for the financial assets as described in note 3(f). The Corporation does not enter into derivative instruments.

Hedge accounting has not been used in the preparation of these financial statements.

#### (b) Revenue recognition

Sale and distribution of electricity

The performance obligations for the sale and distribution of electricity are recognized over time using an output method to measure the satisfaction of the performance obligation. The value of the electricity services transferred to the customer is determined on the basis of cyclical meter readings plus estimated customer usage since the last meter reading date to the end of the year and represents the amount that the Corporation has the right to bill. Revenue includes the cost of electricity supplied, distribution, and any other regulatory charges. The related cost of power is recorded on the basis of power used.

For customer billings related to electricity generated by third parties and the related costs of providing electricity service, such as transmission services and other services provided by third parties, the Corporation has determined that it is acting as a principal for these electricity charges and, therefore, has presented electricity revenue on a gross basis.

Customer billings for debt retirement charges are recorded on a net basis as the Corporation is acting as an agent for this billing stream.

#### Capital contributions

Developers are required to contribute towards the capital cost of construction of distribution assets in order to provide ongoing service. The developer is not a customer and therefore the contributions are scoped out of IFRS 15 *Revenue from Contracts with Customers*. Cash contributions, received from developers are recorded as deferred revenue. When an asset other than cash is received as a capital contribution, the asset is initially recognized at its fair value, with a corresponding amount recognized as deferred revenue. The deferred revenue, which represents the Corporation's obligation to continue to provide the customers access to the supply of electricity, is amortized to income on a straight-line basis over the useful life of the related asset.

Notes to Financial Statements Year ended December 31, 2018

#### 3. Significant accounting policies (continued)

#### (b) Revenue recognition (continued)

Capital contributions (continued)

Certain customers are also required to contribute towards the capital cost of construction of distribution assets in order to provide ongoing service. These contributions fall within the scope of IFRS 15 Revenue from Contracts with Customers. The contributions are received to obtain a connection to the distribution system in order receive ongoing access to electricity. The Corporation has concluded that the performance obligation is the supply of electricity over the life of the relationship with the customer which is satisfied over time as the customer receives and consumes the electricity. Revenue is recognized on a straight-line basis over the useful life of the related asset.

#### Other revenue

Revenue earned from the provision of services is recognized as the service is rendered.

Government grants and the related performance incentive payments under CDM programs are recognized as revenue in the year when there is reasonable assurance that the program conditions have been satisfied and the payment will be received.

#### (c) Inventory

Inventory, the majority of which is consumed by the Corporation in the provision of its services, is valued at the lower of cost and net realizable value, with cost being determined on an average cost basis, and includes expenditures incurred in acquiring the materials and supplies and other costs incurred in bringing them to their existing location and condition.

#### (d) Property, plant and equipment

Items of property, plant and equipment ("PP&E") used in rate-regulated activities and acquired prior to January 1, 2015 are measured at the deemed cost (carrying value as elected under IFRS 1) established on the transition date, less accumulated depreciation. All other items of PP&E are measured at cost, or, where the item is contributed by customers, its fair value, less accumulated depreciation.

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes contracted services, materials and transportation costs, direct labour, overhead costs, borrowing costs and any other costs directly attributable to bringing the asset to a working condition for its intended use.

Notes to Financial Statements Year ended December 31, 2018

#### 3. Significant accounting policies (continued)

(d) Property, plant and equipment (continued)

Borrowing costs on qualifying assets are capitalized as part of the cost of the asset based upon the weighted average cost of debt incurred on the Corporation's borrowings. Qualifying assets are considered to be those that take in excess of 12 months to construct.

When parts of an item of PP&E have different useful lives, they are accounted for as separate items (major components) of PP&E.

When items of PP&E are retired or otherwise disposed of, a gain or loss on disposal is determined by comparing the proceeds from disposal, if any, with the carrying amount of the item and is included in profit or loss.

Major spare parts and standby equipment are recognized as items of PP&E.

The cost of replacing a part of an item of PP&E is recognized in the net book value of the item if it is probable that the future economic benefits embodied within the part will flow to the Corporation and its cost can be measured reliably. In this event, the replaced part of PP&E is written off, and the related gain or loss is included in profit or loss. The costs of the day-to-day servicing of PP&E are recognized in profit or loss as incurred.

The need to estimate the decommissioning costs at the end of the useful lives of certain assets is reviewed periodically. The Corporation has concluded it does not have any legal or constructive obligation to remove PP&E.

Depreciation is calculated to write off the cost of items of PP&E using the straight-line method over their estimated useful lives, and is generally recognized in profit or loss. Depreciation methods, useful lives, and residual values are reviewed at each reporting date and adjusted prospectively if appropriate. Land is not depreciated. Construction-in-progress assets are not depreciated until the project is complete and the asset is available for use.

The estimated useful lives are as follows:

	Years
Buildings	20-60 years
Distribution equipment	15-60 years
Vehicles	8-15 years
Other tools and equipment	10-60 years
Computer equipment	5 years

Notes to Financial Statements Year ended December 31, 2018

#### 3. Significant accounting policies (continued)

#### (e) Intangible assets

Intangible assets used in rate-regulated activities and acquired prior to January 1, 2015 are measured at deemed cost (carrying value as elected under IFRS 1) established on the transition date, less accumulated amortization. All other intangible assets are measured at cost.

Computer software that is acquired or developed by the Corporation after January 1, 2015, including software that is not integral to the functionality of equipment purchased which has finite useful lives, is measured at cost less accumulated amortization.

Payments to obtain rights to access land ("land rights") are classified as intangible assets. These include payments made for easements, right of access and right of use over land for which the Corporation does not hold title. Land rights are measured at cost. Management has determined that land rights have an indefinite life. Land rights are tested for impairment when events or circumstances indicate their carrying amount exceeds their fair value. As at December 31, 2018, management has not identified any events or circumstances indicating that land rights are impaired.

Amortization is recognized in profit or loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use. Amortization methods and useful lives of all intangible assets are reviewed at each reporting date and adjusted prospectively if appropriate. The estimated useful lives are:

	Years
Computer software	5 years

#### (f) Impairment

#### (i) Financial assets measured at amortized cost

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment loss is calculated as the difference between an asset's carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate. Interest on the impaired assets continues to be recognized through the unwinding of the discount. Losses are recognized in profit or loss. An impairment loss is reversed through profit or loss if the reversal can be related objectively to an event occurring after the impairment loss was recognized.

Notes to Financial Statements Year ended December 31, 2018

#### 3. Significant accounting policies (continued)

#### (f) Impairment (continued)

#### (ii) Non-financial assets

The carrying amounts of the Corporation's non-financial assets, other than inventory and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit" or "CGU"). The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

#### (g) Customer deposits

Customer deposits represent cash deposits from electricity distribution customers and retailers to guarantee the payment of energy bills. Interest is paid on customer deposits.

Deposits are refundable to customers who demonstrate an acceptable level of credit risk as determined by the Corporation in accordance with policies set out by the OEB or upon termination of their electricity distribution service.

#### (h) Provisions

A provision is recognized if, as a result of a past event, the Corporation has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Notes to Financial Statements Year ended December 31, 2018

### 3. Significant accounting policies (continued)

#### (i) Regulatory balances

Regulatory deferral account debit balances represent costs incurred in excess of amounts billed to the customer at OEB approved rates. Regulatory deferral account credit balances represent amounts billed to the customer at OEB approved rates in excess of costs incurred by the Corporation.

Regulatory deferral account debit balances are recognized if it is probable that future billings in an amount at least equal to the deferred cost will result from inclusion of that cost in allowable costs for rate-making purposes. The offsetting amount is recognized in net movement in regulatory balances in profit or loss or OCI. When the customer is billed at rates approved by the OEB for the recovery of the deferred costs, the customer billings are recognized in revenue. The regulatory deferral debit balance is reduced by the amount of these customer billings with the offset to net movement in regulatory balances in profit or loss or OCI.

The probability of recovery of the regulatory deferral debit account balances is assessed annually based upon the likelihood that the OEB will approve the change in rates to recover the balance. The assessment of likelihood of recovery is based upon previous decisions made by the OEB for similar circumstances, policies or guidelines issued by the OEB, etc. Any resulting impairment loss is recognized in profit or loss in the year incurred.

When the Corporation is required to refund amounts to ratepayers in the future, the Corporation recognizes a regulatory deferral account credit balance. The offsetting amount is recognized in net movement in regulatory balances in profit or loss or OCI. The amounts returned to the customers are recognized as a reduction of revenue. The regulatory deferral credit balance is reduced by the amount of these customer repayments with the offset to net movement in regulatory balances in profit or loss or OCI.

Notes to Financial Statements Year ended December 31, 2018

#### 3. Significant accounting policies (continued)

#### (j) Post-employment benefits

#### (i) Pension plan

The Corporation provides a pension plan for all its full-time employees through Ontario Municipal Employees Retirement System ("OMERS"). OMERS is a multi-employer pension plan which operates as the Ontario Municipal Employees Retirement Fund ("the Fund"), and provides pensions for employees of Ontario municipalities, local boards and public utilities. The Fund is a contributory defined benefit pension plan, which is financed by equal contributions from participating employers and employees, and by the investment earnings of the Fund. To the extent that the Fund finds itself in an under-funded position, additional contribution rates may be assessed to participating employers and members.

OMERS is a defined benefit plan. However, as OMERS does not segregate its pension asset and liability information by individual employers, there is insufficient information available to enable the Corporation to directly account for the plan. Consequently, the plan has been accounted for as a defined contribution plan. The Corporation is not responsible for any other contractual obligations other than the contributions. Obligations for contributions to defined contribution pension plans are recognized as an employee benefit expense in profit or loss when they are due.

#### (ii) Post-employment benefits, other than pension

The Corporation provides some of its retired employees with life insurance and medical benefits beyond those provided by government sponsored plans.

The obligations for these post-employment benefit plans are actuarially determined by applying the projected unit credit method and reflect management's best estimate of certain underlying assumptions. Remeasurements of the net defined benefit obligations, including actuarial gains and losses and the return on plan assets (excluding interest), are recognized immediately in other comprehensive income. When the benefits of a plan are improved, the portion of the increased benefit relating to past service by employees is recognized immediately in profit or loss.

Notes to Financial Statements Year ended December 31, 2018

#### 3. Significant accounting policies (continued)

#### (k) Leased assets

Leases, where the terms cause the Corporation to assume substantially all the risks and rewards of ownership, are classified as finance leases. Upon initial recognition, the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

All other leases are classified as operating leases and the leased assets are not recognized on the Corporation's statement of financial position. Payments made under operating leases are recognized in profit or loss on a straight-line basis over the term of the lease.

#### (I) Finance income and finance costs

Finance income is recognized as it accrues in profit or loss, using the effective interest method. Finance income comprises interest earned on cash.

Finance costs comprise interest expense on borrowings and net interest expense on postemployment benefits. Finance costs are recognized in profit or loss unless they are capitalized as part of the cost of qualifying assets.

#### (m) Income taxes

The income tax expense comprises current and deferred tax. Income tax expense is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case, it is recognized in equity.

The Corporation is currently exempt from taxes under the Income Tax Act (Canada) and the Ontario Corporations Tax Act (collectively the "Tax Acts"). Under the *Electricity Act*, 1998, the Corporation makes payments in lieu of corporate taxes to the Ontario Electricity Financial Corporation ("OEFC"). These payments are calculated in accordance with the rules for computing taxable income and taxable capital and other relevant amounts contained in the Tax Acts as modified by the *Electricity Act*, 1998, and related regulations. Prior to October 1, 2001, the Corporation was not subject to income or capital taxes. Payments in lieu of taxes are referred to as income taxes.

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Notes to Financial Statements Year ended December 31, 2018

#### 3. Significant accounting policies (continued)

#### (m) Income taxes (continued)

Deferred tax is recognized in respect of temporary differences between the tax basis of assets and liabilities and their carrying amounts for accounting purposes. Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted, at the reporting date.

#### 4. Standards issued but not yet adopted

The Corporation is evaluating the adoption of the following new and revised standards along with any subsequent amendments.

#### Leases

In January 2016, IASB issued IFRS 16 to establish principles for the recognition, measurement, presentation, and disclosure of leases, with the objective of ensuring that lessees and lessors provide relevant information that faithfully represents those transactions. IFRS 16 replaces IAS 17 and it is effective for annual periods beginning on or after January 1, 2019. The standard introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognize a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. This standard substantially carries forward the lessor accounting requirements of IAS 17, while requiring enhanced disclosures to be provided by the lessor. Other areas of the lease accounting model have been impacted, including the definition of a lease. Transitional provisions have been provided. The Corporation intends to adopt IFRS 16 in its financial statements for the annual period beginning January 1, 2019. The Corporation is assessing the impact of IFRS 16 on its results of operations, financial position and disclosures.

Notes to Financial Statements Year ended December 31, 2018

#### 5. Change in accounting policy

IFRS 15 Revenue from Contracts with Customers and IFRS 9 Financial Instruments

The Company has initially applied IFRS 15 Revenue from Contracts with Customers from January 1, 2018 on a retrospective basis. The following practical expedients have been used in the initial application of this new standard:

For completed contracts, the Corporation did not restate contracts that:

- (i) Began and ended within the same annual reporting period; or
- (ii) Were completed at the beginning of January 1, 2017.

IFRS 15 contains a five step model that applies to contracts with customers that specifies that revenue is recognized when or as an entity transfers control of goods or services to a customer at the amount to which the entity expects to be entitled.

The Company has initially applied IFRS 9 Financial Instruments from January 1, 2018 on a retrospective basis. IFRS 9 includes revised guidance on the classification and measurement of financial instruments, including a new expected credit loss model for measuring impairment on financial assets, and new general hedge accounting requirements.

Despite the retrospective adoption, the accounting policy change did not result in a significant impact to the financial statements. As a result, the Company was not required to make any adjustments to the comparative figures upon initial adoption.

The updated accounting policies have been discussed further in note 3.

#### 6. Accounts receivable

	December 31, 2018	December 31, 2017
Trade customer accounts receivable Other receivables	\$ 3,975,865 99,188	\$ 2,480,830 317,016
Provision uncollectible accounts	(30,000)	(30,000)
	\$ 4,045,053	\$ 2,767,846

Notes to Financial Statements Year ended December 31, 2018

## 7. Inventory

Amount (recovered) written down due to obsolescence in 2018 was \$(4,938) (2017 - \$11,140).

## 8. Property, plant and equipment

	Land and	Distribution	Other fixed	Con	struction	
	buildings	equipment	assets	-in-	Progress	Total
Cost or deemed cost						
Balance at January 1, 2018 \$	1.987.339	\$19,640,467	\$1,159,008	\$	23,027	\$22,809,841
Additions	69,750	1,333,557	358,575	·	9,848	1,771,730
Transfers	-	3,517	-		(3,517)	-
Disposals/retirements	-	(61,837)	(59,579)		` - ′	(121,416)
Balance at December 31, 2018 \$	2,057,089	\$20,915,704	\$1,458,004	\$	29,358	\$24,460,155
Balance at January 1, 2017 \$	2,014,260	\$17,260,506	\$1,201,497	\$	14.006	\$20,490,269
Balance at January 1, 2017 \$ Additions	6,638	2,414,271	65,783	Φ	18.810	2,505,502
Transfers	0,030	9,789	03,703		(9,789)	2,303,302
Disposals/retirements	(33,559)	(44,099)	(108,272)		(0,700)	(185,930)
Balance at December 31, 2017 \$	1,987,339	. , ,	\$1,159,008	\$	23,027	\$22,809,841
Accumulated depreciation Balance at January 1 2018 \$	242 770	Ф 0 00C 0 <del>7</del> 4	¢ 400 044	ф		£ 0.470.004
Balance at January 1, 2018 \$ Depreciation	312,779 80,267	\$ 2,396,271 686.003	\$ 469,811 144,165	\$	-	\$ 3,178,861 910,435
Disposals	00,207	(16,492)	(37,037)		_	(53,529)
Balance at December 31, 2018 \$	393,046	\$ 3,065,782	\$ 576,939	\$		\$ 4,035,767
Dalatice at December 31, 2010 \$	393,040	φ 3,003,702	φ 570,939	φ	-	\$ 4,033,707
Balance at January 1, 2017 \$	233,576	\$ 1,769,321	\$ 371,622	\$	_	\$ 2,374,519
Depreciation	79,203	639,990	143,122		-	862,315
Disposals	-	(13,040)	(44,933)		-	(57,973)
Balance at December 31, 2017 \$	312,779	\$ 2,396,271	\$ 469,811	\$	-	\$ 3,178,861
Carrying amounts						
At December 31, 2018 \$	1.664.043	\$17,849,922	\$ 881,065	\$	29.358	\$20,424,388
At December 31, 2017 \$	, ,	\$17,244,196	\$ 689,197	\$	23,027	\$19,630,980

Notes to Financial Statements Year ended December 31, 2018

## 9. Intangible assets

		Computer software		Land rights		Total
Cost or deemed cost			_		_	
Balance at January 1, 2018	\$	340,623	\$	113,118	\$	453,741
Additions		22,371		-		22,371
Disposals	Φ.	(1,433)	Φ.	- 440 440	Φ.	(1,433)
Balance at December 31, 2018	\$	361,561	\$	113,118	\$	474,679
Balance at January 1, 2017	\$	308,394	\$	111,868	\$	420,262
Additions	Ψ	53,881	Ψ	1,250	Ψ	55,131
Disposals		(21,652)		-,200		(21,652)
Balance at December 31, 2017	\$	340,623	\$	113,118	\$	453,741
Accumulated amortization						
Balance at January 1, 2018	\$	233,874	\$	_	\$	233,874
Amortization	•	46,326	·	-	·	46,326
Disposals		(1,147)		-		(1,147)
Balance at December 31, 2018	\$	279,053	\$		\$	279,053
Balance at January 1, 2017	\$	198,137	\$	_	\$	198,137
Amortization	Ψ	52,426	Ψ	_	Ψ	52,426
Disposals		(16,689)		-		(16,689)
Balance at December 31, 2017	\$	233,874	\$	-	\$	233,874
Carrying amounts						
At December 31, 2018	\$	82,508	\$	113,118	\$	195,626
At December 31, 2017	\$	106,749	\$	113,118	\$	219,867

## 10. Income tax expense

Current tax expense (recovery)

	2018	2017
Current tax expense Deferred tax expense	\$ 161,711 143,000	\$ 185,663 -
Income tax expense	\$ 304,711	\$ 185,663

Notes to Financial Statements Year ended December 31, 2018

## 10. Income tax expense (continued)

Reconciliation of effective tax rate

		2018	2017
Income before taxes	\$	1,306,556	\$ 414,756
Canada and Ontario statutory Income tax rates		26.5%	26.5%
Expected tax provision on income at statutory rates Increase (decrease) in income taxes resulting from:		346,237	109,910
Permanent differences		852	20,423
Other		(42,378)	55,330
Income tax expense	\$	304,711	\$ 185,663
Significant components of the Corporation's deferred tax ba	alances		
		2018	2017
Deferred tax assets (liabilities):			
Property, plant and equipment	\$	190,000	\$ 327,000
Post-employment benefits		87,000	93,000
	\$	277,000	\$ 420,000

Notes to Financial Statements Year ended December 31, 2018

## 11. Regulatory balances

Rreconciliation of the carrying amount for each class of regulatory balances

, ,						
Regulatory deferral account debit balances	January 1, 2018	Additions	Recovery/ reversal	Decei	mber 31, 2018	Remaining recovery/ reversal years
regulatory actional account accidences	2010	7 taartionio	10101041		2010	youro
Retail settlement variances Regulatory transition to IFRS Regulatory variances disposition .Other	\$ 1,818,967 156,999 44,710 153,876	\$ 85,785 2,687 - 45,554	\$ (484,355) - 23,360 -	\$1,	,420,397 159,686 68,070 199,430	1 - - 1
	\$ 2,174,552	\$ 	\$ (460,995)	\$1	,847,583	
						Damainina
						Remaining recovery/
Regulatory deferral account debit balances	January 1, 2017	Additions	Recovery/ reversal	Decei	mber 31, 2017	reversal years
					-	
Retail settlement variances Regulatory transition to IFRS	\$ 1,357,410 155,237	\$ 1,064,394 1,762	\$(602,837) -	\$1	,818,967 156,999	1
Regulatory variances disposition Other	127,222 13,635	8,771 140,241	(91,283) -		44,710 153,876	- 1
	\$ 1,653,504	\$ 1,215,168	\$(694,120)	\$2	,174,552	
Regulatory deferral account credit balances	January 1, 2018	Additions	Recovery/ reversal	Decei	mber 31, 2018	Remaining years
Retail settlement variances Change in asset useful lives	\$ 491,058 221,679	\$ 38,848	\$(229,650) (150,363)		300,256 71,316	1 2
Deferred income tax Other	420,000 38,249	(143,000) 26,249	(78)	1	277,000 64,420	- 1
	\$ 1,170,986	\$ (77,903)	. ,		712,992	
Regulatory deferral account credit balances	January 1, 2017	Additions	Recovery/ reversal	Decei	mber 31, 2017	Remaining years
Retail settlement variances Change in asset useful lives	\$ 688,965 360,405	\$ 264,723	\$(462,630) (138,726)		491,058 221,679	1 2
Deferred income tax	420,000	-	(130,720)		420,000	-
Other	21,625	17,385	(761)		38,249	1
	\$ 1,490,995	\$ 282,108	\$(602,117)	\$1	,170,986	

Notes to Financial Statements Year ended December 31, 2018

#### 11. Regulatory balances (continued)

The regulatory balances are recovered or settled through rates approved by the OEB which are determined using estimates of future consumption of electricity by its customers. Future consumption is impacted by various factors including the economy and weather. The Corporation has received approval from the OEB to establish its regulatory balances.

Settlement of the Group 1 deferral accounts is done on an annual basis through application to the OEB. An application will be made to the OEB to recover \$185,068 for the Lost Revenue Adjustment Mechanism Variance Account for the 2019 rate application. In addition an application has been made to the OEB to recover \$385,933 for Class A customer' global adjustment reconciling variance. Approval is pending. The Corporation received approval for deferral of a COS application for 2019 rates, and has applied for a deferral of 2020 rates, which approval is pending. The OEB requires the Corporation to estimate its income taxes when it files a COS application to set its rates. As a result, the Corporation has recognized a regulatory deferral account for the amount of deferred taxes that will ultimately be recovered from/paid back to its customers. This balance will fluctuate as the Corporation's deferred tax balance fluctuates.

Regulatory balances attract interest at OEB prescribed rates, which are based on Bankers' Acceptances three-month rate plus a spread of 25 basis points. In 2018, the rate ranged from 1.50% to 2.17%.

#### 12. Accounts payable and accrued liabilities

	2018	2017
Accounts navable anargy nurshages	Ф 2.20E.020	Ф O 750 457
Accounts payable – energy purchases  Debt retirement charge payable to OEFC	\$ 2,305,939	\$ 2,753,457 191,615
Water and sewer charges payable	921,291	1,678,226
Other	1,118,662	786,482
	\$ 4,345,892	\$ 5,409,780

Notes to Financial Statements Year ended December 31, 2018

### 13. Long-term debt

		2018	2017
TD Bank term loan payable, interest at 3.38%,	Φ.	0.470.504	Ф 2.04C.042
payable in monthly instalments, due 2022 TD Bank term loan payable, interest at 3.33%,	\$	3,473,564	\$ 3,816,613
payable in monthly instalments, due 2024 TD Bank term loan payable, interest at 3.40%,		3,677,163	3,768,538
interest only payments, due 2022 TD Bank term loan payable, interest at 3.60%,		2,500,000	2,500,000
payable in monthly instalments, due 2027		1,904,117	1,958,018
	1	1,554,844	12,043,169
Less current portion of long-term debt		500,846	486,205
	\$ 1	1,053,998	\$ 11,556,964

The TD Bank term loans holds as security a general security agreement representing a first charge on all assets and undertakings of the Corporation and assignment of general liability insurance for the Corporation.

The agreement with respect to the TD Bank term loans contain certain covenants regarding (i) leverage, (ii) liquidity, (iii) change in status of business, (iv) change in ownership, and (v) limitations on additional debt and encumbrance of assets.

The agreement with TD Bank also contains financial covenants that require the Corporation to maintain a maximum debt to capital ratio of 0.60 to 1 and a minimum debt service coverage ratio of 1.20x to be tested and calculated on a quarterly basis. The Corporation is in compliance with these covenants as at December 31, 2018.

Principal repayments for the next five years and thereafter are as follows:

2019	\$ 500,846
2020	519,488
2021	538,214
2022	5,036,579
2023	169,861
Thereafter	4,789,856
	\$ 11,554,844

Notes to Financial Statements Year ended December 31, 2018

### 14. Post-employment benefits

#### (a) OMERS pension plan

The Corporation provides a pension plan for its employees through OMERS. The plan is a multi-employer, contributory defined pension plan with equal contributions by the employer and its employees. In 2018, the Corporation made employer contributions of \$172,108 to OMERS (2017 - \$150,960), of which has been recognized in profit or loss. The Corporation estimates that a contribution of \$166,773 to OMERS will be made during the next fiscal year.

As at December 31, 2018, OMERS had approximately 496,000 members, of whom 19 are current employees of the Corporation. The most recently available OMERS annual report is for the year ended December 31, 2018, which reported that the plan was 96% funded, with an unfunded liability of \$4.2 billion. This unfunded liability is likely to result in future payments by participating employers and members.

## (b) Post-employment benefits other than pension

The Corporation pays certain medical and life insurance benefits on behalf of some of its retired employees. The Corporation recognizes these post-employment benefits in the year in which employees' services were rendered. The Corporation is recovering its post-employment benefits in rates based on the expense and remeasurements recognized for post-employment benefit plans.

Reconciliation of the obligation	2018	2017
		_
Defined benefit obligation, beginning of year	\$ 352,533	\$ 340,021
Included in profit or loss		
Current service cost	15,330	14,726
Interest cost	13,776	13,617
	29,106	28,343
Included in OCI		
Actuarial losses arising from:		
changes in financial assumptions	(19,504)	
	362,135	368,364
Benefits paid	33,051	15,831
Defined benefit obligation, end of year	\$ 329,084	\$ 352,533
Actuarial assumptions	2018	2017
Discount (interest) rate	4.00%	4.10%
Salary levels	3.00%	3.00%
Medical Costs	5.50%	4.10%
Dental Costs	4.50%	4.50%
Defical Costs	4.50 /0	7.50 /0

Notes to Financial Statements Year ended December 31, 2018

## 14. Post-employment benefits (continued)

(b) Post-employment benefits other than pension (continued)

A 1% increase in the assumed discount rate would result in the defined benefit obligation decreasing by \$45,100. A 1% decrease in the assumed discount rate would result in the defined benefit obligation increasing by \$59,700.

### 15. Contributions in aid of construction

	2018	2017
Contributions in aid of construction, beginning of year Contributions in aid of construction received Contributions in aid of construction recognized as	\$ 1,680,077 205,712	\$ 1,082,628 633,962
distribution revenue	(47,366)	(36,513)
Contributions in aid of construction, end of year	\$ 1,838,423	\$ 1,680,077

## 16. Share capital

	2018	2017
Authorized: Unlimited number of common shares Issued:		
1,000 common shares	\$ 8,290,714	\$ 8,290,714

## 17. Revenues

		2018		2017
Collection and other service charges	\$	140.030	\$	155,699
Water and sewer billing services	Φ	74,533	φ	69,668
Rent		63,808		54,053
CDM		45,645		128,648
Gain (loss) on disposals		(39,851)		79,065
Other		51,729		4,621
Total other revenue	\$	335,894	\$	491,754

In the following table, sale of energy and distribution revenue is disaggregated by type of customer.

	2018	2017
Residential	\$ 13,452,008	\$ 13,103,639
Commercial	20,195,200	21,852,646
Other	288,960	312,240
	\$ 33,936,168	\$ 35,268,525

Notes to Financial Statements Year ended December 31, 2018

### 18. Employee salaries and benefits

	2018	2017
Salaries, wages and benefits	\$ 1,743,105	\$ 1,563,221
CPP and EI remittances	63,786	59,014
Contributions to OMERS	172,108	150,960
	\$ 1,978,999	\$ 1,773,195

#### 19. Finance income and costs

		2018		2017
Finance income	¢	27.655	¢	24 707
Interest income on bank deposits	\$	37,655	\$	34,797
Finance costs				
Interest expense on long-term debt		(402,517)		(392,473)
Interest expense on customer deposits		(16, 135)		(14,301)
		(418,652)		(406,774)
Net finance costs recognized in profit or loss	\$	(380,997)	\$	(371,977)

## 20. Commitments and contingencies

Cornerstone Hydro Electric Concepts (CHEC)

CHEC is an association of sixteen LDCs modelled after a co-operative to share resources and proficiencies (see note 21).

The Corporation may terminate its membership at any time upon the following terms:

- (a) giving written notice 60 days in advance of termination; and
- (b) by making a prepayment in full of the balance of its contract service costs to CHEC. The amount of prepayment cost shall be the total cost which the Corporation would have paid over the three year term of the agreement less amounts already paid by it to the date of the termination. The current three year term for CHEC commitment goes to December 31, 2020. The prepayment cost of termination is a settlement of the Corporation's obligation under the agreement by reason of termination of its membership before the expiry of the term. The amount is liquidated damages and not a penalty for early termination and is intended to leave the remaining members in the same position as if the Corporation had not terminated the agreement. As at December 31, 2018, the obligation to CHEC includes 2019 to 2020 membership dues of approximately \$43,000 per year, \$86,000 total.

Notes to Financial Statements Year ended December 31, 2018

### 20. Commitments and contingencies (continued)

Utility Collaborative Services Inc. (UCS)

The Corporation has the right to redeem its shares in UCS (see note 21) by retraction upon the following terms:

- (a) notice of such retraction shall be given 120 days prior to the effective date; and
- (b) a redemption fee shall be paid equal to the previous three years' worth of average purchases from UCS for services or products; or in alternative to paying such fees, the Corporation may elect in writing to provide three years' written notice of the retraction, provided that the Corporation continues to receive services at the same or greater average volume as those received at the time the notice was given. As at December 31, 2018, the obligation to UCS includes 2019 fees of approximately \$90,000.

### General Liability Insurance

The Corporation is a member of the Municipal Electric Association Reciprocal Insurance Exchange (MEARIE). MEARIE is a pooling of public liability insurance risks of many of the LDCs in Ontario. All members of the pool are subjected to assessment for losses experienced by the pool for the years in which they were members, on a pro-rata basis based on the total of their respective service revenues. As at December 31, 2018, no assessments have been made.

## 21. Related party transactions

(a) Parents and ultimate controlling party

The common shares of Orangeville Hydro Limited are owned by the Town of Orangeville and Town of Grand Valley, the ultimate parents.

(b) Outstanding balances with related parties

		2018	2017
Town of Orangovilla, receivable	¢	55.274	¢ 09.275
Town of Orangeville - receivable Town of Grand Valley – receivable	\$	2,308	\$ 98,275 365
Town of Orangeville - payable		(895,354)	(1,627,547)
Town of Grand Valley - payable		(25,937)	(50,679)
	\$	(863,709)	\$ (1,579,586)

Notes to Financial Statements Year ended December 31, 2018

### 21. Related party transactions (continued)

#### (c) Transactions with ultimate parents

The Corporation provides water and sewage billing and collection services to the customers of the Town of Orangeville and Town of Grand Valley, as well as supplying street light energy and street lighting maintenance services to the Town of Orangeville and Town of Grand Valley. Revenue includes \$416,552 (2017 – \$432,566) from the Town of Orangeville and \$18,070 (2017 – \$17,327) from the Town of Grand Valley for these services.

The Corporation also delivers electricity to the Town of Orangeville and Town of Grand Valley throughout the year for the electricity needs of the Townships and its related organizations. Electricity delivery charges are at prices and under terms approved by the OEB. The Corporation also provides additional services to the Townships, including streetlight maintenance services, sentinel lights and water and waste water billing and customer care services.

#### (d) Transactions with related parties

The Corporation paid \$78,583 (2017 – \$90,268) in fees to Cornerstone Hydro Electric Concepts Association Inc. (CHEC). CHEC is an association of sixteen electricity distribution utilities modeled after a cooperative to share resources and proficiencies.

The Corporation owns 100 common shares, at a cost of \$100, in Utility Collaborative Services Inc. (UCS) which represents a 10% interest. At the time of purchase, due to the immaterial amount, the investment was expensed. The Corporation paid \$152,961 (2017 – \$164,807) in fees to UCS. UCS offers standards-based back office services and the collaboration allows leverage in the reduction of costs for items such as information technology hosting and software licensing.

#### (e) Key management personnel

The key management personnel of the Corporation have been defined as members of its board of directors and executive management team members. The compensation paid during the year is \$410,071 (2017 - \$422,097).

Notes to Financial Statements Year ended December 31, 2018

### 22. Financial instruments and risk management

#### Fair value disclosure

The carrying values of cash, accounts receivable, unbilled revenue, due from/to related parties and accounts payable and accrued liabilities approximate fair value because of the short maturity of these instruments. The carrying value of the customer deposits approximates fair value because the amounts are payable on demand.

The fair value of the TD Bank long-term debt at December 31, 2018 is \$5,737,644. The fair value is calculated based on the present value of future principal and interest cash flows, discounted at the current rate of interest at the reporting date. The interest rate used to calculate fair value at December 31, 2018 ranged from 2.80% to 3.01%.

#### Financial risks

The Corporation understands the risks inherent in its business and defines them broadly as anything that could impact its ability to achieve its strategic objectives. The Corporation's exposure to a variety of risks such as credit risk, interest rate risk, and liquidity risk, as well as related mitigation strategies are discussed below.

#### (a) Credit risk

Financial assets carry credit risk that a counterparty will fail to discharge an obligation which could result in a financial loss. Financial assets held by the Corporation, such as accounts receivable, expose it to credit risk. The Corporation earns its revenue from a broad base of customers located in the Town of Orangeville and Town of Grand Valley.

The carrying amount of accounts receivable is reduced through the use of an allowance for impairment and the amount of the related impairment loss is recognized in profit or loss. Subsequent recoveries of receivables previously provisioned are credited to profit or loss. The balance of the allowance for impairment at December 31, 2018 is \$30,000 (2017 - \$30,000). An impairment loss of \$25,964 (2017 - \$49,510) was recognized during the year.

The Corporation's credit risk associated with accounts receivable is primarily related to payments from distribution customers. At December 31, 2018, approximately \$106,010 (2017 - \$54,249) is considered 60 days past due. The Corporation has over 12,000 customers, the majority of whom are residential. Credit risk is managed through collection of security deposits from customers in accordance with directions provided by the OEB and through credit insurance. As at December 31, 2018, the Corporation holds security deposits in the amount of \$866,522 (2017 - \$912,076) which also includes deposits received from developers.

Notes to Financial Statements Year ended December 31, 2018

### 22. Financial instruments and risk management (continued)

#### (b) Market risk

Market risks primarily refer to the risk of loss resulting from changes in commodity prices, foreign exchange rates, and interest rates. The Corporation currently does not have any material commodity or foreign exchange risk. The Corporation is exposed to fluctuations in interest rates as the regulated rate of return for the Corporation's distribution business is derived using a complex formulaic approach which is in part based on the forecast for long-term Government of Canada bond yields. This rate of return is approved by the OEB as part of the approval of distribution rates.

A 1% increase in the interest rate at December 31, 2018 would have increased interest expense on the long-term debt by \$118,000 (2017 - \$112,742), assuming all other variables remain constant. A 1% decrease in the interest rate would have an equal but opposite effect.

#### (c) Liquidity risk

The Corporation monitors its liquidity risk to ensure access to sufficient funds to meet operational and investing requirements. The Corporation's objective is to ensure that sufficient liquidity is on hand to meet obligations as they fall due while minimizing interest exposure. The Corporation has access to a \$2,500,000 credit facility and monitors cash balances daily to ensure that a sufficient level of liquidity is on hand to meet financial commitments as they become due. As at December 31, 2018, the Corporation has \$1,293,740 available on this credit facility.

The Corporation also has a facility for \$1,206,260 (the "LC" facility) for the purpose of issuing letters of credit mainly to support the prudential requirements of the IESO, of which \$nil has been drawn and posted with the IESO (2017 - \$nil).

The majority of accounts payable, as reported on the statement of financial position, are due within 30 days.

#### (d) Capital disclosures

The main objectives of the Corporation, when managing capital, are to ensure ongoing access to funding to maintain and improve the electricity distribution system, compliance with covenants related to its credit facilities, prudent management of its capital structure with regard for recoveries of financing charges permitted by the OEB on its regulated electricity distribution business, and to deliver the appropriate financial returns.

The Corporation's definition of capital includes shareholder's equity and long-term debt. As at December 31, 2018, shareholder's equity amounts to \$10,994,885 (2017 - \$10,289,603) and long-term debt amounts to \$11,053,998 (2017 - \$11,556,964).

Notes to Financial Statements Year ended December 31, 2018

## 23. Subsequent events

The Corporation has borrowed an additional \$2 million from TD Bank, the interest rate is prime rate and is repayable over a 10 year term in blended monthly payments.

## 2018-12-31

# Schedule of Instalment Remittances

Name of corporation	n contact				
Telephone number					
Effective interest date		Des	cription (instalment remittance, lit payment, assessed credit)		Amount of credit
interestate	2018 Instalmer		m payment, assessed orealty		185,683
	2010 Histainiei	113			103,003
		Total amount of	instalments claimed (carry the re	esult to line 840 of the T2 Return)	185,683 <b>_</b>
		Total amount of			
			l otal instalments cre	edited to the taxation year per T9	185,683_B
┌ Transfer —					
Transici		Taxation		Effective	
Account nu	umber	yearend	Amount	interest date	Description
From:					
To:					
From:					
To:					
F					
From:					
To:					
10.					
From:					
То:					
	<del></del>				
From:					
То:					

## \*

Canada Revenue Agency Agence du revenu du Canada

## **Net Income (Loss) for Income Tax Purposes**

Schedule 1

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2018-12-31

- The purpose of this schedule is to provide a reconciliation between the corporation's net income (loss) as reported on the financial statements and its net income (loss) for tax purposes. For more information, see the T2 Corporation Income Tax Guide.
- All legislative references are to the Income Tax Act.

Net income (loss) after taxes and extraordinary items from line 9999 of Schedule 125	1,152,374 A
Add:	
Provision for income taxes – current	
Provision for income taxes – deferred	
Interest and penalties on taxes	
Amortization of tangible assets	
Loss on disposal of assets	
Charitable donations and gifts from Schedule 2 5,050	
Non-deductible meals and entertainment expenses 2,593	
Reserves from financial statements – balance at the end of the year	
Subtotal of additions 1,668,672	1,668,672

## Other additions:

## Miscellaneous other additions:

	1	2			
	Description	Amount			
	605	295			
1	Inducement under 12(1)(x) ITA	15,247			
2	Paragraph 12(1)(x) - Contributed capital	205,712			
3	Paragraph 12(1)(a) - Customer Deposits	866,522			
	Total of column 2	1,087,481	<b>296</b>	1,087,481	
		Subtotal of other addition	ns <b>199</b>	1,087,481	1,087,481
		Total addition	ns <b>500</b>	2,756,153	2,756,153 B
Amoun	at A <b>plus</b> amount B				3,908,527_C

### **Deduct:**

Capital cost allowance from Schedule 8	1,355,116	
Reserves from financial statements – balance at the beginning of the year 414	382,533	
Subtotal of deductions	1,737,649	1,737,649

### Other deductions:

#### Miscellaneous other deductions:

	1 Description <b>705</b>	2 Amount <b>395</b>
1	Amortization of contributed capital	47,366
2	Deferred CGAAP Credits	150,363
3	2018 ATTC included in income	8,712
4	Subsection 13(7.4) election	205,712
5	Paragraph 20(1)(m) - Customer Deposits	866,522
6	Tax movement in reg account	143,000
7	True up of 2014 ITC income inclusion	2,329
8	OCI gain on employee future benefits	19,504
	Total of column 2	1,443,508

**396** 1,443,508

Subtotal of other deductions 4991,443,508 ▶	1,443,508
Total deductions <b>510 510 510</b>	3,181,157 D
Net income (loss) for income tax purposes (amount C minus amount D)	727,370 E
Enter amount E on line 300 of the T2 return.	

T2 SCH 1 E (17)

## Inducement

This form is used to calculate inducements that a corporation must add to its income under paragraph 12(1)(x) ITA. If an amount reduces the capital cost of a property, this amount will be indicated in Part "Tax credits whose amount should reduce the capital cost of property."

If you want to transfer an amount to Schedule 1 and include it in the corporation's income for tax purposes, select the corresponding check box in column A. You can also select the option **Select this check box to add all the amounts to income calculated in Schedule 1** to transfer all the amounts to Schedule 1. In either case, the column A check box will be selected for that amount and it will therefore be updated to Schedule 1.

### Tax credits whose amount should be added to income

Fede	eral eral	
Α		
X	Investment tax credit from apprenticeship job creation expenditures	3,000
	Investment tax credit from child care spaces expenditures	
	Canadian film or video production tax credit*	
	* Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Film or video production services tax credit*	
	* Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Investment tax credit claimed on contributions made to SR&ED farming organizations	
	Labour tax credit for qualifying journalism organizations	
_		
Onta	ario	
Α		
	Portion of the Ontario research and development tax credit that relates to the prescribed proxy amount (PPA) and portion of the Ontario investment tax credit that relates to contributions made to SR&ED farming organizations	
	Ontario co-operative education tax credit	
X	Ontario apprenticeship training tax credit	12,247
	Ontario computer animation and special effects tax credit*	
	* Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Ontario film and television tax credit*	
	* Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Ontario production services tax credit*	
	* Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Ontario interactive digital media tax credit*	
	* Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Ontario sound recording tax credit*	
	* Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Ontario book publishing tax credit	
X	Portion of the Ontario innovation tax credit that relates to the prescribed proxy amount (PPA) and portion of the Ontario investment tax credit that relates to contributions made to SR&ED farming organizations	
	Ontario business-research institute tax credit	
	Ontario community food program donation tax credit for farmers	

Tax credits whose amount should reduce the capital cost of property

#### Schedule 2

### **Charitable Donations and Gifts**

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2018-12-31

- For use by corporations to claim any of the following:
  - the eligible amount of charitable donations to qualified donees
  - the Ontario, Nova Scotia, and British Columbia food donation tax credits for farmers
  - the eligible amount of gifts of certified cultural property
  - the eligible amount of gifts of certified ecologically sensitive land or
  - the additional deduction for gifts of medicine made before March 22, 2017
- All legislative references are to the federal Income Tax Act, unless stated otherwise.
- The eligible amount of a gift is the amount by which the fair market value of the gifted property exceeds the amount of an advantage, if any, for the gift.
- The donations and gifts can be carried forward for 5 years except for gifts of certified ecologically sensitive land made after February 10, 2014, which can be carried forward for 10 years. Provincial food donation tax credits must be applied in the current tax year.
- Use this schedule to show a transfer of unused amounts from previous years following an amalgamation or the wind-up of a subsidiary as described under subsections 87(1) and 88(1).
- Subsection 110.1(1.2) provides as follows:
  - Where a particular corporation has undergone an acquisition of control, for tax years that end on or after the acquisition of control, no corporation can claim a deduction for a gift made by the particular corporation to a qualified donee before the acquisition of control.
  - If a particular corporation makes a gift to a qualified donee pursuant to an arrangement under which both the gift and the acquisition of control is
    expected, no corporation can claim a deduction for the gift unless the person acquiring control of the particular corporation is the qualified donee.
- An eligible medical gift made before March 22, 2017, to a qualifying organization for activities outside of Canada may be eligible for an additional deduction. Calculate the additional deduction in Part 5.
- File one completed copy of this schedule with your T2 Corporation Income Tax Return.
- For more information, see the T2 Corporation Income Tax Guide.

Part 1 – Charitable donations ————————————————————————————————————		
Charity/Recipient	Amo	unt (\$100 or more only)
Various donation slips	_	5,050
	Subtotal	5,050
	Add:Total donations of less than \$100 each	
	Total donations in current tax year	5,050



─ Part 1 – Charitable donations ────				
	Federal		Québec	Alberta
Charitable donations at the end of the previous tax year  Charitable donations expired after 5 tax years*  Charitable donations at the beginning of the current tax year (amount A minus line 239)		A		
Charitable donations transferred on an amalgamation or the wind-up of a subsidiary				
Total charitable donations made in the current year	5,050		5,050	5,050
Subtotal (line 250 <b>plus</b> line 210)	5,050	В	5,050	5,050
Subtotal (line 240 <b>plus</b> amount B)	5,050	С	5,050	5,050
Adjustment for an acquisition of control		_		
Total charitable donations available (amount C <b>minus</b> line 255)	5,050	D	5,050	5,050
Amount applied in the current year against taxable income (cannot be more than amount L in Part 2)	5,050		5,050	5,050
(enter this amount on line 311 of the T2 return)				
Charitable donations closing balance (amount D minus line 260)		_		
The amount of qualifying donations for the Ontario community food program donation tax credit for farmers included in the amount on line 260 (for donations made after December 31, 2013)				
Ontario community food program donation tax credit for farmers (amount on line 262 <b>multiplied</b> by 25 %)		1		
Enter amount 1 on line 420 of Schedule 5, Tax Calculation Supplementary – Corporation is less: the Ontario income tax otherwise payable or amount 1. For more information, see	ons. The maximum you see section 103.1.2 of the	ı can c ne Taxa	laim in the current year is whation Act, 2007 (Ontario).	ichever
The amount of qualifying donations for the Nova Scotia food bank tax credit for farmers included in the amount on line 260 (for donations made after December 31, 2015)				
Nova Scotia food bank tax credit for farmers (amount on line 263 <b>multiplied</b> by 25 %)		2		
Enter amount 2 on line 570 of Schedule 5, Tax Calculation Supplementary – Corporation is less: the Nova Scotia income tax otherwise payable or amount 2. For more information				ichever
The amount of qualifying gifts for the British Columbia farmers' food donation tax credit included in the amount on line 260 (for donations made after February 16, 2016 and before January 1, 2020)				
British Columbia farmers' food donation tax credit (amount on line 265 <b>multiplied</b> by 25 %)		3		
Enter amount 3 on line 683 of Schedule 5, Tax Calculation Supplementary – Corporation is less: the British Columbia income tax otherwise payable or amount 3. For more information in the contraction of th				
* For federal and Alberta tax purposes, donations and gifts expire after five tax years. F	or Québec tax purpos	es, doı	nations and gifts made in a ta	ax year

that ended before March 24, 2006, expire after five tax years; otherwise, donations and gifts expire after twenty tax years.

1º prior year	Year of origin:		Federal	Québec	Alberta
2016-12-31   3"prioryear   2015-12-31   3"prioryear   2015-12-31   3"prioryear   2013-12-31   3"prioryear   2013-12-31   3"prioryear   2013-12-31   3"prioryear   2011-12-31   3"prioryear   2011-12-31   3"prioryear   2011-12-31   3"prioryear   2010-12-31   3"prioryear   2010-12-31   3"prioryear   2010-12-31   3"prioryear   2009-12-31   3"prioryear   21"prioryear   2	ū				
3" prior year 2015-12-31 4" prior year 2014-12-31 5" prior year 2013-12-31 5" prior year 2013-12-31 5" prior year 2011-12-31 5" prior year 2011-12	2 <sup>nd</sup> prior year	2016-12-31			
5° prior year 2013-12-31 6° prior year 2012-12-31 8° prior year 2011-12-31 8° prior year 2010-12-31 8° prior year 2010-12-31 9° prior year 2010-12-31 10° prior year 2009-12-31 10° prior year 309-12-31 10° prior year 4° prior y	3 <sup>rd</sup> prior year	2015-12-31			
5° prior year 2013-12-31 6° prior year 2012-12-31 7° prior year 2011-12-31 8° prior year 2011-12-31 8° prior year 2011-12-31 8° prior year 2010-12-31 9° prior year 2010-12-31 9° prior year 2009-12-31 10° prior year 2009-12-31	4 <sup>th</sup> prior year				_
7" prior year 2011-12-31 8" prior year 2010-12-31 9" prior year 2009-12-31 10" prior year 2009-12-31 10" prior year 2009-12-31 10" prior year 2009-12-31 10" prior year 2009-12-31 13" prior year 21" prior year 21" prior year 21" prior year 21" prior year 31" pri	5 <sup>th</sup> prior year	<u>2013-12-31</u>			
8° prior year 2010-12-31 9° prior year 2009-12-31 10° prior year 2009-12-31 11° prior year 2009-12-31 13° prior year 30° prior	6 <sup>th</sup> prior year*	<u>2012-12-31</u>			
9° prior year 10° prior year 11° prior year 12° prior year 12° prior year 12° prior year 12° prior year 13° prior year 15° pri	7 <sup>th</sup> prior year	<u>2011-12-31</u>			
10 <sup>th</sup> prior year 11 <sup>th</sup> prior year 11 <sup>th</sup> prior year 13 <sup>th</sup> prior year 13 <sup>th</sup> prior year 13 <sup>th</sup> prior year 13 <sup>th</sup> prior year 14 <sup>th</sup> prior year 16 <sup>th</sup> prior year 20 <sup>th</sup> prior year 21 <sup>th</sup> prior year 21 <sup>th</sup> prior year 21 <sup>th</sup> prior year 21 <sup>th</sup> prior	8 <sup>th</sup> prior year				
11 <sup>th</sup> prior year 12 <sup>th</sup> prior year 13 <sup>th</sup> prior year 14 <sup>th</sup> prior year 14 <sup>th</sup> prior year 14 <sup>th</sup> prior year 15 <sup>th</sup> prior year 15 <sup>th</sup> prior year 16 <sup>th</sup> prior year 17 <sup>th</sup> prior year 18 <sup>th</sup> prior year 19 <sup>th</sup> prior year 20 <sup>th</sup> prior year 21 <sup>th</sup> prior	9 <sup>th</sup> prior year				
12 <sup>th</sup> prior year 13 <sup>th</sup> prior year 13 <sup>th</sup> prior year 15 <sup>th</sup> prior year 16 <sup>th</sup> prior year 16 <sup>th</sup> prior year 18 <sup>th</sup> prior year 18 <sup>th</sup> prior year 18 <sup>th</sup> prior year 18 <sup>th</sup> prior year 19 <sup>th</sup> prior year 21 <sup>th</sup> prior year sad donations and gifts made in a tax year that ended be fore March 24, 2006, that are included on line 6 <sup>th</sup> prior year and donations and gifts that are included on line 21 <sup>th</sup> prior year expire automatically in the current tax year.  Part 2 — Maximum allowable deduction for charitable donations Net income for tax purposes* multiplied by 75 % 545,528 E Taxable capital gains arising in respect of a disposition of a non-qualifying security under subsection 40(1.01) The amount of the recapture of capital cost allowance in respect of charitable donations Proceeds of disposition, less allowance in respect of the prior prior year and donations Proceeds of disposition, less allowance in respect of the prior year and donations Proceeds of disposition, less Subtotal (add line 225, 227, and amount H)  Amount I multiplied by 25 % Subtotal (amount E plus amount.)  Subtotal (amount E plus amount.)  545,528 p	10 <sup>th</sup> prior year	· · · · · · · · · · · · · · · · · · ·			
13th prior year 14th prior year 14th prior year 15th prior year 16th prior year 15th prior year year expire automatically in the current tax year. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, that are included on line 6th prior year and donations and gifts that are included on line 21th prior year expire automatically in the current tax year.  Part 2 — Maximum allowable deduction for charitable donations  Part 2 — Maximum allowable deduction for charitable donations  Net income for tax purposes* multiplied by 75 % 545,528 generally agains arising in respect of gifts of capital property included in Part 1 **	11 <sup>th</sup> prior year	· · · · · · · · · · · · · · · · · · ·			
14th prior year 15th prior year expire automatically in the current tax year. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, that are included on line 6th prior year and donations and gifts that are included on line 2fth prior year expire automatically in the current tax year.  Part 2 - Maximum allowable deduction for charitable donations 15th prior year expire automatically in the current tax year.  Part 2 - Maximum allowable deduction for charitable donations 15th prior year and donations and gifts that are included on line 6th prior year and donations and gifts that are included on line 2fth prior year expire automatically in the current tax year. For Québec tax purposes, donations and gifts included on line 6th prior year and donations and gifts that are included on line 2fth prior year and donations and gifts that are included on line 2fth prior year and donations and gifts that are included on line 6th prior year and donations and gifts that are included on line 6th prior year and donations and gifts that are included on line 6th prior year and donations and gifts that are included on line 6th prior year and donations and gifts that are included on line 6th prior year and donations and gifts that are included on line 6th prior year and donations and gifts that are included on line 6th prior year and donations and gifts that are included on line 6th prior year and donations and gifts that are included on line 6th prior year and donations and gifts that are included on line 6th prior year and donations and gifts that are included on line 6th prior y	12 <sup>th</sup> prior year	· · · · · · · · · · · · · · · · · · ·			
15 <sup>th</sup> prior year 16 <sup>th</sup> prior year 18 <sup>th</sup> prior year 18 <sup>th</sup> prior year 19 <sup>th</sup> prior year 20 <sup>th</sup> prior year 30 <sup>th</sup> year expire automatically in the current tax year. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, that are included on line 6 <sup>th</sup> prior year and donations and gifts that are included on line 2 <sup>th</sup> prior year expire automatically in the current tax year.  Part 2 – Maximum allowable deduction for charitable donations Net income for tax purposes* multiplied by 75 % 545,528 E  Taxable capital gains arising in respect of gifts of capital property included in Part 1 **  Taxable capital gains in respect of a disposition of a non-qualifying security under subsection 40(1.01)  The amount of the recapture of capital cost allowance in respect of charitable donations  Proceeds of disposition, less outlays and expenses**  F Capital cost**  G Amount F or G, whichever is less  Subtotal (add line 225, 227, and amount H)  Amount I multiplied by 25 %  Subtotal (amount E plus amount J)  Subtotal (amount E plus amount J)  Maximum allowable deduction for charitable donations (enter amount D from Part 1, amount K or net income for tax)	13 <sup>th</sup> prior year				
16th prior year 17th prior year 18th prior year 18th prior year 18th prior year 18th prior year 19th prior year 20th prior year year and donations and gifts that are included on line 6th prior year and donations and gifts that are included on line 2th prior year expire automatically in the current tax year.  Part 2 - Maximum allowable deduction for charitable donations Net income for tax purposes* multiplied by 75 %  Taxable capital gains arising in respect of gifts of capital property included in Part 1 ** 225  Taxable capital gain in respect of a disposition of a non-qualifying security under subsection 40(1.01)  The amount of the recapture of capital cost allowance in respect of charitable donations 230  Proceeds of disposition, less outlays and expenses**  F Capital cost**  G Amount F or G, whichever is less  Subtotal (add line 225, 227, and amount H)  Amount I multiplied by 25 %  Subtotal (amount E plus amount J)  545,528  Maximum allowable deduction for charitable donations (enter amount D from Part 1 amount K or net income for tax	14 <sup>th</sup> prior year				
17th prior year 18th prior year 18th prior year 19th prior year 20th prior year 20th prior year 21th prior year with prior year with the current tax year. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, that are included on line 6th prior year and donations and gifts that are included on line 21th prior year expire automatically in the current tax year.  Part 2 — Maximum allowable deduction for charitable donations Net income for tax purposes* multiplied by 75 % 545,528 E  Taxable capital gains arising in respect of gifts of capital property included in Part 1 **  Taxable capital gain in respect of a disposition of a non-qualifying security under subsection 40(1.01)  The amount of the recapture of capital cost allowance in respect of charitable donations Proceeds of disposition, less outlays and expenses**  F Capital cost**  G Amount F or G, whichever is less  Subtotal (add line 225, 227, and amount H)  Amount I multiplied by 25 %  Subtotal (amount E plus amount J)  545,528 F  Maximum allowable deduction for charitable donations (enter amount D from Part 1, amount K or retirecting for tax.	15 <sup>th</sup> prior year				
18 <sup>th</sup> prior year 19 <sup>th</sup> prior year 20 <sup>th</sup> prior year 30 <sup>th</sup> For federal and Alberta tax purposes, donations and gifts included on line 6 <sup>th</sup> prior year expire automatically in the current tax year. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, that are included on line 6 <sup>th</sup> prior year and donations and gifts that are included on line 21 <sup>st</sup> prior year expire automatically in the current tax year.  Part 2 – Maximum allowable deduction for charitable donations Net income for tax purposes* multiplied by 75 % 545,528 E  Taxable capital gain in respect of a disposition of a non-qualifying security under subsection 40(1.01) 227  The amount of the recapture of capital cost allowance in respect of haritable donations Proceeds of disposition, less outlays and expenses*	16 <sup>th</sup> prior year				
19th prior year 20th prior year 21st prior year* Total (to line A)  * For federal and Alberta tax purposes, donations and gifts included on line 6th prior year expire automatically in the current tax year. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, that are included on line 6th prior year and donations and gifts that are included on line 21st prior year expire automatically in the current tax year.  Part 2 — Maximum allowable deduction for charitable donations  Net income for tax purposes* multiplied by 75 %  Taxable capital gains arising in respect of gifts of capital property included in Part 1 **  Taxable capital gain in respect of a disposition of a non-qualifying security under subsection 40(1.01)  The amount of the recapture of capital cost allowance in respect of charitable donations  Proceeds of disposition, less outlays and expenses**  F Capital cost**  G Amount F or G, whichever is less  Amount on line 230 or 235, whichever is less  Amount I multiplied by 25 % Subtotal (amount E plus amount J)  Maximum allowable deduction for charitable donations (enter amount D from Part 1, amount K or net income for tax purposes)  Maximum allowable deduction for charitable donations (enter amount D from Part 1, amount K or net income for tax purposes)	17 <sup>th</sup> prior year				
20 <sup>th</sup> prior year*  Total (to line A)  *For federal and Alberta tax purposes, donations and gifts included on line 6 <sup>th</sup> prior year expire automatically in the current tax year. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, that are included on line 6 <sup>th</sup> prior year and donations and gifts that are included on line 21 <sup>st</sup> prior year expire automatically in the current tax year.  **Part 2 - Maximum allowable deduction for charitable donations**  Net income for tax purposes* multiplied by 75 %	18 <sup>th</sup> prior year				
21st prior year* Total (to line A)  * For federal and Alberta tax purposes, donations and gifts included on line 6th prior year expire automatically in the current tax year. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, that are included on line 6th prior year and donations and gifts that are included on line 2th prior year expire automatically in the current tax year.  Part 2 - Maximum allowable deduction for charitable donations  Net income for tax purposes* multiplied by 75 % 545,528 E  Taxable capital gains arising in respect of gifts of capital property included in Part 1 ** 225  Taxable capital gain in respect of a disposition of a non-qualifying security under subsection 40(1.01)  The amount of the recapture of capital cost allowance in respect of charitable donations  Proceeds of disposition, less outlays and expenses**  F Capital cost**  G Amount F or G, whichever is less  Amount on line 230 or 235, whichever is less  Amount I multiplied by 25 %  Subtotal (add line 225, 227, and amount H)  Amount E plus amount J  545,528 F  Maximum allowable deduction for charitable donations (enter amount D from Part 1 amount K or net income for tax	19 <sup>th</sup> prior year				
* For federal and Alberta tax purposes, donations and gifts included on line 6th prior year expire automatically in the current tax year. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, that are included on line 6th prior year and donations and gifts that are included on line 21st prior year expire automatically in the current tax year.  Part 2 — Maximum allowable deduction for charitable donations  Net income for tax purposes* multiplied by 75 % 545,528 E  Taxable capital gains arising in respect of gifts of capital property included in Part 1 **  Taxable capital gain in respect of a disposition of a non-qualifying security under subsection 40(1.01)  The amount of the recapture of capital cost allowance in respect of charitable donations  Proceeds of disposition, less outlays and expenses**  F Capital cost**  G Amount F or G, whichever is less  Amount on line 230 or 235, whichever is less  Subtotal (add line 225, 227, and amount H)    Amount I multiplied by 25 %  Subtotal (amount E plus amount.)    Subtotal (amount E plus amount.)    Maximum allowable deduction for charitable donations (enter amount D from Part 1, amount K or net income for tax.)	20 <sup>th</sup> prior year	····· <u> </u>			
* For federal and Alberta tax purposes, donations and gifts included on line 6th prior year expire automatically in the current tax year. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, that are included on line 6th prior year and donations and gifts that are included on line 21st prior year expire automatically in the current tax year.  Part 2 — Maximum allowable deduction for charitable donations  Net income for tax purposes* multiplied by 75 %	21 <sup>st</sup> prior year*		_		
donations and gifts made in a tax year that ended before March 24, 2006, that are included on line 6th prior year and donations and gifts that are included on line 21st prior year expire automatically in the current tax year.  Part 2 — Maximum allowable deduction for charitable donations  Net income for tax purposes* multiplied by 75 %	Total (to line A)				
Taxable capital gains arising in respect of gifts of capital property included in Part 1 **	donations and on line 21 <sup>st</sup> pr	d gifts made in a tax year that ended before March 24, 2006, that are ior year expire automatically in the current tax year.	included on line 6 <sup>th</sup> prior y	in the current tax year. For Quebec ear and donations and gifts that are	tax purposes, e included
Taxable capital gain in respect of a disposition of a non-qualifying security under subsection 40(1.01)  The amount of the recapture of capital cost allowance in respect of charitable donations  Proceeds of disposition, less outlays and expenses**  Capital cost**  G  Amount F or G, whichever is less  Amount on line 230 or 235, whichever is less  Subtotal (add line 225, 227, and amount H)  H  Amount I multiplied by 25 %  Subtotal (amount E plus amount J)  Subtotal (amount E plus amount J)  Maximum allowable deduction for charitable donations (enter amount D from Part 1 amount K or net income for tax	Net income for t	ax purposes* <b>multiplied</b> by 75 %			545,528 E
Amount F or G, whichever is less  Amount on line 230 or 235, whichever is less  Subtotal (add line 225, 227, and amount H)  Amount I multiplied by 25 %  Subtotal (amount E plus amount J)  Subtotal (amount E plus amount J)  Maximum allowable deduction for charitable donations (enter amount D from Part 1 amount K, or net income for tax	Taxable capital under subsection The amount of allowance in re Proceeds of di outlays and ex	gain in respect of a disposition of a non-qualifying security on 40(1.01)			
Amount on line 230 or 235, whichever is less  Subtotal (add line 225, 227, and amount H)  Amount I multiplied by 25 %  Subtotal (amount E plus amount J)  Subtotal (amount E plus amount J)  Maximum allowable deduction for charitable donations (enter amount D from Part 1, amount K, or net income for tax	Capital cost**				
Subtotal (add line 225, 227, and amount H) I  Amount I multiplied by 25 % Subtotal (amount E plus amount J) 545,528 Plus amount J Figure 1 amount E plus amount J 1	Amount F or G	G, whichever is less			
Amount I <b>multiplied</b> by 25 %	Amount on line	230 or 235, whichever is less		H	
Subtotal (amount E plus amount J) 545,528 Amount B plus amount J Subtotal (amount E plus amount J) 545,528 Amount E plus amount J Subtotal (amount E plus amount D from Part 1, amount K, or net income for tax		Subtotal (add line	e 225, 227, and amount H	) I	
Maximum allowable deduction for charitable donations (enter amount D from Part 1, amount K, or net income for tax			An	nount I <b>multiplied</b> by 25 %	J
Maximum allowable deduction for charitable donations (enter amount D from Part 1, amount K, or net income for tax			Subto	otal (amount E <b>plus</b> amount J)	545,528 k
		· ·	Part 1, amount K, or net inc	come for tax	5,050 լ

This amount must be prorated by the following calculation: eligible amount of the gift divided by the proceeds of disposition of the gift.

to borrowing and bonus interest.

Part 3 – Gifts of certified cultural property			
	Federal	Québec	Alberta
Gifts of certified cultural property at the end of the previous tax year		M	
Gifts of certified cultural property expired after 5 tax years* 439			
Gifts of certified cultural property at the beginning			
of the current tax year (amount M minus line 439)			
Gifts of certified cultural property transferred on an amalgamation			
or the wind-up of a subsidiary		<u> </u>	
Total gifts of certified cultural property in the current year			
(include this amount on line 112 of Schedule 1)			
Subtotal (line 450 <b>plus</b> line 410)		N	
Subtotal (line 440 <b>plus</b> amount N)		_ 0	
Adjustment for an acquisition of control			
Amount applied in the current year against taxable income			
(enter this amount on line 313 of the T2 return)			
Subtotal (line 455 <b>plus</b> line 460)		P	
Gifts of certified cultural property closing balance (amount O minus amount P)		_	
* For federal and Alberta tax purposes, donations and gifts expire after five tax years. For ended before March 24, 2006, expire after five tax years; otherwise, donations and gifts			a tax year that

⊢ Amount c	arried forward – Gifts of certified cultural property			
Year of origin:		Federal	Québec	Alberta
1 <sup>st</sup> prior year				
2 <sup>nd</sup> prior year				
3 <sup>rd</sup> prior year				
4 <sup>th</sup> prior year	2014-12-31			
5 <sup>th</sup> prior year				
6 <sup>th</sup> prior year*	2012-12-31			
7 <sup>th</sup> prior year	2011-12-31			
8 <sup>th</sup> prior year	2010-12-31			
9 <sup>th</sup> prior year	2009-12-31_			
10 <sup>th</sup> prior year				
11 <sup>th</sup> prior year				
12 <sup>th</sup> prior year				
13 <sup>th</sup> prior year	·····			
14 <sup>th</sup> prior year	·····			
15 <sup>th</sup> prior year				
16 <sup>th</sup> prior year				
17 <sup>th</sup> prior year				
18 <sup>th</sup> prior year				
19 <sup>th</sup> prior year				
20 <sup>th</sup> prior year				
21st prior year*				
Total				

<sup>\*</sup> For federal and Alberta tax purposes, donations and gifts included on line 6<sup>th</sup> prior year expire automatically in the current tax year. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, that are included on line 6<sup>th</sup> prior year and donations and gifts that are included on line 21<sup>st</sup> prior year expire automatically in the current tax year.

Part 4 – Gifts of certified ecologically sensitive land	Endonel	0.4	Allerate
	Federal	Québec	Alberta
Gifts of certified ecologically sensitive land at the end of the previous tax year Gifts of certified ecologically sensitive land expired after		_ Q	
5 tax years, or after 10 tax years for gifts made after			
February 10, 2014*			
Gifts of certified ecologically sensitive land at the beginning of the current tax year (amount Q <b>minus</b> line 539)			
Gifts of certified ecologically sensitive land transferred on an			
amalgamation or the wind-up of a subsidiary			
Total current-year gifts of certified ecologically sensitive land 520			
(include this amount on line 112 of Schedule 1)			
Subtotal (line 550 <b>plus</b> line 520)		_ R	
Subtotal (line 540 <b>plus</b> amount R)			
Adjustment for an acquisition of control			
Amount applied in the current year against taxable income			
,			
Subtotal (line 555 <b>plus</b> line 560) _		_ T	-
Gifts of certified ecologically sensitive land closing balance (amount S minus amount T)			
* For federal and Alberta tax purposes, donations and gifts made before February 11, expire after ten tax years. For Québec tax purposes, donations and gifts made durin otherwise, donation and gifts expire after twenty tax years.			

#### Amounts carried forward – Gifts of certified ecologically sensitive land Amount of carried forward gifts made on or after February 11, 2014, in the tax year including this date Federal Québec Alberta Year of origin: 1<sup>st</sup> prior year 2<sup>nd</sup> prior year ..... 2016-12-31 2015-12-31 3<sup>rd</sup> prior year 4th prior year 2014-12-31 5<sup>th</sup> prior year .....<u>2013-12-31</u> .....\_\_2012-12-31 6th prior year\* 7<sup>th</sup> prior year 2011-12-31 .....<u>2010-12</u>-31 8<sup>th</sup> prior year 9<sup>th</sup> prior year 10<sup>th</sup> prior year 11th prior year\* 12th prior year 13th prior year 14th prior year 15<sup>th</sup> prior year 16th prior year 17<sup>th</sup> prior year 18<sup>th</sup> prior year 19th prior year

The field "Amount of carried forward gifts made on or after February 11, 2014, in the tax year including this date" is used to distinguish the portion of the gifts made in the tax year straddling February 11, 2014, that expires after ten tax years, from the portion that expires in the current tax year.

For Québec tax purposes, donations and gifts made during a tax year that ended before March 24, 2006, that are included on line 6<sup>th</sup> prior year and gifts that are included on line 21<sup>st</sup> prior year expire automatically in the current tax year.



20<sup>th</sup> prior year 21<sup>st</sup> prior year\* **Total** . . .

<sup>\*</sup> For federal and Alberta tax purposes, donations and gifts made before February 11, 2014, that are included on line 6<sup>th</sup> prior year and gifts that are included on line 11<sup>th</sup> prior year expire automatically in the current year.

- Part 5 – Additional deduction for gifts of medicine ————			
<u>-</u>	Federal	Québec	Alberta
Additional deduction for gifts of medicine at the end of the previous tax year	U _		
Additional deduction for gifts of medicine expired after 5 tax years* 639Additional deduction for gifts of medicine at the beginning of the current tax year (amount U minus line 639)			
Additional deduction for gifts of medicine made before March 22, 2017 ransferred on an amalgamation or the wind-up of a subsidiary			
additional deduction for gifts of medicine made before March 22, 2017:			
Proceeds of disposition 602			
Cost of gifts of medicine made before March 22, 2017 601			
Subtotal (line 602 minus line 601)	V _		
Amount V <b>multiplied</b> by 50 %	W _		
Eligible amount of gifts			
Additional			
deduction for gifts  of medicine made			
before March 22,			
a x ( <u>b</u> = 2017 <b>610</b> _			
<b>\</b> c			
deduction for gifts			
Québec of medicine made before March 22,			
/ .			
C	_	_	
Additional deduction for gifts			
Alberta of medicine made			
before March 22,			
a $\times \left( \frac{b}{a} \right) = 2017 \dots$			•
vhere:			
a is the <b>lesser</b> of line 601 and amount W			
b is the eligible amount of gifts (line 600)			
s is the proceeds of disposition (line 602)			
Subtotal (line 650 <b>plus</b> line 610)			
Subtotal (line 640 <b>plus</b> amount X)	Y _		
Adjustment for an acquisition of control			
mount applied in the current year against taxable income			
enter this amount on line 315 of the T2 return)			
Subtotal (line 655 <b>plus</b> line 660)	Z _		
Additional deduction for gifts of medicine closing balance amount Y minus amount Z) 680			
For federal and Alberta tax purposes, donations and gifts expire after five tax years. ended before March 19, 2007, expire after five tax years; otherwise, donations and g			in a tax year that

Year of origin:		Federal	Québec	Alberta
1 <sup>st</sup> prior year				
2 <sup>nd</sup> prior year				
3 <sup>rd</sup> prior year	2015-12-31			
4 <sup>th</sup> prior year				
5 <sup>th</sup> prior year				
6 <sup>th</sup> prior year*	<u>2012-12-31</u>			
7 <sup>th</sup> prior year	<u>2011-12-31</u>			
3 <sup>th</sup> prior year	<u>2010-12-31</u>			
9 <sup>th</sup> prior year				
0 <sup>th</sup> prior year				
1 <sup>th</sup> prior year				
2 <sup>th</sup> prior year				
13 <sup>th</sup> prior year				
4 <sup>th</sup> prior year				
5 <sup>th</sup> prior year				
16 <sup>th</sup> prior year				
17 <sup>th</sup> prior year				
18 <sup>th</sup> prior year				
19 <sup>th</sup> prior year				
20 <sup>th</sup> prior year				
21 <sup>st</sup> prior year*				
Total				
donations and line 21 <sup>st</sup> prior	d Alberta tax purposes, donations and gifts included on line 6 <sup>th</sup> prior gifts made in a tax year that ended before March 19, 2007, that are rear expire automatically in the current tax year.  Sifts of musical instruments	year expire automatically included on line 6 <sup>th</sup> prior y	in the current tax year. For Quebec t rear and donations and gifts that are	ax purposes, included on
	nstruments at the end of the previous tax year			
	musical instruments expired after twenty tax years			
	nstruments at the beginning of the tax year			
Add:	The terms at the beginning of the tax year.			
	l instruments transferred on an amalgamation or the wind-up of a si	ıhsidiarv		
	ear gifts of musical instruments	accidially		
. Star Garront y	sar gine or maneum morramente		Subtotal (line D <b>plus</b> line E)	
<b>Deduct:</b> Adjust	nent for an acquisition of control			
otal gifts of mu	sical instruments available			

Gifts of musical instruments closing balance

**Deduct:** Amount applied against taxable income (enter this amount on line 255 of form CO-17)

Year of origin:		Québec
1 <sup>st</sup> prior year		
2 <sup>nd</sup> prior year		
3 <sup>rd</sup> prior year		
4 <sup>th</sup> prior year		
5 <sup>th</sup> prior year		
6 <sup>th</sup> prior year*		
7 <sup>th</sup> prior year	<u>2011-12-31</u>	
8 <sup>th</sup> prior year		
9 <sup>th</sup> prior year		
10 <sup>th</sup> prior year		
11 <sup>th</sup> prior year		
12 <sup>th</sup> prior year		
13 <sup>th</sup> prior year		
14 <sup>th</sup> prior year		
15 <sup>th</sup> prior year		
16 <sup>th</sup> prior year		
17 <sup>th</sup> prior year		
18 <sup>th</sup> prior year		
19 <sup>th</sup> prior year	<u> </u>	
20 <sup>th</sup> prior year		
21 <sup>st</sup> prior year*	<u> </u>	
Total		

Agence du revenu du Canada

#### Schedule 3

# Dividends Received, Taxable Dividends Paid, and Part IV Tax Calculation

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2018-12-31

- · Corporations must use this schedule to report:
  - non-taxable dividends under section 83;
  - deductible dividends under subsection 138(6);
  - taxable dividends deductible from income under section 112, subsection 113(2) and paragraphs 113(1)(a), (a.1), (b) or (d); or
  - taxable dividends paid in the tax year that qualify for a dividend refund (see page 3).
- All legislative references are to the federal Income Tax Act.
- The calculations in this schedule apply only to private or subject corporations.
- A recipient corporation is **connected** with a payer corporation at any time in a tax year, if at that time the recipient corporation:
  - controls the payer corporation, other than because of a right referred to in paragraph 251(5)(b); or
  - owns more than 10% of the issued share capital (with full voting rights), and shares that have a fair market value of more than 10% of the fair market value of all shares of the payer corporation.
- If you need more space, continue on a separate schedule.
- File this schedule with your T2 Corporation Income Tax Return.
- Column A1 Enter "X" if dividends received from a foreign source.
- Column F1 Enter the code that applies to the deductible taxable dividend.

## - Part 1 - Dividends received in the tax year

- Do not include dividends received from foreign non-affiliates.
- Complete columns B, C, D, H and I only if the payer corporation is connected.

#### Important instructions to follow if the payer corporation is connected

- If your corporation's tax year-end is different than that of the connected payer corporation, dividends could have been received from more than one
  tax year of the payer corporation. If so, use a separate line to provide the information according to each tax year of the payer corporation.
- When completing column J and K use the **special calculations provided in the notes**.

	A	A1	В	С	D	E
	Name of payer corporation		Enter 1	<b>Business Number</b>	Tax year-end of the	Non-taxable
	(from which the corporation received the dividend)		if payer corporation is connected	of <b>connected</b> corporation	payer corporation in which the sections 112/113 and subsection 138(6) dividends in column F were paid YYYYMMDD	dividends under section 83
	200		205	210	220	230
1			2			

Total of column E (enter amount on line 402 of Schedule 1)

### Part 1 - Dividends received in the tax year (continued) -

F1

Taxable dividends deductible from taxable income under section 112, subsections 113(2) and 138(6), and paragraphs 113(1)(a), (a.1),(b), or (d) <sup>note 1</sup>		Eligible dividends included in column F	Total taxable dividends paid by <b>connected</b> payer corporation (for tax year in column D)	Dividend refund of the <b>connected</b> payer corporation (for tax year in column D) <sup>note 2</sup>	Part IV tax for eligible dividends. Dividends (from column G) multiplied by 38 1/3% <sup>note 3</sup>	Part IV tax before deductions. Dividends (from column F) multiplied by 38 1/3% <sup>note 4</sup>
240		242	250	260	265	275
ble dividends received fron	n connect	ed corporations (total am	ounts from column F with	code 1 in column B)		1A
				,		
		Subtotal (amou	int 1A <b>plus</b> amount 1B, inc	clude this amount on line		
ole dividends received from	connecte	ed corporations (total amo	ounts from column G with	code 1 in column B)	· · · · · · · · · · · · · · · · · · ·	1D
le dividends received from	non-conr	nected corporations (total	amounts from column G	with code 2 in column B)	· · · · · · · · <u> </u>	1E
amounts from column K w	ith code 1	in column B)			1F	
					1G	
			Subtotal (amount 1F p	olusamount1G)	<u> </u>	1H
code 1 in column B) .			ons (total amounts from co	olumn J 		
<u> </u>			•		1J	
,						1K
1	deductible from taxable income under section 112, subsections 113(2) and 138(6), and paragraphs 113(1)(a), (a.1),(b), or (d) <sup>note 1</sup> 240  able dividends received from the dividends received from th	deductible from taxable income under section 112, subsections 113(2) and 138(6), and paragraphs 113(1)(a), (a.1),(b), or (d) <sup>note 1</sup> 240  240  ble dividends received from connectable dividends received from non-control dividends received from column K with code 1 dividends from column K with code 2 dividends received from column B)	deductible from taxable income under section 112, subsections 113(2) and 138(6), and paragraphs 113(1)(a), (a.1),(b), or (d) <sup>note 1</sup> 240  242  able dividends received from connected corporations (total amounts from connected corporations (total amounts from column K with code 1 in column B)  IV tax on eligible dividends received from connected corporations (total amounts from column K with code 2 in column B)  IV tax on eligible dividends received from connected corporations (total amounts from column K with code 2 in column B)  IV tax on eligible dividends received from connected corporations (total amounts from column K with code 2 in column B)	deductible from taxable income under section 112, subsections 113(2) and 138(6), and paragraphs 113(1)(a), (a.1),(b), or (d) <sup>note 1</sup> 240  242  250  250  Deliver deductible from taxable included in column F  Subtotal (amount 1A plusamount 1B, included in paragraphs 1 amounts from column G with cole dividends received from non-connected corporations (total amounts from column G with cole dividends received from non-connected corporations (total amounts from column G with cole dividends received from non-connected corporations (total amounts from column G with cole dividends received from non-connected corporations (total amounts from column G with cole dividends received from non-connected corporations (total amounts from column G with cole dividends received from connected corporations (total amounts from column G with cole dividends received from connected corporations (total amounts from column K with code 1 in column B)  W tax before deductions on taxable dividends received from non-connected corporations amounts from column K with code 2 in column B)  Subtotal (amount 1F proceed 1 in column B)  V tax on eligible dividends received from non-connected corporations (total amounts from code 2 in column B)	deductible from taxable income under section 112, subsections 113(2) and 138(6), and paragraphs 113(1)(a), (a.1),(b), or (d) <sup>note 1</sup> 240  242  250  260  Subtotal (amounts from column F with code 1 in column B)  Subtotal amounts from column G with code 2 in column B)  IV tax on eligible dividends received from connected corporations (total amounts from column I)  Subtotal (amount 1F plusamount 1G)  Vax on eligible dividends received from connected corporations (total amounts from column F)  Subtotal (amount 1F plusamount 1B)  Subtotal (amount 1F plusamount 1B)  Subtotal amounts from column G with code 2 in column B)  Vax before deductions on taxable dividends received from non-connected corporations (total amounts from column G with code 2 in column B)  Vax before deductions on taxable dividends received from non-connected corporations  I amounts from column K with code 1 in column B)  Vax before deductions on taxable dividends received from non-connected corporations  I amounts from column K with code 2 in column B)  Vax on eligible dividends received from connected corporations (total amounts from column J code 1 in column B)  Vax on eligible dividends received from non-connected corporations (total amounts from column J code 2 in column B)	deductible from taxable income under section 112, subsections 113(2) and 138(6), and paragraphs 113(1)(a), (a.1), (b), or (d) <sup>note 1</sup> 240  242  250  260  265  To eligible dividends. Dividends (from column G) multiplied by 38 1/3% note 3  blue dividends received from connected corporations (total amounts from column F with code 1 in column B)  Subtotal (amount 1A plusamount 1B, include this amount on line 320 of the T2 Return)  blue dividends received from non-connected corporations (total amounts from column G with code 1 in column B)  Vi tax before deductions on taxable dividends received from non-connected corporations (total amounts from column G with code 2 in column B)  Vi tax before deductions on taxable dividends received from non-connected corporations (total amounts from column F with code 2 in column B)  Vi tax before deductions on taxable dividends received from non-connected corporations (total amounts from column F with code 2 in column B)  Vi tax on eligible dividends received from connected corporations (total amounts from column J code 1 in column B)  Vi tax on eligible dividends received from connected corporations (total amounts from column J code 1 in column B)  Vi tax on eligible dividends received from connected corporations (total amounts from column J code 1 in column B)  Vi tax on eligible dividends received from connected corporations (total amounts from column J code 1 in column B)  Vi tax on eligible dividends received from non-connected corporations (total amounts from column S)  Vi tax on eligible dividends received from non-connected corporations (total amounts from column S)

- 1 If taxable dividends are received, enter the amount in column F, but if the corporation is not subject to Part IV tax (such as a public corporation other than a subject corporation as defined in subsection 186(3)), enter "0" in column J or column K whichever one applies. Life insurers are not subject to Part IV tax on subsection 138(6) dividends.
- 2 If the connected payer corporation's tax year ends after the corporation's balance-due day for the tax year (two or three months, as applicable), you have to estimate the payer's dividend refund when you calculate the corporation's Part IV tax payable.

Part IV tax before deductions on taxable dividends (other than eligible dividends) (amount 1H minus amount 1K)

- 3 For eligible dividends received from connected corporations, Part IV tax on dividends is equal to: column I divided by column H multiplied by column G.
- 4 For taxable dividends received from connected corporations, Part IV tax on dividends is equal to: column I divided by column H multiplied by column F.

rt IV tax on dividends received before deductions (amount 1H in part				
rt IV.I tax payable on dividends subject to Part IV tax (from line 360 o	, i	320	2A	
Current-year non-capital loss claimed to reduce Part IV tax  Ion-capital losses from previous years claimed to reduce Part IV tax		330 335 340		
	Part IV tax (total of lines 330 to			
rt IV tax payable (amount 2B minus amount 2D, if negative enter "C ter amount on line 712 of the T2 return)				
our tax year begins after 2018, complete the following part to determi undable dividend tax on hand (ERDTOH) at the end of the tax year.	ne the required amount of Part	IV taxes payable in	order to calculate the eli	gible
rt IV tax before deductions on taxable dividends received from connec				
ount 4A from Schedule 43 rt IV tax payable on taxable dividends received from connected	Learnerations (amount 25 mir	t 2E if no		
er "0")				
ter at amount L on page 7 of the T2 return)				
our tax year begins after 2018, complete the following part to determi undable dividend tax on hand (ERDTOH) at the end of the tax year.	ne the required amount of Part	IV taxes payable in	order to calculate the eli	gible
rt IV tax on eligible dividends received from non-connected corporation	ons (amount 1J in part 1)		<u></u>	
ount 4C from Schedule 43				
rt IV tax payable on eligible dividends received from non-conne	ected corporations (amount 2	H minus amount 2I,	if negative	
rt IV tax payable on eligible dividends received from non-conne er "0")	ected corporations (amount 2	H minus amount 2I,	if negative	
rt IV tax payable on eligible dividends received from non-conne	ected corporations (amount 2	H minus amount 2I,	if negative	
rt IV tax payable on eligible dividends received from non-connecter "0")  ter at amount M on page 7 of the T2 return)  To the extent of a dividend refund to the connected payer corporatio Otherwise, the amount 2E is nil.	ected corporations (amount 2	H minus amount 2I,	if negative	
rt IV tax payable on eligible dividends received from non-conner "0")  ter at amount M on page 7 of the T2 return)  To the extent of a dividend refund to the connected payer corporatio Otherwise, the amount 2E is nil.  art 3 — Taxable dividends paid in the tax year that If your corporation's tax year-end is different than that of the conner to the connected payer corporation.	n from its eligible refundable div	H minus amount 21, ridend tax on hand (  d refund corporation could h	if negativeERDTOH).	ore than
rt IV tax payable on eligible dividends received from non-conner "0")  ter at amount M on page 7 of the T2 return)  To the extent of a dividend refund to the connected payer corporatio Otherwise, the amount 2E is nil.	n from its eligible refundable div	H minus amount 21, ridend tax on hand (  d refund corporation could h	if negativeERDTOH).	ore than
rt IV tax payable on eligible dividends received from non-conner "0")  ter at amount M on page 7 of the T2 return)  To the extent of a dividend refund to the connected payer corporatio Otherwise, the amount 2E is nil.  art 3 — Taxable dividends paid in the tax year that If your corporation's tax year-end is different than that of the conner to the connected payer corporation.	n from its eligible refundable div	H minus amount 21, ridend tax on hand (  d refund corporation could h	if negativeERDTOH).	ore than
rt IV tax payable on eligible dividends received from non-conner "0")  ter at amount M on page 7 of the T2 return)  To the extent of a dividend refund to the connected payer corporatio Otherwise, the amount 2E is nil.  art 3 — Taxable dividends paid in the tax year that If your corporation's tax year-end is different than that of the conner one tax year of the recipient corporation. If so, use a separate line to	n from its eligible refundable dividend recipient corporation, your to provide the information according to M	ridend tax on hand (  drefund  corporation could have each tax year  N  Tax year-end of connected recipient corporation in which the dividends in column O were received	eractive ERDTOH).  The ave paid dividends in mar of the recipient corpor  Or Taxable dividends paid to connected	ore than ation.  P Eligible dividends included in
rt IV tax payable on eligible dividends received from non-conner "0")  ter at amount M on page 7 of the T2 return)  To the extent of a dividend refund to the connected payer corporatio Otherwise, the amount 2E is nil.  art 3 — Taxable dividends paid in the tax year that  If your corporation's tax year-end is different than that of the conner one tax year of the recipient corporation. If so, use a separate line to Name of connected recipient corporation	n from its eligible refundable diverse t qualify for a dividence acted recipient corporation, your to provide the information according to Business Number	ridend tax on hand (  drefund  corporation could hading to each tax year end of connected recipient corporation in which the dividends in column O were received YYYMMDD	eractive ERDTOH).  The ave paid dividends in man of the recipient corpor  Or Taxable dividends paid to connected corporations	ore than ation.  P Eligible dividends included in column O
rt IV tax payable on eligible dividends received from non-conner "0")  ter at amount M on page 7 of the T2 return)  To the extent of a dividend refund to the connected payer corporation Otherwise, the amount 2E is nil.  art 3 — Taxable dividends paid in the tax year that  If your corporation's tax year-end is different than that of the conner one tax year of the recipient corporation. If so, use a separate line to the Name of connected recipient corporation.	n from its eligible refundable diverse determined and the refundable diverse determined and the rectangle of	ridend tax on hand ( drefund corporation could hading to each tax year end of connected recipient corporation in which the dividends in column O were received YYYYMMDD	erative ERDTOH).  The ave paid dividends in man of the recipient corpor Oracide Taxable dividends paid to connected corporations	ore than ation.  P Eligible dividends included in column O

$_{ extstyle }$ Part 3 – Taxable dividends paid in the tax year that qualify for a dividend refund (continued) –	
Total taxable dividends paid in the tax year to other than connected corporations	24,590
Eligible dividends included in line 450	
Total taxable dividends paid in the tax year that qualify for a dividend refund (total of column O plus line 450)	447,092
Total eligible dividends paid in the tax year (total of column P plus line 455)	
Total non-eligible taxable dividends paid in the tax year (line 460 minus line 465)	447,092
Complete this part to determine the following amounts in order to calculate the dividend refund.	
Line 465 <b>multiplied</b> by 38 1 / 3 %	3A
(enter at amount AA on page 7 of the T2 return)	
Line 470 <b>multiplied</b> by 38 1 / 3 %	<u>171,385</u> зв
(enter at amount DD on page 7 of the T2 return)	
┌ Part 4 – Total dividends paid in the tax year ───────────────────────────────	
Complete this part <b>if</b> the total taxable dividends paid in the tax year that qualify for a dividend refund (line 460) is different from the total dividends paid in the tax year.	
Total taxable dividends paid in the tax year for the purposes of a dividend refund (from above)	447,092
Other dividends paid in the tax year (total of 510 to 540)	
Total dividends paid in the tax year	447,092
Dividends paid out of capital dividend account	
Capital gains dividends	
Dividends paid on shares described in subsection 129(1.2)	
Taxable dividends paid to a controlling corporation that was bankrupt at any time in the year	
Subtotal (total of lines 510 to 540)	4A

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Total taxable dividends paid in the tax year that qualify for a dividend refund (Line 500 minus amount 4A)

447,092<sub>4B</sub>

## Canada Revenue Agency

Agence du revenu du Canada

## **Tax Calculation Supplementary – Corporations**

Schedule 5

Corporation's name	Business Number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2018-12-31

- Use this schedule if, during the tax year, your corporation:
  - had a permanent establishment in more than one jurisdiction (corporations that have no taxable income should only complete columns A, B and D in Part 1);
  - is claiming provincial or territorial tax credits or rebates (see Part 2); or
  - has to pay taxes, other than income tax, for Newfoundland and Labrador, or Ontario (see Part 2).
- All legislative references are to the Income Tax Regulations.
- For more information, see the T2 Corporation Income Tax Guide.
- For the regulation number to be entered in field 100 of Part 1, see the chart below.

Part 1 – Alloca	tion of ta	xable income							
100			Enter the Regulation that applies (402 to 413)						
A		В	С	D	E	F			
Jurisdiction Tick yes if the corp had a perman establishment ir jurisdiction during the	ooration ent n the tax year *	Total salaries and wages paid in jurisdiction	(Bxtaxable income)/G	Gross revenue	(D x taxable income) / H	Allocation of taxable income (C + E) x 1/2** (where either G or H is nil, do not multiply by 1/2)			
and Labrador	Yes	103		143					
Newfoundland and Labrador Offshore	Yes	104		144					
Island	Yes	105		145					
Nova Scotia	<b>007</b> Yes	107		147					
Nova Scotia Offshore	008 Yes	108		148					
New Brunswick	009 Yes	109		149					
Quebec	<b>011</b> Yes	111		151					
Ontario	<b>013</b> Yes	113		153					
Manitoba	<b>015</b> Yes	115		155					
Saskatchewan	<b>017</b> Yes	117		157					
Alberta	019 Yes	119		159					
British Columbia	<b>021</b> Yes	121		161					
Yukon	<b>023</b> Yes	123		163					
Northwest Territories	<b>025</b> Yes	125		165					
Nunavut	<b>026</b> Yes	126		166					
Outside Canada	<b>027</b> Yes	127		167					
Total		129 G		169 H	I				

<sup>\* &</sup>quot;Permanent establishment" is defined in subsection 400(2)

### Notes:

- 1. After determining the allocation of taxable income, you have to calculate the corporation's provincial or territorial tax payable. For more information on how to calculate the tax for each province or territory, see the instructions for Schedule 5 in the T2 Corporation Income Tax Guide.
- 2. If the corporation has provincial or territorial tax payable, complete Part 2.
- 3. If the corporation is a member of a partnership and the partnership had a permanent establishment in a jurisdiction, select the jurisdiction in Column A and include your proportionate share of the partnership's salaries and wages and gross revenue in columns B and D, respectively.



<sup>\*\*</sup> For corporations other than those described under section 402, use the appropriate calculation described in the Regulations to allocate taxable income.

Part 2 - Ontario tax payable, tax credits, and rebates -Total taxable Income eligible Provincial or Provincial or for small business territorial allocation territorial tax income deduction of taxable income payable before credits 722,320 722,320 83,067 270 83,067 Ontario basic income tax (from Schedule 500) 402 Ontario small business deduction (from Schedule 500) 83.067 83,067 5A Subtotal (line 270 minus line 402) Ontario transitional tax debits (from Schedule 506) 277 Recapture of Ontario research and development tax credit (from Schedule 508) Subtotal (line 276 plus line 277) 5B 83,067 5C Gross Ontario tax (amount 5A plus amount 5B) Ontario resource tax credit (from Schedule 504) Ontario tax credit for manufacturing and processing (from Schedule 502) Ontario foreign tax credit (from Schedule 21) 410 Ontario credit union tax reduction (from Schedule 500) Ontario political contributions tax credit (from Schedule 525) Ontario non-refundable tax credits (total of lines 404 to 415) 5D 83,067 5E Subtotal (amount 5C minus amount 5D) (if negative, enter "0") 416 Ontario research and development tax credit (from Schedule 508) Ontario corporate income tax payable before Ontario corporate minimum tax credit and Ontario community food program donation tax credit for farmers (amount 5E minus line 416) (if negative, enter "0") 83,067 5F Ontario corporate minimum tax credit (from Schedule 510) Ontario community food program donation tax credit for farmers (from Schedule 2) 83,067 5G Ontario corporate income tax payable (amount 5F minus the total of lines 418 and 420) (if negative enter "0") Ontario corporate minimum tax (from Schedule 510) 280 Ontario special additional tax on life insurance corporations (from Schedule 512) Subtotal (line 278 plus line 280) 83,067 51 Total Ontario tax payable before refundable tax credits (amount 5G plus amount 5H) Ontario qualifying environmental trust tax credit 452 6,000 Ontario co-operative education tax credit (from Schedule 550) 454 Ontario apprenticeship training tax credit (from Schedule 552) 4,315 456 Ontario computer animation and special effects tax credit (from Schedule 554) Ontario film and television tax credit (from Schedule 556) 460 Ontario production services tax credit (from Schedule 558) 462 Ontario interactive digital media tax credit (from Schedule 560) 464 Ontario sound recording tax credit (from Schedule 562) 466 Ontario book publishing tax credit (from Schedule 564) Ontario innovation tax credit (from Schedule 566) Ontario business-research institute tax credit (from Schedule 568) 10,315 <sub>5</sub>J Ontario refundable tax credits (total of lines 450 to 470) 72,752

Net Ontario tax payable or refundable tax credit (amount 51 minus amount 5J)

(if a credit, enter amount in brackets) Include this amount on line 255.

## Summary -

Enter the total net tax payable or refundable tax credits for all provinces and territories on line 255.

Net provincial and territorial tax payable or refundable tax credits

255 72,752

If the amount on line 255 is positive, enter the net provincial and territorial tax payable on line 760 of the T2 return. If the amount on line 255 is negative, enter the net provincial and territorial refundable tax credits on line 812 of the T2 return.

Schedule 8

Canada Revenue Agence du revenu du Canada

## **Capital Cost Allowance (CCA)**

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2018-12-31

For more information, see the section called "Capital Cost Allowance" in the T2 Corporation Income Tax Guide.

Is the corporation electing under Regulation 1101(5q)?

<b>101</b> Yes	No	X
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	1		2	3	4	5	6	7	8	
	Class number * See note 1	Description	Undepreciated capital cost (UCC) at the beginning of the year	Cost of acquisitions during the year (new property must be available for use) See note 2	Cost of acquisitions from column 3 that are accelerated investment incentive properties (AIIP) See note 3	Adjustments and transfers See note 4	Amount from column 5 that is assistance received or receivable during the year for a property, subsequent to its disposition	Amount from column 5 that is repaid during the year for a property, subsequent to its disposition See note 6	Proceeds of dispositions See note 7	For tax years ending before November 21, 2018: 50% rule (1/2 of net acquisitions)
	200		201	203	225	205	See note 5  221	222	207	211
1.	1	Buildings	8,669,082						0	
2.	8	Equipment	115,855	51,451	996				0	
3.	10	Trucks	197,361	293,225	1,051				8,000	
4.	12	Computer Software	26,941	22,371		-44,758			0	
5.	45	Computer equipment	43						0	
6.	47	Electric Distribution Equipment	9,699,544	1,131,362	678,373	-314,295			20,036	
7.	50	Computer equipment	19,712	13,899	4,769	-4,851			286	
8.	43.2	Solar Generation	879						0	
9.	14.1		133,072						0	
10.	1b		6,439						0	
11.	1b	2018 Addition		69,750	20,310				0	
12.	95	CIP		29,360					0	
		Totals	18,868,928	1,611,418	705,499	-363,904			28,322	

1		9	10	11	12	13	14	15	16	17	18
Class number * See note 1	Des- crip- tion	UCC (column 2 plus column 3 plus or minus column 5 minus column 5	Proceeds of disposition available to reduce the UCC of AllP (column 8 plus column 6 minus column 4 minus column 7) (if negative, enter "0")	Net capital cost additions of AIIP acquired during the year (column 4 minus column 10) (if negative, enter "0")	UCC adjustment for AIIP acquired during the year (column 11 multiplied by the relevant factor) See note 9	UCC adjustment for non-AIIP acquired during the year (0.5 multiplied by the result of column 3 minus column 4 minus column 6 plus column 7 minus column 8) (if negative, enter "0")	CCA rate % See note 11	Recapture of CCA  See note 12	Terminal loss See note 13	CCA (for declining balance method, the result of column 9 plus column 12 minus column 13, multiplied by column 14 or a lower amount)  See note 14	UCC at the end of the year (column 9 minus column 17)
200						224	212	213	215	217	220
. 1	Buildin	8,669,082					4	0	0	346,763	8,322,319
. 8	Equipm	167,306		996	498	25,228	20	0	0	28,515	138,791
10	Trucks	482,586		1,051	526	142,087	30	0	0	102,308	380,278
12	Compu	4,554				11,186	100	0	0		4,554
45	Compu	43					45	0	0	19	24
47	Electric	10,496,575		678,373	339,187	216,477	8	0	0	849,543	9,647,032
50	Compu	28,474		4,769	2,385	4,422	55	0	0	14,540	13,934
43.2	Solar G	879					50	0	0	440	439
14.1		133,072					5	0	0	9,291	123,781
1b		6,439					6	0	0	386	6,053
1b	2018 A	69,750		20,310	10,155	24,720	6	0	0	3,311	66,439
95	CIP	29,360				14,680	0	0	0		29,360
	Totals	20,088,120		705,499	352,751	438,800				1,355,116	18,733,0

Enter the total of column 15 on line 107 of Schedule 1.

Enter the total of column 16 on line 404 of Schedule 1.

Enter the total of column 17 on line 403 of Schedule 1.

- Note 1. If a class number has not been provided in Schedule II of the Income Tax Regulations for a particular class of property, use the subsection provided in Regulation 1101. Class numbers followed by a letter indicate the basic rate of the class taking into account the additional deduction allowed. Class 1a: 4% + 6% = 10% (class 1 to 10%), class 1b: 4% + 2% = 6% (class 1 to 6%).
- Note 2. 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 of property in the class that are not subject to the 50% rule. See Income Tax Folio S3-F4-C1. General Discussion of Capital Cost Allowance, for exceptions to the 50% rule.
- Note 3. An accelerated investment incentive property (AIIP) is a property (other than property included in Class 54 or 55) that you acquired after November 20, 2018 and became available for use before 2028. See the T2 Corporation Income Tax Guide for more information. Classes 54 and 55 include property that is a zero-emission vehicle you acquired after March 18, 2019 and became available for use before 2028.
- Note 4. Enter in column 5, "Adjustments and transfers", amounts that increase or reduce the undepreciated capital cost (column 9). Items that increase the undepreciated capital cost include amounts transferred under section 85, or transferred on amalgamation or winding-up of a subsidiary. Items that reduce the undepreciated capital cost (show amounts that reduce the undepreciated capital cost in brackets) include government assistance received or entitled to be received in the year, or a reduction of capital cost after the application of section 80. See the T2 Corporation Income Tax Guide for other examples of adjustments and transfers to include in column 5.
- Note 5. Include all amounts of assistance you received (or were entitled to receive) after the disposition of a depreciable property that would have decreased the capital cost of the property by virtue of paragraph 13(7.1)(f) if received before the disposition.
- Note 6. Include all amounts you have repaid during the year with respect to any legally required repayment, made after the disposition of a corresponding property, of:
  - assistance that would have otherwise increased the capital cost of the property under paragraph 13(7.1)(d); and
  - an inducement, assistance or any other amount contemplated in paragraph 12(1)(x) received, that otherwise would have increased the capital cost of the property under paragraph 13(7.4)(b).

Also include the UCC of each property of a prescribed class acquired in the course of a corporate reorganization described under paragraph 55(3)(b) of the Act (also known as "butterfly reorganization") or in a non-arm's length transaction (other than by virtue of a right referred to in paragraph 251(5)(b) of the Act) if the property was a depreciable property acquired by the transferor less than 364 days before the end of your tax year.

- Note 7. For each property disposed of during the year, deduct from the proceeds of disposition any outlays and expenses to the extent that they were made or incurred for the purpose of making the disposition(s). The amount reported in respect of the property cannot exceed the property's capital cost, unless that property is a timber resource property as defined in subsection 13(21).
- Note 8. If the amount in column 5 reduces the undepreciated capital cost (i.e. it is shown in brackets), you must subtract it for the purposes of the calculation. Otherwise, add the amount in column 5 for the purposes of the calculation.
- Note 9. The relevant factors for AIIP of a class in Schedule II and for property included in classes 54 and 55, available for use before 2024, are:
  - 2 1/3 for property in Classes 43.1 and 54;
  - 1 1/2 for property in Class 55;
  - 1 for property in Classes 43.2 and 53;
  - 0 for property in Classes 12, 13, 14, and 15, as well as properties that are Canadian vessels included in paragraph 1100(1)(v) of the Regulations (see note 14 for additional information); and
  - 0.5 for all other property that is AIIP.
- Note 10. The UCC adjustment for non-AIIP acquired during the year (formerly known as the half-year rule or 50% rule) does not apply to certain property (including AIIP). For special rules and exceptions, see Income Tax Folio S3-F4-C1, General Discussion of Capital Cost Allowance.
- Note 11. Enter a rate only if you are using the declining balance method. For any other method (for example the straight-line method, where calculations are always based on the cost of acquisitions), enter N/A. Then enter the amount you are claiming in column 17.
- Note 12. If the amount in column 9 is negative, you have a recapture of CCA. If applicable, enter the negative amount from column 9 in column 15 as a positive. The recapture rules do not apply to passenger vehicles in Class 10.1.
- Note 13. If no property is left in the class at the end of the tax year and there is still a positive amount in the column 9, you have a terminal loss. If applicable, enter the positive amount from column 9 in column 16. The terminal loss rules do not apply to:
  - passenger vehicles in Class 10.1;
  - property in Class 14.1, unless you have ceased carrying on the business to which it relates; or
  - limited-period franchises, concessions, or licences in Class 14 if, at the time of acquisition, the property was a former property of the transferor or any similar property attributable to the same fixed place of business, and you had jointly elected with the transferor to have the replacement property rules apply.
- Note 14. If the tax year is shorter than 365 days, prorate the CCA claim. Some classes of property do not have to be prorated. See the T2 Corporation Income Tax Guide for more information. For property in class 10.1 disposed of during the year, deduct a maximum of 50% of the regular CCA deduction if you owned the property at the beginning of the tax year. For AIIP listed below, the maximum first year allowance you can claim is determined as follows:
  - Class 13: the lesser of 150% of the amount calculated in Schedule III of the Regulations and the UCC at the end of the tax year (before any CCA deduction).
  - Class 14: the lesser of 150% of the allocation for the year of the capital cost of the property apportioned over the remaining life of the property (at the time the cost was incurred) and the UCC a
    the end of the tax year (before any CCA deduction).
  - Class 15: the lesser of 150% of an amount computed on the basis of a rate per cord, board foot or cubic metre cut in the tax year and the UCC at the end of the tax year (before any CCA deduction).
  - Canadian vessels described under paragraph 1100(1)(v) of the Regulations: the lesser of 50% of the capital cost of the property and the UCC at the end of the tax year (before any CCA deduction).
  - Class 41.2: use a 25% CCA rate. The additional allowance under paragraph 1100(1)(y.2)(for single mine properties) and 1100(1)(ya.2 (for multiple mine properties) of the Regulations is not eligible for the accelerated investment incentive. The additional allowance in respect of natural gas liquefaction under paragraph 1100(1)(yb) of the Regulations is eligible for the accelerated investment incentive.
  - Property (other than a timber resource property) that is a timber limit or a right to cut timber from a limit: 150% of the amount determined by first subtracting the total of the residual value of the timber limit and all amounts you expended for the 1949 or later tax years for surveys, cruises or preparation of prints, maps or plans for the purpose of obtaining a licence or right to cut timber from the capital cost of the limit or right, and then dividing the result by the quantity of timber in the limit or the quantity of timber you have the right to cut.
  - Industrial mineral mine or a right to remove industrial minerals from an industrial mineral mine: 150% of the amount determined by first subtracting the residual value, if any, of the mine or right from the capital cost of the mine or right, and then dividing the result by the number of units of commercially mineable material estimated to be in the mine when the mine or right was acquired (alternatively, if you have acquired a right to remove only a specified number of units, that number of units that you acquired a right to remove).

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T2 SCH 8 (19)

# Fixed Assets Reconciliation

 $Reconciliation \ of \ change \ in \ fixed \ assets \ per \ financial \ statements \ to \ amounts \ used \ per \ tax \ return.$ 

Tax	return
Δdditi	ions for ta

rax return			
Additions for tax purposes – Schedule 8 regular classes	1,611,418		
Additions for tax purposes – Schedule 8 leasehold improvements	+		
Operating leases capitalized for book purposes	+		
Capital gain deferred	+		
Recapture deferred	+		
Deductible expenses capitalized for book purposes – Schedule 1	+		
Other (specify):			
Contributed capital - Subsection 13(7.4) election	+205,712		
Less: beg WIP balance	+23,029		
Total additions per books	= 1,794,101	<b>1</b> ,794,	101
Proceeds up to original cost – Schedule 8 regular classes	28,322		
Proceeds up to original cost – Schedule 8 leasehold improvements	+		
Proceeds in excess of original cost – capital gain	+		
Recapture deferred – as above	+		
Capital gain deferred – as above	+		
Pre V-day appreciation	+		
Other (specify):	<del></del> -		
	+		
Total proceeds per books	= 28,322	<b>►</b> 28,	322
Depreciation and amortization per accounts – Schedule 1		<b>–</b> 956,	761
Loss on disposal of fixed assets per accounts		<b>–</b> 39,	851
Gain on disposal of fixed assets per accounts		+	
N	let change per tax return	= 769,	167
Financial statements			
Fixed assets (excluding land) per financial statements			
Closing net book value		20,373,	
Opening net book value		- <u>19,604,</u>	
Net change	per financial statements	= 769,	<u>167</u>
If the amounts from the tax return and the financial statements differ, explain why below.			
	<u> </u>		
	<del></del>		

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**SCHEDULE 9** 

## **RELATED AND ASSOCIATED CORPORATIONS**

Name of corporation	Business Number	Tax year end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2018-12-31

- Complete this schedule if the corporation is related to or associated with at least one other corporation.
- For more information, see the T2 Corporation Income Tax Guide.

	Name	Country of resi- dence (other than Canada)	Business number (see note 1)	Relation-ship code (see note 2)	Number of common shares you own	% of common shares you own	Number of preferred shares you own	% of preferred shares you own	Book value of capital stock
	100	200	300	400	500	550	600	650	700
1.	Corporation of the Town of Orange		10698 6151 RC0001	1					
2.	Corporation of the Township of East		NR	1					
3.	Orangeville Hydro Services Inc.		89454 8015 RC0001	3					
4.	Orangville Railway Development Co		86433 3166 RC0001	3					

Note 1: Enter "NR" if the corporation is not registered or does not have a business number.

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

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# Continuity of financial statement reserves (not deductible)

<ul> <li>Financial statement reserves (not deduce</li> </ul>	ctible) –
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			<u> </u>			
	Description	Balance at the beginning of the year	Transfer on an amalgamation or the wind-up of a subsidiary	Add	Deduct	Balance at the end of the year
1	Allowance for doubtful accts	30,000		30,000	30,000	30,000
2	Employee Future Benefits	352,533		-23,449		329,084
3						
	Reserves from Part 2 of Schedule 13					
			·			·
	Totals	382,533		6,551	30,000	359,084

The total opening balance plus the total transfers should be entered on line 414 of Schedule 1 as a deduction. The total closing balance should be entered on line 126 of Schedule 1 as an addition.

#### Schedule 23

# Agreement Among Associated Canadian-Controlled Private Corporations to Allocate the Business Limit

- For use by a Canadian-controlled private corporation (CCPC) to identify all associated corporations and to assign a percentage for each associated
  corporation. This percentage will be used to allocate the business limit for purposes of the small business deduction. Information from this schedule
  will also be used to determine the date the balance of tax is due and to calculate the reduction to the business limit.
- An associated CCPC that has more than one tax year ending in a calendar year is required to file an agreement for each tax year ending in that
  calendar year.
- Column 1: Enter the legal name of each of the corporations in the associated group, including those deemed to be associated under subsection 256(2) of the Income Tax Act.
- Column 2: Provide the business number for each corporation (if a corporation is not registered, enter "NR").
- **Column 3:** Enter the association code from the list below that applies to each corporation:
  - 1 Associated for purposes of allocating the business limit (unless association code 5 applies)
  - 2 CCPC that is a **third corporation** as referred to in subsection 256(2) and has filed Schedule 28, Election not to be Associated Through a Third Corporation
  - 3 Non-CCPC that is a third corporation
  - 4 Associated non-CCPC
  - 5 Associated CCPC to which association code 1 does not apply because a third corporation has filed Schedule 28
- **Column 4:** Enter the business limit for the year of each corporation in the associated group. Enter "0" if the corporation has association code 2, 3 or 4 in column 3 (except if the corporation is a cooperative or a credit union eligible for the SBD and it has association code 4).
- **Column 5:** Assign a percentage to allocate the business limit to each corporation that has association code 1 in column 3. The total of all percentages in column 5 cannot exceed 100%.
- **Column 6:** Enter the business limit allocated to each corporation by multiplying the amount in column 4 by the percentage in column 5. Add all business limits allocated in column 6 and enter the total at line A.

Ensure that the total at line A does not exceed \$500,000.

711	ocating the business limit					Year Month Day
Date	iled (do not use this area)				025	
						Year
Enter	the calendar year to which the agreement applies .				050	2018
	an amended agreement for the above calendar year that is	•			075	
an ag	reement previously filed by any of the associated corporation	ons listed below?			075	Yes X No
	1	2	3	4	5	6
	Name of associated corporations	Business	Asso-	Business limit	Percentage	Business
		number of	ciation	for the year	of the	limit
		associated	code	before the allocation	business limit	allocated* \$
		corporations		Ψ	% IIIII	Φ
	100	200	300		350	400
	100	200	000		000	100
1	Orangeville Hydro Limited	86463 9562 RC0002	1	500,000	100.0000	500,000
2	Corporation of the Town of Orangeville	10698 6151 RC0001	1	500,000		
3	Corporation of the Township of East Luther Gra	NR	1	500,000		
4	Orangeville Hydro Services Inc.	89454 8015 RC0001	1	500,000		
5	Orangville Railway Development Corporation	86433 3166 RC0001	1	500,000		
				Total	100.0000	500,000

#### Business limit reduction under subsection 125(5.1) of the Act

The business limit reduction is calculated in the small business deduction area of the T2 return. One of the factors used in this calculation is the "large corporation amount" at line 415 of the T2 return. The amount at line 415 is determined using the formula 0.225% x (D - \$10,000,000). Details of this formula and variable D are in subsection 125(5.1) of the Act.

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

#### Special rules for business limit

Special rules apply under subsection 125(5) if a CCPC has more than one tax year ending in the same calendar year and it is associated in more than one of those tax years with another CCPC that has a tax year ending in that calendar year. The business limit for the second or later tax year will be equal to the business limit determined for the first tax year ending in the calendar year or the business limit determined for the second or later tax year ending in the same calendar year, whichever is less.

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# **Investment Tax Credit – Corporations**

#### - General information

- Use this schedule:
  - to calculate an investment tax credit (ITC) earned during the tax year;
  - to claim a deduction against Part I tax payable;
  - to claim a refund of credit earned during the current tax year;
  - to claim a carryforward of credit from previous tax years:
  - to transfer a credit following an amalgamation or the wind-up of a subsidiary, as described under subsections 87(1) and 88(1);
  - to request a credit carryback to one or more previous years;
  - if you are subject to a recapture of ITC; or
  - if you are claiming:
    - the Ontario Research and Development Tax Credit;
    - the Ontario Innovation Tax Credit.
- Unless otherwise stated, all legislative references are to the Income Tax Act and the Income Tax Regulations.
- The ITC is eligible for a three-year carryback (if not deductible in the year earned). It is also eligible for a twenty-year carryforward.
- Investments or expenditures, described in subsection 127(9) and Regulation Part XLVI, that earn an ITC are:
  - qualified property and qualified resource property (Parts 4 to 7 of this schedule);
  - qualified scientific research and experimental development (SR&ED) expenditures (Parts 8 to 17). File Form T661, Scientific Research and Experimental Development (SR&ED) Expenditures Claim;
  - pre-production mining expenditures (Parts 18 to 20);
  - apprenticeship job creation expenditures (Parts 21 to 23); and
  - child care spaces expenditures (Parts 24 to 28).
    - Expenditures related to child care spaces incurred after March 21, 2017 no longer qualify for the investment tax credit. If you entered into a written
      agreement before March 22, 2017, eligible expenditures incurred before 2020 will remain eligible for the credit.
- File this schedule with the T2 Corporation Income Tax Return. If you need more space, attach additional schedules.
- For more information on ITCs, see "Investment Tax Credit" in Guide T4012, T2 Corporation Income Tax Guide and read Information Circular IC78-4, Investment Tax Credit Rates, and its related Special Release.
- For more information on SR&ED, see guide T4088, Guide to Form T661 Scientific Research and Experimental Development (SR&ED) Expenditures Claim.

#### **Detailed information**

- For the purpose of this schedule, **investment** means the capital cost of the property (excluding amounts added by an election under section 21), determined without reference to subsections 13(7.1) and 13(7.4), minus the amount of any government or non-government assistance that the corporation has received, is entitled to receive, or can reasonably be expected to receive for that property when it files the income tax return for the year in which the property was acquired.
- An ITC deducted or refunded in a tax year for a depreciable property, other than a depreciable property deductible under paragraph 37(1)(b), reduces both
  the capital cost of that property and the undepreciated capital cost of that class in the next tax year. An ITC for SR&ED deducted or refunded in a tax year
  will reduce the balance in the pool of deductible SR&ED expenditures and the adjusted cost base (ACB) of an interest in a partnership in the next tax year.
  An ITC from pre-production mining expenditures deducted in a tax year reduces the balance in the pool of deductible cumulative Canadian exploration
  expenses in the next tax year.
- Property acquired has to be available for use before a claim for an ITC can be made. See subsections 127(11.2) and 248(19) for more information.
- Expenditures for SR&ED and capital costs for a property qualifying for an ITC must be identified by the claimant on Form T661 and Schedule 31 no later than 12 months after the claimant's income tax return is due for the tax year in which it incurred the expenditures or capital costs.
- Expenditures for pre-production mining, apprenticeship, or child care space for an ITC must be identified by the claimant on Schedule 31 no later than 12 months after the claimant's income tax return is due for the tax year in which it incurred the expenditures or capital costs.
- Partnership allocations Subsection 127(8) provides for the allocation of the amount that may reasonably be considered to be a partner's share of
  the ITCs of the partnership at the end of the fiscal period of the partnership. An allocation of ITCs is generally considered to be the partner's
  reasonable share of the ITCs if it is made in the same proportion in which the partners have agreed to share any income or loss and if section 103 is
  not applicable for the agreement to share any income or loss. Special rules apply to specified members of a partnership and limited partners.
   For more information, see Guide T4068, Guide for the Partnership Information Return.
- For tax purposes, Canada includes the **exclusive economic zone of Canada** as defined in the *Oceans Act* (which generally consists of an area of the sea that is within 200 nautical miles from the Canadian coastline), including the airspace, seabed and subsoil of that zone.
- For the purpose of this schedule, the expression **Atlantic Canada** includes the Gaspé Peninsula and the provinces of Newfoundland and Labrador, Prince Edward Island, Nova Scotia, and New Brunswick, as well as their respective offshore regions (prescribed in Regulation 4609).
- For the purpose of this schedule, **qualified property** means property in Atlantic Canada that is used primarily for manufacturing and processing, farming or fishing, logging, storing grain, or harvesting peat. Property in Atlantic Canada that is used primarily for oil and gas, and mining activities is considered qualified property only if acquired by the taxpayer **before** March 29, 2012. Qualified property includes new buildings and new machinery and equipment (prescribed in Regulation 4600), and if acquired by the taxpayer **after** March 28, 2012, new energy generation and conservation property (prescribed in Regulation 4600). Qualified property can also be used primarily to produce or process electrical energy or steam in a prescribed area (as described in Regulation 4610). See the definition of **qualified property** in subsection 127(9) for more information.



#### Detailed information (continued) -

- For the purpose of this schedule, **qualified resource property** means property in Atlantic Canada that is used primarily for oil and gas, and mining activities, if acquired by the taxpayer **after** March 28, 2012, and **before** January 1, 2016. Qualified resource property includes new buildings and new machinery and equipment (prescribed in Regulation 4600). See the definition of **qualified resource property** in subsection 127(9) for more information.
- For the purpose of this schedule, **pre-production mining exploration expenditures** are pre-production mining expenditures incurred **after** March 28, 2012, by the taxpayer to determine the existence, location, extent, or quality of certain mineral resources in Canada, excluding expenses incurred in the exploration of an oil or gas well. See subparagraph (a)(i) of the definition of **pre-production mining expenditure** in subsection 127(9) for more information.
- For the purpose of this schedule, **pre-production mining development expenditures** are pre-production mining expenditures incurred **after** March 28, 2012, by the taxpayer to bring a new mineral resource mine in Canada into production, excluding expenses in the development of a bituminous sands deposit or an oil shale deposit. See subparagraph (a)(ii) of the definition of **pre-production mining expenditure** in subsection 127(9) for more information.

<ul><li>Part 1 – Investments</li></ul>	, expenditures,	and percentages -
--	-----------------	-------------------

r art i investments, expenditures, and percentages	
Investments	Specified percentage
Qualified property acquired primarily for use in Atlantic Canada	10 %
Qualified resource property acquired primarily for use in Atlantic Canada and acquired:	
- after March 28, 2012, and before 2014	10 %
- after 2013 and before 2016	5 %
- after 2015*	0 %
Expenditures	
If you are a Canadian-controlled private corporation (CCPC), this percentage may apply to the portion that you claim of the SR&ED qualified expenditure pool that does not exceed your expenditure limit (see Part 10)	35 %
Note: If your current year's qualified expenditures are more than your expenditure limit (see Part 10), the excess is eligible for an ITC calculated at the 15 % rate.	
If you are a corporation that is not a CCPC and have incurred qualified expenditures for SR&ED in any area in Canada:	
— before 2014**	20 %
- after 2013**	15 %
If you are a taxable Canadian corporation that incurred pre-production mining expenditures before March 29, 2012	10 %
If you are a taxable Canadian corporation that incurred pre-production mining exploration expenditures:	
- after March 28, 2012, and before 2013	10 %
- in 2013	5 %
- after 2013	0 %
If you are a taxable Canadian corporation that incurred pre-production mining development expenditures***:	
- after March 28, 2012, and before 2014	10 %
- in 2014	7 %
- in 2015	4 %
- after 2015	0 %
If you paid salary and wages to apprentices in the first 24 months of their apprenticeship contract for employment	10 %
If you incurred expenditures after March 18, 2007 and before March 22, 2017 (or before 2020 if you entered into a written agreement before March 22, 2017) for the creation of licensed child care spaces for the children of your employees and, potentially, for other children	25 %

- A transitional relief rate of 10% may apply to property acquired after 2013 and before 2017, if the property is acquired under a written agreement entered into before March 29, 2012, or the property is acquired as part of a **phase** of a project where the construction or the engineering and design work for the construction started before March 29, 2012. See paragraph (a.1) of the definition of **specified percentage** in subsection 127(9) for more information.
- \*\* The reduction of the rate from 20% to 15% applies to 2014 and later tax years, except that, for 2014 tax years that start before 2014, the reduction is pro-rated based on the number of days in the tax year that are after 2013.
- \*\*\* A transitional relief rate may apply to expenditures incurred after 2013 and before 2016, if the expenditure is incurred under a written agreement entered into before March 29, 2012, or the expenditure is incurred as part of the development of a new mine where the construction or the engineering and design work for the construction of the new mine started before March 29, 2012. See subparagraphs (k)(ii) and (iii) of the definition of **specified percentage** in subsection 127(9) for more information.

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2018-12-31

#### Part 2 – Determination of a qualifying corporation -

Is the corporation a qualifying corporation?

..... 101 1 Yes 2 No X

For the purpose of a refundable ITC, a **qualifying corporation** is defined under subsection 127.1(2). The corporation has to be a CCPC and its taxable income (before any loss carrybacks) for its previous tax year cannot be more than its **qualifying income limit** for the particular tax year. If the corporation is associated with any other corporations during the tax year, the total of the taxable incomes of the corporation and the associated corporations (before any loss carrybacks), for their last tax year ending in the previous calendar year, cannot be more than their qualifying income limit for the particular tax year.

Note: A CCPC considered associated with another corporation under subsection 256(1) will be considered **not** associated for the calculation of a refundable ITC if:

- one corporation is associated with another corporation solely because one or more persons own shares of the capital stock of both corporations; and
- one of the corporations has at least one shareholder who is not common to both corporations.

If you are a **qualifying** corporation, you will earn a **100%** refund on your share of any ITCs earned at the 35% rate on qualified **current** expenditures for SR&ED, up to the allocated expenditure limit. The 100% refund does not apply to qualified **capital** expenditures eligible for the 35% credit rate. They are only eligible for the **40%** refund\*.

Some CCPCs that are **not qualifying** corporations may also earn a **100%** refund on their share of any ITCs earned at the 35% rate on qualified **current** expenditures for SR&ED, up to the allocated expenditure limit. The expenditure limit can be determined in Part 10. The 100% refund does not apply to qualified **capital** expenditures eligible for the 35% credit rate. They are only eligible for the **40%** refund\*.

The 100% refund will not be available to a corporation that is an **excluded corporation** as defined under subsection 127.1(2). A corporation is an excluded corporation if, at any time during the year, it is a corporation that is either controlled by (directly or indirectly, in any manner whatever) or is related to:

- a) one or more persons exempt from Part I tax under section 149;
- b) Her Majesty in right of a province, a Canadian municipality, or any other public authority; or
- c) any combination of persons referred to in a) or b) above.
- \* Capital expenditures incurred after December 31, 2013, including lease payments for property that would have been a capital expenditure if purchased directly, are **not** qualified SR&ED expenditures and are **not** eligible for an ITC on SR&ED expenditures.

– Part 3 – Corporations in the farming industry <del>– – – – – – – – – – – – – – – – – – –</del>	
Complete this area if the corporation is making SR&ED contributions.	
Is the corporation claiming a contribution in the current year to an agricultural organization whose goal is to finance SR&ED work (for example, check-off dues)?	
If yes, complete Schedule 125, Income Statement Information, to identify the type of farming industry the corporation is involved in.	
Contributions to agricultural organizations for SR&ED*	
* Enter only contributions not already included on Form T661. Include 80% of the contributions made <b>after</b> 2012. For contributions made <b>before</b> 2013, include all of the contributions.	

#### **Qualified Property and Qualified Resource Property**

## Part 4 – Eligible investments for qualified property and qualified resource property from the current tax year

allowance class number	110	for use 115	Atlantic Canada (province) 120	investment

	edit and account balances esource property	s – ITC fron	n investments in qua	alified property ————	
ITC at the end of the previous tax y	year				B1
Credit deemed as a remittance of o	co-op corporations		210		
Credit expired			215		
		Subtotal (line	210 <b>plus</b> line 215)	<b>&gt;</b>	C1
ITC at the beginning of the tax yea	ar (amount B1 <b>minus</b> amount C1)			220	
Credit transferred on an amalgam	ation or the wind-up of a subsidiary				
ITC from repayment of assistance			235		
Qualified property; and qualified re acquired after March 28, 2012, an January 1, 2014* (applicable part t amount A1 in Part 4)	d before	x	10 % = <b>240</b>		
Qualified resource property acquir December 31, 2013, and before Ja (applicable part from amount A1 ir	anuary 1, 2016 n Part 4)		5 % = 242		
Credit allocated from a partnership	)				
			of lines 230 to 250)		D1
Total credit available (line 220 <b>plu</b>	s amount D1)			····· <u> </u>	E1
Credit deducted from Part I tax			<u>260</u>		
Credit carried back to previous year	ars (amount H1 in Part 6)				
Credit transferred to offset Part VI	I tax liability		<mark>280</mark>		
	Subtotal (total	of line 260, am	ount a, and line 280)	<b>&gt;</b>	F1
Credit balance before refund (amo	ount E1 <b>minus</b> amount F1)			· · · · · · · · · · · · · · · · · · ·	G1
Refund of credit claimed on invest	ments from qualified property and qu	alified resource	e property (from Part 7)	310	
ITC closing balance of investme (amount G1 minus line 310)	ents from qualified property and c			320	
* Include investments acquired af	ter 2013 and before 2017 that are eliq	gible for transition	onal relief.		
- Part 6 - Request for car 1st previous tax year 2nd previous tax year 3rd previous tax year	Year Month Day		Credi		operty ————————————————————————————————————
	for qualifying corporations esource property	on investr	ments from qualified	I property —	
Current-year ITCs (total of lines 24	40, 242, and 250 in Part 5)			· · · · · · · · · · · · · · · · · · ·	I1
Credit balance before refund (fron	n amount G1 in Part 5)			<u></u>	J1
Refund ( 40 % of amount	I1 or J1, whichever is less)			<u></u> _	K1
Enter amount K1 or a lossor amou	unt on line 310 in Part 5 (also enter o	n line 720 of the	T2 return if you do not also	m an SR&ED ITC refund\	

## SR&ED

– Part 8 – Qualified SR&ED expenditures <del>– – – – – – – – – – – – – – – – – – –</del>	
Current expenditures (from line 557 on Form T661)	
Contributions to agricultural organizations for SR&ED	
Government assistance, non-government assistance, or contract payment	
Contributions to agricultural organizations for SR&ED for the federal ITC (this amount is updated to line 103 of Part 3. For more details, consult the Help.)*	
Current expenditures (line 557 on Form T661 <b>plus</b> line 103 in Part 3)*	
Capital expenditures incurred <b>before</b> 2014 (from line 558 on Form T661)**	
Repayments made in the year (from line 560 on Form T661)	
Qualified SR&ED expenditures (total of lines 350 to 370)	
* If you are claiming only contributions made to agricultural organizations for SR&ED, line 350 should equal line 103 in Part 3. Do not file Form T661.	
** Capital expenditures incurred after December 31, 2013, are not qualified SR&ED expenditures. Capital cost allowance can be claimed for depreciable property acquired for use in SR&ED after 2013.	
Part 9 – Components of the SR&ED expenditure limit calculation ————————————————————————————————————	
Part 9 only applies if you are a CCPC.	
Note: A CCPC considered associated with another corporation under subsection 256(1) will be considered not associated for the calculation of an SR&ED expenditure limit if:	
<ul> <li>one corporation is associated with another corporation solely because one or more persons own shares of the capital stock of the corporation; and</li> </ul>	
one of the corporations has at least one shareholder who is not common to both corporations.	
Is the corporation associated with another CCPC for the purpose of calculating the SR&ED expenditure limit? 385 1 Yes 2 No X	
If you answered <b>no</b> to the question on line 385 or if you are not associated with any other corporations, complete lines 390 and 398. If you answered <b>yes</b> , the amounts for associated corporations will be determined on Schedule 49.	
Enter your taxable income for the previous tax year* (prior to any loss carrybacks applied)	
Enter your taxable capital employed in Canada for the previous tax year 10,289,603 minus \$10 million. If this amount is nil or negative, enter "0".  If this amount is over \$40 million, enter \$40 million	
* If the tax year referred to on line 390 is less than 51 weeks, <b>multiply</b> the taxable income by the following result: 365 <b>divided</b> by the number of days in that tax year.	
Part 10 – SR&ED expenditure limit for a CCPC	
For a stand-alone (not associated) corporation: $$8,000,000$$ Taxable income for the previous tax year (line 390 in Part 9) or \$500,000, whichever is more $694,911 \times 10 = 6,949,110$	۸۵
Excess (\$8,000,000 minus amount A2 if the taxation year ends before March 19, 2019; otherwise, enter \$3,000,000)  (if negative, enter "0")*	
\$ 40,000,000 <b>minus</b> line 398 in Part 9	
Amount b <b>divided</b> by \$ 40,000,000	C2
Expenditure limit for the stand-alone corporation (amount B2 multiplied by amount C2)**	D2
For an associated corporation:	
	E2
If your tax year is less than 51 weeks, calculate the amount of the expenditure limit as follows:	
Amount D2 or E2 x Number of days in the tax year 365 = 365	F2
Your SR&ED expenditure limit for the year (enter amount D2, E2, or F2, whichever applies)	
* For taxation years ending after March 18, 2019, the taxable income is no longer taken into account in the SR&ED expenditure limit calculation. For more information, consult the Help (F1).	
**Amount D2 or E2 cannot be more than \$3,000,000.	

Current expenditures (fro			is less*		420		x	35 %	=	G2
Line 350 minus line 410	O (if negative, er	nter "0")			430					
Amount from line 430		Number of days in the tax year before 2014	x	20%	γ <sub>0</sub> =		С			
		Number of days in the tax year								
Amount from line		Number of days in the tax year after 2013	0.5 V							
430**		Number of days in the tax year	365 x	15 %	。 = <u> </u>		d			
Subtotal (amount c plus	amount d)				=		<b>&gt;</b>			H2
Line 410 minus line 350	O (if negative, er	nter "0")				1,04	3,282 e			
Capital expenditures (lin whichever is less*		or amount e,			440		x	35 %	=	12
Line 360 minus amount	t e (if negative, e	enter "0")			450					
Amount from line 450		Number of days in the tax year before 2014	x	20%	<sub>6</sub> =		f			
		Number of days in the tax year			_					
Amount from line 450**		Number of days in the tax year after 2013	_365_ x	15 %	<sub>ω</sub> =		g			
		Number of days in the tax year	365							
Subtotal (amount f plus	amountg)				=		<b>&gt;</b>			J2
If a corporation makes a amount of qualified expe							nts that reduce	ed the		
Repayments (amount fr	rom line 370 in	Part 8)								
Enter the amount of the r	repayment on th	ne line that corresp	onds to the a	appropriate rat	e.					
Repayment of assistance qualifying expenditure for		a <mark>460</mark>			x	35 %	=		h	
Repayment of assistance September 16, 2016 that qualifying expenditure in	at reduced a	015 <mark>480</mark>			x	20 %	=		i	
Repayment of assistance September 16, 2016 that qualifying expenditure in	ce made after at reduced a	<b>-</b>	1		x		=		:	
qualifying expenditure in	icurred arter 20	14							)	140
					aı ( <b>add</b>		j)			K2
Current-year SR&ED	`	•		,					• • • — —	L2
* For corporations that		•			00/ 1- 4/	<b>5</b> 0/	-1 ( 00441-		lant bafana O	04.4
** For tax years that end the reduction is pro-ra the amount by 15%.										
*** If you were a Canadia expenditure pool that to investment tax c appropriate.	it did not exceed	l your expenditure	limit at the tir	ne. This perce	ntage ir	ncludes the ra	te under subs	ection 127(10	.1), addition	S

– Part 12 – Current-yea	r credit and account bala	ances – ITC from SR&ED expenditures ——		
ITC at the end of the previous to	ax year			M2
Credit deemed as a remittance	of co-op corporations	<mark>510</mark>		
Credit expired		<mark>515</mark>		
		Subtotal (line 510 <b>plus</b> line 515)	<u></u> >	N2
ITC at the beginning of the tax y	year (amount M2 <b>minus</b> amount N	12)	520	
Credit transferred on an amalg	amation or the wind-up of a subsidi	iary 530		
Total current-year credit (from	amount L2 in Part 11)	540		
Credit allocated from a partners	ship	550		
		Subtotal (total of lines 530 to 550)	<u> </u>	O2
Total credit available (line 520	plus amount O2)		<u></u>	P2
Credit deducted from Part I tax				
Credit carried back to previous	years (amount S2 in Part 13)		k	
Credit transferred to offset Part	VII tax liability			
	Subtotal (1	total of line 560, amount k, and line 580)	<b>&gt;</b>	Q2
Credit balance before refund (a	mount P2 <b>minus</b> amount Q2)			R2
Refund of credit claimed on SR	R&ED expenditures (from Part 14 o	r 15, whichever applies)	610	
ITC closing balance on SR&I	ED (amount R2 minus line 610)			
– Part 13 – Paguest for	carryback of credit from	SP&ED expenditures		
Fait 13 - Nequest 101	Year Month Day	SNALD experiuntures		
1st previous tax year	real Month Day		ed <b>911</b>	
2nd previous tax year				
3rd previous tax year			· · · · · · · · · · · · · · · · · · ·	
		Total of lines		S2
		Enter at amount k	in Part 12.	

− Part 14 − Refund of ITC for qualifying corporations − SR&ED −−−−−	
Complete this part only if you are a qualifying corporation as determined on line 101 in Part 2.	
Is the corporation an excluded corporation as defined under subsection 127.1(2)?	X
Current-year ITC (lines 540 <b>plus</b> 550 in Part 12 <b>minus</b> amount K2 in Part 11)	
Refundable credits (amount I or amount R2 in Part 12, whichever is less)*	T2
Amount T2 or amount G2 in Part 11, whichever is less	U2
Net amount (amount T2 <b>minus</b> amount U2; if negative, enter "0")	V2
Amount V2 <b>multiplied</b> by 40 %	W2
Amount U2	X2
Refund of ITC (amount W2 plus amount X2 – enter this, or a lesser amount, on line 610 in Part 12)  Enter the total of line 310 in Part 5 and line 610 in Part 12 on line 780 of the T2 return.	Y2
* If you are also an excluded corporation, as defined in subsection 127.1(2), this amount must be multiplied by 40%. Claim this, or a lesser amount, as your refund of ITC for amount Y2.	
- Part 15 - Refund of ITC for CCPCs that are not qualifying or excluded corporations - SR&ED	
Complete this part only if you are a CCPC that is not a qualifying or excluded corporation as determined on line 101 in Part 2.	
Credit balance before refund (amount R2 in Part 12)	Z2
Amount Z2 or amount G2 in Part 11, whichever is less	AA2
Net amount (amount Z2 <b>minus</b> amount AA2; if negative, enter "0")	BB2
Amount BB2 or amount I2 in Part 11, whichever is less	CC2
Amount CC2 multiplied by 40 %	DD2
Amount AA2	EE2
Refund of ITC (amount DD2 plus amount EE2)	FF2

#### Recapture - SR&ED

#### ¬ Part 16 − Recapture of ITC for corporations and partnerships − SR&ED

You will have a recapture of ITC in a year when all of the following conditions are met:

- you acquired a particular property in the current year or in any of the 20 previous tax years, and the credit was earned in a tax year ending after 1997 and did not expire before 2008;
- you claimed the cost of the property as a qualified expenditure for SR&ED on Form T661;
- the cost of the property was included in calculating your ITC or was the subject of an agreement made under subsection 127(13) to transfer qualified expenditures; and
- you disposed of the property or converted it to commercial use after February 23, 1998. This condition is also met if you disposed of or converted to commercial use a property that incorporates the particular property previously referred to.

#### Note:

The recapture **does not apply** if you disposed of the property to a non-arm's-length purchaser who intended to use it all or substantially all for SR&ED. When the non-arm's-length purchaser later sells or converts the property to commercial use, the recapture rules will apply to the purchaser based on the historical ITC rate of the original user.

You will report a recapture on the T2 return for the year in which you disposed of the property or converted it to commercial use. In the following tax year, add the amount of the ITC recapture to the SR&ED expenditure pool.

If you have more than one disposition for calculations 1 and 2, complete the columns for each disposition for which a recapture applies, using the calculation formats below.

Amount of ITC you originally calculated for the property you acquired, or the original user's ITC where you acquired the property from a non-arm's length party, as described in the <b>note</b> above	Amount calculated using ITC rate at the date of acquisition (or the original user's date of acquisition) on either the proceeds of disposition (if sold in an arm's length transaction) or the fair market value of the property (in any other case)	Amount from column 700 or 710, whichever is less
700	710	

Α	В	С	D	E	F
Rate that the transferee used in determining its ITC for qualified expenditures under a subsection 127(13) agreement	Proceeds of disposition of the property if you dispose of it to an arm's length person; or, in any other case, enter the fair market value of the property at conversion or disposition	Amount, if any, already provided for in Calculation 1 (This allows for the situation where only part of the cost of a property is transferred under a subsection 127(13) agreement.)	Amount determined by the formula (A x B) – C	ITC earned by the transferee for the qualified expenditures that were transferred	Amount from column D or E, whichever is less

# Part 16 – Recapture of ITC for corporations and partnerships – SR&ED (continued)

#### - Calculation 3 -

As a member of the partnership, you will report your share of the SR&ED ITC of the partnership after the SR&ED ITC has been reduced by the amount of the recapture. If this amount is a positive amount, you will report it on line 550 in Part 12. However, if the partnership does not have enough ITC otherwise available to offset the recapture, then the amount by which reductions to ITC exceed additions (the excess) will be determined and reported on line 760.

Corporate partner's share of the excess of SR&ED ITC Enter at amount E3 in Part 17.

– Part 17 – Total recapture of SR&ED investr	ment tax credit —	
Recaptured ITC from calculation 1, amount A3 in Part 16		C3
Recaptured ITC from calculation 2, amount B3 in Part 16		D3
Recaptured ITC from calculation 3, line 760 in Part 16		E3
Total recapture of SR&ED investment tax credit (total of	amounts C3 to E3)	F3
Enter at amount A8 in Part 29.		

## **Pre-Production Mining**

# ¬ Part 18 – Pre-production mining expenditures -

#### **Exploration information**

A mineral resource that qualifies for the credit means a mineral deposit from which the principal mineral to be extracted is diamond, a base or precious metal deposit, or a mineral deposit from which the principal mineral to be extracted is an industrial mineral that, when refined, results in a base or precious metal.

In column 800, list all minerals for which pre-production mining expenditures have taken place in the tax year.

For each of the minerals reported in column 800, identify each project (in column 805), mineral title (in column 806), and mining division (in column 807) where title is registered. If there is no mineral title, identify only the project and mining division.

List of minerals 800	Project name 805
Mineral title 806	Mining division 807
Per any frattra ar	
	ning expenditures*
Exploration:  Pre-production mining expenditures that you incurred in the tax year ( <b>before</b> Janua the existence, location, extent, or quality of a mineral resource in Canada:	
Prospecting	
Geological, geophysical, or geochemical surveys	811
Orilling by rotary, diamond, percussion, or other methods	812
Trenching, digging test pits, and preliminary sampling	813
Development: Pre-production mining expenditures incurred in the tax year for bringing a new mine production in reasonable commercial quantities and incurred before the new mine concluding, removing overburden, and stripping  Sinking a mine shaft, constructing an adit, or other underground entry	
Other pre-production mining expenditures incurred in the tax year:	
Description 825	Amount 826
	Total of column 826 A4
Fotal pre-production mining expenditures (total of lines 810 to 821 and amount A4)	
Total of all assistance (grants, subsidies, rebates, and forgivable loans) or reimburs received or is entitled to receive in respect of the amounts referred to on line 830 about 1	
Excess (line 830 <b>minus</b> line 832) (if negative, enter "0")	B4
Repayments of government and non-government assistance	835
Pre-production mining expenditures (amount B4 plus line 835)	C4
* A pre-production mining expenditure is defined under subsection 127(9).	

– Paı	t 19 – Current-year cred	it and account balance	s – ITC from	pre-production m	ining expenditure	s ———
ITC a	t the end of the previous tax year					D4
Credi	t deemed as a remittance of co-op	corporations		841		
Credi	t expired			845		
			Subtotal (line 84	1 <b>plus</b> line 845)	<b>&gt;</b>	E4
ITC a	t the beginning of the tax year (am	ount D4 <b>minus</b> amount E4)			850	
Credi	t transferred on an amalgamation	or the wind-up of a subsidiary			860	
incurr	roduction mining expenditures* ed before January 1, 2013 cable part from amount C4 in Part	18) <b>870</b>	x	10 % =	m	
Pre-p	roduction mining exploration aditures** incurred in 2013 cable part from amount C4 in Part		x		···	
exper	roduction mining development nditures incurred in 2014 cable part from amount C4 in Part	18) 874	x	7 % =	0	
exper	roduction mining development nditures incurred in 2015 cable part from amount C4 in Part	18) <b>876</b>	x	4 % =	p	
		Current year cre	dit (total of amour	nts m to p) <b>880</b>	<b>&gt;</b> _	F4
Total	credit available (total of lines 850,	860, and amount F4)				G4
Credi	t deducted from Part I tax			885		
Credi	t carried back to previous years (a	mount I4 in Part 20)		<u> </u>	q	
			Subtotal (line 885	plus amount q)	<b>&gt;</b> _	H4
ITC c	losing balance from pre-produc	etion mining expenditures (an	nount G4 <b>minus</b> a	amount H4)	890	
* Al	so include pre-production mining d	evelopment expenditures incur	red before 2014 ar	nd pre-production mining	development expenditure	es incurred after
** Al	p13 and before 2016 that are eligib so include pre-production mining one- e-production mining expenditures expense in subsection 66.1(6) of the	development expenditures incur re in subsection 127(9) of the A				
– Pai	t 20 – Request for carry	hack of credit from hre	-production	mining expenditur	98	
ı aı		ear Month Day	-production i	mining experiental	<b>C3</b>	
1st pr	evious tax year	World Day		Credit	t to be applied 921	
2nd p	revious tax year			Credit	000	
3rd pr	evious tax year				t to be applied 923 otal of lines 921 to 923 at amount q in Part 19.	14
		<b>A</b>		L O		
			enticeship Jo			
– Pai	rt 21 – Total current-year	credit – ITC from appr	enticeship jo	b creation expend	ditures ————	
who v	are a related person as defined ur vill be claiming the apprenticeship cial insurance number (SIN) or na	job creation tax credit for this tax	cyear for each app	orentice whose contract n		1 Yes 2 No
under	ach apprentice in their first 24 mon an apprenticeship program desig act number, enter the SIN or the na	ned to certify or license individu				
	A	B		C	D	E
	Contract number (SIN or name of apprentice)	Name of eligible t	rade	Eligible salary and wages*	Column C x 10 %	Lesser of column D or \$ 2,000
	601	602		603	604	605
1	SYS045899	Powerline Technician		90,927	9,093	2,000

	A Contract number (SIN or name of apprentice)	B Name of eligible trade <b>602</b>	C Eligible salary and wages*	D Column C x 10 %	E Lesser of column D or \$ 2,000	
2.	SYS089443	Powerline Technician	17,556	1,756	1,756	
		3,756	A5			

\* Other than qualified expenditure incurred, and net of any other government or non-government assistance received or to be received. Eligible salary and wages, and qualified expenditures are defined under subsection 127(9).

- Part 22 - Current-year credit and account balances - ITC from apprentices	hip job creation ex	penditures ———	
ITC at the end of the previous tax year			В5
Credit deemed as a remittance of co-op corporations			
Credit expired after 20 tax years			
Subtotal (line 612 <b>plus</b> line 615)		<b></b>	C5
ITC at the beginning of the tax year (amount B5 <b>minus</b> amount C5)		625	
Credit transferred on an amalgamation or the wind-up of a subsidiary			
ITC from repayment of assistance			
Total current-year credit (amount A5 in Part 21)	3,756		
Credit allocated from a partnership			
Subtotal (total of lines 630 to 655)	3,756	3,756	D5
Total credit available (line 625 <b>plus</b> amount D5)		3,756	E5
Credit deducted from Part I tax	3,756		
Credit carried back to previous years (amount G5 in Part 23)		r	
Subtotal (line 660 <b>plus</b> amount r)	3,756	3,756	F5
ITC closing balance from apprenticeship job creation expenditures (amount E5 minus amount F5)		690	

	Year	Month	Day		
1st previous tax year				Credit to be applied 931	
2nd previous tax year				Credit to be applied 932	
3rd previous tax year				Credit to be applied 933	
				Total of lines 931 to 933  Enter at amount r in Part 22.	

## **Child Care Spaces**

# Part 24 − Eligible child care spaces expenditures -

Enter the eligible expenditures that you incurred after March 18, 2007 and before March 22, 2017\* to create licensed child care spaces for the children of the employees and, potentially, for other children. You cannot be carrying on a child care services business. The eligible expenditures include:

- the cost of depreciable property (other than specified property); and
- the specified child care start-up expenditures.

Properties should be acquired and expenditures should be incurred only to create new child care spaces at a licensed child care facility.

	Capital cost allowance class number	Description of investment	Date available for use	Amount of investment
	665	675	685	695
1.				
		Total cost of depreciable property from the current tax y	rear (total of column 695) <b>715</b>	
ecified	child care start-up expenditure		705	-
tal gros	ss eligible expenditures for child	care spaces (line 715 <b>plus</b> line 705)		
otal of al orporation	l assistance (including grants, on has received or is entitled to	subsidies, rebates, and forgivable loans) or reimbursements that t receive in respect of the amounts referred to in amount A6	he	
cess (a	mount A6 <b>minus</b> line 725) (if n	egative, enter "0")		
epayme	nts by the corporation of govern	ment and non-government assistance	735	
stal alia	ible expenditures for child c	are spaces (amount B6 plus line 735)		
nai ciiy				

	P	art	25	5 – (	Curi	·ent	-year	credit	t —	ITO	C f	rom	child	l care	S	paces	s ex	pend	litu	ires
--	---	-----	----	-------	------	------	-------	--------	-----	-----	-----	-----	-------	--------	---	-------	------	------	------	------

The credit is equal to 25% of eligible child care spaces expenditures incurred to a maximum of \$10,000 per child care space created in a licens	ed child
care facility.	

Eligible expenditures (from line 745 in Part 24)	X	25 % =	C6
Number of child care spaces	x \$	10,000 =	D6

ITC from child care spaces expenditures (amount C6 or D6, whichever is less)

E6

Part 26 – Current-ye	ear credit and account bala	nces – ITC from child care spaces expenditu	ures ———	
ITC at the end of the previous	s tax year			F6
Credit deemed as a remittand	ce of co-op corporations	<mark>765</mark>		
Credit expired after 20 tax yea		<mark>770</mark>	<u></u>	
		Subtotal (line 765 <b>plus</b> line 770)	<b> &gt;</b>	G6
ITC at the beginning of the ta	x year (amount F6 <b>minus</b> amount G	6)	775	
Credit transferred on an ama	Igamation or the wind-up of a subsidi	ary		
Total current-year credit (ame	ount E6 in Part 25)	<mark>780</mark>		
Credit allocated from a partne		<mark>782</mark>		
		Subtotal (total of lines 777 to 782)	<u> </u>	H6
Total credit available (line 775	5 <b>plus</b> amount H6)		<u></u>	16
Credit deducted from Part I ta	ах	<mark>785</mark>		
Credit carried back to previou	us years (amount K6 in Part 27)		s	
		Subtotal (line 785 <b>plus</b> amount s)	<b>&gt;</b>	J6
ITC closing balance from c	child care spaces expenditures (ar	nount I6 <b>minus</b> amount J6)		
Part 27 – Request fo	or carryback of credit from	child care space expenditures		
	Year Month Day			
1st previous tax year	2017-12-31			
2nd previous tax year	2016-12-31			
3rd previous tax year	2015-12-31			
		Total of lines 9 Enter at amount s ir		K6
		Linei at amount sir	iii ait 20.	

# **Recapture – Child Care Spaces**

┌ Part 28 – Recapture of ITC for corporations and partnerships – Child care spaces ————————————————————————————————————	$\neg$
The ITC will be recovered against the taxpayer's tax otherwise payable under Part I of the Act if, at any time within 60 months of the day on which the taxpayer acquired the property:	
the new child care space is no longer available; or	
property that was an eligible expenditure for the child care space is:	
<ul> <li>disposed of or leased to a lessee; or</li> </ul>	
<ul> <li>converted to another use.</li> </ul>	
If the property disposed of is a child care space, the amount that can reasonably be considered to have been included in the original ITC (paragraph 127(27.12)(a))	
In the case of eligible expenditures (paragraph 127(27.12)(b)), the lesser of:	
The amount that can reasonably be considered to have been included in the original ITC 795	
25% of either the proceeds of disposition (if sold in an arm's length transaction) or the fair market value (in any other case) of the property	
Amount from line 795 or line 797, whichever is less	7
Partnerships —	
As a member of the partnership, you will report your share of the child care spaces ITC of the partnership after the child care spaces ITC has been reduced by the amount of the recapture. If this amount is a positive amount, you will report it on line 782 in Part 26. However, if the partnership does not have enough ITC otherwise available to offset the recapture, then the amount by which reductions to ITC exceed additions (the excess) will be determined and reported on line 799 below.	
Corporate partner's share of the excess of ITC  Total recapture of child care spaces investment tax credit (total of line 792, amount A7, and line 799)	7
Enter at amount B8 in Part 29.	'
Summary of Investment Tax Credits	
┌ Part 29 – Total recapture of investment tax credit ──────────────────────────	_
Recaptured SR&ED ITC (amount F3 in Part 17)	8
Recaptured child care spaces ITC (amount B7 in Part 28)	8
Total recapture of investment tax credit (amount A8 plus amount B8)	
Enter on line 602 of the T2 return.	0
Part 30 – Total ITC deducted from Part I tax	
ITC from investments in qualified property deducted from Part I tax (line 260 in Part 5)	8
ITC from SR&ED expenditures deducted from Part I tax (line 560 in Part 12)	8
ITC from pre-production mining expenditures deducted from Part I tax (line 885 in Part 19)	8
ITC from apprenticeship job creation expenditures deducted from Part I tax (line 660 in Part 22)	8
ITC from child care space expenditures deducted from Part I tax (line 785 in Part 26)	8
Total ITC deducted from Part I tax (total of amounts D8 to H8)	3

# Summary of Investment Tax Credit Carryovers

CCA class number	97	Apprenticeship j	ob creation ITC			
Current year						
·		Addition current year (A)	Applied currentyear (B)	Claimed as a refund (C)	Carried back (D)	ITC end of year (A-B-C-D)
	_	3,756	3,756			
rior years						
axation year			ITC beginning of year (E)	Adjustments (F)	Applied current year (G)	ITC end of year (E-F-G)
2017-12-31			(=)	(1)	(0)	(2.1.0)
2016-12-31						
2015-12-31						
2014-12-31						
2013-12-31						
2012-12-31						
2011-12-31						
2010-12-31						
2009-12-31						
				-		
		Total				
+C+D+G					Total ITC utilized	3,756

<sup>\*</sup> The ITC end of year includes the amount of ITC expired from the 10<sup>th</sup> preceding year if it is before January 1, 1998, or the amount ITC expired from the 20<sup>th</sup> preceding year if it is after December 31, 1997. Note that this credit expires at the end of the tax year and any expired credit will be posted to line 215, 515, 615, 770 or 845, as applicable, in Schedule 31 the following year.

0--:4-1

Agence du revenu du Canada Schedule 33

# Taxable Capital Employed in Canada – Large Corporations

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2018-12-31

- Use this schedule in determining if the total taxable capital employed in Canada of the corporation (other than a financial institution or an insurance corporation) and its related corporations is greater than \$10,000,000.
- If the total taxable capital employed in Canada of the corporation and its related corporations is greater than \$10,000,000, file a completed Schedule 33 with your T2 Corporation Income Tax Return no later than six months from the end of the tax year.
- Unless otherwise noted, all legislative references are to the Income Tax Act and the Income Tax Regulations.
- Subsection 181(1) defines the terms financial institution, long-term debt, and reserves.
- Subsection 181(3) provides the basis to determine the carrying value of a corporation's assets or any other amount under Part I.3 for its capital, investment allowance, taxable capital, or taxable capital employed in Canada, or for a partnership in which it has an interest.
- If the corporation was a non-resident of Canada throughout the year and carried on a business through a permanent establishment in Canada, go to Part 4,
   Taxable capital employed in Canada.

Part 1 – Capital –
Add the following year-end amounts:
Reserves that have not been deducted in calculating income for the year under Part I 101 359,084
Capital stock (or members' contributions if incorporated without share capital) 103
Retained earnings
Contributed surplus
Any other surpluses
Deferred unrealized foreign exchange gains
All loans and advances to the corporation 108
All indebtedness of the corporation represented by bonds, debentures, notes, mortgages, hypothecary claims, bankers' acceptances, or similar obligations
Any dividends declared but not paid by the corporation before the end of the year 110
All other indebtedness of the corporation (other than any indebtedness for a lease) that has been outstanding for more than 365 days before the end of the year
The total of all amounts, each of which is the amount, if any, in respect of a partnership in which the corporation held a membership interest at the end of the year, either directly or indirectly through another partnership (see note below)
Subtotal ( <b>add</b> lines 101 to 112) 11,306,569

#### Note:

Line 112 is determined by the formula (A – B) x C/D (as per paragraph 181.2(3)(g)) where:

- A is the total of all amounts that would be determined for lines 101, 107, 108, 109, and 111 in respect of the partnership for its last fiscal period that ends at or before the end of the year if
  - a) those lines applied to partnerships in the same manner that they apply to corporations, and
  - b) those amounts were computed without reference to amounts owing by the partnership
    - (i) to any corporation that held a membership interest in the partnership either directly or indirectly through another partnership, or
    - (ii) to any partnership in which a corporation described in subparagraph (i) held a membership interest either directly or indirectly through another partnership.
- B is the partnership's deferred unrealized foreign exchange losses at the end of the period,
- C is the share of the partnership's income or loss for the period to which the corporation is entitled either directly or indirectly through another partnership, and
- D is the partnership's income or loss for the period.



			86463 9562 RC0002
Part 1 – Capital (continued)			
		Subtotal A (from page 1)	<u>11,306,569</u> A
<b>Deduct</b> the following amounts:	_		
Deferred tax debit balance at the end of the year			
Any deficit deducted in calculating its shareholders' equity (including, for amount of any provision for the redemption of preferred shares) at the experience of the control of the contr			
To the extent that the amount may reasonably be regarded as being inc 101 to 112 above for the year, any amount deducted under subsection income under Part I for the year.	135(1) in calculating		
Deferred unrealized foreign exchange losses at the end of the year			
	Subtotal (add lines 121 to 124)	<b>&gt;</b> _	В
Capital for the year (amount A minus amount B) (if negative, enter "0"	)	190 <u> </u>	11,306,569
Part 2 – Investment allowance			
Add the carrying value at the end of the year of the following assets of th	e corporation:		
A share of another corporation		401	
A loan or advance to another corporation (other than a financial institution	on)	402	
A bond, debenture, note, mortgage, hypothecary claim, or similar obliga (other than a financial institution)	ation of another corporation	403	
Long-term debt of a financial institution			
A dividend payable on a share of the capital stock of another corporatio	on	405	
A loan or advance to, or a bond, debenture, note, mortgage, hypotheca member of which was, throughout the year, another corporation (other tax under this Part (otherwise than because of paragraph 181.1(3)(d)), paragraph 181.2(4)(d.1)	than a financial institution) that was not	exempt from	
An interest in a partnership (see note 2 below)			
Investment allowance for the year (add lines 401 to 407)			
Notes:			
<ol> <li>Lines 401 to 405 should not include the carrying value of a share of the exempt from tax under Part I.3 (other than a non-resident corporation establishment).</li> </ol>			
2. Where the corporation has an interest in a partnership held either dire additional rules regarding the carrying value of an interest in a partner		ership, refer to subsection 181.	2(5) for
<ol> <li>Where a trust is used as a conduit for loaning money from a corporation considered to have been made directly from the lending corporation tapply.</li> </ol>			
Part 3 – Taxable capital			
Capital for the year (line 190)			11 306 569 C

Part 3 – Taxable capital	
Capital for the year (line 190)	11,306,569 C
Deduct: Investment allowance for the year (line 490)	D
Taxable capital for the year (amount C minus amount D) (if negative, enter "0")	11,306,569

– Part 4 – Taxable d	capital employed	in Canada ————				
	To be com	pleted by a corporation that wa	s resident in Canada at	any time in the year		
Taxable capital for the year (line 500)	11,306,569 x	Taxable income earned in Canada  Taxable income	722,320 = 722,320	Taxable capital employed in Canada	<b>690</b> 11,30 <i>6</i>	6,569
<ol><li>Where a corp to have a tax</li></ol>	poration's taxable incom able income for that year	ulating the amount of taxable incor e for a tax year is "0," it shall, for the	me earned in Canada. e purposes of the above c			
		eted by a corporation that was a carried on a business through a				
		value at the end of the year of an a usiness during the year through a p			701	
<b>Deduct</b> the following amo	ounts:					
	(f)] that may reasonably	[other than indebtedness describe v be regarded as relating to a busin nent in Canada				
described in subsection 1	81.2(4) of the corporation sing on any business du	value at the end of year of an asse on that it used in the year, or held ir ring the year through a permanent	n the			
corporation that is a ship opersonal or movable prop	or aircraft the corporation erty used or held by the	value at the end of year of an asse n operated in international traffic, o corporation in carrying on any busi nt in Canada (see note below)	r			
		Total deductions (add I	ines 711, 712, and 713)		<b></b>	E
Taxable capital employ	ed in Canada (line 701	minus amount E) (if negative, ente	er "0")		790	
		hich the corporation is resident did a ship or aircraft in international tra				
– Part 5 – Calculati	on for purposes o	of the small business ded	duction —			
This part is applicable t	o corporations that ar	e not associated in the current y	year, but were associate	ed in the prior year.		
Taxable capital employed	I in Canada (amount fron	n line 690)				F
Deduct:	,					0,000
			cess (amount F <b>minus</b> am			I
Calculation for purpose Enter this amount at line		s deduction (amount H x 0.225%	)			

Agence du revenu du Canada

## **SCHEDULE 50**

## SHAREHOLDER INFORMATION

Name of corporation	Business Number	Tax year end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2018-12-31

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

		Provide only or	ne number per sha	areholder		
	Name of shareholder (after name, indicate in brackets if the shareholder is a corporation, partnership, individual, or trust)	Business Number (If a corporation is not registered, enter "NR")	Social insurance number	Trust number	Percentage common shares	Percentage preferred shares
	100	200	300	350	400	500
1	The Corporation of the Town of Orangeville	10698 6151 RC0001			94.500	
2	The Corporation of the Township of East Luther Grand	NR			5.500	
3						
4						
5						
6						
7						
8						
9						
10						

Canada Revenue Agency

Agence du revenu du Canada Schedule 53

# **General Rate Income Pool (GRIP) Calculation**

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2018-12-31

On: 2018-12-31

- If you are a Canadian-controlled private corporation (CCPC) or a deposit insurance corporation (DIC), use this schedule to determine the general rate income pool (GRIP).
- Credit unions are **not** required to complete this schedule.
- All legislative references are to the Income Tax Act and the Income Tax Regulations.
- When an eligible dividend was paid in the tax year or there was a change in the GRIP balance, file a completed copy of this schedule with your T2 Corporation Income Tax Return. Do not send your worksheets with your return, but keep them in your records in case we ask to see them later.
- Subsection 89(1) defines the terms eligible dividend, excessive eligible dividend designation, general rate income pool, and low rate income pool.

┌ Eligibility for the various additions ───────────────────────	
Answer the following questions to determine the corporation's eligibility for the various additions:	
2006 addition	
1. Is this the corporation's first taxation year that includes January 1, 2006?	Yes X No
2. If not, what is the date of the taxation year end of the corporation's first year that includes January 1, 2006?  Enter the date and go directly to question 4	2006-12-31
3. During that first year, was the corporation a CCPC or would it have been a CCPC if not for the election of subsection 89(11) ITA?	Yes No
If the answer to question 3 is yes, complete Part "GRIP addition for 2006".	
Change in the type of corporation	
4. Was the corporation a CCPC during its preceding taxation year?	X Yes No
5. Corporations that become a CCPC or a DIC	Yes X No
If the answer to question 5 is yes, complete Part 4.	
Amalgamation (first year of filing after amalgamation)	
6. Corporations that were formed as a result of an amalgamation	Yes X No
If the answer to question 6 is yes, answer questions 7 and 8. If the answer is no, go to question 9.	
7. Was one or more of the predecessor corporations neither a CCPC nor a DIC?  If the answer to question 7 is yes, complete Part 4.	Yes No
8. Was one or more of the predecessor corporation a CCPC or a DIC during the taxation year that ended immediately before amalgamation?	Yes No
If the answer to question 8 is yes, complete Part 3.	
Winding-up	
9. Has the corporation wound-up a subsidiary in the preceding taxation year?	Yes X No
If the answer to question 9 is yes, answer questions 10 and 11. If the answer is no, go to Part 1.	
10. Was the subsidiary neither a CCPC nor a DIC during its last taxation year?  If the answer to question 10 is yes, complete Part 4.	Yes No
11. Was the subsidiary a CCPC or a DIC during its last taxation year?  If the answer to question 11 is yes, complete Part 3.	Yes No



Part 1 – General rate income pool (GRIP)		
GRIP at the end of the previous tax year	,978,892 A	Α
Taxable income for the year (DICs enter "0") *		
Amount on line 400, 405, 410, or 427 of the T2 return, whichever is less *		
Income taxable at the general corporate rate (amount B <b>minus</b> amount C) (if negative enter "0")		
After-tax income (line 150 multiplied by 0.72 (the general rate factor for the tax year))	520,070	D
Eligible dividends received in the tax year		
Dividends deductible under section 113 received in the tax year		
Subtotal (line 200 <b>plus</b> line 210)	E	E
Becoming a CCPC (amount W5 in Part 4)  Post-amalgamation (total of amounts E4 in Part 3 and amounts W5 in Part 4)  Post-wind-up (total of amounts E4 in Part 3 and amounts W5 in Part 4)  Subtotal (add lines 220, 230, and 240)	F	F
Subtotal (add amounts A, D, E, and F)8	3,498,962 C	3
Eligible dividends paid in the previous tax year		
Subtotal (line 300 <b>minus</b> line 310)	610,747 H	Н
GRIP before adjustment for specified future tax consequences (amount G minus amount H) (amount can be negative) 490	,888,215	
Total GRIP adjustment for specified future tax consequences to previous tax years (amount N3 in Part 2)		
GRIP at the end of the tax year (line 490 minus line 560)	7,888,215	
* For lines 110, 130, and 140, the income amount is the amount before considering specified future tax consequences. This phrase is defined in subsection 248(1). It includes the deduction of a loss carryback from subsequent tax years, a reduction of Canadian exploration expenses and Canadian development expenses that were renounced in subsequent tax years (e.g., flow-through share renunciations), reversals of income inclusions where an option is exercised in subsequent tax years, and the effect of certain foreign tax credit adjustments.		

- Part 2 - GRIP adjusting Complete this part if the corpora defined in subsection 248(1) from	ation's taxable income of ar	ny of the previous three tax	years took into account t	•	onsequences
First previous tax year 20	17-12-31				
Taxable income before specifie from the current tax year	d future tax consequences		694,911_A1		
Enter the following amounts consequences from the curr		ax			
Amount on line 400, 405, 410, of the T2 return, whichever is le		B1			
· ·	<u> </u>				
Subtotal (amount B1 plus	amount C1)	58,221 ▶	58,221 <sub>D1</sub>		
	ninus amount D1) (if negat		636,690	636,690 E1	
	Futu	re tax consequences that	at occur for the current	: year	
	An	nount carried back from the	e current year to a prior y	ear	
Non-capital loss carry-back (paragraph 111 (1)(a) ITA)	Capital loss carry-back	Restricted farm loss carry-back	Farm loss carry-back	Other	Total carrybacks
Taxable income after specified	·		F1		
Enter the following amounts  Amount on line 400, 405, 410, of the T2 return, whichever is le	or 427	•			
Aggregate investment income (line 440 of the T2 return)	<u> </u>	H1			
Subtotal (amount G1 plus	amount H1)	<b>&gt;</b>	I1		
Subtotal (amount F1	minus amount I1) (if negat	ive, enter "0")	<b>&gt;</b>	J1	
		tE1 <b>minus</b> amount J1) (if		K1	
GRIP adjustment for specific	•	es to the first previous t	•		500

	ıs tax year <u>20</u> 1	16-12-31				
axable income ne current tax ye	•	ture tax consequences	from 	A2		
	ring amounts bef from the current	ore specified future t tax year:	ax			
	400, 405, 410, or 42 whichever is less	27 	B2			
Aggregate investine 440 of the 1			C2			
Subtotal (ar	nount B2 <b>plus</b> amo	ount C2)	<b>&gt;</b>	D2		
Subtota	al (amount A2 <b>min</b> u	us amount D2) (if negat	ive, enter "0")	<b>&gt;</b>	E	2
		Futu	re tax consequences tha	t occur for the current	year	
		Ar	nount carried back from the	current year to a prior ye	ar	
(p:	n-capital loss carry-back aragraph 111 (1)(a) ITA)	Capital loss carry-back	Restricted farm loss carry-back	Farm loss carry-back	Other	Total carrybacks
xable income	after specified futu	re tax consequences		F2		
	•	re tax consequences er specified future tax		F2		
inter the follow	ving amounts afte 400, 405, 410, or 42	er specified future tax	consequences:	F2		
nter the follow mount on line 4 f the T2 return, ggregate inves	ving amounts after 100, 405, 410, or 42 whichever is less them the three times are the three times are the three times are thr	er specified future tax	consequences:	F2		
nter the follow mount on line 4 f the T2 return, ggregate invesi ine 440 of the T	ring amounts after 100, 405, 410, or 42 whichever is less ment income 12 return)	er specified future tax	consequences:			
mount on line 4 f the T2 return, ggregate invesi ine 440 of the T	ving amounts after 100, 405, 410, or 42 whichever is less ment income 12 return)	er specified future tax	G2 H2	12	J	2

Third previous tax year $2015$	-12-31				
Taxable income before specified fu he current tax year	•	from 	A3		
Enter the following amounts bef consequences from the current		ax			
Amount on line 400, 405, 410, or 4 of the T2 return, whichever is less		B3			
Aggregate investment income (line 440 of the T2 return)	·				
Subtotal (amount B3 plus amo	ount C3)	<b>&gt;</b>	D3		
		tive, enter "0")		E	3
	Futu	re tax consequences tha	at occur for the current	year	
	Ar	nount carried back from the	e current year to a prior ye	ar	
Non-capital loss carry-back (paragraph 111 (1)(a) ITA)	Capital loss carry-back	Restricted farm loss carry-back	Farm loss carry-back	Other	Total carrybacks
			F2		
Faxable income after specified futu	·		F3		
Enter the following amounts after	•	consequences:			
Amount on line 400, 405, 410, or 4: of the T2 return, whichever is less		G3			
Aggregate investment income (line 440 of the T2 return)	<u> </u>	H3			
Subtotal (amount G3 plus amo	ount H3)	<b>&gt;</b>	I3		
		tive, enter "0")		J:	3
		t E3 <b>minus</b> amount J3) (if r		K	3
GRIP adjustment for specified for	uture tax consequenc	es to the third previous t	ax year		
•	•		-		540
Total GRIP adjustment for speci (add lines 500, 520, and 540) (if ne					
Enter amount L3 on line 560 in par	,				

┌ Part 3 – Worksheet to calculate the GRIP addition post-amalgamation or post-wind-up	
(predecessor or subsidiary was a CCPC or a DIC in its last tax year)	
nb. 1 Postamalgamation Postwind-up	
Complete this part when there has been an amalgamation (within the meaning assigned by subsection 87(1)) or a wind-up (to which subsection 88(1) applies) and the predecessor or subsidiary corporation was a CCPC or a DIC in its last tax year. The last tax year for a predecessor corporation was its tax year that ended immediately before the amalgamation and for a subsidiary corporation was its tax year during which its assets were distributed to the parent on the wind-up.	
Calculate the GRIP addition of a successor corporation following an amalgamation at the end of its first tax year.	
Calculate the GRIP addition of a parent corporation upon wind-up at the end of the tax year that ends immediately after the tax year in which the parent has received the assets of the subsidiary.	
In the calculation below, <b>corporation</b> means a predecessor or a subsidiary. Complete a separate worksheet for <b>each</b> predecessor and <b>each</b> subsidiary that was a CCPC or a DIC in its last tax year. Keep a copy of this calculation for your records, in case we ask to see it later.	
Corporation's GRIP at the end of its last tax year	A4
Eligible dividends paid by the corporation in its last tax yearB4	
Excessive eligible dividend designations made by the corporation in its last tax year C4	
Subtotal (amount B4 minus amount C4)	D4
GRIP addition post-amalgamation or post-wind-up (predecessor or subsidiary was a CCPC or a DIC in its last tax year) (amount A4 minus amount D4)	E4
After you complete this calculation for each predecessor and each subsidiary, calculate the total of all the E4 amounts. Enter this total amount on:  — line 230 for post-amalgamation; or  — line 240 for post-wind-up.	

(predecessor or subsidiary was not a CC or the corporation is becoming a CCPC				
nb. 1 Corporation becoming a CCPC Post ama	algamation		Post wind-up	
Complete this part when there has been an amalgamation (within the m and the predecessor or subsidiary was not a CCPC or a DIC in its last to immediately before the amalgamation and for a subsidiary corporation.	ax year. The last tax year for a	a prede	ecessor corporation was its tax year that ende	d
Calculate the GRIP addition of a successor corporation following an am	nalgamation at the end of its f	irst tax	year.	
Calculate the GRIP addition of a parent corporation upon wind-up at the received the assets of the subsidiary.	e end of the tax year that end	s imme	ediately after the tax year in which the parent h	as
In the calculation below, <b>corporation</b> means a predecessor or a subsic was a CCPC or a DIC in its last year. Keep a copy of this calculation fo				that
Cost amount to the corporation of all property immediately before the er	nd of its previous/last tax year	r		A5
The corporation's money on hand immediately before the end of its prev	vious/last tax year			B5
Total of subsection 111(1) losses that would have been deductible in ca the previous/last tax year if the corporation had had unlimited income fr had realized an unlimited amount of capital gains for the previous/last ta	om each business carried on			
Non-capital losses	C5			
Net capital losses	D5			
Farmlosses				
Restricted farm losses				
Limited partnership losses				
Subtotal (add amounts C5 to G5)	<del>-</del>		H5	
Total of all amounts deducted under subsection 111(1) in calculating the	_	ne for th	he previous/last tax year:	
Non-capital losses	I5			
Net capital losses	J5			
Farm losses	K5			
Restricted farm losses	L5			
Limited partnership losses	M5			
Subtotal (add amounts I5 to M5)	<b>&gt;</b>	_	N5	
Unused and unexpired losses at the end of the co	orporation's previous/last tax y (amount H5 <b>minus</b> amount		•	O5
	,	′ =	Il (add amounts A5, B5, and O5)	
All the corporation's debts and other obligations to pay that were			· · · · · · · · · · · · · · · · · · ·	
outstanding immediately before the end of its previous/last tax year		• • • -	Q5	
Paid-up capital of all the corporation's issued and outstanding shares				
of capital stock immediately before the end of its previous/last tax year		• • • -	R5	
All the corporation's reserves deducted in its previous/last tax year			\$5	
The corporation's capital dividend account immediately before the end of its previous/last tax year			T5	
The corporation's low rate income pool immediately before the end of its previous/last tax year			U5	
	Subtotal ( <b>add</b> amounts Q5 to	115)	•	V5
GRIP addition post-amalgamation or post-wind-up (predecessor		_		
or the corporation is becoming a CCPC (amount P5 minus amount				W5
After you complete this worksheet for each predecessor and each subs  — line 220 for a corporation becoming a CCPC;  — line 230 for post-amalgamation; or  — line 240 for post-wind-up.	sidiary, calculate the total of a	all the V	N5 amounts. Enter this total amount on:	

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Schedule 55

Part III.1 Tax on Excessive Eligible Dividend	Design	ations	
Corporation's name		ess number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463	9562 RC0002	2018-12-31
<ul> <li>Every corporation resident in Canada that pays a taxable dividend (other than a capital gains dividend within the meaning assigned by subsection 130.1(4) or 131(1)) in the tax year must file this schedule.</li> </ul>	1	Do not	use this area
<ul> <li>Canadian-controlled private corporations (CCPC) and deposit insurance corporations (DIC) must complete Part 1 of this schedule. All other corporations must complete Part 2.</li> </ul>			
• Every corporation that has paid an eligible dividend must also file Schedule 53, General Rate Income Pool (GRIP) Calculation, or Schedule 54, Low Rate Income Pool (LRIP) Calculation, whichever is applicable.			
• File the completed schedules with your <i>T2 Corporation Income Tax Return</i> no later than six months from the end of the tax year.			
All legislative references are to the Income Tax Act and the Income Tax Regulations.			
• Subsection 89(1) defines the terms eligible dividend, excessive eligible dividend designation, general rate in low rate income pool (LRIP).	ncome pool	(GRIP), and	
<ul> <li>The calculations in Part 1 and Part 2 do not apply if the excessive eligible dividend designation arises from paragraph (c) of the definition of excessive eligible dividend designation in subsection 89(1). This paragraph dividend is paid to artificially maintain or increase the GRIP or to artificially maintain or decrease the LRIP.</li> </ul>			
-Part 1 – Canadian-controlled private corporations and deposit insurance cor	porations	s ———	
Taxable dividends paid in the tax year <b>not included</b> in Schedule 3			
Taxable dividends paid in the tax year <b>included</b> in Schedule 3	447	,092	
Total taxable dividends paid in the tax year	447	,092	
Total eligible dividends paid in the tax year		150	Α
GRIP at the end of the tax year (line 590 on Schedule 53) (if negative, enter "0")		160	7,888,215 <sub>B</sub>
Excessive eligible dividend designation (line 150 minus line 160)			C
Deduct:			
Excessive eligible dividend designations elected under subsection 185.1(2) to be treated as ordinary dividends	s*	180	D
Subtotal	(amount C n	ninus amount D)	E
Part III.1 tax on excessive eligible dividend designations – CCPC or DIC (amount E multiplied by	20 %	s) <b>190</b>	F
Enter the amount from line 190 on line 710 of the T2 return.			_
- Part 2 – Other corporations —			
Taxable dividends paid in the tax year <b>not included</b> in Schedule 3			
Taxable dividends paid in the tax year <b>included</b> in Schedule 3			
Total taxable dividends paid in the tax year			
Total excessive eligible dividend designations in the tax year (amount from line A of Schedule 54)			G
Deduct:			
Excessive eligible dividend designations elected under subsection 185.1(2) to be treated as ordinary dividends	s*	<mark>280</mark>	н
Subtotal (	(amount G n	ninus amount H)	I
Part III.1 tax on excessive eligible dividend designations – Other corporations (amount I multiplied by		20 %) . <b>290</b>	J

\* You can elect to treat all or part of your excessive eligible dividend designation as a separate taxable dividend in order to eliminate or reduce the Part III.1 tax otherwise payable. You must file the election on or before the day that is 90 days after the day the notice of assessment for Part III.1 tax was sent. We will accept an election before the assessment of the tax. For more information on how to make this election, go to www.cra.gc.ca/eligibledividends.



Enter the amount from line 290 on line 710 of the T2 return.

722,320 A

Ontario taxable income \*

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Part 1 – Ontario basic income tax -

# **Ontario Corporation Tax Calculation**

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2018-12-31

- Use this schedule if the corporation had a permanent establishment, under section 400 of the federal Income Tax Regulations, in Ontario at any time in the tax year and had Ontario taxable income in the year.
- Legislative references are to the federal Income Tax Act and Income Tax Regulations.
- This schedule is a worksheet only and is not required to be filed with your T2 Corporation Income Tax Return.

Ontario basic rate of tax for the year			<u> </u>	11.5 % B
Ontario basic income tax (amount A multiplied by amou	nt B **)			83,067 C
* If the corporation has a permanent establishment only in of the T2 return. Otherwise, enter the taxable income allo				
** If the corporation has a permanent establishment in morincome tax, or has Ontario corporate minimum tax or Ontline 270 of Schedule 5, Tax Calculation Supplementary	tario special additional tax o	on life insurance corporati	ons payable, enter amount C on	
– Part 2 – Ontario small business deductio	n (OSBD)			
Complete this part if the corporation claimed the federal sm	all business deduction und	der subsection 125(1).		
Amount from line 400 of the T2 return			727,370 1	
Amount from line 405 of the T2 return			722,320 2	
Amount from line 427 of the T2 return (note)			3	
Enter the least of amounts 1, 2 or 3			<b>&gt;</b>	D
	income for Ontario *	<u>722,3</u>	320.00 =	1.00000 E
Ontario taxable income (amount A from Part 1)			<del> </del>	
Ontario small business income (lesser of amount 4 or a				F
Ontario small business deduction rate for the year	,			
Number of days in the tax year before January 1, 2018	x	7 % =	% G1	
Number of days in the tax year	365			
Number of days in the tax year after December 31, 2017	<u>365</u> x	8 % =	8.00000 % G2	
Number of days in the tax year	365			
OSBD rate for the year (rate G1 <b>plus</b> rate G2)		<u> </u>	8.00000 %	8.00000 % G
Ontario small business deduction (amount F multiplied	by rate G)			н
Enter amount H on line 402 of Schedule 5.				

\* Enter amount A from Part 1.

\*\* Includes the territories and the offshore jurisdictions for Nova Scotia and Newfoundland and Labrador.

Note: On November 15, 2018, the Government of Ontario announced, in Bill 57, that the reduction in the business limit relating to the amount of passive investment income for taxation years starting after December 31, 2018, will not be applied when calculating the Ontario small business deduction. As a result, the calculation on line 3 does not take the amount on line G of Schedule 200 (Jump Code: J) into account.



┌ Part 3 – Ontario adjusted small business income	
Complete this part if the corporation was a Canadian-controlled private corporation throughout the tax year and is claiming the Ontario tax credit for manufacturing and processing or the Ontario credit union tax reduction.	
Ontario adjusted small business income (lesser of amount D and amount 5)	<u>.</u> I
Enter amount I at amount K in Part 4 of this schedule or at amount B in Part 2 of Schedule 502, Ontario Tax Credit for Manufacturing and Processing, whichever applies.	
Part 4 – Credit union tax reduction	
Complete this part and Schedule 17, Credit Union Deductions, if the corporation was a credit union throughout the tax year.	
Amount 2H from Schedule 17	
Ontario adjusted small business income (amount I)	
Subtotal (amount J minus amount K, if negative, enter "0") L	
Amount L <b>multiplied</b> by amount G	_ M
Ontario domestic factor (amount E)         1.00000	_ N
Ontario credit union tax reduction (amount M multiplied by amount N)	<u> </u> 0
Enter amount O on line 410 of Schedule 5.	

## **Ontario Corporate Minimum Tax**

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2018-12-31

- File this schedule if the corporation is subject to Ontario corporate minimum tax (CMT). CMT is levied under section 55 of the Taxation Act, 2007 (Ontario), referred to as the "Ontario Act".
- Complete Part 1 to determine if the corporation is subject to CMT for the tax year.
- A corporation not subject to CMT in the tax year is still required to file this schedule if it is deducting a CMT credit, has a CMT credit carryforward, or has a CMT loss carryforward or a current year CMT loss.
- A corporation that has Ontario special additional tax on life insurance corporations (SAT) payable in the tax year must complete Part 4 of this schedule even if it is not subject to CMT for the tax year.
- A corporation is exempt from CMT if, throughout the tax year, it was one of the following:
  - 1) a corporation exempt from income tax under section 149 of the federal Income Tax Act,
  - 2) a mortgage investment corporation under subsection 130.1(6) of the federal Act;
  - 3) a deposit insurance corporation under subsection 137.1(5) of the federal Act;
  - 4) a congregation or business agency to which section 143 of the federal Act applies;
  - 5) an investment corporation as referred to in subsection 130(3) of the federal Act; or
  - 6) a mutual fund corporation under subsection 131(8) of the federal Act.
- File this schedule with the T2 Corporation Income Tax Return.

┌ Part 1 – Determination of CMT applicability ─────	
Total assets of the corporation at the end of the tax year *	30,751,302
Share of total assets from partnership(s) and joint venture(s) *	50,000,000
Total assets (total of lines 112 to 116)	80,751,302
Total revenue of the corporation for the tax year **	34,309,717
Share of total revenue from partnership(s) and joint venture(s) **	
Total revenue of associated corporations (amount from line 550 on Schedule 511)	100,000,000
Total revenue (total of lines 142 to 146)	134,309,717

#### The corporation is subject to CMT if:

- for tax years ending before July 1, 2010, the total assets at the end of the year of the corporation or the associated group of corporations are more than \$5,000,000, or the total revenue for the year of the corporation or the associated group of corporations is more than \$10,000,000.
- for tax years ending after June 30, 2010, the total assets at the end of the year of the corporation or the associated group of corporations are equal to or more than \$50,000,000, and the total revenue for the year of the corporation or the associated group of corporations is equal to or more than \$100,000,000.

If the corporation is not subject to CMT, do not complete the remaining parts unless the corporation is deducting a CMT credit, or has a CMT credit carryforward, a CMT loss carryforward, a current year CMT loss, or SAT payable in the year.

#### \* Rules for total assets

- Report total assets according to generally accepted accounting principles, adjusted so that consolidation and equity methods are not used.
- Do not include unrealized gains and losses on assets and foreign currency gains and losses on assets that are included in net income for accounting purposes but not in income for corporate income tax purposes.
- The amount on line 114 is determined at the end of the last fiscal period of the partnership or joint venture that ends in the tax year of the corporation. Add the proportionate share of the assets of the partnership(s) and joint venture(s), and deduct the recorded asset(s) for the investment in partnerships and joint ventures.
- A corporation's share in a partnership or joint venture is determined under paragraph 54(5)(b) of the Ontario Act and, if the partnership or joint venture had no income or loss, is calculated as if the partnership's or joint venture's income were \$1 million. For a corporation with an indirect interest in a partnership or joint venture, determine the corporation's share according to paragraph 54(5)(c) of the Ontario Act.

## \*\* Rules for total revenue

- Report total revenue in accordance with generally accepted accounting principles, adjusted so that consolidation and equity methods are not used.
- If the tax year is less than 51 weeks, multiply the total revenue of the corporation or the partnership, whichever applies, by 365 and divide by the number of days in the tax year.
- The amount on line 144 is determined for the partnership or joint venture fiscal period that ends in the tax year of the corporation. If the partnership or joint venture has 2 or more fiscal periods ending in the filing corporation's tax year, **multiply** the sum of the total revenue for each of the fiscal periods by 365 and **divide** by the total number of days in all the fiscal periods.
- A corporation's share in a partnership or joint venture is determined under paragraph 54(5)(b) of the Ontario Act and, if the partnership or joint venture had no income or loss, is calculated as if the partnership's or joint venture's income were \$1 million. For a corporation with an indirect interest in a partnership or joint venture, determine the corporation's share according to paragraph 54(5)(c) of the Ontario Act.



<ul> <li>Part 2 – Adjusted net income/loss for CMT purpos</li> </ul>	ses ———		
Net income/loss per financial statements *			1,152,374
Add (to the extent reflected in income/loss):			
Provision for current income taxes/cost of current income taxes		161,711	
Provision for deferred income taxes (debits)/cost of future income taxes		143,000	
Equity losses from corporations			
Financial statement loss from partnerships and joint ventures Dividends deducted on financial statements (subsection 57(2) of the Or excluding dividends paid by credit unions under subsection 137(4.1) of	, ·		
Other additions (see note below):			
Share of adjusted net income of partnerships and joint ventures **	228		
Total patronage dividends received, not already included in net income/	oss 232		
281	<b>282</b>		
283	284		
	Subtotal	304,711	304,711 A
<b>Deduct</b> (to the extent reflected in income/loss):			<u> </u>
Provision for recovery of current income taxes/benefit of current income	taxes 320		
Provision for deferred income taxes (credits)/benefit of future income ta			
Equity income from corporations	324		
Financial statement income from partnerships and joint ventures .	326		
Dividends deductible under section 112, section 113, or subsection 13	8(6) of the federal Act		
Dividends not taxable under section 83 of the federal Act (from Schedu	` '		
Gain on donation of listed security or ecological gift  Accounting gain on transfer of property to a corporation under section 8 of the federal Act ***	340		
Accounting gain on transfer of property to/from a partnership under sec of the federal Act ****	ction 85 or 97		
Accounting gain on disposition of property under subsection 13(4),			
Accounting gain on a windup under subsection 88(1) of the federal Act or an amalgamation under section 87 of the federal Act			
Other deductions (see note below):			
Share of adjusted net loss of partnerships and joint ventures $^{\star\star}$	328		
Tax payable on dividends under subsection 191.1(1) of the federal Act Interest deducted/deductible under paragraph 20(1)(c) or (d) of the federat already included in net income/loss	• • • — —		
Patronage dividends paid (from Schedule 16) not already included in ne	et income/loss 338		
381 Tax movement in reg. accounts	382	143,000	
383		1 10,000	
385			
387			
389	390		
	Subtotal	143,000	143,000 B
Adjusted net income/loss for CMT purposes (line 210 <b>plus</b> amount A <b>n</b>		490	1,314,085

If the amount on line 490 is positive and the corporation is subject to CMT as determined in Part 1, enter the amount on line 515 in Part 3.

If the amount on line 490 is negative, enter the amount on line 760 in Part 7 (enter as a positive amount).

#### Note

In accordance with Ontario Regulation 37/09, when calculating net income for CMT purposes, accounting income should be adjusted to:

- exclude unrealized gains and losses due to mark-to-market changes or foreign currency changes on specified mark-to-market property (assets only);
- include realized gains and losses on the disposition of specified mark-to-market property not already included in the accounting income, if the
  property is not a capital property or is a capital property disposed in the year or in a previous tax year ended after March 22, 2007.

These rules also apply to partnerships. A corporate partner's share of a partnership's adjusted income flows through on a proportionate basis to the corporate partner.

#### \* Rules for net income/loss

Banks must report net income/loss as per the report accepted by the Superintendent of Financial Institutions under the federal Bank Act, adjusted so consolidation and equity methods are not used.

<sup>&</sup>quot;Specified mark-to-market property" is defined in subsection 54(1) of the Ontario Act.

#### Part 2 – Calculation of adjusted net income/loss for CMT purposes (continued)

- Life insurance corporations must report net income/loss as per the report accepted by the federal Superintendent of Financial Institutions or equivalent
  provincial insurance regulator, before SAT and adjusted so consolidation and equity methods are not used. If the life insurance corporation is resident
  in Canada and carries on business in and outside of Canada, multiply the net income/loss by the ratio of the Canadian reserve liabilities divided by
  the total reserve liability. The reserve liabilities are calculated in accordance with Regulation 2405(3) of the federal Act.
- Other corporations must report net income/loss in accordance with generally accepted accounting principles, except that consolidation and equity methods must not be used. When the equity method has been used for accounting purposes, equity losses and equity income are removed from book income/loss on lines 224 and 324 respectively.
- Corporations, other than insurance corporations, should report net income from line 9999 of the GIFI (Schedule 125) on line 210.
- \*\* The share of the adjusted net income of a partnership or joint venture is calculated as if the partnership or joint venture were a corporation and the tax year of the partnership or joint venture were its fiscal period. For a corporation with an indirect interest in a partnership through one or more partnerships, determine the corporation's share according to clause 54(5)(c) of the Ontario Act.
- \*\*\* A joint election will be considered made under subsection 60(1) of the Ontario Act if there is an entry on line 342, and an election has been made for transfer of property to a corporation under subsection 85(1) of the federal Act.
- \*\*\*\* A joint election will be considered made under subsection 60(2) of the Ontario Act if there is an entry on line 344, and an election has been made under subsection 85(2) or 97(2) of the federal Act.
- \*\*\*\*\* A joint election will be considered made under subsection 61(1) of the Ontario Act if there is an entry on line 346, and an election has been made under subsection 13(4) or 14(6) and/or section 44 of the federal Act.

For more information on how to complete this part, see the T2 Corporation - Income Tax Guide.

Part 3 – CMT	payable ———					
Adjusted net income	e for CMT purposes (lir	ne 490 in Part 2, if positive)		515	1,314,085	
Minus: Adjustment		ontrol *				
Adjusted CMT loss a		· · · · · · · · · · · · · · · · · · ·			C	
Net income subject t	to CMT calculation (if n	egative, enter "0")		<u>520</u>	1,314,085	
Amount from line 520	1,314,085 ×	Number of days in the tax year before July 1, 2010 Number of days in the tax year	x	4 % =	1	
Amount from line 520	1,314,085 ×	Number of days in the tax year after June 30, 2010 Number of days in the tax year	365 x 365	2.7 % =	35,480 2	
		Subtotal (amount 1 plus amou	ınt 2)	····· <u>—</u>	35,480 3	
Gross CMT: amount	t on line 3 above x OAF	= **				35,480
Deduct:						
Foreign tax credit for CMT after foreign tax <b>Deduct:</b>						35,480 D
	come tax payable befo	re CMT credit (amount F6 from	Schedule 5)			83,067
Net CMT payable (if	negative, enter "0")					E
control. See sul	bsection 58(3) of the C	Intario Act.		, , ,	on a business before the acquisit	
		corporations as they are not el o from Part 9 of Schedule 21 or		duction. For all other o	orporations, enter the cumulative	total
** Calculation of	the Ontario allocatio	on factor (OAF):				
If the provincial or	territorial jurisdiction e	ntered on line 750 of the T2 ret	turn is "Ontario,	" enter "1" on line F.		
If the provincial or	territorial jurisdiction e	ntered on line 750 of the T2 ret	urn is "multiple,	" complete the followin	g calculation, and enter the result	on line F:
Ontario taxable		= <u></u>		<u>—</u>		
Ontario allocation	factor				<u></u>	1.00000 F
**** Enter the amou taxable income		from column F in Part 1 of Sch	nedule 5. If the ta	axable income is nil, ca	alculate the amount in column F a	s if the
*****Enter the taxab	le income amount from	n line 360 or amount 7 of the T2	return, whiche	ver applies. If the taxal	ble income is nil. enter "1.000".	

Part 4 – Calculation of CMT credit carryforward		
CMT credit carryforward at the end of the previous tax year *	G	
Deduct:         CMT credit expired *         600		
CMT credit carryforward at the beginning of the current tax year * (see note below)	▶ 620	
Add:		
CMT credit carryforward balances transferred on an amalgamation or the windup of a subsidiary (see note below	w) 650	
•		H
Deduct:  CMT gradit deducted in the current toxy year (amount P from Part F)		1
CMT credit deducted in the current tax year (amount P from Part 5)	amount H <b>minus</b> amount I)	
Add:		
Net CMT payable (amount E from Part 3)		
SAT payable (amount O from Part 6 of Schedule 512)		
Subtotal	<b>-</b>	K
CMT credit carryforward at the end of the tax year (amount J <b>plus</b> amount K)		L
* For the first harmonized T2 return filed with a tax year that includes days in 2009:		
- do not enter an amount on line G or line 600;		
- for line 620, enter the amount from line 2336 of Ontario CT23 Schedule 101, Corporate Minimum Tax	(CMT), for the last tax year that en	ided in 2008.
For other tax years, enter on line G the amount from line 670 of Schedule 510 from the previous tax year.		
Note: If you entered an amount on line 620 or line 650, complete Part 6.		
Port 5 Coloniation of OMT and it deducted from Outside community in community		
Part 5 – Calculation of CMT credit deducted from Ontario corporate income tax	x payable ———	
CMT credit available for the tax year (amount H from Part 4)		M
Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5)	83,067 1	
For a corporation that is not a life insurance corporation:		
CMT after foreign tax credit deduction (amount D from Part 3) 2		
For a life insurance corporation:		
Gross CMT (line 540 from Part 3)		
Gross SAT (line 460 from Part 6 of Schedule 512)		
The <b>greater</b> of amounts 3 and 4		
<b>Deduct:</b> line 2 or line 5, whichever applies:	35,480 6	47.507
Subtotal (if negative, enter "0")	<u>47,587</u> ► <u> </u>	47,587 N
Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5)  Deduct:	83,067	
Total refundable tax credits excluding Ontario qualifying environmental trust tax credit		
(amount J6 minus line 450 from Schedule 5)	10,315	70.750
Subtotal (if negative, enter "0")	72,752	72,752 o
CMT credit deducted in the current tax year (least of amounts M, N, and O)		P
Enter amount P on line 418 of Schedule 5 and on line I in Part 4 of this schedule.		_
Is the corporation claiming a CMT credit earned before an acquisition of control?	<b>675</b> 1 Ye	es 2 No X
If you answered <b>yes</b> to the question at line 675, the CMT credit deducted in the current tax year may be restricted may be restricted, see subsections 53(6) and (7) of the Ontario Act.	ed. For information on how the ded	uction

## Part 6 – Analysis of CMT credit available for carryforward by year of origin -

Complete this part if:

- the tax year includes January 1, 2009; or
- the previous tax year-end is deemed to be December 31, 2008, under subsection 249(3) of the federal Act.

Year of origin	CMT credit balance *
10th previous tax year	680
9th previous tax year	681
8th previous tax year	682
7th previous tax year	683
6th previous tax year	684
5th previous tax year	685
4th previous tax year	686
3rd previous tax year	687
2nd previous tax year	688
1st previous tax year	689
Total **	

- \* CMT credit that was earned (by the corporation, predecessors of the corporation, and subsidiaries wound up into the corporation) in each of the previous 10 tax years and has not been deducted.
- \*\* Must equal the total of the amounts entered on lines 620 and 650 in Part 4.

– Part	7 – Calculation of CMT loss carryforward ————————————————————————————————————	
Deduct		
CMT los	oss expired *	_
	ss transferred on an amalgamation under section 87 of the federal Act ** (see note below)	_
CMT los	ss available (line 720 <b>plus</b> line 750)	_ R
Deduct CMT los	oss deducted against adjusted net income for the tax year (lesser of line 490 (if positive) and line C in Part 3)	
Add:	Subtotal (if negative, enter "0")	_ S
	ed net loss for CMT purposes (amount from line 490 in Part 2, if <b>negative</b> ) (enter as a positive amount)	_ _ T
_	or the first harmonized T2 return filed with a tax year that includes days in 2009:  do not enter an amount on line Q or line 700;  for line 720, enter the amount from line 2214 of Ontario CT23 Schedule 101, Corporate Minimum Tax (CMT), for the last tax year that ended in 2008.	
	or other tax years, enter the amount from line 770 of Schedule 510 from the previous tax year.	
** Do	on other tax years, enter on line Q the amount normine 770 or schedule 510 from the previous tax year.  In not include an amount from a predecessor corporation if it was controlled at any time before the amalgamation by any the other predecessor corporations.	
No	ote: If you entered an amount on line 720 or line 750, complete Part 8.	

## Part 8 – Analysis of CMT loss available for carryforward by year of origin

Complete this part if:

- the tax year includes January 1, 2009; or
- the previous tax year-end is deemed to be December 31, 2008, under subsection 249(3) of the federal Act.

Year of origin	Balance earned in a tax year ending before March 23, 2007 *	Balance earned in a tax year ending after March 22, 2007 **
10th previous tax year	810	820
9th previous tax year	811	821
8th previous tax year	812	822
7th previous tax year	813	823
6th previous tax year	814	824
5th previous tax year	815	825
4th previous tax year	816	826
3rd previous tax year	817	827
2nd previous tax year	818	828
1st previous tax year		829
Total ***		

<sup>\*</sup> Adjusted net loss for CMT purposes that was earned (by the corporation, by subsidiaries wound up into or amalgamated with the corporation before March 22, 2007, and by other predecessors of the corporation) in each of the previous 10 tax years that ended before March 23, 2007, and has not been deducted.

<sup>\*\*</sup> Adjusted net loss for CMT purposes that was earned (by the corporation and its predecessors, but not by a subsidiary predecessor) in each of the previous 20 tax years that ended after March 22, 2007, and has not been deducted.

<sup>\*\*\*</sup> The total of these two columns must equal the total of the amounts entered on lines 720 and 750.

Agence du revenu du Canada **SCHEDULE 511** 

# ONTARIO CORPORATE MINIMUM TAX – TOTAL ASSETS AND REVENUE FOR ASSOCIATED CORPORATIONS

Name of corporation	Business Number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2018-12-31

- For use by corporations to report the total assets and total revenue of all the Canadian or foreign corporations with which the filing corporation was associated at any time during the tax year. These amounts are required to determine if the filing corporation is subject to corporate minimum tax.
- Total assets and total revenue include the associated corporation's share of any partnership(s)/joint venture(s) total assets and total revenue.
- · Attach additional schedules if more space is required.
- File this schedule with the T2 Corporation Income Tax Return.

	Names of associated corporations	Business number (Canadian corporation only) (see Note 1)	Total assets* (see Note 2)	Total revenue** (see Note 2)
-	200	300	400	500
1	Corporation of the Town of Orangeville	10698 6151 RC0001	50,000,000	100,000,000
2	Corporation of the Township of East Luther Grand	NR	0	0
3	Orangeville Hydro Services Inc.	89454 8015 RC0001	0	0
4	Orangville Railway Development Corporation	86433 3166 RC0001	0	0
				550
		Total	50,000,000	100,000,000

Enter the total assets from line 450 on line 116 in Part 1 of Schedule 510, Ontario Corporate Minimum Tax. Enter the total revenue from line 550 on line 146 in Part 1 of Schedule 510.

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

Note 2: If the associated corporation does not have a tax year that ends in the filing corporation's current tax year but was associated with the filing corporation in the previous tax year of the filing corporation, enter the total revenue and total assets from the tax year of the associated corporation that ends in the previous tax year of the filing corporation.

#### \* Rules for total assets

- Report total assets in accordance with generally accepted accounting principles, adjusted so that consolidation and equity methods are not used.
- Include the associated corporation's share of the total assets of partnership(s) and joint venture(s) but exclude the recorded asset(s) for the
  investment in partnerships and joint ventures.
- Exclude unrealized gains and losses on assets that are included in net income for accounting purposes but not in income for corporate income tax purposes.

### \*\* Rules for total revenue

- Report total revenue in accordance with generally accepted accounting principles, adjusted so that consolidation and equity methods are not used.
- If the associated corporation has 2 or more tax years ending in the filing corporation's tax year, multiply the sum of the total revenue for each of those tax years by 365 and divide by the total number of days in all of those tax years.
- If the associated corporation's tax year is less than 51 weeks and is the only tax year of the associated corporation that ends in the filing corporation's tax year, multiply the associated corporation's total revenue by 365 and divide by the number of days in the associated corporation's tax year.
- Include the associated corporation's share of the total revenue of partnerships and joint ventures.
- If the partnership or joint venture has 2 or more fiscal periods ending in the associated corporation's tax year, multiply the sum of the total revenue for each of the fiscal periods by 365 and divide by the total number of days in all the fiscal periods.

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Agence du revenu du Canada

#### **CORPORATIONS INFORMATION ACT ANNUAL RETURN FOR ONTARIO CORPORATIONS**

Name of corporation	Business Number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2018-12-31

- This schedule should be completed by a corporation that is incorporated, continued, or amalgamated in Ontario and subject to the Ontario Business Corporations Act (BCA) or Ontario Corporations Act (CA), except for registered charities under the federal Income Tax Act. This completed schedule serves as a Corporations Information Act Annual Return under the Ontario Corporations Information Act.
- Complete parts 1 to 4. Complete parts 5 to 7 only to report change(s) in the information recorded on the Ontario Ministry of Government Services (MGS) public record.
- This schedule must set out the required information for the corporation as of the date of delivery of this schedule.
- A completed Ontario Corporations Information Act Annual Return must be delivered within six months after the end of the corporation's tax year-end.
   The MGS considers this return to be delivered on the date that it is filed with the Canada Revenue Agency (CRA) together with the corporation's income tax return.

It is the corporation's responsibility to ensure that the information for the corporation on the public record maintained by information.			
This schedule contains non-tax information collected under MGS for the purposes of recording the information on the p		s <i>Information Act</i> . This info	rmation will be sent to the
Part 1 – Identification ——————			
Corporation's name (exactly as shown on the MGS put	olic record)		
Orangeville Hydro Limited	<u></u>		
Jurisdiction incorporated, continued, or amalgamated, whichever is the most recent	Date of incorporation or amalgamation, whichever is the	Year Month Day	Ontario Corporation No.
Ontario	most recent	2009-01-01	1787206
Street number 400 Street name/Rural route/Lot a	nd Concession number	230 Suite number	
	nd Concession number	230 Suite number	
Additional address information if applicable (line 220 m Station A Box 400	nust be completed first)		
Municipality (e.g., city, town)		Country 280	Postal/zip code
Orangeville	ON	CA	L9W 2Z7
Rout 2 Okon no identifica			
Part 3 – Change identifier  Have there been any changes in any of the information most names, addresses for service, and the date elected/appointe senior officers, or with respect to the corporation's mailing acoublic record maintained by the MGS, obtain a Corporation F	ed and, if applicable, the date the election/ ldress or language of preference? To revi	appointment ceased of the iew the information shown	directors and five most
If there have been no changes, enter 1 in this bear 1 in this bear 1 in this box and co			- Certification."
Part 4 – Certification —————			

- Part 4	- Certification -	
I certify	that all information given in this Corporations Information Act Annu	ual Return is true, correct, and complete.
450	Tyrrell	<b>451</b> Ruth
	Lastname	First name
454	Middle name(s)	
460	Please enter one of the following numbers in this box for the knowledge of the affairs of the corporation. If you are a direct	above-named person: 1 for director, 2 for officer, or 3 for other individual having stor and officer, enter 1 or 2.
Note: S	ections 13 and 14 of the Ontario Corporations Information Act pro-	vide penalties for making false or misleading statements or omissions.



Complete the applicable parts to report changes in the information recorded on the MGS public record.

- Pa	nt 5 – Mailing address –				
500	Please enter one of the following numbers in this box:  1 - Show no mailing address on the MGS public record.  2 - The corporation's mailing address is the same as the head or registered office address in Part 2 of this schedule.				
510	3 - The corporation's complete mailing address is as follows:  Care of (if applicable)				
520	Street number 530 Street name/Rural route/Lot and Concession number 540 Suite number				
550	Additional address information if applicable (line 530 must be completed first)				
560	Municipality (e.g., city, town) 570 Province/state 580 Country 590 Postal/zip code				
– Pa	art 6 – Language of preference –				
600	Indicate your language of professing 1 for English or 2 for Eropeh. This is the language of professing a good on the MGS public				

## **ONTARIO CO-OPERATIVE EDUCATION TAX CREDIT**

Name of corporation	Business Number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2018-12-31

- Use this schedule to claim an Ontario co-operative education tax credit (CETC) under section 88 of the Taxation Act, 2007 (Ontario).
- The CETC is a refundable tax credit that is equal to an eligible percentage (10% to 30%) of the eligible expenditures incurred by a corporation for
  a qualifying work placement. The maximum credit amount is \$1,000 for each qualifying work placement ending before March 27, 2009, and \$3,000
  for each qualifying work placement beginning after March 26, 2009. For a qualifying work placement that straddles March 26, 2009, the maximum
  credit amount is prorated.
- Eligible expenditures are salaries and wages (including taxable benefits) paid or payable to a student in a qualifying work placement, or fees paid or payable to an employment agency for services performed by the student in a qualifying work placement. These expenditures must be paid on account of employment or services, as applicable, at a permanent establishment of the corporation in Ontario. Expenditures for a work placement (WP) are not eligible expenditures if they are greater than the amounts that would be paid to an arm's length employee.
- A WP must meet all of the following conditions to be a qualifying work placement:
  - the student performs employment duties for a corporation under a qualifying co-operative education program (QCEP);
  - the WP has been developed or approved by an eligible educational institution as a suitable learning situation;
  - the terms of the WP require the student to engage in productive work;
  - the WP is for a period of at least 10 consecutive weeks or, in the case of an internship program, not less than 8 consecutive months and not more than 16 consecutive months;
  - the student is paid for the work performed in the WP;
  - the corporation is required to supervise and evaluate the job performance of the student in the WP;
  - the institution monitors the student's performance in the WP; and
  - the institution has certified the WP as a qualifying work placement.
- Make sure you keep a copy of the letter of certification from the Ontario eligible educational institution containing the name of the student, the employer, the institution, the term of the WP, and the name/discipline of the QCEP to support the claim. Do not submit the letter of certification with the T2 Corporation Income Tax Return.
- File this schedule with the T2 Corporation Income Tax Return.

110 Name of person to contact for more information	120 Telephone number including area code
Suzanne Presseault	(519) 942-8000
Is the claim filed for a CETC earned through a partnership?*	
If you answered <b>yes</b> to the question at line 150, what is the name of the partnership?	
Enter the percentage of the partnership's CETC allocated to the corporation	
* When a corporate member of a partnership is claiming an amount for eligible expenditures partnership as if the partnership were a corporation. Each corporate partner, other than a lathe partner's share of the partnership's CETC. The allocated amounts can not exceed the	limited partner, should file a separate Schedule 550 to claim

Part 2 – Eligibility ————————————————————————————————————					
Did the corporation have a permanent establishment in Ontario in the tax year?	1 Yes X	2 No			
2. Was the corporation exempt from tax under Part III of the <i>Taxation Act</i> , 2007 (Ontario)?					
	1 103	2110			
If you answered <b>no</b> to question 1 or <b>yes</b> to question 2, then the corporation is <b>not eligible</b> for the CETC.					



Part 3 – Eligible percentage for determining the eligit	ble amount
---	------------

Corporation's salaries and wages paid in the previous tax year \*

300

900,000

For eligible expenditures incurred before March 27, 2009:

- If line 300 is \$400,000 or less, enter 15% on line 310.
- If line 300 is \$600,000 or more, enter 10% on line 310.
- If line 300 is more than \$400,000 and less than \$600,000, enter the percentage on line 310 using the following formula:

#### Eligible percentage for determining the eligible amount

310

10.000 %

For eligible expenditures incurred after March 26, 2009:

- If line 300 is \$400,000 or less, enter 30% on line 312.
- If line 300 is \$600,000 or more, enter 25% on line 312.
- If line 300 is more than \$400,000 and less than \$600,000, enter the percentage on line 312 using the following formula:

#### Eligible percentage for determining the eligible amount

312

25.000 %

\* If this is the first tax year of an amalgamated corporation and subsection 88(9) of the *Taxation Act*, 2007 (Ontario) applies, enter the salaries and wages paid in the previous tax year by the predecessor corporations.

#### Part 4 – Calculation of the Ontario co-operative education tax credit

Complete a separate entry for each student for each qualifying work placement that ended in the corporation's tax year. If a qualifying work placement would otherwise exceed four consecutive months, divide the WP into periods of four consecutive months and enter each full period of four consecutive months as a separate WP. If the WP does not divide equally into four-month periods and if the period that is less than 4 months is 10 or more consecutive weeks, then enter that period as a separate WP. If that period is less than 10 consecutive weeks, then include it with the WP for the last period of 4 consecutive months. Consecutive WPs with two or more associated corporations are deemed to be with only one corporation, as designated by the corporations.

	A  Name of university, college, or other eligible educational institution  400	B  Name of qualifying  co-operative education program  405
1.	Conestoga College	Powerline Technician
2.	Conestoga College	Powerline Technician
3.		

C Name of student	Start date of WP (see note 1 below)	E End date of WP (see note 2 below)	
410	430	435	
1. Brendyn Parish	2018-01-02	2018-05-12	
2. Noah Conway	2018-05-14	2018-08-31	

Note 1: When the WP has been divided into separate periods because it exceeds four consecutive months, enter the start date for the separate WP.

Note 2: When the WP has been divided into separate periods because it exceeds four consecutive months, enter the end date for the separate WP.

## Part 4 - Calculation of the Ontario co-operative education tax credit (continued) -

	F1 Eligible expenditures before March 27, 2009 (see note 1 below)	Eligible percentage before March 27, 2009 (from line 310 in Part 3)	F2 Eligible expenditures after March 26, 2009 (see note 1 below)	Eligible percentage after March 26, 2009 (from line 310a in Part 3)	X Number of consecutive weeks of the WP completed by the student before March 27, 2009 (see note 3 below)	Y Total number of consecutive weeks of the student's WP (see note 3 below)
1.		10.000 %	17,865	25.000 %		18
2.		10.000 %	12,383	25.000 %		16
3.		10.000 %	<u>-</u>	25.000 %		

	G Eligible amount (eligible expenditures multiplied by eligible percentage) (see note 2 below)	H Maximum CETC per WP (see note 3 below)	per WP expenditures		K CETC for each WP (column I or column J)	
	460	462	470	480	490	
1.	4,466	3,000	3,000		3,000	
2.	3,096	3,000	3,000		3,000	
3.						

% =

Ontario co-operative education tax credit (total of amounts in column K) 500 6,000 L

or, if the corporation answered yes at line 150 in Part 1, determine the partner's share of amount L: x percentage on line 170 in Part 1

Enter amount L or M, whichever applies, on line 452 of Schedule 5, Tax Calculation Supplementary - Corporations. If you are filing more than one Schedule 550, add the amounts from line L or M, whichever applies, on all the schedules and enter the total amount on line 452 of Schedule 5.

- Note 1: Reduce eligible expenditures by all government assistance, as defined under subsection 88(21) of the Taxation Act, 2007 (Ontario), that the corporation has received, is entitled to receive, or may reasonably expect to receive, for the eligible expenditures, on or before the filing due date of the T2 Corporation Income Tax Return for the tax year.
- Note 2: Calculate the eligible amount (Column G) using the following formula:

Column G = (column F1 x percentage on line 310) + (column F2 x percentage on line 312)

Note 3: If the WP ends before March 27, 2009, the maximum credit amount for the WP is \$1,000.

If the WP begins after March 26, 2009, the maximum credit amount for the WP is \$3,000.

If the WP begins before March 27, 2009, and ends after March 26, 2009, calculate the maximum credit amount using the following formula:

 $(\$1,000 \times X/Y) + [\$3,000 \times (Y - X)/Y]$ 

where "X" is the number of consecutive weeks of the WP completed by the student before March 27, 2009, and "Y" is the total number of consecutive weeks of the student's WP.

Note 4: When claiming a CETC for repayment of government assistance, complete a separate entry for each repayment and complete columns A to E and J and K with the details for the previous year WP in which the government assistance was received. Include the amount of government assistance repaid in the tax year multiplied by the eligible percentage for the tax year in which the government assistance was received, to the extent that the government assistance reduced the CETC in that tax year.

М



Agence du revenu du Canada

## **Ontario Apprenticeship Training Tax Credit**

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2018-12-31

- Use this schedule to claim an Ontario apprenticeship training tax credit (ATTC) under section 89 of the Taxation Act, 2007 (Ontario).
- The ATTC is a refundable tax credit that is equal to a specified percentage (25% to 45%) of the eligible expenditures incurred by a corporation for a qualifying apprenticeship. For eligible expenditures incurred after March 26, 2009 for an apprenticeship program that began before April 24, 2015, the maximum credit for each qualifying apprenticeship is \$10,000 per year to a maximum credit of \$40,000 over the first 48-month period of the qualifying apprenticeship. For an apprenticeship program that began after April 23, 2015, the maximum credit for each qualifying apprenticeship is \$5,000 per year to a maximum credit of \$15,000 over the first 36-month period of the qualifying apprenticeship.
- Eligible expenditures are salaries and wages (including taxable benefits) paid to an apprentice in a qualifying apprenticeship or fees paid to an employment agency for the provision of services performed by the apprentice in a qualifying apprenticeship. These expenditures must be:
  - paid on account of employment or services, as applicable, at a permanent establishment of the corporation in Ontario;
  - for services provided by the apprentice during the first 48 months of the apprenticeship program, if an apprenticeship program began before April 24, 2015; and
  - for services provided by the apprentice during the first 36 months of the apprenticeship program, if an apprenticeship program began after April 23, 2015.
- An expenditure is not eligible for an ATTC if:
  - the same expenditure was used, or will be used, to claim a co-operative education tax credit; or
  - it is more than an amount that would be paid to an arm's length apprentice.
- An apprenticeship must meet the following conditions to be a qualifying apprenticeship:

2. Was the corporation exempt from tax under Part III of the Taxation Act, 2007 (Ontario)?

If you answered **no** to question 1 or **yes** to question 2, then you are **not eligible** for the ATTC.

- the apprenticeship is in a qualifying skilled trade approved by the Ministry of Training, Colleges and Universities (Ontario) or a person designated by him or her; and
- the corporation and the apprentice must be participating in an apprenticeship program in which the training agreement has been
  registered under the Ontario College of Trades and Apprenticeship Act, 2009, or the Apprenticeship and Certification Act, 1998, or in
  which the contract of apprenticeship has been registered under the Trades Qualification and Apprenticeship Act.
- Do not submit the training agreement or contract of apprenticeship with your T2 Corporation Income Tax Return. Keep a copy of the training agreement or contract of apprenticeship to support your claim.
- File this schedule with your T2 Corporation Income Tax Return.

Part 1 – Corporate Information ————————————————————————————————————			
110 Name of person to contact for more information	120	Telephone nu	mber
Suzanne Presseault		(519) 942	-8000
Is the claim filed for an ATTC earned through a partnership? *	150	1 Yes	2 No <b>X</b>
If you answered <b>yes</b> to the question at line 150, what is the name of the partnership? . <b>160</b>			
Enter the percentage of the partnership's ATTC allocated to the corporation	170		%_
* When a corporate member of a partnership is claiming an amount for eligible expenditures incurred by a partnership, complete a Sci partnership as if the partnership were a corporation. Each corporate partner, other than a limited partner, should file a separate Sche the partner's share of the partnership's ATTC. The total of the partners' allocated amounts can never exceed the amount of the partner	edule 55	2 to claim	
- Part 2 - Eligibility			
1. Did the corporation have a permanent establishment in Ontario in the tax year?	200	1 Yes X	2 No



Part 3 – Specified	percentage
--------------------	------------

**300** 900,000

25.000 %

For eligible expenditures incurred after March 26, 2009 for an apprenticeship program that began before April 24, 2015:

- If line 300 is \$400,000 or less, enter 45% on line 312.
- If line 300 is \$600,000 or more, enter 35% on line 312.
- If line 300 is more than \$400,000 and less than \$600,000, enter the percentage on line 312 using the following formula:

 Specified percentage
 35.000 %

For eligible expenditures incurred for an apprenticeship program that began after April 23, 2015:

- If line 300 is \$400,000 or less, enter 30% on line 314.
- If line 300 is \$600,000 or more, enter 25% on line 314.

Specified percentage

- If line 300 is more than \$400,000 and less than \$600,000, enter the percentage on line 314 using the following formula:

\* If this is the first tax year of an amalgamated corporation and subsection 89(6) of the *Taxation Act*, 2007 (Ontario) applies, enter salaries and wages paid in the previous tax year by the predecessor corporations.

Part 4 – Ontario apprenticeship training tax credit –

Complete a **separate entry** for each apprentice for each qualifying apprenticeship with the corporation. When claiming an ATTC for repayment of government assistance, complete a **separate entry** for each repayment, and complete columns A to G and M and N with the details for the employment period in the previous tax year in which the government assistance was received.

	A Trade code	<b>B</b> Apprenticeship program/trade name	<b>C</b> Name of apprentice
	400	405	410
1.	434a	Powerline Technician	Drew Coyle
2.	434a	Powerline Technician	Brendyn Parish
3.			

	D	E	F	G
	Original contract or training agreement number	Original registration date of apprenticeship contract or training agreement (YYYYMMDD) (see note 1)	Start date of employment as an apprentice in the tax year (YYYYMMDD) (see note 2)	End date of employment as an apprentice in the tax year (YYYYMMDD) (see note 3)
	420	425	430	435
1.	SYS045899	2014-04-09	2018-01-01	2018-09-24
2.	SYS089443	2018-09-04	2018-09-04	2018-12-31
3.				

- Note 1: Enter the original registration date of the apprenticeship contract or training agreement in all cases, even when multiple employers employed the apprentice.
- Note 2: When there are multiple employment periods as an apprentice in the tax year with the corporation, enter the date that is the first day of employment as an apprentice in the tax year with the corporation. When claiming an ATTC for repayment of government assistance, enter the start date of employment as an apprentice for the tax year in which the government assistance was received.
- Note 3: When there are multiple employment periods as an apprentice in the tax year with the corporation, enter the date that is the last day of employment as an apprentice in the tax year with the corporation. When claiming an ATTC for repayment of government assistance, enter the end date of employment as an apprentice for the tax year in which the government assistance was received.

Part 4 – Ontario apprenticeship training tax credit (continued)	Part 4 - Ontario	apprenticeship	training tax credi	(continued)
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H1  Number of days in the tax year employed as an apprentice in a qualifying apprenticeship program that began before April 24, 2015 (see note 1)		H2 Number of days in the tax year employed as an apprentice in a qualifying apprenticeship program that began after April 23, 2015 (see note 1)	l Maximum credit amount for the tax year (see note 2)	
	442	443	445	
1.	98		2,685	
2.		119	1,630	
3.				

Note 1: When there are multiple employment periods as an apprentice in the tax year with the corporation, do not include days in which the individual was not employed as an apprentice.

For H1: The days employed as an apprentice must be within 48 months of the registration date provided in column E.

For H2: The days employed as an apprentice must be within 36 months of the registration date provided in column E.

Note 2: Maximum credit =  $(\$10,000 \times H1/365^*)$  or  $(\$5,000 \times H2/365^*)$ , whichever applies.

\* 366 days, if the tax year includes February 29

	J1 Eligible expenditures incurred after March 26, 2009 for a qualifying apprenticeship program that began before April 24, 2015 (see note 3)	J2 Eligible expenditures incurred for a qualifying apprenticeship program that began after April 23, 2015 (see note 3)	K Eligible expenditures multiplied by specified percentage (see note 4)
	452	453	460
1.	93,612		32,764
2.		19,159	4,790
3.			

Note 3: Reduce eligible expenditures by all government assistance, as defined under subsection 89(19) of the *Taxation Act*, 2007 (Ontario), that the corporation has received, is entitled to receive, or may reasonably expect to receive, in respect of the eligible expenditures, on or before the filing due date of the *T2 Corporation Income Tax Return* for the tax year.

For J1: Eligible expenditures must be for services provided by the apprentice to the taxpayer during the first 48 months of the apprenticeship program, and not relating to services performed before the apprenticeship program began or after it ended.

For J2: Eligible expenditures must be for services provided by the apprentice to the taxpayer during the first 36 months of the apprenticeship program, and not relating to services performed before the apprenticeship began or after it ended.

Note 4: Calculate the amount in column K as follows:

Column K =  $(J1 \times line 312)$  or  $(J2 \times line 314)$ , whichever applies.

	L ATTC on eligible expenditures (lesser of columns I and K)	M ATTC on repayment of government assistance (see note 5)	N ATTC for each apprentice (column L or M, whichever applies)
	470	480	490
1.	2,685		2,685
2.	1,630		1,630
3.			

3.							
Onta	ario apprenticeship training tax	ccredit (total of amou	unts in column N)			500	<u>4,315</u> <b>o</b>
Or, i	f the corporation answered <b>yes</b> at	t line 150 in Part 1, de	etermine the partner's sha	re of amount (	O:		
Amo	ount O	x percentage on l	ine 170 in Part 1	<u>%</u> =		· · · · · · · · · · · · · · · · · · ·	P
	er amount O or P, whichever appli edule 552, <b>add</b> the amounts from					ns. If you are filing more than one bunt on line 454 of Schedule 5.	

Note 5: Include the amount of government assistance repaid in the tax year multiplied by the specified percentage for the tax year in which the government assistance was received, to the extent that the government assistance reduced the ATTC in that tax year. Complete a **separate entry** for each repayment of government assistance.

See the privacy notice on your return.

Orangeville Hydro Limited EB-2023-0045

Exhibit 6 - Revenue Requirement and Other Revenue

September 29, 2023

Page **38** of **41** 

# APPENDIX 6-D 2019 PILS TAX RETURN



KPMG LLP 115 King Street South 2nd Floor Waterloo ON N2J 5A3 Canada Telephone (519) 747-8800 Fax (519) 747-8811

#### PRIVATE AND CONFIDENTIAL

Mr. Rob Koekkoek President Orangeville Hydro Limited 400 C Line Station A Box 400 Orangeville ON L9W 2Z7

June 29, 2020

Dear Mr. Koekkoek:

## Subject: Orangeville Hydro Limited - Corporate Income Tax Returns

We have enclose the income tax returns of Orangeville Hydro Limited (the Company) for the year ended December 31, 2019.

- ☑ T2 Corporation Income Tax Return EXEMPT
- ☑ T183 Information Return for CorporationsFiling Electronically
  (Federal to be e-filed with CRA) Exempt
- ☑ T2 Corporations Income Tax Return (to be filed with Ministry of Finance)- PILS
- ☑ Instalment Schedule
- ✓ Client copy for your records

We have prepared these returns based on our understanding of the information provided to us by the Company and we recommend that you review the returns to ensure that all of the relevant facts are properly disclosed. When you are satisfied that the returns are in order, the returns should be completed by an authorized signing officer of the Company and filed as described below.

#### **DUE DATE OF RETURNS AND PAYMENTS**

All returns must be filed with the respective taxing authorities by September 1, 2020 if late filing penalties are to be avoided. We suggest that the returns be sent by registered mail and that the mailing receipt be kept on file in order to have evidence of the date of filing.

# T2 – T183 INFORMATION RETURN FOR CORPORATIONS FILING ELECTRONICALLY (FEDERAL-EXEMPT)

In order for us to electronically file the Companys corporate exempt income tax return, a signed copy of Form T183CORP Information Return for Corporations Filing Electronically must be returned to us. Please note that we will not electronically file the Companys corporate income tax return until we receive the signed Form T183 Corp.

The Form T183CORP Information Return for Corporations Filing Electronically includes information from your Companys income tax return and all applicable schedules (traditional federal forms).

## Signature

Form T183CORP Information Return for Corporations Filing Electronically should be completed and signed

No amount is payable for the 2019 taxation year.

#### Mailing

One copy of the signed Form T183 Corp should be returned to us in the self-addressed envelope no later than September 1, 2020 in order to have the Companys corporate income tax return filed on or before the due date for filing. Alternatively, you can fax it at (519) 747-8811.

#### T2 - CORPORATION INCOME TAX RETURN - MINISTRY OF FINANCE

#### Signature

Form T2, the certification section on page 9 should be completed and signed.

#### Refund

A refund of \$83,287 is claimed and therefore no amount is payable for the **2019** taxation year. We have requested that this refund not be applied against future instalments, but rather provided as a refund cheque.

#### Mailing

One copy of the amended corporate return and one copy of the Companys financial statements must be <u>received</u> by The Ministry of Finance, HYDRO PIL DIVISION, PO Box 620, 33 King Street West, Oshawa, ON, L1H 8E9 no later than **June 30, 2020.** 

#### **NOTICES OF ASSESSMENT**

If your Company receives a Notice of Assessment that does not agree with the returns prepared by us, please contact us so that we can determine whether any action should be taken. The Company has only 90 days (180 days in the case of Ontario) from the date of mailing of the Assessment in which to object. Failure to respond within the prescribed time limit will cause the Company to lose its right to object to the Assessment.

#### **GENERAL RATE INCOME POOL ("GRIP")**

Shareholders receiving eligible dividends as compared to non-eligible dividends, are subject to a reduced rate of income tax. Eligible dividends are paid out of the Companys GRIP balance, which at December 31, 2019 is estimated to be \$8,135,461. The supporting calculation is summarized in Schedule 53 of the federal corporate tax return.

In addition, designation of eligible dividends is required, with each shareholder recipient being formally notified in writing at time of payment.

The Company did not designate the payment of an eligible dividend for the current taxation year.

#### **INSTALMENTS**

We have prepared and enclose an estimate of tax instalments as applicable for the Company for the taxation year ending on December 31, 2020. The amounts were computed with reference to the Companys taxable income and taxes payable for prior years.

If during the year it is evident that the taxable income or taxable capital for the current year will be substantially less than for the previous taxation year, your instalments may be recalculated. Overpaid instalments may, in certain circumstances, be transferred to other accounts or applied to other liabilities such as payroll withholdings. Please call your KPMG advisor in order that we may determine what course of action should be taken.

In order to avoid interest charges, the tax authorities must receive the instalment payments no later than the date indicated on the attached schedule.

If you have any questions concerning these returns, or if we may be of any further assistance, please feel free to contact us.

Yours truly,

Tony Italiano Partner

Tony chalcomo

Enclosure



e Agence du revenu du Canada

## Information Return for Corporations Filing Electronically

- You have to complete this return for every initial and amended T2 Corporation Income Tax Return electronically filed to the Canada Revenue Agency (CRA) on your behalf.
- By completing Part 2 and signing Part 3, you acknowledge that, under the Income Tax Act, you have to keep all records used to prepare your corporation income tax return, and provide this information to us on request.
- Part 4 must be completed by either you or the electronic transmitter of your corporation income tax return.
- Give the signed original of this return to the transmitter and keep a copy in your own records for six years.
- Do not submit this form to the CRA unless we ask for it.
- · We are responsible for ensuring the confidentiality of your electronically filed tax information only after we have accepted it.

- Part 1 – Ident	ification ————			
Corporation's name			Business number	
Orangeville Hyd	ro Limited		86463 9562 R	C0002
Tax year 🕨	From Y M D 2019-01-01	To Y M D <b>2019-12-31</b>	Is this an amended return?	Yes <b>X</b> No
- Part 2 – Decla	eration —			
	amounts, if applicable, from your corpo	oration income tay return for the tay	( year noted above:	
_			<i>^</i>	249 207
	ss) for income tax purposes from Sch		<i>n</i> \\	348,297
Part I tax payable	,			• • • • • • • • • • • • • • • • • • • •
Part III surtax paya	,			
Part III.1 tax payat	( - /			
Part IV 1 tax payable	,			
Part IV.1 tax payable	,			
Part VI 1 tax payable	,		(.()	
Part VIV tox payal	,		~·····································	
Part XIV tax payab	l territorial tax payable (line 760)			• • • • • • • • • • • • • • • • • • • •
Net provincial and	ternional tax payable (line 760)	• • • • • • • • • • • • • • • • • • • •		••••
- Part 3 - Certif	fication and authorization -		<u> </u>	
		/_	Cot vous CDA moil clos	tranically delivered in
@c	RAD Sign up to	or online mail!	Get your CRA mail elec My Business Account at <b>cra</b> .	
		$\wedge$		
			anage online mail' service. I understand . The CRA will notify the corporation at	
			esumed to have been received on the	
Email address for o	online mail (optional):			
I, Koekkoek		Rob	President	,
	Last name	First name	P	osition, office, or rank
and statements, and complete. I also cert disclosed in a staten	If that the information given on the T21 tiffy that the method of calculating incoment attached to this return.	eturn and this T183 Corp informat me for this tax year is consistent w	tion T2 income tax return, including action return is, to the best of my knowled ith that of the previous tax year except	ge, correct and as specifically
	y filed in response to any errors Canad		return identified in Part 1. The transmit s authorization expires when the Ministe	
	<u> </u>			(519) 942-8000
Date (yyyy/mm/dd)	Signa	ature of an authorized signing officer o	f the corporation	Telephone number
- Part 4 - Trans	smitter identification ——			
	nitter has electronically filed the tax ref	turn of the corporation identified in	Part 1.	
KPMG LLP	sississinsan,sa tilo taktio			1829
NEPIQ LLF	Name of person or fir	·m		nic filer number
	realite of person of in		Lieotroi	

#### Privacy statement -

Personal information is collected under the *Income Tax Act* to administer tax, benefits, and related programs. It may also be used for any purpose related to the administration or enforcement of the Act such as audit, compliance and the payment of debts owed to the Crown. It may be shared or verified with other federal, provincial/territorial government institutions to the extent authorized by law. Failure to provide this information may result in interest payable, penalties or other actions. Under the *Privacy Act*, individuals have the right to access their personal information and request correction if there are errors or omissions. Refer to Info Source cra.gc.ca/gncy/tp/nfsrc/nfsrc-eng.html, personal information bank CRA PPU 047.

**Canadä** 

\*

Canada Revenue Agence du revenu du Canada

# **T2 Corporation Income Tax Return**

200

#### **EXEMPT FROM TAX**

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

All legislative references on this return are to the federal Income Tax Act and Income Tax Regulations. This return may contain changes that had not yet become law at the time of publication.

Send one completed copy of this return, including schedules and the General Index of Financial Information (GIFI), to your tax centre. You have to file the return within six months after the end of the corporation's tax year.

For more information see **<u>canada.ca/taxes</u>** or Guide T4012, T2 Corporation – Income Tax Guide.

055	Do not use this area

┌ Identification ────	
Business number (BN) 001 86463 9562 RC0002	
Corporation's name	To which tax year does this return apply?
002 Orangeville Hydro Limited	Tax year start Tax year-end
Address of head office	Year Month Day Year Month Day
Has this address changed since the last	060         2019-01-01         061         2019-12-31
time we were notified?	Has there been an acquisition of control
If yes, complete lines 011 to 018.	resulting in the application of
011 400 C Line	subsection 249(4) since the tax year start on line 060?
O12 Station A Box 400	
City Province, territory, or state	If yes, provide the date control was acquired
015 Orangeville 016 ON	
Country (other than Canada)  Postal or ZIP code	Is the date on line 061 a deemed tax year-end according to
017 CA 018 L9W 2Z7	subsection 249(3.1)? 066 Yes No X
Mailing address (if different from head office address)	
Has this address changed since the last time we were notified?	Is the corporation a professional corporation that is a member of
If <b>yes</b> , complete lines 021 to 028.	a partnership?
021 c/o	Is this the first year of filing after:
022	Incorporation?
023	Amalgamation?
City Province, territory, or state	If <b>yes</b> , complete lines 030 to 038 and attach Schedule 24.
025	Has there been a wind-up of a
Country (other than Canada)  Postal or ZIP code	subsidiary under section 88 during the
027	current tax year?
Location of books and records (if different from head office address)	If <b>yes</b> , complete and attach Schedule 24.
Has this address changed since the	Is this the final tax year before amalgamation?
last time we were notified?	before amalgamation? 076 Yes No X
If yes, complete lines 031 to 038.	Is this the final return up to dissolution?
031 400 C Line	
032 Station A Box 400	If an election was made under section 261, state the functional
City Province, territory, or state	currency used
035 Orangeville 036 ON	Is the corporation a resident of Canada? 080 Yes X No
Country (other than Canada)  Postal or ZIP code	•
037 CA 038 L9W 2Z7	If <b>no</b> , give the country of residence on line 081 and complete and attach Schedule 97.
040 Type of corporation at the end of the tax year (tick one)	081
X 1 Canadian-controlled private corporation (CCPC)	Is the non-resident corporation
	claiming an exemption under
2 Other private corporation	an income tax treaty? 082 Yes No X
3 Public corporation	If <b>yes</b> , complete and attach Schedule 91.
4 Corporation controlled by a public corporation	If the corporation is exempt from tax under section 149, tick one of
5 Other corporation	the following boxes:
(specify)	1 Exempt under paragraph 149(1)(e) or (I)
If the type of corporation changed during	2 Exempt under paragraph 149(1)(j) 3 Exempt under paragraph 149(1)(t)
the tax year, provide the effective Year Month Day	(for tax years starting before 2019)
date of the change	X 4 Exempt under other paragraphs of section 149
Do not use the	his area
095 096	898
030	080

┌ Attachments ·		
Financial statement information: Use GIFI schedules 100, 125, and 141.  Schedules – Answer the following questions. For each yes response, attach the schedule to the T2 return, unless otherwise instructed.		
y and the first	Yes	Schedule
Is the corporation related to any other corporations?	150 X	9
Is the corporation an associated CCPC?	160 X	23
Is the corporation an associated CCPC that is claiming the expenditure limit?	161	49
Does the corporation have any non-resident shareholders who own voting shares?	151	19
Has the corporation had any transactions, including section 85 transfers, with its shareholders, officers, or employees, other than transactions in the ordinary course of business? Exclude non-arm's length transactions with non-residents	162	11
If you answered <b>yes</b> to the above question, and the transaction was between corporations not dealing at arm's length,		
were all or substantially all of the assets of the transferor disposed of to the transferee?	163	44
Has the corporation paid any royalties, management fees, or other similar payments to residents of Canada?	164	14
Is the corporation claiming a deduction for payments to a type of employee benefit plan?	165	15
Is the corporation claiming a loss or deduction from a tax shelter?	166	T5004
Is the corporation a member of a partnership for which a partnership account number has been assigned?	167	T5013
Did the corporation, a foreign affiliate controlled by the corporation, or any other corporation or trust that did not deal at arm's length with the corporation have a beneficial interest in a non-resident discretionary trust (without reference to section 94)?	168	22
Did the corporation own any shares in one or more foreign affiliates in the tax year?	169	25
Has the corporation made any payments to non-residents of Canada under subsections 202(1) and/or 105(1) of the Income Tax Regulations?	170	29
Did the corporation have a total amount over CAN\$1 million of reportable transactions with non-arm's length non-residents?	171	T106
For private corporations: Does the corporation have any shareholders who own 10% or more of the corporation's common and/or preferred shares?	173 X	50
Has the corporation made payments to, or received amounts from, a retirement compensation plan arrangement during the year?	172	
Does the corporation earn income from one or more Internet web pages or websites?	180	88
Is the net income/loss shown on the financial statements different from the net income/loss for income tax purposes?	201 X	1
Has the corporation made any charitable donations; gifts of cultural or ecological property; or gifts of medicine?	202 X	2
Has the corporation received any dividends or paid any taxable dividends for purposes of the dividend refund?	203 X	3
Is the corporation claiming any type of losses?	204	4
Is the corporation claiming a provincial or territorial tax credit or does it have a permanent establishment in more than one jurisdiction?	205	5
Has the corporation realized any capital gains or incurred any capital losses during the tax year?	206	6
i) Is the corporation a CCPC and reporting a) income or loss from property (other than dividends deductible on line 320 of the T2 return), b) income from a partnership, c) income from a foreign business, d) income from a personal services business, e) income referred to in clause 125(1)(a)(i)(C) or 125(1)(a)(i)(B), f) aggregate investment income as defined in subsection 129(4), or g) an amount assigned to it under subsection 125(3.2) or 125(8); or ii) Is the corporation a member of a partnership and assigning its specified partnership business limit to a designated member under subsection 125(8)?	207	7
Does the corporation have any property that is eligible for capital cost allowance?	208 X	8
Does the corporation have any resource-related deductions?	212	12
Is the corporation claiming deductible reserves?	213	13
Is the corporation claiming a patronage dividend deduction?	216	16
Is the corporation a credit union claiming a deduction for allocations in proportion to borrowing or a provincial credit union tax reduction?	217	17
Is the corporation an investment corporation or a mutual fund corporation?	218	18
Is the corporation carrying on business in Canada as a non-resident corporation?	220	20
Is the corporation claiming any federal, provincial, or territorial foreign tax credits, or any federal logging tax credits?	221	21
Does the corporation have any Canadian manufacturing and processing profits?	227	27
Is the corporation claiming an investment tax credit?	231	31
Is the corporation claiming any scientific research and experimental development (SR&ED) expenditures?	232	T661
Is the total taxable capital employed in Canada of the corporation and its related corporations over \$10,000,000?	233 X	33/34/35
Is the total taxable capital employed in Canada of the corporation and its associated corporations over \$10,000,000?	234 X	
Is the corporation subject to gross Part VI tax on capital of financial institutions?	238	38
Is the corporation claiming a Part I tax credit?	242	42
Is the corporation subject to Part IV.1 tax on dividends received on taxable preferred shares or Part VI.1 tax on dividends paid?	243	43
Is the corporation agreeing to a transfer of the liability for Part VI.1 tax?	244	45
Is the corporation subject to Part II tax for the tobacco manufacturers' surcharge?	249	46
For financial institutions: Is the corporation a member of a related group of financial institutions with one or more members subject to gross Part VI tax?	250	39
Is the corporation claiming a Canadian film or video production tax credit?	253	T1131
Is the corporation claiming a film or video production services tax credit?	254	T1177
Is the corporation subject to Part XIII.1 tax? (Show your calculations on a sheet that you identify as Schedule 92.)	255	92

Attachments (continued) Yes Schedule
Did the corporation have any foreign affiliates in the tax year?
Did the corporation own or hold specified foreign property where the total cost amount of all such property, at any time in the year, was
more than CAN\$100,000?
Did the corporation transfer or loan property to a non-resident trust?
Did the corporation receive a distribution from or was it indebted to a non-resident trust in the year?
Has the corporation entered into an agreement to allocate assistance for SR&ED carried out in Canada?
Has the corporation entered into an agreement to transfer qualified expenditures incurred in respect of SR&ED contracts?
Has the corporation entered into an agreement with other associated corporations for salary or wages of specified employees for SR&ED?
Did the corporation pay taxable dividends (other than capital gains dividends) in the tax year?
Has the corporation made an election under subsection 89(11) not to be a CCPC?  Has the corporation revoked any previous election made under subsection 89(11)?  T2002  T2002
Has the corporation revoked any previous election made under subsection 89(11)?
general rate income pool (GRIP) change in the tax year?
Did the corporation (other than a CCPC or DIC) pay eligible dividends, or did its low rate income pool (LRIP) change in the tax year? 269
┌ Additional information ──────
Did the corporation use the International Financial Reporting Standards (IFRS) when it prepared its financial statements? 270 Yes X No
Is the corporation inactive?
What is the corporation's main
revenue-generating business activity? 221122 Electric Power Distribution
Specify the principal products mined, manufactured, 284 Hydro distribution 285 100.000 %
Specify the principal products mined, manufactured, sold, constructed, or services provided, giving the 286 Hydro distribution 285 100.000 % 286 287
approximate percentage of the total revenue that each
product of tot not represented.
Did the corporation immigrate to Canada during the tax year?
Did the corporation emigrate from Canada during the tax year?
Do you want to be considered as a quarterly instalment remitter if you are eligible?
If the corporation was eligible to remit instalments on a quarterly basis for part of the tax year, provide the date the corporation ceased to be eligible
If the corporation's major business activity is construction, did you have any subcontractors during the tax year? 295 Yes No
Taxable income
Net income or (loss) for income tax purposes from Schedule 1, financial statements, or GIFI
Deduct:
Charitable donations from Schedule 2
Ecological gifts from Schedule 2
Gifts of medicine made before March 22, 2017, from Schedule 2
from Schedule 3
Part VI.1 tax deduction*
Non-capital losses of previous tax years from Schedule 4
Non-capital losses of previous tax years from Schedule 4
Non-capital losses of previous tax years from Schedule 4
Non-capital losses of previous tax years from Schedule 4
Non-capital losses of previous tax years from Schedule 4  Net capital losses of previous tax years from Schedule 4  Restricted farm losses of previous tax years from Schedule 4  Farm losses of previous tax years from Schedule 4  Limited partnership losses of previous tax years from Schedule 4  331  Limited partnership losses of previous tax years from Schedule 4  332
Non-capital losses of previous tax years from Schedule 4  Net capital losses of previous tax years from Schedule 4  Restricted farm losses of previous tax years from Schedule 4  Farm losses of previous tax years from Schedule 4  Limited partnership losses of previous tax years from Schedule 4  Taxable capital gains or taxable dividends allocated from
Non-capital losses of previous tax years from Schedule 4  Net capital losses of previous tax years from Schedule 4  Restricted farm losses of previous tax years from Schedule 4  Farm losses of previous tax years from Schedule 4  Limited partnership losses of previous tax years from Schedule 4  Taxable capital gains or taxable dividends allocated from a central credit union  331  332  333  334  335  336
Non-capital losses of previous tax years from Schedule 4  Net capital losses of previous tax years from Schedule 4  Restricted farm losses of previous tax years from Schedule 4  Farm losses of previous tax years from Schedule 4  Limited partnership losses of previous tax years from Schedule 4  Taxable capital gains or taxable dividends allocated from
Non-capital losses of previous tax years from Schedule 4  Net capital losses of previous tax years from Schedule 4  Restricted farm losses of previous tax years from Schedule 4  Farm losses of previous tax years from Schedule 4  Limited partnership losses of previous tax years from Schedule 4  Taxable capital gains or taxable dividends allocated from a central credit union  Prospector's and grubstaker's shares  Employer deduction for non-qualified securities under an employee stock options agreement  331  332  333  334  335  340  340  350  260  370  381  381  382  383  384  385  385  386  387  388  389  390  390  390  390  390  390
Non-capital losses of previous tax years from Schedule 4  Net capital losses of previous tax years from Schedule 4  Restricted farm losses of previous tax years from Schedule 4  Farm losses of previous tax years from Schedule 4  Limited partnership losses of previous tax years from Schedule 4  Limited partnership losses of previous tax years from Schedule 4  Taxable capital gains or taxable dividends allocated from a central credit union  Prospector's and grubstaker's shares  Employer deduction for non-qualified securities under an employee stock options agreement  Subtotal  A 4,900  A 4,900  B
Non-capital losses of previous tax years from Schedule 4  Net capital losses of previous tax years from Schedule 4  Restricted farm losses of previous tax years from Schedule 4  Farm losses of previous tax years from Schedule 4  Limited partnership losses of previous tax years from Schedule 4  Taxable capital gains or taxable dividends allocated from a central credit union  Prospector's and grubstaker's shares  Employer deduction for non-qualified securities under an employee stock options agreement  Subtotal 4,900  Subtotal (amount A minus amount B) (if negative, enter "0")  343,397 C
Non-capital losses of previous tax years from Schedule 4  Net capital losses of previous tax years from Schedule 4  Restricted farm losses of previous tax years from Schedule 4  Farm losses of previous tax years from Schedule 4  Limited partnership losses of previous tax years from Schedule 4  Taxable capital gains or taxable dividends allocated from a central credit union  Prospector's and grubstaker's shares  Employer deduction for non-qualified securities under an employee stock options agreement  Subtotal 4,900  Subtotal 4,900  Subtotal (amount A minus amount B) (if negative, enter "0")  343,397 C  Section 110.5 additions or subparagraph 115(1)(a)(vii) additions
Non-capital losses of previous tax years from Schedule 4  Net capital losses of previous tax years from Schedule 4  Restricted farm losses of previous tax years from Schedule 4  Farm losses of previous tax years from Schedule 4  Limited partnership losses of previous tax years from Schedule 4  Taxable capital gains or taxable dividends allocated from a central credit union  Prospector's and grubstaker's shares  Employer deduction for non-qualified securities under an employee stock options agreement  Subtotal  Subtotal  Subtotal  4,900  4,900  4,900  B  Subtotal (amount A minus amount B) (if negative, enter "0")  343,397  C  Section 110.5 additions or subparagraph 115(1)(a)(vii) additions  Taxable income (amount C plus amount D)
Non-capital losses of previous tax years from Schedule 4  Net capital losses of previous tax years from Schedule 4  Restricted farm losses of previous tax years from Schedule 4  Restricted farm losses of previous tax years from Schedule 4  Farm losses of previous tax years from Schedule 4  Limited partnership losses of previous tax years from Schedule 4  Taxable capital gains or taxable dividends allocated from a central credit union  Prospector's and grubstaker's shares  Employer deduction for non-qualified securities under an employee stock options agreement  Subtotal 4,900   Subtotal (amount A minus amount B) (if negative, enter "0") 343,397 C  Section 110.5 additions or subparagraph 115(1)(a)(vii) additions  Taxable income (amount C plus amount D)  Income exempt under paragraph 149(1)(t) (for tax years starting before 2019)
Non-capital losses of previous tax years from Schedule 4  Net capital losses of previous tax years from Schedule 4  Restricted farm losses of previous tax years from Schedule 4  Restricted farm losses of previous tax years from Schedule 4  Limited partnership losses of previous tax years from Schedule 4  Limited partnership losses of previous tax years from Schedule 4  Taxable capital gains or taxable dividends allocated from a central credit union  Prospector's and grubstaker's shares  Employer deduction for non-qualified securities under an employee stock options agreement  Subtotal 4,900  Subtotal 4,900  Subtotal 4,900  Taxable income (amount C plus amount D)  Income exempt under paragraph 149(1)(t) (for tax years starting before 2019)  Taxable income for a corporation with exempt income under paragraph 149(1)(t) (line 360 minus line 370)
Non-capital losses of previous tax years from Schedule 4  Net capital losses of previous tax years from Schedule 4  Restricted farm losses of previous tax years from Schedule 4  Restricted farm losses of previous tax years from Schedule 4  Farm losses of previous tax years from Schedule 4  Limited partnership losses of previous tax years from Schedule 4  Taxable capital gains or taxable dividends allocated from a central credit union  Prospector's and grubstaker's shares  Employer deduction for non-qualified securities under an employee stock options agreement  Subtotal 4,900   Subtotal (amount A minus amount B) (if negative, enter "0")  Section 110.5 additions or subparagraph 115(1)(a)(vii) additions  Taxable income (amount C plus amount D)  Income exempt under paragraph 149(1)(t) (for tax years starting before 2019)

- Small business deduction			
Income eligible for the small business deduction from Schedule 7		400	348,297 A
Taxable income from line 360 on page 3, <b>minus</b> 100/28 ( 3.57143 ) of the amount on line <b>minus</b> 4 times the amount on line 636** on page 8, and <b>minus</b> any amount that, becaus federal law, is exempt from Part I tax  Business limit (see notes 1 and 2 below)	se of	405	B
Notes:			
<ol> <li>For CCPCs that are not associated, enter \$ 500,000 on line 410. However, if the cor weeks, prorate this amount by the number of days in the tax year divided by 365, and e</li> </ol>			
2. For associated CCPCs, use Schedule 23 to calculate the amount to be entered on line 4	410.		
Business limit reduction  Taxable capital business limit reduction			
Amount C	_=		E
Passive income business limit reduction			
Adjusted aggregate investment income from Schedule 7**** . 417	50,000	) =	F
Amount C X Amount F	_ =		G
Subtotal	I (the greater of amount E and amount	t G) <b>422</b>	н
Reduced business limit for tax years starting before 2019 (amount C minus amount E) (if reduced business limit for tax years starting after 2018 (amount C minus amount H) (if ne Business limit the CCPC assigns under subsection 125(3.2) (from line 515 on page 5)  Reduced business limit after assignment for tax years starting before 2019 (amount	gative enter "0")	425 426  427	J   K   L
Reduced business limit after assignment for tax years starting after 2018 (amount J	minus amount K)	428	M
Small business deduction			
Tax years starting before 2019			
Amount A, B, C, or L, whichever is the least  Number of days in the tax before January 1, 201	<u>8                                    </u>	7.5 % =	1
Amount A, B, C, or L, whichever is the least  Number of days in the tax ye  X December 31, 2017, and before Ja	ear after nuary 1, 2019 x	18 % =	2
Amount A, B, C, or L, whichever is the least  Number of days in the tax ye  X  December 31, 2018	ear after365_ ×	19 % =	3
Number of days in the tax  Tax years starting after 2018	year 365		
,	x	19 % =	4
Small business deduction (total of amounts 1 to 4)  Enter amount N at amount J on page 8.		430	N
* Calculate the amount of foreign non-business income tax credit deductible on line 63	32 without reference to the refundable	tax on the CCPC's	S

- investment income (line 604) and without reference to the corporate tax reductions under section 123.4.
- Calculate the amount of foreign business income tax credit deductible on line 636 without reference to the corporation tax reductions under section 123.4.

#### \*\*\* Large corporations

- If the corporation is not associated with any corporations in both the current and previous tax years, the amount to be entered on line 415 is: (total taxable capital employed in Canada for the **prior** year **minus** \$10,000,000) x 0.225%.
- If the corporation is not associated with any corporations in the current tax year, but was associated in the previous tax year, the amount to be entered on line 415 is: (total taxable capital employed in Canada for the current year minus \$10,000,000) x 0.225%.
- For corporations associated in the current tax year, see Schedule 23 for the special rules that apply.
- \*\*\*\* Enter the total adjusted aggregate investment income of the corporation and all associated corporations. Each corporation with such income has to file a Schedule 7, which includes a line 744 and a line 745. For the first tax year starting after 2018, use the total of lines 744. Otherwise, use the total of lines 745 of the preceding tax year.

	business deduction (continued)			
Specifie	d corporate income and assignment under subsectio	n 125(3.2)		
	O1  Name of corporation receiving the income and assigned amount	O Business number of the corporation receiving the assigned amount	P Income paid under clause 125(1)(a)(i)(B) to the corporation identified in column O <sup>3</sup>	Q Business limit assigned to corporation identified in column O <sup>4</sup>
		490	500	505
1.				
		Т	otal <b>510</b>	otal <b>515</b>
Notes:	amount is [as defined in subsection 125(7) specified corp		al af all announts and a fault by the	
busin (A) at share (B) it prope (I) p	ess of the corporation for the year from the provision of se any time in the year, the corporation (or one of its shareho holders) holds a direct or indirect interest in the private co is not the case that all or substantially all of the corporation	ervices or property to a private olders) or a person who does reporation, and 's income for the year from a corporation deals at arm's le	e corporation (directly or indirectly, in the not deal at arm's length with the co an active business is from the provise ength, or	n any manner whatever) if rporation (or one of its sion of services or
4. The a incom	imount of the business limit you assign to a CCPC cannot ne referred to in column P in respect of that CCPC and B int of income referred to in clauses 125(1)(a)(i)(A) or (B) for years starting after 2018).	s the portion of the amount o	described in A that is deductible by y	ou in respect of the
	ral tax reduction for Canadian-controlled	•		
	n-controlled private corporations throughout the tax	•		
	ncome from page 3 (line 360 or amount Z, whichever appl	,	()	· · · · ·
				B
	13K from Part 13 of Schedule 27		432	_ C
Amount f	services business income from line 400, 405, 410, or 427 (428 instead of 427 for tax 4, whichever is the least			D E
	e investment income from line 440 on page 6*			 F
55 5	1 3			
		Subtotal (add amo	ounts B to F)	<b>_</b>
Amount A	A <b>minus</b> amount G (if negative, enter "0")			
	tax reduction for Canadian-controlled private corpor	Alana Anasınt II millini	ad by 12.0/	
	ount I on line 638 on page 8.	ations – Amount in multiple	<b>ed</b> by 13 %	· · · · · · <u> </u>
* Ехсер	t for a corporation that is, throughout the year, a cooperati	ve corporation (within the me	eaning assigned by subsection 136(2	2)) or a credit union.
0		Y .		
Do not c	ral tax reduction  omplete this area if you are a Canadian-controlled pr I fund corporation, or any corporation with taxable in	ivate corporation, an inve-	stment corporation, a mortgage in the corporation tax rate of 38%.	nvestment corporation,
Taxable i	ncome from page 3 (line 360 or amount Z, whichever appl	ies)		
Lesser of	f amounts 9B and 9H from Part 9 of Schedule 27			K
			434	
			unts K to M)	
			·	
Amount .	J <b>minus</b> amount N (if negative, enter "0")			
General	tax reduction – Amount O multiplied by 13 %			
	ount P on line 639 on page 8.			

Refundable portion of Part I tax				
Canadian-controlled private corporations throughout the tax	year			
Aggregate investment income from Schedule 7	_ × 30 2 / 3 %	=		A
Foreign non-business income tax credit from line 632 on page 8		В		
Foreign investment income from Schedule 7	v o % =			
	x 8 % =			5
Subtotal (amount B <b>minus</b> amount C) (if no				D
( 3 ,			· · · · · · · · · · · · · · · · · · ·	
Taxable income from line 360 on page 3	· · · · · · · · · · · · · · · · · · ·	343,397 F		
Amount from line 400, 405, 410, or 427 (428 instead of 427 for tax years starting after 2018) on page 4, whichever is the least	G			
Foreign non- business income tax credit from line 632 on				
page 8 x 75 / 29 =	H			
Foreign business income tax credit from line 636				
on page 8 x 4 =	I			
Subtotal ( <b>add</b> amounts G to I)	<b>&gt;</b> _			
Subtotal (amount F minus amount J) (if ne	egative, enter "0")	343,397 K × 30	2 / 3 % =	105,308 L
Part I tax payable minus investment tax credit refund (line 700 minus	<b>us</b> line 780 from page 9)		<u></u>	N
Refundable portion of Part I tax - Amount E, L, or M, whichever	is the least /.	<del></del>	450	N
Refundable dividend tax on hand (for tax years	s starting before 2	2019)		
Refundable dividend tax on hand at the end of the previous tax year	-	460		
Dividend refund for the previous tax year		465		
	Subtotal (line 460	minus line 465)	<b>&gt;</b>	0
Refundable portion of Part I tax from line 450 above			P	
Total Part IV tax payable from Schedule 3			Q	
Net refundable dividend tax on hand transferred on an amalgamatic of a subsidiary		480		
,		Q <b>plus</b> line 480)	<u> </u> ▶ <u> </u>	R
	\ \\ \\ \\ \\ \\ \\ \\ \\ \\ \\ \\ \\ \	,	485	
Refundable dividend tax on hand at the end of the tax year	Amount O plus amount	K	405	
- Dividend refund (for tax years starting before 2	2019) ———			
Private and subject corporations at the time taxable dividend	, •	/ear		
Taxable dividends paid in the tax year from line 460 on page 3 of		x 38	1 / 3 % =	S
Refundable dividend tax on hand at the end of the tax year from li	ine 485 above		· · · · · · · · · · · · · · · · · · ·	T
<b>Dividend refund</b> – Amount S or T, whichever is less Enter amount LL on line 784 on page 9			····· <u>—</u>	U

Refundable dividend tax on hand (for tax years starting after 2018)  Refundable dividend tax on hand (RDTOH) at the end of the previous tax year
Dividend refund for the previous tax year
·
Subtotal (line 460 <b>minus</b> line 465 <b>plus</b> line 480) A
General rate income pool (GRIP) at the end of the previous tax year (from line 100 of schedule 53)
Total eligible dividends paid in the previous tax year (from line 300 of schedule 53)
Total excessive eligible dividend designation in the previous tax year (from line 310 of Schedule 53) D
Subtotal (amount C <b>minus</b> amount D) (if negative, enter "0") ▶ E
Net GRIP at the end of the previous tax year (amount B <b>minus</b> amount E) (if negative, enter "0")
(total of lines 230 and 240 of schedule 53)
Subtotal (amount F <b>plus</b> amount G) ▶
Amount H <b>multiplied</b> by 38 1 / 3 %
Eligible refundable dividend tax on hand (ERDTOH) at the end of the previous tax year (for the first tax year starting after 2018,
amount A or I, whichever is less, otherwise, use line 530 of the preceding tax year)
Non-eligible refundable dividend tax on hand (NERDTOH) at the end of the previous tax year (for the first tax year starting after
2018, amount A <b>minus</b> amount I, otherwise, use line 545 of the preceding tax year) (if negative, enter "0")
Part IV tax payable on taxable dividends from connected corporations (amount 2G from Schedule 3) L
Part IV tax payable on eligible dividends from non-connected corporations (amount 2J from Schedule 3)
Subtotal (amount L <b>plus</b> amount M)
Net ERDTOH transferred on an amalgamation or the wind-up of a subsidiary
ERDTOH dividend refund for the previous tax year
Refundable portion of Part I tax (from line 450 on page 6)
Part IV tax before deductions (amount 2A from Schedule 3)
Part IV tax allocated to ERDTOH (amount N)
Part IV tax reduction due to Part IV.1 tax payable (amount 4D of Schedule 43)
Subtotal (amount R minus total of amounts S and T) U
Net NERDTOH transferred on an amalgamation or the wind-up of a subsidiary /
NERDTOH dividend refund for the previous tax year
38 1/3% of the total losses applied against Part IV tax (amount 2D from Schedule 3)
Part IV tax payable allocated to NERDTOH, net of losses claimed (amount U minus amount X) (if negative enter "0") Y
NERDTOH at the end of the tax year* (total of amounts K, Q, V, and Y minus amount W) (if negative, enter "0")  Part IV tax payable allocated to ERDTOH, net of losses claimed (amount N minus the amount, if any, by which amount X
exceeds amount U) (if negative, enter "0")
ERDTOH at the end of the tax year* (total of amounts J, O, and Z minus amount P) (if negative, enter "0")
* For more information, consult the Help (F1).
- Dividend refund (for tax years starting after 2018) ————————————————————————————————————
38 1/3% of total eligible dividends paid in the tax year (amount 3A from Schedule 3)
ERDTOH balance at the end of the tax year (line 530)
Eligible dividend refund (amount AA or BB, whichever is less)
38 1/3% of total non-eligible taxable dividends paid in the tax year (amount 3B from Schedule 3)
NERDTOH balance at the end of the tax year (line 545)
Non-eligible dividend refund (amount DD or EE, whichever is less)
Amount DD <b>minus</b> amount EE (if negative, enter "0")
Amount BB <b>minus</b> amount CC (if negative, enter "0")
Additional non-eligible dividend refund (amount GG or HH, whichever is less)
Dividend refund* – Amount CC plus amount FF plus amount II
Enter amount JJ on line 784 on page 9.
* For more information, consult the Help (F1).

- Part I tax	$\neg$
Base amount Part I tax – Taxable income from page 3 (line 360 or amount Z, whichever applies) multiplied by 38 %	A
Additional tax on personal services business income (section 123.5)	
Taxable income from a personal services business	в
Recapture of investment tax credit from Schedule 31	С
Calculation for the refundable tax on the Canadian-controlled private corporation's (CCPC) investment income (if it was a CCPC throughout the tax year)	
Aggregate investment income from line 440 on page 6	
Taxable income from line 360 on page 3	
Deduct:	
Amount from line 400, 405, 410, or 427 (428 instead of 427 for tax years	
starting after 2018) on page 4, whichever is the least F  Net amount (amount E <b>minus</b> amount F) 343,397   343,397   343,397   343,397   G	
Net amount (amount E <b>minus</b> amount F) <b>343,397</b> ▶ <b>343,397</b> G	
Refundable tax on CCPC's investment income – 10 2 / 3 % of whichever is less: amount D or amount G	н
Subtotal ( <b>add</b> amounts A, B, C, and H)	.
Cubicial (usu almounto 1, 5, 0, and 11)	۱
Deduct:	
Small business deduction from line 430 on page 4	
Federal tax abatement	
Manufacturing and processing profits deduction from Schedule 27	
Investment corporation deduction	
Taxed capital gains 624	
Federal foreign non-business income tax credit from Schedule 21	
Federal foreign business income tax credit from Schedule 21	
General tax reduction for CCPCs from amount I on page 5	
General tax reduction from amount P on page 5	
Federal logging tax credit from Schedule 21	
Eligible Canadian bank deduction under section 125.21	
Federal qualifying environmental trust tax credit	
Investment tax credit from Schedule 31	
Subtotal	<
Part I tax payable – Amount I minus amount K	_

#### - Privacy statement -

Personal information (including the SIN) is collected for the purposes of the administration or enforcement of the Income Tax Act and related programs and activities such as administering tax and benefits, audit, compliance, and collection. Personal information may be shared for purposes of other federal acts that provide for the imposition and collection of a tax or duty. Personal information may also be shared with other federal, provincial, territorial or foreign government institutions to the extent authorized by law. Failure to provide this information may result in interest payable, penalties or other actions. Under the Privacy Act, individuals have the right to access their personal information, request correction, or file a complaint to the Privacy Commissioner of Canada regarding the handling of the individual's personal information. Perfect to Personal Information Bank CRA PPU 047 at canada.ca/cra-info-source.

Federal tax           Part I tax payable from amount L on page 8         700	
Part I tax payable from amount L on page 8	
Part II surcharge payable from Schedule 46	-
	_
Part III.1 tax payable from Schedule 55	_
Part IV tax payable from Schedule 3       712         Part IV.1 tax payable from Schedule 43       716	_
	_
	_
	_
	_
	-
Add provincial or territorial tax:  Total federal tax	-
Provincial or territorial jurisdiction	
Net provincial or territorial tax payable (except Quebec and Alberta)	
Total tax payable 770	– A
Deduct other credits:	- / `
Investment tax credit refund from Schedule 31	
Dividend refund from amount U on page 6 or JJ on page 7	
Federal capital gains refund from Schedule 18	
Federal qualifying environmental trust tax credit refund	
Canadian film or video production tax credit (Form T1131)	
Film or video production services tax credit (Form T1177)	
Canadian journalism labour tax credit from Schedule 58	
Tax withheld at source	
Total payments on which tax has been withheld	
Provincial and territorial capital gains refund from Schedule 18	
Provincial and territorial refundable tax credits from Schedule 5	
Tax instalments paid	
Total-credits 890 >	_ B
Total-credits 890 >	_ B =
Total-credits 890 > Balance (amount A minus amount B) Refund code 894 1 Refund If the result is negative, you have a refund.	- <sup>B</sup>
Refund code 894 1 Refund   Figure 1   Figure 2   Figure 2   Figure 3	_ B =
Total-credits 890 > Balance (amount A minus amount B) Refund code 894 1 Refund If the result is negative, you have a refund.	_ B =
Refund code 894 1 Refund Balance (amount A minus amount B)    Balance (amount A minus amount B)   If the result is negative, you have a refund. If the result is positive, you have a balance owing. Enter the amount on whichever line applies. Generally, we do not charge or refund a difference of \$2 or less.	_ B =
Refund code 894 1 Refund  Balance (amount A minus amount B)  If the result is negative, you have a refund.  If the result is positive, you have a balance owing.  Enter the amount on whichever line applies.  Generally, we do not charge or refund a difference of \$2 or less.  Balance (amount A minus amount B)  If the result is positive, you have a balance owing.  Enter the amount on whichever line applies.  Generally, we do not charge or refund a difference of \$2 or less.  Balance owing	_ B =
Refund code 894 1 Refund  Balance (amount A minus amount B)  If the result is negative, you have a refund.  If the result is positive, you have a balance owing.  Enter the amount on whichever line applies.  Generally, we do not charge or refund a difference of \$2 or less.  Balance owing  Start Change information  Province of \$2 or less.  Balance owing	_ B =
Refund code 894 1 Refund  Balance (amount A minus amount B)  If the result is negative, you have a refund.  If the result is positive, you have a balance owing.  Enter the amount on whichever line applies.  Generally, we do not charge or refund a difference of \$2 or less.  Balance owing  Start Change information  Branch number  Total-credits 890  Balance (amount A minus amount B)  If the result is negative, you have a refund.  If the result is positive, you have a balance owing.  Enter the amount on whichever line applies.  Generally, we do not charge or refund a difference of \$2 or less.  Balance owing  For information on how to make your payment, go to canada calasyments	_ B =
Refund code 894 1 Refund    Balance (amount A minus amount B)	_ B =
Refund code 894 1 Refund  Balance (amount A minus amount B)  If the result is negative, you have a refund.  If the result is positive, you have a balance owing.  Enter the amount on whichever line applies.  Generally, we do not charge or refund a difference of \$2 or less.  Balance owing  Balance owing  For information on how to make your payment, go to canada caloayments.	_ B =
Refund code  894 1 Refund  Direct deposit request To have the corporation's refund deposited directly into the corporation's bank account at a financial institution in Canada, or to change banking information you already gave us, complete the information below:  Start Change information  910  Branch number  Branch number  Institution number  Account number  Institution is a Canadian-controlled private corporation throughout the tax year,	_ B =
Refund code 894 1 Refund  Direct deposit request To have the corporation's refund deposited directly into the corporation's bank account at a financial institution in Canada, or to change banking information you already gave us, complete the information below:  Start Change information  Branch number  Balance owing  For information on how to make your payment, go to canada.ca/payments.	_ B =
Refund code  894 1 Refund  Direct deposit request To have the corporation's refund deposited directly into the corporation's bank account at a financial institution in Canada, or to change banking information you already gave us, complete the information below:  Start Change information  910  Branch number  Branch number  Institution number  Account number  Institution is a Canadian-controlled private corporation throughout the tax year,	_ B =
Refund code 894 1 Refund    Refund code 894 1 Refund   Balance (amount A minus amount B)   If the result is negative, you have a refund. If the result is positive, you have a balance owing. Enter the amount on whichever line applies. Generally, we do not charge or refund a difference of \$2 or less. Balance owing .    Start   Change information   Start   Change information below:   Start   Change information   Branch number   Solety For the one-month extension of the date the balance of tax is due?   Solety For MINFORMATION PROVIDED BY THE TAXPAYER.	_ B =
Refund code 894 1 Refund  Direct deposit request To have the corporation's refund deposited directly into the corporation's bank account at a financial institution in Canada, or to change banking information you already gave us, complete the information below:  Start Change information  910  Branch number  Branch number  Branch number  Branch number  Start Change information  Branch number  Br	_ B =
Refund code 394 1 Refund  Direct deposit request To have the corporation's refund deposited directly into the corporation's bank account at a financial institution in Canada, or to change banking information you already gave us, complete the information below:  Start Change information  910  Branch number  Start Change information  911  Institution number  Account number  Account number  For information on how to make your payment, go to canada.ca/payments.  If the corporation is a Canadian-controlled private corporation throughout the tax year, does it qualify for the one-month extension of the date the balance of tax is due?  PREPARED SOLELY FOR INCOME TAX PURPOSES WITHOUT AUDIT OR REVIEW FROM INFORMATION PROVIDED BY THE TAXPAYER.  Total credits  Balance (amount A minus amount B)  If the result is negative, you have a refund.  If the result is negative, you have a refund.  If the result is negative, you have a refund.  If the result is negative, you have a refund.  If the result is negative, you have a refund.  If the result is negative, you have a refund.  If the result is negative, you have a refund.  If the result is negative, you have a refund.  If the result is negative, you have a refund.  If the result is negative, you have a refund.  If the result is negative, you have a refund.  If the result is negative, you have a refund.  If the result is negative, you have a refund.  If the result is negative, you have a refund.  If the result is negative, you have a balance owing.  Enter the amount on whichever line applies.  Generally, we do not charge or refund a difference of \$2 or less.  Balance owing.  For information on how to make your payment, go to canada.ca/payments.  Balance owing.  For information on how to make your payment, go to canada.ca/payments.  Balance owing.  For information on how to make your payment, go to canada.ca/payments.  Balance owing.  For information on how to make your payment, go to canada.ca/payments.  Balance owing.  For information on how to make your payment, go to canada.ca	_ B = 
Refund code 394 1 Refund Balance (amount A minus amount B)    Refund code 394 1 Refund   Balance (amount A minus amount B)	_ B = 
Refund code 894 1 Refund Balance (amount A minus amount B)  Balance (amount A minus amount B)  If the result is negative, you have a refund. If the result is negative, you have a balance owing. Enter the amount on whichever line applies. Generally, we do not charge or refund a difference of \$2 or less.  Balance owing .  Generally, we do not charge or refund a difference of \$2 or less.  Balance owing .  Start Change information Branch number	_ B = 
Refund code 394 1 Refund Balance (amount A minus amount B)    Refund code 394 1 Refund   Balance (amount A minus amount B)	_ B = 
Refund code 894 1 Refund Refun	_ B = 
Refund code 894 1 Refund Refun	_ B = 
Refund code 394 1 Refund Balance (amount A minus amount B)    Figure 1	_ B = 
Refund code 39.4 1 Refund Balance (amount A minus amount B)    Balance (amount A minus amount B)   If the result is negative, you have a refund. If the result is negative, you have a balance owing. Enter the amount on whichever line applies. Generally, we do not charge or refund a difference of \$2 or less.   Start	_ B =
Refund code 39.4 1 Refund Balance (amount A minus amount B)    Balance (amount A minus amount B)   If the result is negative, you have a refund. If the result is negative, you have a balance owing. Enter the amount on whichever line applies. Generally, we do not charge or refund a difference of \$2 or less.   Start	_ B =
Refund code 394 1 Refund    Balance (amount A minus amount B)	_ B =
Refund code 894 1 Refund    Balance (amount A minus amount B)	B =

Agence du revenu du Canada **SCHEDULE 100** 

Form identifier 100

## **GENERAL INDEX OF FINANCIAL INFORMATION - GIFI**

Form identifier 100			
Corporation's name		Business number	Tax year end Year Month Day
Orangeville Hydro Limited		86463 9562 RC0002	2019-12-31

## **Balance sheet information**

Account	Description	GIFI	Current year	Prior year
Assets –				
	Total current assets	1599 +	8,003,172	8,006,705
	Total tangible capital assets	2008 +	25,630,183	24,460,15
	Total accumulated amortization of tangible capital assets	2009 -	4,921,972	4,035,76
	Total intangible capital assets	2178 +	542,258	474,679
	Total accumulated amortization of intangible capital assets	2179 –	315,481	279,053
	Total long-term assets	2589 +	2,719,283	2,124,583
	*Assets held in trust	2590 +		
	Total assets (mandatory field)	2599	31,657,443	30,751,30
Liabilities			7	
	Total current liabilities	3139 +	4,625,919	5,135,39
	Total long-term liabilities	3450 +	15,701,532	14,621,019
	* Subordinated debt	3460 +		
	*Amounts held in trust	3470 +		
	Total liabilities (mandatory field)	3499 = _	20,327,451	19,756,41
Sharehol	der equity —			
	Total shareholder equity (mandatory field)	3620 +	11,329,992	10,994,885
	Total liabilities and shareholder equity	3640 =	31,657,443	30,751,30
Retained	earnings			
	Retained earnings/deficit – end (mandatory field)	3849 =	2,991,878	2,656,77

<sup>\*</sup> Generic item

PREPARED SOLELY FOR INCOME TAX PURPOSES WITHOUT AUDIT OR REVIEW FROM INFORMATION PROVIDED BY THE TAXPAYER.

**SCHEDULE 125** 

# Canada Revenue Agence du revenu du Canada

## **GENERAL INDEX OF FINANCIAL INFORMATION - GIFI**

Form identifier 125	CENERAL INDEX OF FINANCIAE INFORMATION CITY			
Corporation's name		Business number	Tax year-end Year Month Day	
Orangeville Hydro Limited		86463 9562 RC0002	2019-12-31	

#### Income statement information

Description	GIFI
Operating name	0001 0002 0003 01

Account	Description	GIFI	Current year	Prior year
ncome s	tatement information —			
	Total sales of goods and services	8089 \+	34,839,317	33,936,16
	Cost of sales	8518	30,112,525	28,490,79
	Gross profit/loss	8519 =	4,726,792	5,445,36
	Cost of sales	8518 +	30,112,525	28,490,79
	Total operating expenses	9367 +	4,866,524	4,512,36
	Total expenses (mandatory field)	9368 =	34,979,049	33,003,16
	Total revenue (mandatory field)	8299 +	35,161,301	34,309,71
	Total expenses (mandatory field)	9368 –	34,979,049	33,003,16
	Net non-farming income	9369 =	182,252	1,306,550
	Total farm expenses (mandatory field)  Net farm income	9898 — 9899 = 		
	Net income/loss before taxes and extraordinary items	9970 =	182,252	1,306,550
	_ Total other comprehensive income	9998 =		
Extraordi	nary items and income (linked to Schedule 140)			
	_ Extraordinary item(s)	9975 –		
	_ Legal settlements	9976 –		
	Unrealized gains/losses	9980 +		19,50
	_ Unusual items	9985 –	-822,535	-131,02
	_ Current income taxes	9990 –	-169,755	161,71
	Future (deferred) income tax provision	9995 –	273,000	143,00
	_ Total – Other comprehensive income	9998 +		4 4 5 6 5 -
	Net income/loss after taxes and extraordinary items (mandatory field)	9999 =	901,542	1,152,37

 ${\tt PREPARED SOLELY FOR INCOME\ TAX\ PURPOSES\ WITHOUT\ AUDIT\ OR\ REVIEW\ FROM\ INFORMATION\ PROVIDED\ BY\ THE\ TAXPAYER.}$ 

Agence du revenu du Canada

## **Notes Checklist**

Corporation's name	Business number	Tax Year End Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2019-12-31

- Parts 1, 2, and 3 of this schedule must be completed from the perspective of the person (referred to in these parts as the **accountant**) who prepared or reported on the financial statements. If the person preparing the tax return is not the accountant referred to above, they must still complete Parts 1, 2, 3, and 4, as applicable.
- For more information, see Guide RC4088, General Index of Financial Information (GIFI) and T4012, T2 Corporation Income Tax Guide.
- Complete this schedule and include it with your T2 return along with the other GIFI schedules.

□ Part 1 – Information on the accountant who prepared or reported on the financial statements	
Does the accountant have a professional designation?	No 🗌
Is the accountant connected* with the corporation?	No X
Note	
If the accountant does not have a professional designation <b>or</b> is connected to the corporation, you do not have to complete Parts 2 and 3 of this schedule. However, you <b>do have</b> to complete Part 4, as applicable.	
* A person connected with a corporation can be: (i) a shareholder of the corporation who owns more than 10% of the common shares; (ii) a director, an officer, or an employee of the corporation; or (iii) a person not dealing at arm's length with the corporation:	
Part 2 – Type of involvement with the financial statements	
Choose the option that represents the highest level of involvement of the accountant:	198
Completed an auditor's report	1 X
Completed a review engagement report	2
Conducted a compilation engagement	3
□ Part 3 – Reservations	
If you selected option 1 or 2 under <b>Type of involvement with the financial statements</b> above, answer the following question:  Has the accountant expressed a reservation?  Yes	No X
Part 4 – Other information	
If you have a professional designation and are not the accountant associated with the financial statements in Part 1 above, choose one of the following options:	110
Prepared the tax return (financial statements prepared by client)	1 X
Prepared the tax return and the financial information contained therein (financial statements have not been prepared)	2
Were notes to the financial statements prepared? Yes X	No 🗌
If <b>yes</b> , complete lines 104 to 107 below:	
Are subsequent events mentioned in the notes?	No 🗌
Is re-evaluation of asset information mentioned in the notes?	No X
Is contingent liability information mentioned in the notes?	No X
Is information regarding commitments mentioned in the notes?	No
Does the corporation have investments in joint venture(s) or partnership(s)?	No X

┌ Part 4 – Other information (continued) ————				
Impairment and fair value changes				
In any of the following assets, was an amount recognized in net income result of an impairment loss in the tax year, a reversal of an impairment change in fair value during the tax year?	•	year, or a	<b>200</b> Yes	No X
If <b>yes</b> , enter the amount recognized:	In net income Increase (decrease)	In OCI Increase (decrease)		
Property, plant, and equipment		211	-	
Intangible assets		216	_	
Investment property				
Biological assets				
Financial instruments 230		231	-	
Other		236	-	
Financial instruments				
Did the corporation derecognize any financial instrument(s) during the ta	ax year (other than trade receivab	oles)?	<b>250</b> Yes	No X
Did the corporation apply hedge accounting during the tax year? .			<b>255</b> Yes	No X
Did the corporation discontinue hedge accounting during the tax year?			<b>260</b> Yes	No X
Adjustments to opening equity	/			
Was an amount included in the opening balance of retained earnings or recognize a change in accounting policy, or to adopt a new accounting s	1 3.	or, to	<b>265</b> Yes	No X
If <b>yes</b> , you have to maintain a separate reconciliation.				

## \*

Canada Revenue Agency Agence du revenu du Canada

# Net Income (Loss) for Income Tax Purposes

Schedule 1

Corporation's name	Business number	Tax year-end
		Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2019-12-31

- Use this schedule to reconcile the corporation's net income (loss) as reported on the financial statements and its net income (loss) for tax purposes. For more information, see the T2 Corporation Income Tax Guide.
- All legislative references are to the Income Tax Act.

Net income (loss) after taxes and extraordinary items from line 9999 of Schedule 125	· · · · · · · · · · · · · · · · · · ·	901,542 A
Add:		
Provision for income taxes – current	-169,755	
Provision for income taxes – deferred	273,000	
Amortization of tangible assets	981,874	
Loss on disposal of assets	38,418	
Charitable donations and gifts from Schedule 2	4,900	
Non-deductible meals and entertainment expenses	1,509	
Reserves from financial statements – balance at the end of the year	379,688	
Subtotal of additions	1,509,634	1,509,634

#### Other additions:

## Miscellaneous other additions:

		Description	Amount	\)		
		605	295			
	1	Inducement under 12(1)(x) ITA	14,071			
	2	Paragraph 12(1)(x) - Contributed capital	115,021			
	3	Paragraph 12(1)(a) - Customer Deposits	724,514			
	4	Tax grouped with change in regulatory	198,124			
		Total of column 2	1,051,730	<b>296</b>	1,051,730	
			Subtotal of other addition	s <b>199</b>	1,051,730	1,051,730 D
			Total addition	s <b>500</b>	2,561,364	2,561,364
An	noun	t A <b>plus</b> line 500				3,462,906 в

#### **Deduct:**

Deduct.				
Capital cost allowance from Schedule 8		403	1,497,657	
Reserves from financial statements – balance at the	e beginning of the year	414	359,084	
	\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\	Subtotal of deductions	1,856,741	1,856,741

## Other deductions:

## Miscellaneous other deductions:

	1	2		
	Description	Amount		
	705	395		
1	Amortization of contributed capital	94,119		
2	Deferred CGAAP Credits	51,214		
3	Subsection 13(7.4) election	115,021		
4	Paragraph 20(1)(m) - Customer Deposits	724,514		
5	Tax movement in reg account	273,000		
	Total of column 2	1,257,868	<b>396</b>	1,257,86

Subt	otal of other deductions  Total deductions  510	 1,257,868 E 3,114,609
Net income (loss) for income tax purposes (amount B minus line 510) Enter amount C on line 300 of the T2 return.		 348,297 C

T2 SCH 1 E (19) Canadä



# **Attached Schedule with Total**

	205			
Ine	395	_ A	mai	ını

Title Line 395 – Amount

#### Explanatory note

For FS presentation, grouped \$198,124 of tax expense as a reduction to regulatory movement.

Description	Operator (Note)	Amount
Movement in note 9 of FS for deferred tax balance		273,000 00
	+	
	Total	273,000 00

**Note**: The calculations are performed one at a time, from the first to the last line, and not according to the priority rules of the operations. For example, the formula 1+2\*3 will not result in the same thing as the formula 1+3\*2.

## **Inducement**

This form is used to calculate inducements that a corporation must add to its income under paragraph 12(1)(x) ITA. If an amount reduces the capital cost of a property, this amount will be indicated in Part "Tax credits whose amount should reduce the capital cost of property."

If you want to transfer an amount to Schedule 1 and include it in the corporation's income for tax purposes, select the corresponding check box in column A. You can also select the option **Select this check box to add all the amounts to income calculated in Schedule 1** to transfer all the amounts to Schedule 1. In either case, the column A check box will be selected for that amount and it will therefore be updated to Schedule 1.

#### Tax credits whose amount should be added to income

Fede	ral	
Α		
X	Investment tax credit from apprenticeship job creation expenditures	3,756
	Investment tax credit from child care spaces expenditures	
	Canadian film or video production tax credit*	
	* Please verify if the credit amount relates to depreciable property.  For more information, consult the Help (F1).	
	Film or video production services tax credit*	
	* Please verify if the credit amount relates to depreciable property.  For more information, consult the Help (F1).	
	Investment tax credit claimed on contributions made to SR&ED farming organizations	
	Canadian journalism labour tax credit	
Onta	rio	
Α		
Ш	Portion of the Ontario research and development tax credit that relates to the prescribed proxy amount (PPA) and portion of the Ontario investment tax credit that relates to contributions made to SR&ED farming organizations	
X	Ontario co-operative education tax credit	6,000
X	Ontario apprenticeship training tax credit	4,315
	Ontario computer animation and special effects tax credit*	
	* Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Ontario film and television tax credit*	
	* Please verify if the credit amount relates to depreciable property.  For more information, consult the Help (F1).	
	Ontario production services tax credit*	
	* Please verify if the credit amount relates to depreciable property.  For more information, consult the Help (F1).	
	Ontario interactive digital media tax credit*	
	* Please verify if the credit amount relates to depreciable property.  For more information, consult the Help (F1).	
	Ontario sound recording tax credit*	
	* Please verify if the credit amount relates to depreciable property.  For more information, consult the Help (F1).	
	Ontario book publishing tax credit	
X	Portion of the Ontario innovation tax credit that relates to the prescribed proxy amount (PPA) and portion of the Ontario investment tax credit that relates to contributions made to SR&ED farming organizations	
	Ontario business-research institute tax credit	
	Ontario community food program donation tax credit for farmers	

Tax credits whose amount should reduce the capital cost of property



### **Charitable Donations and Gifts**

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2019-12-31

- For use by corporations to claim any of the following:
  - the eligible amount of charitable donations to qualified donees
  - the Ontario, Nova Scotia, and British Columbia food donation tax credits for farmers
  - the eligible amount of gifts of certified cultural property
  - the eligible amount of gifts of certified ecologically sensitive land or
  - the additional deduction for gifts of medicine made before March 22, 2017
- All legislative references are to the federal Income Tax Act, unless stated otherwise.
- The eligible amount of a gift is the amount by which the fair market value of the gifted property exceeds the amount of an advantage, if any, for the gift.
- The donations and gifts can be carried forward for 5 years except for gifts of certified ecologically sensitive land made after February 10, 2014, which can be carried forward for 10 years. Provincial food donation tax credits must be applied in the current tax year.
- Use this schedule to show a transfer of unused amounts from previous years following an amalgamation or the wind-up of a subsidiary as described under subsections 87(1) and 88(1).
- Subsection 110.1(1.2) provides as follows:
  - Where a particular corporation has undergone an acquisition of control, for tax years that end on or after the acquisition of control, no corporation can claim a deduction for a gift made by the particular corporation to a qualified donee before the acquisition of control.
  - If a particular corporation makes a gift to a qualified donee pursuant to an arrangement under which both the gift and the acquisition of control is expected, no corporation can claim a deduction for the gift unless the person acquiring control of the particular corporation is the qualified donee.
- An eligible medical gift made before March 22, 2017, to a qualifying organization for activities outside of Canada may be eligible for an additional deduction. Calculate the additional deduction in Part 5.
- File this schedule with your T2 Corporation Income Tax Return.

<ul> <li>For more information, see the T2 Corporation – Income Tax Guide.</li> </ul>		
┌ Part 1 – Charitable donations —————		
Charity/Recipient	A	amount (\$100 or more only)
Various donation slips		4,900
	Subtotal	4,900
	Add: Total donations of less than \$100 each	
	Total donations in current tax year	4,900
// <	• )/	

Part 1 – Charitable donations				
	Federal		Québec	Alberta
Charitable donations at the end of the previous tax year		Α		
Charitable donations expired after 5 tax years*				
Charitable donations transferred on an amalgamation or the wind-up of a subsidiary				
Total charitable donations made in the current year	4,900		4,900	4,900
Subtotal (line 250 <b>plus</b> line 210)	4,900	В	4,900	4,900
Subtotal (line 240 <b>plus</b> amount B)	4,900	С	4,900	4,900
Adjustment for an acquisition of control				
Total charitable donations available (amount C <b>minus</b> line 255)  Amount applied in the current year against taxable income	4,900	D	4,900	4,900
(cannot be more than amount L in Part 2)	4,900		4,900	4,900
(enter this amount on line 311 of the T2 return)				_
Charitable donations closing balance (amount D <b>minus</b> line 260)		4		
The amount of qualifying donations for the Ontario community food program donation tax credit for farmers included in the amount on line 260 (for donations made after December 31, 2013)			1	
Ontario community food program donation tax credit for farmers (amount on line 262 <b>multiplied</b> by 25 %)		/ 1 <sub>//</sub>		
Enter amount 1 on line 420 of Schedule 5, Tax Calculation Supplementary – Corporation is less: the Ontario income tax otherwise payable or amount 1. For more information, see				hichever
The amount of qualifying donations for the Nova Scotia food bank tax credit for farmers included in the amount on line 260 (for donations made after December 31, 2015)				
Nova Scotia food bank tax credit for farmers (amount on line 263 <b>multiplied</b> by 25 %)		2		
Enter amount 2 on line 570 of Schedule 5, Tax Calculation Supplementary – Corporation is less: the Nova Scotia income tax otherwise payable or amount 2. For more information				hichever
The amount of qualifying gifts for the British Columbia farmers' food donation tax credit included in the amount on line 260 (for donations made after February 16, 2016 and before January 1, 2021)				
British Columbia farmers' food donation tax credit (amount on line 265 <b>multiplied</b> by 25 %)		3		
Enter amount 3 on line 683 of Schedule 5, Tax Calculation Supplementary – Corporation is less: the British Columbia income tax otherwise payable or amount 3. For more information of the control of the				
* For federal and Alberta tax purposes, donations and gifts expire after five tax years. F that ended before March 24, 2006, expire after five tax years; otherwise, donations an				ax year

Year of origin:			Federal	Québec	Alberta
1 <sup>st</sup> prior year		2018-12-31			
2 <sup>nd</sup> prior year		2017-12-31			
B <sup>rd</sup> prior year		2016-12-31			
<sup>th</sup> prior year		2015-12-31			
<sup>th</sup> prior year		2014-12-31			
6 <sup>th</sup> prior year*		2013-12-31			
<sup>7th</sup> prior year		2012-12-31		· <del>· · · · · · · · · · · · · · · · · · </del>	
B <sup>th</sup> prior year		2011-12-31			
9 <sup>th</sup> prior year		2010-12-31		<del></del>	
10 <sup>th</sup> prior year		2009-12-31			
11 <sup>th</sup> prior year					
12 <sup>th</sup> prior year					
13 <sup>th</sup> prior year					
14 <sup>th</sup> prior year					
15 <sup>th</sup> prior year					
16 <sup>th</sup> prior year					
17 <sup>th</sup> prior year				7	
18 <sup>th</sup> prior year					
19 <sup>th</sup> prior year			\textsquare \texts		
20 <sup>th</sup> prior year					
21 <sup>st</sup> prior year*				—— <i>I</i>	
Fotal (to line A)				· <del></del>	_
on line 21 <sup>st</sup> pri	gifts made in a tax year that ended before Mar or year expire automatically in the current tax y aximum allowable deduction for o	ear.		<i>ear</i> and donations and gifts that a	re included
	ax purposes <sup>Note 1</sup> <b>multiplied</b> by 75 % .		Olis		261,223
Taxable capital of under subsection The amount of	the recapture of capital cost spect of charitable donations		225 225		
Capital cost Not		G Y			
Amount F or G	, whichever is less	235			
Amount on line 2	230 or 235, whichever is less			·	
	R	Subtotal (add line	225, 227, and amount H		
				mount I <b>multiplied</b> by 25 %	264 222
		/	Subto	otal (amount E <b>plus</b> amount J)	261,223
	vable deduction for charitable donations / from Part 1, amount K, or net income for tax p	urposes, whichever is	least)		4,900
•	it unions, subsection 137(2) states that this am	•	,	<del></del>	

Note 2 This amount must be prorated by the following calculation: eligible amount of the gift divided by the proceeds of disposition of the gift.

2013-	12-51		86463 9562
Part 3 – Gifts of certified cultural property			
	Federal	Québec	Alberta
ifts of certified cultural property at the end of the previous tax year		_ M	
Gifts of certified cultural property expired after 5 tax years*			
Sifts of certified cultural property transferred on an amalgamation r the wind-up of a subsidiary			
otal gifts of certified cultural property in the current year			
include this amount on line 112 of Schedule 1)			
Subtotal (line 450 <b>plus</b> line 410) _		_ N	
Subtotal (line 440 <b>plus</b> amount N) _		_ 0	
Adjustment for an acquisition of control  Amount applied in the current year against taxable income  (enter this amount on line 313 of the T2 return)  Subtotal (line 455 plus line 460)  Gifts of certified cultural property closing balance amount O minus amount P)  480		_ P	
For federal and Alberta tax purposes, donations and gifts expire after five tax years, ended before March 24, 2006, expire after five tax years; otherwise, donations and			in a tax year that
Amount carried forward – Gifts of certified cultural property	,——		
ear of origin:	Federal	Québec	Alberta
I <sup>st</sup> prior year			
<sup>2nd</sup> prior year			
r <sup>rd</sup> prior year			
<sup>th</sup> prior year			
5 <sup>th</sup> prior year			
5 <sup>th</sup> prior year*	<u> </u>		
1 notice vect 2012_12_31			

		• '\'		
Year of origin:		Federal	Québec	Alberta
1 <sup>st</sup> prior year	 2018-12-31			
2 <sup>nd</sup> prior year	 2017-12-31			
3 <sup>rd</sup> prior year	 2016-12-31			
4 <sup>th</sup> prior year	 2015-12-31			
5 <sup>th</sup> prior year	 2014-12-31			
6 <sup>th</sup> prior year*	 2013-12-31	<u></u>		
7 <sup>th</sup> prior year	 2012-12-31	_		
8 <sup>th</sup> prior year	 2011-12-31	_		
9 <sup>th</sup> prior year	 2010-12-31	_		
10 <sup>th</sup> prior year	 2009-12-31	_		
11 <sup>th</sup> prior year		_		
12 <sup>th</sup> prior year		<u> </u>		
13 <sup>th</sup> prior year		_		
14 <sup>th</sup> prior year		_		
15 <sup>th</sup> prior year	 <del>\</del> <del>'</del> <del>'</del> <del>'</del> <del>'</del> <del>'</del>	_		
16 <sup>th</sup> prior year	 <del>\</del> \\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\	_		
17 <sup>th</sup> prior year	 <i>}/</i>	_		
18 <sup>th</sup> prior year	 <i></i>	_		
19 <sup>th</sup> prior year	 	_		
20 <sup>th</sup> prior year	 	=		
21 <sup>st</sup> prior year*	 			
Total	 	·· <u> </u>		

<sup>\*</sup> For federal and Alberta tax purposes, donations and gifts included on line 6<sup>th</sup> prior year expire automatically in the current tax year. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, that are included on line 6<sup>th</sup> prior year and donations and gifts that are included on line 21<sup>st</sup> prior year expire automatically in the current tax year.

	Federal	Québec	Alberta
ifts of certified ecologically sensitive land at the end of the previous tax year .		Q	
ifts of certified ecologically sensitive land expired after			
tax years, or after 10 tax years for gifts made after			
ebruary 10, 2014*		-	-
ifts of certified ecologically sensitive land at the beginning f the current tax year (amount Q minus line 539)			
The current tax year (amount & minus line 500)			
Gifts of certified ecologically sensitive land transferred on an			
imalgamation or the wind-up of a subsidiary			
			-
otal current-year gifts of certified ecologically sensitive land 520			
include this amount on line 112 of Schedule 1)			
Subtotal (line 550 <b>plus</b> line 520)		R	
Subtotal (line 540 <b>plus</b> amount R)			
Adjustment for an acquisition of control			
enter this amount on line 314 of the T2 return)			
Subtotal (line 555 <b>plus</b> line 560)		Τ	
Gifts of certified ecologically sensitive land closing balance		$\langle \rangle$	
amount S <b>minus</b> amount T)			
For federal and Alberta tax purposes, donations and gifts made before February 11,		ax years and gifts made after pefore March 24, 2006, expire	

┌ Amounts o	carried forward – Gifts of certified ecologically sensitive land		
Amount of carrie	ed forward gifts made on or after February 11, 2014, in the tax year including this date		
Year of origin:	Federal	Québec	Alberta
1st prior year			
2 <sup>nd</sup> prior year	2017-12-31		
3 <sup>rd</sup> prior year	2016-12-31		
4 <sup>th</sup> prior year	2015-12-31		
5 <sup>th</sup> prior year	2014-12-31		
6 <sup>th</sup> prior year*	2013-12-31		
7 <sup>th</sup> prior year	2012-12-31		
8 <sup>th</sup> prior year			
9 <sup>th</sup> prior year			
10 <sup>th</sup> prior year	2009-12-31		
11 <sup>th</sup> prior year*			
12 <sup>th</sup> prior year	······		
13 <sup>th</sup> prior year			
14 <sup>th</sup> prior year			
15 <sup>th</sup> prior year			
16 <sup>th</sup> prior year			
17 <sup>th</sup> prior year			
18 <sup>th</sup> prior year	<u></u>		
19 <sup>th</sup> prior year	<u></u>		
20 <sup>th</sup> prior year	<u></u>		
21st prior year*			
Total	· · · · · · · · · · · · · · · · · · ·		

<sup>\*</sup> For federal and Alberta tax purposes, donations and gifts made before February 11, 2014, that are included on line 6<sup>th</sup> prior year and gifts that are included on line 11<sup>th</sup> prior year expire automatically in the current year.

The field "Amount of carried forward gifts made on or after February 11, 2014, in the tax year including this date" is used to distinguish the portion of the gifts made in the tax year straddling February 11, 2014, that expires after ten tax years, from the portion that expires in the current tax year.

For Québec tax purposes, donations and gifts made during a tax year that ended before March 24, 2006, that are included on line 6<sup>th</sup> prior year and gifts that are included on line 21<sup>st</sup> prior year expire automatically in the current tax year.

Part 5 – Additional deduction for gifts of medicine			
	Federal	Québec	Alberta
dditional deduction for gifts of medicine at the end of the previous tax year	U		
ditional deduction for gifts of medicine expired after 5 tax years* 639			
diditional deduction for gifts of medicine at the beginning of the errent tax year (amount U <b>minus</b> line 639)			
dditional deduction for gifts of medicine made before March 22, 2017 ansferred on an amalgamation or the wind-up of a subsidiary 650			
ditional deduction for gifts of medicine made before March 22, 2017:			
Proceeds of disposition			
Cost of gifts of medicine made before March 22, 2017			-
Subtotal (line 602 <b>minus</b> line 601)			
Amount V <b>multiplied</b> by 50 %			
Eligible amount of gifts	···		
Additional			
deduction for gifts			
Foderal of medicine made			
before March 22,			
a x ( <u>b</u> = 2017 610 _			
C Additional	, ^\	\	
deduction for gifts		2/	
Québec of medicine made		\	
before March 22, x / b \ = 2017		//	
] - 2017			
Additional			
deduction for gifts			
Alberta of medicine made before March 22,			
x ( <u>b</u> = 2017			
	, , , , , , , , , , , , , , , , , , ,		
here:			
is the <b>lesser</b> of line 601 and amount W			
//			
is the eligible amount of gifts (line 600)			
is the proceeds of disposition (line 602)	7		
Subtotal (line 650 <b>plus</b> line 610)	x		
Subtotal (line 640 <b>plus</b> amount X)	Υ		
, ,			
djustment for an acquisition of control			
nount applied in the current year against taxable income			
nter this amount on line 315 of the T2 return)			
,	_		
Subtotal (line 655 <b>plus</b> line 660) _	Z		
additional deduction for gifts of medicine closing balance			
mount Y <b>minus</b> amount Z)			
For federal and Alberta tax purposes, donations and gifts expire after five tax years	. For Québec tax purposes, do	nations and gifts made	in a tax year that

Year of origin:		Federal	Québec	Alberta
1 <sup>st</sup> prior year	2018-12-31_			
2 <sup>nd</sup> prior year	2017-12-31			
3 <sup>rd</sup> prior year	2016-12-31			
4 <sup>th</sup> prior year				
5 <sup>th</sup> prior year				
6 <sup>th</sup> prior year*				
7 <sup>th</sup> prior year				
8 <sup>th</sup> prior year				
9 <sup>th</sup> prior year				
10 <sup>th</sup> prior year				
11 <sup>th</sup> prior year				
12 <sup>th</sup> prior year				
13 <sup>th</sup> prior year				
14 <sup>th</sup> prior year				
15 <sup>th</sup> prior year				
16 <sup>th</sup> prior year				
17 <sup>th</sup> prior year			4	
18 <sup>th</sup> prior year	<u></u>	/		
19 <sup>th</sup> prior year		4		
20 <sup>th</sup> prior year				
21 <sup>st</sup> prior year*	<u></u>			
Total			Y	
donations and	d Alberta tax purposes, donations and gifts included on line 6 <sup>th</sup> prior gifts made in a tax year that ended before March 19, 2007, that are vear expire automatically in the current tax year.	year expire automatically included on line 6th prior y	n the current tax year. For Québe ear and donations and gifts that a	ec tax purposes, are included on
Québec -	Gifts of musical instruments			
	instruments at the end of the previous tax year			
	f musical instruments expired after twenty tax years			
	instruments at the beginning of the tax year	<b>.</b>		
Add:		$\searrow$	_	
	al instruments transferred on an amalgamation or the wind-up of a su	ıbsidiary		
	ear gifts of musical instruments			
,			Subtotal (line D <b>plus</b> line E)	
			(	
	ment for an acquisition of control			
•				
•	sical instruments available		· · · · · · · · _	
Total gifts of mu		rm CO-17)		

Year of origin:		Québec
1 <sup>st</sup> prior year		31_
2 <sup>nd</sup> prior year		31_
3 <sup>rd</sup> prior year		31_
4 <sup>th</sup> prior year		31_
5 <sup>th</sup> prior year		31_
6 <sup>th</sup> prior year*		31_
7 <sup>th</sup> prior year		31_
3 <sup>th</sup> prior year		31_
9 <sup>th</sup> prior year		31_
10 <sup>th</sup> prior year		31_
11 <sup>th</sup> prior year		
12 <sup>th</sup> prior year		
13 <sup>th</sup> prior year		
4 <sup>th</sup> prior year		
15 <sup>th</sup> prior year		
16 <sup>th</sup> prior year		
17 <sup>th</sup> prior year		
18 <sup>th</sup> prior year	· · · · · · · · · · · · · · · · · · ·	
19 <sup>th</sup> prior year		
20 <sup>th</sup> prior year		
21 <sup>st</sup> prior year*		
Total		

T2 SCH 2 E (19)

Canadä

Schedule 3

Agence du revenu du Canada

# Dividends Received, Taxable Dividends Paid, and Part IV Tax Calculation

Corporation's name

Business number

Tax year-end

Year Month Day

Orangeville Hydro Limited

86463 9562 RC0002

2019-12-31

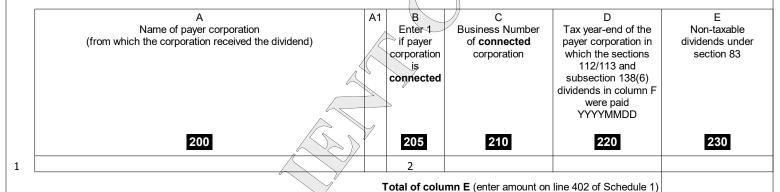
- · Corporations must use this schedule to report:
  - non-taxable dividends under section 83;
  - deductible dividends under subsection 138(6);
  - taxable dividends deductible from income under section 112, subsection 113(2) and paragraphs 113(1)(a), (a.1), (b) or (d); or
  - taxable dividends paid in the tax year that qualify for a dividend refund (see page 3).
- All legislative references are to the federal Income Tax Act.
- The calculations in this schedule apply only to private or subject corporations.
- A recipient corporation is **connected** with a payer corporation at any time in a tax year, if at that time the recipient corporation:
  - controls the payer corporation, other than because of a right referred to in paragraph 251(5)(b); or
  - owns more than 10% of the issued share capital (with full voting rights), and shares that have a fair market value of more than 10% of the fair market value of all shares of the payer corporation.
- If you need more space, continue on a separate schedule.
- File this schedule with your T2 Corporation Income Tax Return.
- Column A1 Enter "X" if dividends were received from a foreign source.
- Column F1 Enter the code that applies to the deductible taxable dividend.

#### Part 1 – Dividends received in the tax year

- Do **not** include dividends received from foreign non-affiliates.
- Complete columns B, C, D, H and I only if the payer corporation is connected.

#### Important instructions to follow if the payer corporation is connected

- If your corporation's tax year-end is different than that of the connected payer corporation, dividends could have been received from more than one
  tax year of the payer corporation. If so, use a separate line to provide the information according to each tax year of the payer corporation.
- When completing column J and K use the special calculations provided in the notes.



**1**.J

#### Part 1 – Dividends received in the tax year (continued)

Part IV tax on eligible dividends received from connected corporations (total amounts from column J

Part IV tax on eligible dividends received from non-connected corporations (total amounts from column J with code 2 in column B)

Part IV tax before deductions on taxable dividends (other than eligible dividends) (amount 11 minus amount 1K)

with code 1 in column B)

	F Taxable dividends deductible from taxable income under section 112, subsections 113(2) and 138(6), and paragraphs 113(1)(a), (a.1),(b), or (d) <sup>note 1</sup>	F1	G Eligible dividends included in column F	H Total taxable dividends paid by <b>connected</b> payer corporation (for tax year in column D)	I Dividend refund of the <b>connected</b> payer corporation (for tax year in column D) <sup>note 2</sup>	J Part IV tax for eligible dividends. Dividends (from column G) multiplied by 38 1/3% <sup>note 3</sup>	K Part IV tax before deductions. Dividends (from column F) multiplied by 38 1/3% <sup>note 4</sup>
	240		242	250	260	265	275
1							
Таха	ble dividends received fror	m connecte	ed corporations (total amo	unts from column F with o	code 1 in column B)	<u> </u>	1A
Taxa	ble dividends received from	m non-con	nected corporations (total	amounts from column F v	with code 2 in column B)	<u> </u>	1B
			Subtotal (amour	nt 1A <b>plus</b> amount 1B, inc	clude this amount on line	320 of the T2 Return)	1C
Eligit	ole dividends received from	n connecte	d corporations (total amou	unts from column G with o	code 1 in column B)		1D
Eligik	ole dividends received from	n non-conr	ected corporations (total a	amounts from column G v	vith code 2 in column B)	· · · · · · · · =	1E
(total	IV tax before deductions o amounts from column K v IV tax before deductions o	with code 1	in column B)			1F	
(total	amounts from column K v	with code 2	in column B)			1G	
				Subtotal (amount 1F pl	l <b>us</b> amount 1G)	<u></u> >	1H

1 If taxable dividends are received, enter the amount in column F, but if the corporation is not subject to Part IV tax (such as a public corporation other than a subject corporation as defined in subsection 186(3)), enter "0" in column J or column K whichever one applies. Life insurers are not subject to Part IV tax on subsection 138(6) dividends.

Subtotal (amount 11 plus amount 1J)

- 2 If the connected payer corporation's tax year ends after the corporation's balance-due day for the tax year (two or three months, as applicable), you have to estimate the payer's dividend refund when you calculate the corporation's Part IV tax payable.
- 3 For eligible dividends received from connected corporations, Part IV tax on dividends is equal to: column I divided by column H multiplied by column G.
- 4 For taxable dividends received from connected corporations, Part IV tax on dividends is equal to: column I divided by column H multiplied by column F.

t IV tax on dividends received before deductions (amount 1H in part 1	\		O A	
	<i>'</i>	320	2A	
IV.I tax payable on dividends subject to Part IV tax (from line 360 of	,			
Su	btotal (amount 2A <b>minus</b> line	<sup>320)</sup>	<u> </u>	
rrent-year non-capital loss claimed to reduce Part IV tax		330		
n-capital losses from previous years claimed to reduce Part IV tax		335		
rrent-year farm loss claimed to reduce Part IV tax		340		
rm losses from previous years claimed to reduce Part IV tax		345		
Total losses applied against P	art IV tax (total of lines 330 to	345)	2C	
nount 2C multiplied by 38 1 / 3 %				
IV tax payable (amount 2B minus amount 2D, if negative enter "0"	)		360	
r amount on line 712 of the T2 return)				
ur tax year begins after 2018, complete the following part to determin ndable dividend tax on hand (ERDTOH) at the end of the tax year.	e the required amount of Part	V taxes payable in	order to calculate the eli	gible
V tax before deductions on taxable dividends received from connect	ed corporations note 5 (amount	1F in part 1)	<u></u>	
unt 4A from Schedule 43			<u></u>	
IV tax payable on taxable dividends received from connected			egative	
"0")			····· <del>—</del>	
r at amount L on page 7 of the T2 return)		<u> </u>		
r tax year begins after 2018, complete the following part to determin dable dividend tax on hand (ERDTOH) at the end of the tax year.	e the required amount of Part	V taxes payable in	order to calculate the eli	gible
V tax on eligible dividends received from non-connected corporation	s (amount 1J in part 1)	( <u></u>		
unt 4C from Schedule 43			<u> </u>	
IV tax payable on eligible dividends received from non-connection.				
""0")		·)	· · · · · · · · · · · · · · · · · · ·	
r at amount M on page 7 of the T2 return)		))		
The program calculates the amount on line 2E from the amount on line neligible refundable dividend tax on hand (ERDTOH), enter this amount on line 2E mount on				
orporation does not result in an ERDTOH, the amount on line 2E mu		ide. However, if the	dividend refund to the c	connected paye
orporation does not result in an ERD1 On, the amount on line 2E inc		ide. However, if the	dividend refund to the o	connected paye
· ·	ist be equal to "0."		dividend refund to the o	connected paye
rt 3 – Taxable dividends paid in the tax year that  If your corporation's tax year-end is different than that of the connect	qualify for a dividence ted, recipient corporation, your	I refund	nave paid dividends in m	ore than
rt 3 – Taxable dividends paid in the tax year that  If your corporation's tax year-end is different than that of the connec	qualify for a dividence ted recipient corporation, your provide the information accorporation.	l refund — corporation could h	nave paid dividends in m ar of the recipient corpor	ore than ration.
rt 3 – Taxable dividends paid in the tax year that  If your corporation's tax year-end is different than that of the connec	qualify for a dividence ted, recipient corporation, your	corporation could h	nave paid dividends in m	ore than
rt 3 – Taxable dividends paid in the tax year that  If your corporation's tax year-end is different than that of the connec one tax year of the recipient corporation. If so, use a separate line to	qualify for a dividence ted recipient corporation, your provide the information accor	corporation could he ding to each tax year N Tax year-end of connected	nave paid dividends in mar of the recipient corpor  O  Taxable dividends paid to connected	ore than ration.  P Eligible dividends
rt 3 – Taxable dividends paid in the tax year that  If your corporation's tax year-end is different than that of the connec one tax year of the recipient corporation. If so, use a separate line to	qualify for a dividence ted recipient corporation, your provide the information accor	corporation could he ding to each tax year N Tax year-end of connected recipient	nave paid dividends in m ar of the recipient corpor O Taxable dividends	ore than ration.  P Eligible dividends included in
rt 3 – Taxable dividends paid in the tax year that  If your corporation's tax year-end is different than that of the connect one tax year of the recipient corporation. If so, use a separate line to	qualify for a dividence ted recipient corporation, your provide the information accor	corporation could he ding to each tax year.  N Tax year-end of connected recipient corporation in	nave paid dividends in mar of the recipient corpor  O  Taxable dividends paid to connected	ore than ration.  P Eligible dividends
rt 3 – Taxable dividends paid in the tax year that If your corporation's tax year-end is different than that of the connect one tax year of the recipient corporation. If so, use a separate line to	qualify for a dividence ted recipient corporation, your provide the information accor	corporation could he ding to each tax year N Tax year-end of connected recipient	nave paid dividends in mar of the recipient corpor  O  Taxable dividends paid to connected	ore than ration. P Eligible dividends included in
rt 3 – Taxable dividends paid in the tax year that If your corporation's tax year-end is different than that of the connect one tax year of the recipient corporation. If so, use a separate line to	qualify for a dividence ted recipient corporation, your provide the information accor	corporation could he ding to each tax year.  N Tax year-end of connected recipient corporation in which the	nave paid dividends in mar of the recipient corpor  O  Taxable dividends paid to connected	ore than ration.  P Eligible dividends included in
rt 3 – Taxable dividends paid in the tax year that  If your corporation's tax year-end is different than that of the connec one tax year of the recipient corporation. If so, use a separate line to	qualify for a dividence ted recipient corporation, your provide the information accor	corporation could high to each tax year N Tax year-end of connected recipient corporation in which the dividends in column O were received	nave paid dividends in mar of the recipient corpor  O  Taxable dividends paid to connected	ore than ration.  P Eligible dividends included in
rt 3 – Taxable dividends paid in the tax year that  If your corporation's tax year-end is different than that of the connec one tax year of the recipient corporation. If so, use a separate line to	qualify for a dividence ted recipient corporation, your provide the information accor	corporation could he ding to each tax year N Tax year-end of connected recipient corporation in which the dividends in column O	nave paid dividends in mar of the recipient corpor  O  Taxable dividends paid to connected	ore than ration.  P Eligible dividends included in
rt 3 – Taxable dividends paid in the tax year that  If your corporation's tax year-end is different than that of the connect one tax year of the recipient corporation. If so, use a separate line to the Name of connected recipient corporation	qualify for a dividence ted recipient corporation, your provide the information accor	corporation could high to each tax year and of connected recipient corporation in which the dividends in column O were received YYYYMMDD	nave paid dividends in mar of the recipient corpor  O Taxable dividends paid to connected corporations	P Eligible dividends included in column O
rt 3 – Taxable dividends paid in the tax year that  If your corporation's tax year-end is different than that of the connect one tax year of the recipient corporation. If so, use a separate line to the Name of connected recipient corporation	qualify for a dividence sted recipient corporation, your provide the information according to the infor	corporation could hading to each tax year N Tax year-end of connected recipient corporation in which the dividends in column O were received YYYYMMDD	nave paid dividends in mar of the recipient corpor  O  Taxable dividends paid to connected corporations	ore than ration.  P Eligible dividends included in
rt 3 – Taxable dividends paid in the tax year that  If your corporation's tax year-end is different than that of the connect one tax year of the recipient corporation. If so, use a separate line to the connected recipient corporation.  Name of connected recipient corporation.	qualify for a dividence ted recipient corporation, your provide the information accor	corporation could high to each tax year and of connected recipient corporation in which the dividends in column O were received YYYYMMDD	nave paid dividends in mar of the recipient corpor  O Taxable dividends paid to connected corporations	P Eligible dividends included in column O
rt 3 – Taxable dividends paid in the tax year that  If your corporation's tax year-end is different than that of the connect one tax year of the recipient corporation. If so, use a separate line to the Name of connected recipient corporation	qualify for a dividence sted recipient corporation, your provide the information according to the infor	corporation could hading to each tax year N Tax year-end of connected recipient corporation in which the dividends in column O were received YYYYMMDD	nave paid dividends in mar of the recipient corpor  O  Taxable dividends paid to connected corporations	P Eligible dividends included in column O

□ Part 3 – Taxable dividends paid in the tax year that qualify for a dividend refund (continued)	
Total taxable dividends paid in the tax year to other than connected corporations	31,154
Eligible dividends included in line 450	
Total taxable dividends paid in the tax year that qualify for a dividend refund (total of column O plus line 450)	566,435
Total eligible dividends paid in the tax year (total of column P <b>plus</b> line 455)	
	566,435
Complete this part to determine the following amounts in order to calculate the dividend refund.	
Line 465 <b>multiplied</b> by 38 1 / 3 %	3A
(enter at amount AA on page 7 of the T2 return)	
Line 470 multiplied by 38 1 / 3 %	217,133 <sub>3E</sub>
(enter at amount DD on page 7 of the T2 return)	
Part 4 – Total dividends paid in the tax year  Complete this part if the total taxable dividends paid in the tax year that qualify for a dividend refund (line 460) is different from the total dividends in the tax year.	paid
Total taxable dividends paid in the tax year for the purposes of a dividend refund (from above)	566,435
Other dividends paid in the tax year (total of 510 to 540)	
Total dividends paid in the tax year	566,435
Dividends paid out of capital dividend account  Capital gains dividends  Dividends paid on shares described in subsection 129(1.2)  Taxable dividends paid to a controlling corporation that was bankrupt at any time in the year  540	
Subtotal (total of lines 510 to 540)	4A

Total taxable dividends paid in the tax year that qualify for a dividend refund (Line 500 minus amount 4A)

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566,435<sub>4B</sub>

Schedule 8

## Canada Revenue Agence du revenu du Canada

## **Capital Cost Allowance (CCA)**

Corporation's name	Business number	Tax year-end
		Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2019-12-31

No X

For more information, see the section called "Capital Cost Allowance" in the T2 Corporation Income Tax Guide.

Is the corporation electing under Regulation 1101(5q)? 101 Yes

	1		2	3	4	5	6	7	8	
n	Class umber * See note 1	Description	Undepreciated capital cost (UCC) at the beginning of the year	Cost of acquisitions during the year (new property must be available for use) See note 2	Cost of acquisitions from column 3 that are accelerated investment incentive properties (AIIP) See note 3	Adjustments and transfers See note 4	Amount from column 5 that is assistance received or receivable during the year for a property, subsequent to its disposition  See note 5	Amount from column 5 that is repaid during the year for a property, subsequent to its disposition  See note 6	Proceeds of dispositions  See note 7	For tax years ending before November 21, 2018: 50% rule (1/2 of net acquisitions)
F	1	Buildings	8,322,319				<del></del>		0	
.[	8	Equipment	138,791	23,461	23,461				78	
.[	10	Trucks	380,278	32,823	<i>3</i> 2,823				0	
. <u>L</u>	12	Computer Software	4,554	49,155	49,155				0	
j	45	Computer equipment	24						0	
i.	47	Electric Distribution Equipment	9,647,032	1,059,343	1,059,343				4,452	
:[	50	Computer equipment	13,934	30,297	30,297				0	
i.[_	43.2	Solar Generation	439						0	
).	14.1		123,781						0	
).[	1b		6,053						0	
.[	1b	2018 Addition	66,439	35,528	35,528				0	
	95	CIP	29,360						0	
		Totals	18.733.004	1,230,607	1,230,607				4,530	_

	1		9	10	11	12	13	14	15	16	17	18
	lass	Des- crip-	UCC	Proceeds of	Net capital cost	UCC adjustment	UCC adjustment	CCA rate %	Recapture of CCA	Terminal loss	CCA	UCC
	mber *	tion	(column 2 plus column 3 plus or	disposition available to reduce	additions of AIIP acquired during	for AllP acquired during the year	for non-AIIP acquired during	rate %	See note 12	See note 13	(for declining balance	at the end of the year
			minus column 5 minus column 8)	the UCC of AIIP	the year	(column 11	the year	See	000 11010 12	000 11010 10	method, the result	(column 9
	See ote 1		minus column o)	(column 8 <b>plus</b> column 6 <b>minus</b>	(column 4 minus column 10)	multiplied by the relevant factor)	(0.5 <b>multiplied</b> by the result of	note 11			of column 9 plus column 12 minus	minus column 17)
			See note 8	column 3 plus	(if negative,	,	column 3 <b>minus</b>				column 13,	
				column 4 <b>minus</b> column 7)	enter "0")	See note 9	column 4 minus column 6				multiplied by column 14 or a	
				(if negativé, enter "0")			plus column 7				lower amount)	
				enter 0)			minus column 8) (if negative,				See note 14	
							enter "0")					
							See note 10					
2	200						224	212	213	215	217	220
	1	Buildin	8,322,319					4	0	0	332,893	7,989,426
2	8	Equipn	162,174	78	23,383	11,692		20	<sub>1</sub> 0	0	34,773	127,401
3	10	Trucks	413,101		32,823	16,412		30	0	0	128,854	284,247
i	12	Compu	53,709		49,155			100	0	0	53,709	
j	45	Compu	24					45	>0	0	11	13
S	47	Electric	10,701,923	4,452	1,054,891	527,446		8	0	0	898,350	9,803,573
'. <u> </u>	50	Compu	44,231		30,297	15,149		55	0	0	32,659	11,572
3. 4.	3.2	Solar G	439					50	0	0	220	219
). 14	4.1		123,781					5	0	0	8,641	115,140
)	1b		6,053					6	0	0	363	5,690
	1b	2018 A	101,967		35,528	17,764		6	0	0	7,184	94,783
29	95	CIP	29,360					0	0	0		29,360
		Totals	19,959,081	4,530	1,226,077	588, <del>4</del> 63					1,497,657	18,461,424

Enter the total of column 15 on line 107 of Schedule 1. Enter the total of column 16 on line 404 of Schedule 1. Enter the total of column 17 on line 403 of Schedule 1.

- Note 1. If a class number has not been provided in Schedule II of the Income Tax Regulations for a particular class of property, use the subsection provided in Regulation 1101. Class numbers followed by a letter indicate the basic rate of the class taking into account the additional deduction allowed. Class 1a: 4% + 6% = 10% (class 1 to 10%), class 1b: 4% + 2% = 6% (class 1 to 6%).
- Note 2. 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 of property in the class that are not subject to the 50% rule. See Income Tax Folio S3-F4-C1, General Discussion of Capital Cost Allowance, for exceptions to the 50% rule.
- Note 3. An accelerated investment incentive property (AIIP) is a property (other than property included in Class 54 or 55) that you acquired after November 20, 2018 and became available for use before 2028. See the T2 Corporation Income Tax Guide for more information. Classes 54 and 55 include property that is a zero-emission vehicle you acquired after March 18, 2019 and became available for use before 2028.
- Note 4. Enter in column 5, "Adjustments and transfers", amounts that increase or reduce the undepreciated capital cost (column 9). Items that increase the undepreciated capital cost include amounts transferred under section 85, or transferred on amalgamation or winding-up of a subsidiary. Items that reduce the undepreciated capital cost (show amounts that reduce the undepreciated capital cost in brackets) include government assistance received or entitled to be received in the year, or a reduction of capital cost after the application of section 80. See the T2 Corporation Income Tax Guide for other examples of adjustments and transfers to include in column 5.
- Note 5. Include all amounts of assistance you received (or were entitled to receive) after the disposition of a depreciable property that would have decreased the capital cost of the property by virtue of paragraph 13(7.1)(f) if received before the disposition.
- Note 6. Include all amounts you have repaid during the year with respect to any legally required repayment, made after the disposition of a corresponding property, of:
  - assistance that would have otherwise increased the capital cost of the property under paragraph 13(7.1)(d); and
  - an inducement, assistance or any other amount contemplated in paragraph 12(1)(x) received, that otherwise would have increased the capital cost of the property under paragraph 13(7.4)(b).

Also include the UCC of each property of a prescribed class acquired in the course of a corporate reorganization described under paragraph 55(3)(b) of the Act (also known as "butterfly reorganization") or in a non-arm's length transaction (other than by virtue of a right referred to in paragraph 251(5)(b) of the Act) if the property was a depreciable property acquired by the transferor less than 364 days before the end of your tax year.

- Note 7. For each property disposed of during the year, deduct from the proceeds of disposition any outlays and expenses to the extent that they were made or incurred for the purpose of making the disposition(s). The amount reported in respect of the property cannot exceed the property's capital cost, unless that property is a timber resource property as defined in subsection 13(21).
- Note 8. If the amount in column 5 reduces the undepreciated capital cost (i.e. it is shown in brackets), you must subtract it for the purposes of the calculation. Otherwise, add the amount in column 5 for the purposes of the calculation.
- Note 9. The relevant factors for AllP of a class in Schedule II and for property included in classes 54 and 55, available for use before 2024, are:
  - 2 1/3 for property in Classes 43.1 and 54;
  - 1 1/2 for property in Class 55;
  - 1 for property in Classes 43.2 and 53;
  - 0 for property in Classes 12, 13, 14, and 15, as well as properties that are Canadian vessels included in paragraph 1100(1)(v) of the Regulations (see note 14 for additional information); and
  - 0.5 for all other property that is AIIP.
- Note 10. The UCC adjustment for non-AllP acquired during the year (formerly known as the half-year rule or 50% rule) does not apply to certain property (including AllP). For special rules and exceptions, see Income Tax Folio S3-F4-C1, General Discussion of Capital Cost Allowance.
- Note 11. Enter a rate only if you are using the declining balance method. For any other method (for example the straight-line method, where calculations are always based on the cost of acquisitions), enter N/A. Then enter the amount you are claiming in column 17.
- Note 12. If the amount in column 9 is negative, you have a recapture of CCA. If applicable, enter the negative amount from column 9 in column 15 as a positive. The recapture rules do not apply to passenger vehicles in Class 10.1.
- Note 13. If no property is left in the class at the end of the tax year and there is still a positive amount in the column 9, you have a terminal loss. If applicable, enter the positive amount from column 9 in column 16. The terminal loss rules do not apply to:
  - passenger vehicles in Class 10.1;
  - property in Class 14.1, unless you have ceased carrying on the business to which it relates; or
  - limited-period franchises, concessions, or licences in Class 14 if, at the time of acquisition, the property was a former property of the transferor or any similar property attributable to the same fixed place of business, and you had jointly elected with the transferor to have the replacement property rules apply.
- Note 14. If the tax year is shorter than 365 days, prorate the CCA claim. Some classes of property do not have to be prorated. See the T2 Corporation Income Tax Guide for more information. For property in class 10.1 disposed of during the year, deduct a maximum of 50% of the regular CCA deduction if you owned the property at the beginning of the tax year. For AllP listed below, the maximum first year allowance you can claim is determined as follows:
  - Class 13: the lesser of 150% of the amount calculated in Schedule III of the Regulations and the UCC at the end of the tax year (before any CCA deduction).
  - Class 14: the lesser of 150% of the allocation for the year of the capital cost of the property apportioned over the remaining life of the property (at the time the cost was incurred) and the UCC at the end of the tax year (before any CCA deduction).
  - Class 15: the lesser of 150% of an amount computed on the basis of a rate per cord, board foot or cubic metre cut in the tax year and the UCC at the end of the tax year (before any CCA deduction).
  - Canadian vessels described under paragraph 1100(1)(v) of the Regulations: the lesser of 50% of the capital cost of the property and the UCC at the end of the tax year (before any CCA deduction).
  - Class 41.2: use a 25% CCA rate. The additional allowance under paragraph 1100(1)(y.2)(for single mine properties) and 1100(1)(ya.2)(for multiple mine properties) of the Regulations is not eligible for the accelerated investment incentive. The additional allowance in respect of natural gas liquefaction under paragraph 1100(1)(yb) of the Regulations is eligible for the accelerated investment incentive.
  - Property (other than a timber resource property) that is a timber limit or a right to cut timber from a limit: 150% of the amount determined by first subtracting the total of the residual value of the timber limit and all amounts you expended for the 1949 or later tax years for surveys, cruises or preparation of prints, maps or plans for the purpose of obtaining a licence or right to cut timber from the capital cost of the limit or right, and then dividing the result by the quantity of timber in the limit or the quantity of timber you have the right to cut.
  - Industrial mineral mine or a right to remove industrial minerals from an industrial mineral mine: 150% of the amount determined by first subtracting the residual value, if any, of the mine or right from the capital cost of the mine or right, and then dividing the result by the number of units of commercially mineable material estimated to be in the mine when the mine or right was acquired (alternatively, if you have acquired a right to remove only a specified number of units, that number of units that you acquired a right to remove).

T2 SCH 8 (19)

**Canadä** 



**SCHEDULE 9** 

#### **RELATED AND ASSOCIATED CORPORATIONS**

Name of corporation	Business Number	Tax year end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2019-12-31

- Complete this schedule if the corporation is related to or associated with at least one other corporation.
- For more information, see the T2 Corporation Income Tax Guide.

		Country of resi- dence (other than Canada)	Business number (see note 1)	Relation-ship code (see note 2)	Number of common shares you own	% of common shares you own	Number of preferred shares you own	% of preferred shares you own	Book value of capital stock
	100	200	300	400	500	550	600	650	700
1.	Corporation of the Town of Orange		10698 6151 RC0001	1					
2.	Corporation of the Township of Eas		NR	1					
3.	Orangeville Hydro Services Inc.		89454 8015 RC0001	3		4			
4.	Orangville Railway Development Co		86433 3166 RC0001	3		2 N			

Note 1: Enter "NR" if the corporation is not registered or does not have a business number.

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

T2 SCH 9 (11)



379,688

## Continuity of financial statement reserves (not deductible)

		—— Financial stat	tement reserves (	not deductible) —		
	Description	Balance at the beginning of the year	Transfer on an amalgamation or the wind-up of a subsidiary	Add	Deduct	Balance at the end of the year
1	Allowance for doubtful accts	30,000		42,000	30,000	42,000
2	Employee Future Benefits	329,084		337,688	329,084	337,688
3						
	Reserves from Part 2 of Schedule 13					

379,688

359,084

The total opening balance plus the total transfers should be entered on line 414 of Schedule 1 as a deduction. The total closing balance should be entered on line 126 of Schedule 1 as an addition.

**Totals** 

359,084

# Agreement Among Associated Canadian-Controlled Private Corporations to Allocate the Business Limit

- For use by a Canadian-controlled private corporation (CCPC) to identify all associated corporations and to assign a percentage for each associated corporation. This percentage will be used to allocate the business limit for the small business deduction. Information from this schedule will also be used to determine the date the balance of tax is due and to calculate the reduction to the business limit.
- An associated CCPC that has more than one tax year ending in a calendar year must file an agreement for each tax year ending in that calendar year.
- Column 1: Enter the legal name of each of the corporations in the associated group, including those deemed to be associated under subsection 256(2) of the Income Tax Act.
- Column 2: Provide the business number for each corporation (if a corporation is not registered, enter "NR").
- Column 3: Enter the association code from the list below that applies to each corporation:
  - 1 Associated for purposes of allocating the business limit (unless association code 5 applies)
  - 2 CCPC that is a **third corporation** as referred to in subsection 256(2) and has filed Schedule 28, Election not to be Associated Through a Third Corporation
  - 3 Non-CCPC that is a third corporation
  - 4 Associated non-CCPC
  - 5 Associated CCPC to which association code 1 does not apply because a third corporation has filed Schedule 28
- **Column 4:** Enter the business limit for the year of each corporation in the associated group. Enter "0" if the corporation has association code 2, 3 or 4 in column 3 (except if the corporation is a cooperative or a credit union eligible for the SBD and it has association code 4).
- **Column 5:** Assign a percentage to allocate the business limit to each corporation that has association code 1 in column 3. The total of all percentages in column 5 cannot exceed 100%.
- **Column 6:** Enter the business limit allocated to each corporation by multiplying the amount in column 4 by the percentage in column 5. Add all business limits allocated in column 6 and enter the total at line A.

Ensure that the total at line A does not exceed \$500,000.

<b>- ΔΙΙ</b>	ocating the business limit —		7//	<u> </u>			
	iled (do not use this area)		.)		. 025	Year Month Day	
Enter	the calendar year the agreement applies to				. 050	Year 2019	
	an amended agreement for the above calendar year that in reement previously filed by any of the associated corporation				. 075	Yes X No	
	1	2	3	4	5	6	
	Name of associated corporations	Business number of associated corporations	Asso- ciation code	Business limit for the year before the allocation \$	Percentage of the business limit %	Business limit allocated* \$	
	100	200	300		350	400	
1	Orangeville Hydro Limited	86463 9562 RC0002	1	500,000			
2	Corporation of the Town of Orangeville	10698 6151 RC0001	1	500,000			
3	Corporation of the Township of East Luther Gra	NR	1	500,000			
4	Orangeville Hydro Services Inc.	89454 8015 RC0001	1	500,000	100.0000	500,000	
5	Orangville Railway Development Corporation	86433 3166 RC0001	1	500,000			
				Total	100.0000	500.000	Δ

#### Business limit reduction under subsection 125(5.1) of the Act

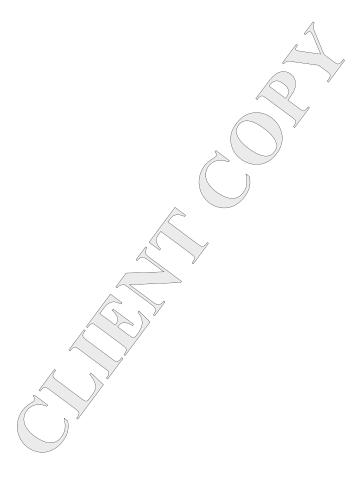
The business limit reduction is calculated in the small business deduction area of the T2 return. One of the factors used in this calculation is the "large corporation amount" at line 415 of the T2 return. The amount at line 415 is determined using the formula 0.225% x (C - \$10,000,000). Another factor is the "adjusted aggregate investment income" from lines 744 and 745 of Schedule 7, Aggregate Investment Income and Income Eligible for the Small Business Deduction. Details of these formulas and variable C are in subsection 125(5.1) of the Act.

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

#### Special rules for business limit

Special rules apply under subsection 125(5) if a CCPC has more than one tax year ending in the same calendar year and it is associated in more than one of those tax years with another CCPC that has a tax year ending in that calendar year. The business limit for the second or later tax year will be equal to the lesser of: the business limit determined for the first tax year ending in the calendar year or the business limit determined for the second or later tax year ending in the same calendar year.

T2 SCH 23 E (19) Canadä



Schedule 33

### Taxable Capital Employed in Canada – Large Corporations

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2019-12-31

- Use this schedule in determining if the total taxable capital employed in Canada of the corporation (other than a financial institution or an insurance corporation) and its related corporations is greater than \$10,000,000.
- If the total taxable capital employed in Canada of the corporation and its related corporations is greater than \$10,000,000, file a completed Schedule 33 with your T2 Corporation Income Tax Return no later than six months from the end of the tax year.
- Unless otherwise noted, all legislative references are to the Income Tax Act and the Income Tax Regulations.
- Subsection 181(1) defines the terms financial institution, long-term debt, and reserves.
- Subsection 181(3) provides the basis to determine the carrying value of a corporation's assets or any other amount under Part I.3 for its capital, investment allowance, taxable capital, or taxable capital employed in Canada, or for a partnership in which it has an interest.
- If the corporation was a non-resident of Canada throughout the year and carried on a business through a permanent establishment in Canada, go to Part 4,
   Taxable capital employed in Canada.

Part 1 - Capital
Add the following year-end amounts:
Reserves that have not been deducted in calculating income for the year under Part I 379,688
Capital stock (or members' contributions if incorporated without share capital) 103 8,290,714
Retained earnings
Contributed surplus
Any other surpluses
Deferred unrealized foreign exchange gains
All loans and advances to the corporation
All indebtedness of the corporation represented by bonds, debentures, notes, mortgages, hypothecary claims, bankers' acceptances, or similar obligations
Any dividends declared but not paid by the corporation before the end of the year
All other indebtedness of the corporation (other than any indebtedness for a lease) that has been outstanding for more than 365 days before the end of the year
The total of all amounts, each of which is the amount, if any, in respect of a partnership in which the corporation held a membership interest at the end of the year, either directly or indirectly through another partnership (see note below)

Subtotal (add lines 101 to 112)

24,672,097

#### Note:

Line 112 is determined by the formula (A - B) x C/D (as per paragraph 181/2(3)(g)) where:

- A is the total of all amounts that would be determined for lines 101, 107, 108, 109, and 111 in respect of the partnership for its last fiscal period that ends at or before the end of the year if
  - a) those lines applied to partnerships in the same manner that they apply to corporations, and
  - b) those amounts were computed without reference to amounts owing by the partnership
    - (i) to any corporation that held a membership interest in the partnership either directly or indirectly through another partnership, or
    - (ii) to any partnership in which a corporation described in subparagraph (i) held a membership interest either directly or indirectly through another partnership.
- B is the partnership's deferred unrealized foreign exchange losses at the end of the period,
- C is the share of the partnership's income or loss for the period to which the corporation is entitled either directly or indirectly through another partnership, and
- D is the partnership's income or loss for the period.

24,672,097 A

		86463 9562 RC0002
Part 1 – Capital (continued)		
	Subtotal A (from page 1)	24,672,097 A
<b>Deduct</b> the following amounts:		
Deferred tax debit balance at the end of the year	121	
Any deficit deducted in calculating its shareholders' equity (including, for this purpose, the amount of any provision for the redemption of preferred shares) at the end of the year	122	
To the extent that the amount may reasonably be regarded as being included in any of lines 101 to 112 above for the year, any amount deducted under subsection 135(1) in calculating income under Part I for the year.	123	
Deferred unrealized foreign exchange losses at the end of the year	124	
Subtotal (add lines 121 to	124)	В
Capital for the year (amount A minus amount B) (if negative, enter "0")	190 <u> </u>	24,672,097
Part 2 – Investment allowance		
Add the carrying value at the end of the year of the following assets of the corporation:		
A share of another corporation		
A loan or advance to another corporation (other than a financial institution)		
A bond, debenture, note, mortgage, hypothecary claim, or similar obligation of another corporation (other than a financial institution)	403	145,623
Long-term debt of a financial institution	404	
A dividend payable on a share of the capital stock of another corporation	405	
A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim or similar obligation of, member of which was, throughout the year, another corporation (other than a financial institution) that tax under this Part (otherwise than because of paragraph 181.1(3)(d)), or another partnership describe paragraph 181.2(4)(d.1)	was not exempt from	
An interest in a partnership (see note 2 below)	<i></i>	
Investment allowance for the year (add lines 401 to 407)	490	145,623
Notes:	<del></del>	
<ol> <li>Lines 401 to 405 should not include the carrying value of a share of the capital stock of, a dividend p exempt from tax under Part I.3 (other than a non-resident corporation that at no time in the year carrie establishment).</li> </ol>		
2. Where the corporation has an interest in a partnership held either directly or indirectly through another additional rules regarding the carrying value of an interest in a partnership.	er partnership, refer to subsection 181.2(5	i) for
<ol> <li>Where a trust is used as a conduit for loaning money from a corporation to another related corporatio considered to have been made directly from the lending corporation to the borrowing corporation. Re apply.</li> </ol>		
Part 3 – Taxable capital		
	<u> </u>	<b>24,672,097</b> c

- Part 2 Tayable conital		
Part 3 – Taxable capital ——		
Capital for the year (line 190)		24,672,097 c
<b>Deduct:</b> Investment allowance for the ye	ear (line 490) /	145,623 D
Taxable capital for the year (amount C	C minus amount D) (if negative, enter "0")	24,526,474

	To be con	pleted by a corporation that was r	esident in Canada at	any time in the year		
Taxable capital for the year (line 500)	24,526,474 x		1,000 =	Taxable capital employed in Canada	690	24,526,474
Natara 4 Damilation (	2004	Taxable income	1,000			
Where a co     to have a tax	rporation's taxable incom xable income for that yea	culating the amount of taxable income ne for a tax year is "0," it shall, for the p or of \$1,000. Regulation 8601 should be considere	ourposes of the above			
5. III tile case	<u> </u>					
		leted by a corporation that was a n carried on a business through a po				
		value at the end of the year of an assibusiness during the year through a pe			701	
Deduct the following am	ounts:					
	to (f)] that may reasonab	cother than indebtedness described in y be regarded as relating to a busines the contract of t				
described in subsection	181.2(4) of the corporati	value at the end of year of an asset on that it used in the year, or held in th uring the year through a permanent	ne <b>712</b> .			
corporation that is a ship personal or movable prop	or aircraft the corporation of the corporation	value at the end of year of an asset of on operated in international traffic, or corporation in carrying on any busines ent in Canada (see note below)				
		Total deductions (add line	es 711, 712, and 713)	<u> </u>	<b>-</b>	E
Taxable capital employ	yed in Canada (line 701	minus amount E) (if negative, enter "	0")		790	
Note: Complete line 7' year on the inco	13 only if the country in with the from the operation of	which the corporation is resident did no a ship or aircraft in international traffic	ot impose a capital tax c, of any corporation re	for the year on similar ass sident in Canada during t	ets, or a tax fo he year.	or the
Part 5 – Calculat	ion for purposes	of the small business dedu	ction			
This part is applicable	to corporations that a	re not associated in the current yea	ar, but were associat	ed in the prior year.		
Taxable capital employed	d in Canada (amount fro	m line 690)	/			F
Deduct:		,				10,000,000 <sub>G</sub>
		Exces		nount G) (if negative, ente		H
Calculation for purpos	es of the small busine	ss deduction (amount H x 0.225%)			· · · · ·	
Enter this amount at line					-	

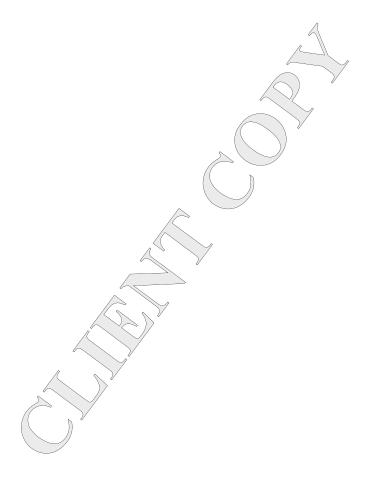
## **Attached Schedule with Total**

Part 1 – All loans and advances to the corporation

Title Part 1 – All loans and advances to the corporation

	Operator	
Description	(Note)	Amount
Current portion of long-term debt		564,845 00
Long-term debt		12,444,972 00
	Total	13,009,817 00

**Note**: The calculations are performed one at a time, from the first to the last line, and not according to the priority rules of the operations. For example, the formula 1+2\*3 will not result in the same thing as the formula 1+3\*2.



Schedule 50

#### **Shareholder Information**

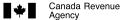
Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2019-12-31

- All private corporations must complete this schedule for any shareholder who holds 10% or more of the corporation's common and/or preferred shares.
- Provide only one number per shareholder (business number, social insurance number or trust number).

Name of shareholder (after name, indicate in brackets if the shareholder is a corporation, partnership, individual, or trust)	Business number (If a corporation is not registered, enter "NR")	Social insurance number	Trust number	Percentage common shares	Percentage preferred shares
100	200	300	350	400	500
The Corporation of the Town of Orangeville	10698 6151 RC0001			94.500	
The Corporation of the Township of East Luther Grand	NR			5.500	
		4			
		, \			
,					



Schedule 53



Agence du revenu du Canada

### General Rate Income Pool (GRIP) Calculation

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2019-12-31

On: 2019-12-31

- If you are a Canadian-controlled private corporation (CCPC) or a deposit insurance corporation (DIC), use this schedule to determine the general rate income pool (GRIP).
- Credit unions are **not** required to complete this schedule.
- All legislative references are to the Income Tax Act and the Income Tax Regulations.
- When an eligible dividend was paid in the tax year or there was a change in the GRIP balance, file a completed copy of this schedule with your T2 Corporation Income Tax Return. Do not send your worksheets with your return, but keep them in your records in case we ask to see them later.
- Subsection 89(1) defines the terms eligible dividend, excessive eligible dividend designation, general rate income pool, and low rate income pool.

┌ Eligibility for the various additions ─────	
Answer the following questions to determine the corporation's eligibility for the various additions:	
2006 addition	
1. Is this the corporation's first taxation year that includes January 1, 2006?	Yes X No
2. If not, what is the date of the taxation year end of the corporation's first year that includes January 1, 2006?  Enter the date and go directly to question 4	2006-12-31
3. During that first year, was the corporation a CCPC or would it have been a CCPC if not for the election of subsection 89(11) ITA?	Yes No
If the answer to question 3 is yes, complete Part "GRIP addition for 2006".	
Change in the type of corporation	
4. Was the corporation a CCPC during its preceding taxation year?	X Yes No
5. Corporations that become a CCPC or a DIC	Yes X No
If the answer to question 5 is yes, complete Part 4.	
Amalgamation (first year of filing after amalgamation)	
6. Corporations that were formed as a result of an amalgamation	Yes X No
If the answer to question 6 is yes, answer questions 7 and 8. If the answer is no, go to question 9.	
7. Was one or more of the predecessor corporations neither a CCPC nor a DIC?	Yes No
If the answer to question 7 is yes, complete Part 4.	
8. Was one or more of the predecessor corporation a CCPC or a DIC during the taxation year that ended immediately before amalgamation?	Yes No
If the answer to question 8 is yes, complete Part 3.	
Winding-up	
9. Has the corporation wound-up a subsidiary in the preceding taxation year?	Yes X No
If the answer to question 9 is yes, answer questions 10 and 11. If the answer is no, go to Part 1.	
10. Was the subsidiary neither a CCPC nor a DIC during its last taxation year?  If the answer to question 10 is yes, complete Part 4.	Yes No
11. Was the subsidiary a CCPC or a DIC during its last taxation year?  If the answer to question 11 is yes, complete Part 3.	Yes No

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T2 SCH53 E (19)

┌ Part 1 – General rate income pool (GRIP)	
GRIP at the end of the previous tax year	7,888,215
Taxable income for the year (DICs enter "0") *	
Amount on line 400, 405, 410, and 427 or 428** of the T2 return, whichever is the least *	
Subtotal (line 130 <b>plus</b> line 140) A	
Income taxable at the general corporate rate (line 110 <b>minus</b> amount A) (if negative enter "0")	
After-tax income (line 150 <b>multiplied</b> by 0.72 (the general rate factor for the tax year))	90
Eligible dividends received in the tax year	
Dividends deductible under section 113 received in the tax year  Subtotal (line 200 <b>plus</b> line 210)	B
Becoming a CCPC (amount W5 in Part 4)	
Post-amalgamation (total of amounts E4 in Part 3 and amounts W5 in Part 4) 230	
Post-wind-up (total of amounts E4 in Part 3 and amounts W5 in Part 4)	
Subtotal ( <b>add</b> lines 220, 230, and 240)	
Subtotal (add lines 100, 190, 290, and amount l	B) 7,888,215 C
Eligible dividends paid in the previous tax year	
Excessive eligible dividend designations made in the previous tax year	
(If becoming a CCPC (subsection 89(4) applies), enter "0" on lines 300 and 310.)	
Subtotal (line 300 minus line 310)	D
	7,000,045
GRIP before adjustment for specified future tax consequences (amount C minus amount D) (amount can be negative) 49	7,888,215
Total GRIP adjustment for specified future tax consequences to previous tax years (amount L3 in Part 2)	50
GRIP at the end of the tax year (line 490 minus line 560) Enter this amount on line 160 of Schedule 55.	7,888,215
* For lines 110, 130, and 140, the income amount is the amount before considering specified future tax consequences. This phrase is a subsection 248(1). It includes the deduction of a loss carryback from subsequent tax years, a reduction of Canadian exploration exper Canadian development expenses that were renounced in subsequent tax years (e.g., flow-through share renunciations), reversals of ir inclusions where an option is exercised in subsequent tax years, and the effect of certain foreign tax credit adjustments.	nses and
** If your tax year starts before 2019, use line 427. If your tax year starts after 2018, use line 428.	

Complete	this part if the corporatio	n's taxable income of a	uture tax consequency of the previous three tax nerwise, enter "0" on line 5	years took into accour		
First pre	vious tax year 2018	-12-31				
	ncome before specified fu	•		722,320_A1		
	e following amounts be ences from the current		ax			
427 or 42 whichever Aggregate	n line 400, 405, 410, and 8** of the T2 return, r is the least e investment income of the T2 return)					
	otal (amount B1 <b>plus</b> am		_	D1		
;	Subtotal (amount A1 <b>min</b>	<b>us</b> amount D1) (if nega	tive, enter "0")	<u>722,320</u> ►	722,320 E	1
		Futu	re tax consequences th	at occur for the curre	ent year	
		Ar	nount carried back from th	ne current year to a prio	r year	
	Non-capital loss carry-back (paragraph 111 (1)(a) ITA)	Capital loss carry-back	Restricted farm loss carry-back	Farm loss carry-back	Other	Total carrybacks
Tavahle ir	ncome after specified futu	ire tay consequences		F1		
	e following amounts aft	•		FI		
Amount of 427 or 42	n line 400, 405, 410, and 8** of the T2 return, r is the least		·			
	e investment income of the T2 return)		H1			
Subto	otal (amount G1 <b>plus</b> am	ount H1)	<b>&gt;</b>	I1		
	Subtotal (amount F1 min	<b>nus</b> amount I1) (if nega	tive, enter "0")	<u> </u>	J	1
			t E1 <b>minus</b> amount J1) (if	negative, enter "0") _	K	1
-	ustment for specified for specified for specified for specified by	•	es to the first previous	-		500

econd previous tax ye	ar <u>2017-12-31</u>				
axable income before sp		quences from	694,911_A2		
Enter the following amo		future tax			
Amount on line 400, 405, 27 or 428** of the T2 ret	urn,				
whichever is the least Aggregate investment income the state of the TO action.	ome	50.004			
line 440 of the T2 return) Subtotal (amount B2		58,221 ► 58,221 ►	58,221 <sub>D2</sub>		
		(if negative, enter "0")	636,690	636,690 E	2
		Future tax consequences t	hat occur for the curre	ent year	
		Amount carried back from	the current year to a prid	or year	
Non-capital carry-ba (paragraph	ck Capital I 111 carry-ba		Farm loss carry-back	Other	Total carrybacks
(1)(a) IT	4)				
axable income after spec	cified future tax consequ	ences	F2		
•	·	iture tax consequences:		$\nearrow$	
amount on line 400, 405,	410, and			)	
27 or 428** of the T2 ret hichever is the least	,	G2			
ggregate investment inco ne 440 of the T2 return)		H2			
Subtotal (amount G2	plus amount H2)	<b>&gt;</b>	l2		
Subtotal (amou	nt F2 <b>minus</b> amount I2)	(if negative, enter "0")	<u> </u>	J2	2
	Subtota	(amount E2 minus amount J2)	(if negative, enter "0") _	K	2
RIP adjustment for sp	ecified future tax cons	sequences to the second previ	ous tax year		
amount K2 <b>multiplied</b> by					520
* If your toy your starts b	efore 2010, use line 427	. If your tax year starts after 2018	R use line 428		

− Part 2 – GRIP adjustmer	nt for specified fu	iture tax conseque	nces to previous	s tax years (contin	ued) ————
Third previous tax year2016-	-12-31				
Taxable income before specified futhe current tax year		from 	A3		
Enter the following amounts bef consequences from the current	•	ах			
Amount on line 400, 405, 410, and 427 or 428** of the T2 return, whichever is the least		B3			
Aggregate investment income (line 440 of the T2 return)		C3			
Subtotal (amount B3 <b>plus</b> amo	ount C3)	<b>&gt;</b>	D3		
Subtotal (amount A3 minu			<b>&gt;</b> _	E	3
	Futu	re tax consequences that	at occur for the curre	nt year	
	An	nount carried back from the	e current year to a prior	r year	
Non-capital loss carry-back (paragraph 111 (1)(a) ITA)	Capital loss carry-back	Restricted farm loss carry-back	Farm loss carry-back	Other	Total carrybacks
Taxable income after specified future.  Enter the following amounts after Amount on line 400, 405, 410, and 427 or 428** of the T2 return, whichever is the least	er specified future tax	consequences:	F3		
Aggregate investment income (line 440 of the T2 return)					
Subtotal (amount G3 <b>plus</b> amo	ount H3)		I3		
Subtotal (amount F3 <b>mir</b>	, , ,	, 7	<b>→</b> -	J	
	Subtotal (amount	E3 <b>minus</b> amount 33) (if	negative, enter "0") =	K	3
GRIP adjustment for specified fu (amount K3 multiplied by Total GRIP adjustment for speci (add lines 500, 520, and 540) (if no	0.72 ) fied future tax consec		years:		
Enter amount L3 on line 560 in part	t 1.				
** If your tax year starts before 201	9, use line 427. If your	tax year starts after 2018,	use line 428.		

86463 9562 RC000	ე2
Part 3 – Worksheet to calculate the GRIP addition post-amalgamation or post-wind-up (predecessor or subsidiary was a CCPC or a DIC in its last tax year)	
nb. 1 Post amalgamation Post wind-up	
Complete this part when there has been an amalgamation (within the meaning assigned by subsection 87(1)) or a wind-up (to which subsection 88(1) applies) and the predecessor or subsidiary corporation was a CCPC or a DIC in its last tax year. The last tax year for a predecessor corporation was its tax year that ended immediately before the amalgamation and for a subsidiary corporation was its tax year during which its assets were distributed to the parent on the wind-up.	
Calculate the GRIP addition of a successor corporation following an amalgamation at the end of its first tax year.	
Calculate the GRIP addition of a parent corporation upon wind-up at the end of the tax year that ends immediately after the tax year in which the parent has received the assets of the subsidiary.	
In the calculation below, <b>corporation</b> means a predecessor or a subsidiary. Complete a separate worksheet for <b>each</b> predecessor and <b>each</b> subsidiary that was a CCPC or a DIC in its last tax year. Keep a copy of this calculation for your records, in case we ask to see it later.	
Corporation's GRIP at the end of its last tax year	4
Eligible dividends paid by the corporation in its last tax yearB4	
Excessive eligible dividend designations made by the corporation in its last tax year	
Subtotal (amount B4 <b>minus</b> amount C4) D	4
GRIP addition post-amalgamation or post-wind-up (predecessor or subsidiary was a CCPC or a DIC in its last tax year) (amount A4 minus amount D4)E	4
After you complete this calculation for each predecessor and each subsidiary, calculate the total of all the E4 amounts. Enter this total amount on:	
− line 230 for post-amalgamation; or	
<ul> <li>line 240 for post-wind-up.</li> </ul>	
	_

<ul> <li>Part 4 – Worksheet to calculate the GRIP addition</li> <li>(predecessor or subsidiary was not a CC or the corporation is becoming a CCPC</li> </ul>	n post-amalgamation, post-wind-up ————————————————————————————————————	
<b>nb. 1</b> Corporation becoming a CCPC Post am	nalgamation Post wind-up	
and the predecessor or subsidiary was not a CCPC or a DIC in its las	meaning assigned by subsection 87(1)) or a wind-up (to which subsection 88(1) applies) st tax year. The last tax year for a predecessor corporation was its tax year that ended it was its tax year during which its assets were distributed to the parent on the wind-up.	
Calculate the GRIP addition of a successor corporation following an a	amalgamation at the end of its first tax year.	
Calculate the GRIP addition of a parent corporation upon wind-up at the received the assets of the subsidiary.	the end of the tax year that ends immediately after the tax year in which the parent has	
In the calculation below, <b>corporation</b> means a predecessor or a subswas a CCPC or a DIC in its last year. Keep a copy of this calculation f	sidiary. Complete a separate worksheet for <b>each</b> predecessor and <b>each</b> subsidiary that for your records, in case we ask to see it later.	
Cost amount to the corporation of all property immediately before the	end of its previous/last tax year	A5
The corporation's money on hand immediately before the end of its pro	revious/last tax year	B5
Total of subsection 111(1) losses that would have been deductible in the previous/last tax year if the corporation had had unlimited income that realized an unlimited amount of capital gains for the previous/last	from each business carried on and each property held and	
Non-capital losses	C5	
Net capital losses	D5	
Farm losses	. —	
Restricted farm losses		
Limited partnership losses	G5	
Subtotal (add amounts C5 to G5)	H5	
Total of all amounts deducted under subsection 111(1) in calculating	the corporation's taxable income for the previous/last tax year:	
Non-capital losses	15	
Net capital losses		
Farm losses		
Restricted farm losses	L5	
Limited partnership losses	M5	
Subtotal (add amounts I5 to M5)	N5N5	
Unused and unexpired losses at the end of the	corporation's previous/last tax year (amount H5 minus amount N5)	O5
	Subtotal (add amounts A5, B5, and O5)	— P5
All the corporation's debts and other obligations to pay that were outstanding immediately before the end of its previous/last tax year	Q5	_
Paid-up capital of all the corporation's issued and outstanding shares	$\mathcal{Y}$	
of capital stock immediately before the end of its previous/last tax year	rR5	
All the corporation's reserves deducted in its previous/last tax year	\$5	
The corporation's capital dividend account immediately before the end		
The corporation's low rate income pool immediately before the end of its previous/last tax year		
	Subtotal (add amounts Q5 to U5)	V5
GRIP addition post-amalgamation or post-wind-up (predecessor or the corporation is becoming a CCPC (amount P5 minus amount P5	or or subsidiary was not a CCPC or a DIC in its last tax year),	W5
•		
Ine 220 for a corporation becoming a CCPC;	bsidiary, calculate the total of all the W5 amounts. Enter this total amount on:	
<ul><li>line 230 for post-amalgamation; or</li></ul>		
<ul><li>line 240 for post-wind-up.</li></ul>		
•		

Schedule 55

## Part III.1 Tax on Excessive Eligible Dividend Designations

Part III. I Tax on Excessive Eligible Dividend	a Designa	110115		
Corporation's name	Busines	Tax year-end Year Month Day		
Orangeville Hydro Limited	86463 95	62 RC0002	2019-12-31	
<ul> <li>Every corporation resident in Canada that pays a taxable dividend (other than a capital gains dividend within the meaning assigned by subsection 130.1(4) or 131(1)) in the tax year must file this schedule.</li> </ul>	nin	Do not u	use this area	
<ul> <li>Canadian-controlled private corporations (CCPC) and deposit insurance corporations (DIC) must complete Part 1 of this schedule. All other corporations must complete Part 2.</li> </ul>				
• Every corporation that has paid an eligible dividend must also file Schedule 53, General Rate Income Pool (GRIP) Calculation, or Schedule 54, Low Rate Income Pool (LRIP) Calculation, whichever is applicable.	ol			
• File the completed schedules with your <i>T2 Corporation Income Tax Return</i> no later than six months from the end of the tax year.				
All legislative references are to the Income Tax Act and the Income Tax Regulations.				
<ul> <li>Subsection 89(1) defines the terms eligible dividend, excessive eligible dividend designation, general rate i low rate income pool (LRIP).</li> </ul>	income pool (G	RIP), and		
<ul> <li>The calculations in Part 1 and Part 2 do not apply if the excessive eligible dividend designation arises from paragraph (c) of the definition of excessive eligible dividend designation in subsection 89(1). This paragraph dividend is paid to artificially maintain or increase the GRIP or to artificially maintain or decrease the LRIP</li> </ul>	ph applies whe			
- Part 1 – Canadian-controlled private corporations and deposit insurance $\dot{oldsymbol{arepsilon}}$	rporations			
Taxable dividends paid in the tax year <b>not included</b> in Schedule 3	<u></u>			
Taxable dividends paid in the tax year <b>included</b> in Schedule 3	566,4	35		
Total taxable dividends paid in the tax year	566,4	<u>35</u>		
Total eligible dividends paid in the tax year		150		_ A
GRIP at the end of the tax year (line 590 on Schedule 53) (if negative, enter "0")		160	7,888,215	БВ
Excessive eligible dividend designation (line 150 minus line 160)				С
Deduct:		-		_
Excessive eligible dividend designations elected under subsection 185.1(2) to be treated as ordinary dividend	ds*	180		D
Part III.1 tax on excessive eligible dividend designations – CCPC or DIC (amount E multiplied by	•			_
Enter the amount from line 190 on line 710 of the T2 return.	20 70)			= '
- Part 2 – Other corporations				
Taxable dividends paid in the tax year <b>not included</b> in Schedule 3		_		
Taxable dividends paid in the tax year <b>included</b> in Schedule 3				
Total taxable dividends paid in the tax year		_		
Total excessive eligible dividend designations in the tax year (amount from line A of Schedule 54)				_ G
Deduct:				
Excessive eligible dividend designations elected under subsection 185.1(2) to be treated as ordinary dividend	ds *	280		_ H
Subtotal	l (amount G <b>mi</b> i	nus amount H) <u> </u>		= 1
Part III.1 tax on excessive eligible dividend designations - Other corporations (amount I multiplied by	у	20 %) . <b>290</b> _		= J
Enter the amount from line 290 on line 710 of the T2 return.				

<sup>\*</sup> You can elect to treat all or part of your excessive eligible dividend designation as a separate taxable dividend in order to eliminate or reduce the Part III.1 tax otherwise payable. You must file the election on or before the day that is 90 days **after** the day the notice of assessment for Part III.1 tax was sent. We will accept an election before the assessment of the tax. For more information on how to make this election, go to **www.cra.gc.ca/eligibledividends**.

#### **SCHEDULE 546**

#### **CORPORATIONS INFORMATION ACTANNUAL RETURN FOR ONTARIO CORPORATIONS**

Name of corporation	Business Number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2019-12-31

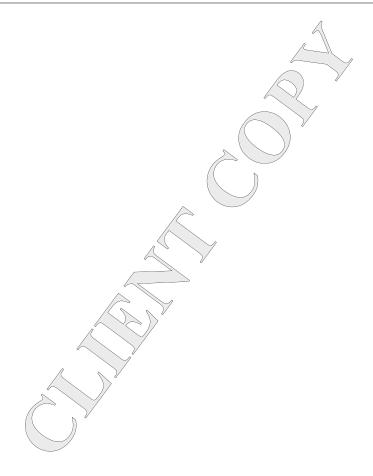
- This schedule should be completed by a corporation that is incorporated, continued, or amalgamated in Ontario and subject to the Ontario *Business Corporations Act* (BCA) or Ontario *Corporations Act* (CA), except for registered charities under the federal *Income Tax Act*. This completed schedule serves as a *Corporations Information Act* Annual Return under the *Ontario Corporations Information Act*.
- Complete parts 1 to 4. Complete parts 5 to 7 only to report change(s) in the information recorded on the Ontario Ministry of Government Services (MGS) public record.
- · This schedule must set out the required information for the corporation as of the date of delivery of this schedule.
- A completed Ontario Corporations Information Act Annual Return must be delivered within six months after the end of the corporation's tax year-end.
   The MGS considers this return to be delivered on the date that it is filed with the Canada Revenue Agency (CRA) together with the corporation's income tax return.

This schedule contains non-tax information collected und	er the authority of the Ontario <i>Corporatio</i>	ons Information Act. This inf	formation will be sent to the
MGS for the purposes of recording the information on the		7	
art 1 – Identification —————			
Corporation's name (exactly as shown on the MGS pr	ublic record)		
Orangeville Hydro Limited	25.10 (000) 4)		
	110 Date of incorporation or		120 Ontario Corporation No.
nichever is the most recent	amalgamation, whichever is the	Year Month Day	
Ontario	most recent	2009-01-01	1787206
art 2 – Head or registered office address	(P.O. box not acceptable as	stand-alone addres	s) ———
Care of (if applicable)	•		•
Care of (if applicable)			
0 Street number 220 Street name/Rural route/Lot	and Concession number	230 Suite number	
400 C-Line	and Concession number	Zoo Calle Hamber	
Additional address information if applicable (line 220	must be completed first)		
Station A Box 400	made be completed in sty		
Municipality (e.g., city, town)	260 Province/state 270	Country 280	Postal/zip code
Orangeville	on _	CA	L9W 2Z7
art 3 - Change identifier			
ave there been any changes in any of the information mos	st recently filed for the public record mair	ntained by the MGS for the	corporation with respect to
ames, addresses for service, and the date elected/appoin			
enior officers, or with respect to the corporation's mailing a ablic record maintained by the MGS, obtain a Corporation			
If there have been no abanges enter 4 in this	)/		
If there are changes, enter 2 in this box and			4 – Certification."
art 4 – Certification ———————			
certify that all information given in this Corporations Inform	nation Act Annual Return is true, correct	, and complete.	
50 Koekkoek	<b>451</b> Rob		
		First name	
Last name		i iiot iidiiio	
		THIST HAIRE	

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

Complete the applicable parts to report changes in the information recorded on the MGS public record.

<u>'</u>	nailing address is as follows:  540 Suite number	
	540 Suite number	
	540 Suite number	
d first)		
rince/state 580	Country 590 Po	ostal/zip code
		2 for French. This is the language of preference record



## **Corporate Taxpayer Summary**

┌ Corpo	rate info	ormatio	n												
Corporation	on's name			Orang	eville Hyd	ro Limite	ed								
Taxation \	∕ear			2019-0	01-01 to	201	9-12-31								
Jurisdictio	on			Ontari	0										
ВС	AB	SK	MB	ON	QC	NB	NS	NO	PE	NL	ХО	YT	NT	NU	ОС
				X											
Corporation	on is assoc	iated		Υ			•			•					
Corporation	on is related	d		Υ											
	f associate														
		•			ian-Contro	olled Priv	vate Corp	oration							
l	unt due (re	,													
* The am	ounts displa	ayed on lin	es "Total a	mount due	e (refund) fe	deral and	l provincial'	' are all list	ed in the h	elp. Press	F1 to cons	ult the cont	ext-sensat	tive help.	
										Λ					
	ary of fo									. 1					240 207
Net incom										/			• • • —	•	348,297
Taxable ir									/		\ <u> </u>		• • • —		4.000
Donations									/	•)/•••			· · · ·		4,900
Calculatio	n of income	e from an a	active busi	ness carrie	ed on in Car	ıada			•••••	, , , , ,			• • •		348,297
Dividends	paid								· · · · ·	\. <i>Y</i>			· · ·		566,435
	ds paid – R	•							\.\	)/	•	566,	435		
	ds paid – E	Ü						<i>(</i> /	». `		•				
Balance o	f the low ra	ite income	pool at the	end of the	previous ye	ear		(- /	•••)				• • •		
Balance o	f the low ra	ite income	pool at the	end of the	e year			\	<i>:/</i> /				· · · ·		
Balance of the general rate income pool at the end of the previous year								7,3	888,215						
Balance o	f the gener	al rate inco	ome pool a	t the end o	f the year		(``\.							7,8	888,215
Part I tax	(base amol	unt)					٠٨٠٠.	/					· · · ·		
 ⊢Summ	ary of fo	ederal d	arryfor	ward/ca	rryback	inform	ation	>							
	ward balar				,										
	idend amo						, N								58,221
Financial	statement r	eserve			🛝		<i></i> .								379,688

Common of manyingial information, analysis is in common toy now	, ahla		86463 9562 R
Summary of provincial information – provincial income tax pay	Ontario	Québec (CO-17)	Alberta (AT1)
Net income			
% Allocation			•
Tax payable before deduction*  Deductions and credits  Net tax payable			
Attributed taxable capital			N/A N/A
Fotal tax payable***  nstalments and refundable credits  Balance due/Refund (-)			
ogging tax payable (COZ-1179)			
Γax payable	N/A	<u> </u>	N/A
*** For Ontario, this includes the corporate minimum tax, the Crown royalties' additional tax development tax credit and the special additional tax debit on life insurance corporation Balance due/refund.			

## Summary – taxable capital

#### Federal

Corporate name		Taxable capital used to calculate the business limit reduction (T2, line 415)	Taxable capital used to calculate the SR&ED expenditure limit for a CCPC (Schedules 31 and 49)	Taxable capital used to calculate line 233 of the T2 return	Taxable capital used to calculate line 234 of the T2 return
Orangeville Hydro Limited		11,306,569	11,306,569	24,526,474	24,526,474
Corporation of the Town of Orangeville		15,000,000	15,000,000		
Corporation of the Township of East Luther Grand		5,000,000	5,000,000		
Orangeville Hydro Services Inc.		1	1	1	1
Orangville Railway Development Corporation					
	Total	31,306,570	31,306,570	24,526,475	24,526,475

#### Québec

Corporate name	Paid-up capital used to calculate the Québec business limit reduction (CO-771) and to calculate the additional deduction for	Paid-up capital used to calculate the tax credit for investment (CO-1029.8.36.IN) and to determine the applicability of Form	Paid-up capital used to calculate the \$1 million deduction (CO-1137.A and CO-1137.E)	Paid-up capital used to determine the applicability of Form CO-737.SI
	transportation costs of remote manufacturing SMEs (CO-156.TR)	CO-1029.8.33.TE		
Total				

		86463 9562 RC0002
Ontario		
Corporate name		Specified capital used to calculate the expenditure limit – Ontario innovation tax credit (Schedule 566)
	Total	
Other provinces		
Corporate name		Capital used to calculate the Newfoundland and Labrador capital deduction on financial institutions (Schedule 306)
	Total	

# **Five-Year Comparative Summary**

	Current year	1st prior year	2nd prior year	3rd prior year	4th prior year
Federal information (T2)					
Taxation year end	2019-12-31	2018-12-31	2017-12-31	2016-12-31	2015-12-31
Net income	348,297	727,370	699,911		
Taxable income		722,320	694,911		
Active business income	348,297	727,370	641,690		
 Dividends paid	566,435	447,092	646,294		
 Dividends paid – Regular	566,435	447,092	35,547		
 Dividends paid – Eligible			610,747		
LRIP – end of the previous year					
LRIP – end of the year					
GRIP – end of the	7 000 215	7 070 000	7 520 475		
previous year	7,888,215	7,978,892	7,520,475		
GRIP – end of the year	7,888,215	7,888,215	7,978,892		
Donations	4,900	5,050	5,000		
Balance due/refund (-)		-8,339	43,747		
Line 996 – Amended tax return				/	
Loss carrybacks requested in prior years to reduce taxable income					
Taxation year end	2019-12-31	2018-12-31	2017-12-31	2016-12-31	2015-12-31
Taxable income before oss carrybacks	N/A	N/A	694,911		
Non-capital losses	N/A	N/A	7		
Net capital losses (50%)	N/A	N/A			
Restricted farm losses	N/A	N/A			
Farm losses	N/A	N/A			
Listed personal property losses (50%)	N/A	N/A			
Total loss carried back to prior years	N/A	N/A			
Adjusted taxable income	NI/A		CO4.011		
after loss carrybacks	N/A	N/A -	694,911		
Losses in the current year carried bac to previous years to reduce taxable income (according to Schedule 4)	K				
Taxation year end	2019-12-31	2018-12-31	2017-12-31	2016-12-31	2015-12-31
Adjusted taxable income before current year loss carrybacks*	N/A	722,320	694,911		N/A
Non-capital losses	N/A	· 			N/A
Net capital losses (50%)	N/A				N/A
Restricted farm losses	N/A				N/A
Farm losses	N/A				N/A
Listed personal property losses (50%)	N/A				N/A
Total current year losses carried back to prior years	N/A				N/A
раск to prior years Adjusted taxable income					IN/ <i>F</i> A
after loss carrybacks	N/A	722,320	694,911		N/A

Loss carrybacks requested in prior
years to reduce taxable dividends
subject to Part IV tax

Taxation year end	2019-12-31	2018-12-31	2017-12-31	2016-12-31	2015-12-31
Adjusted Part IV tax multiplied by the multiplication factor**, before loss carrybacks	N/A	N/A			
Non-capital losses	N/A	N/A			
Farm losses	N/A	N/A			
Total loss carried back to prior years	N/A	N/A			
Adjusted Part IV tax multiplied by the multiplication factor**, after loss carrybacks	N/A	N/A			

#### Losses in the current year carried back to previous years to reduce taxable dividends subject to Part IV tax (according to Schedule 4)

Taxation year end	2019-12-31	2018-12-31	2017-12-31	2016-12-31	2015-12-31
Adjusted Part IV tax multiplied by the multiplication factor**, before current-year loss			A		
carrybacks***	N/A				N/A
Non-capital losses	N/A			$\searrow$	N/A
Farm losses	N/A				N/A
Total current year losses carried back to prior years	N/A				N/A
Adjusted Part IV tax multiplied by the multiplication factor**, after loss carrybacks	N/A				N/A

<sup>\*\*</sup> The multiplication factor is 3 for dividends received before January 1, 2016, and 100 / 38 4/3 for dividends received after December 31, 2015.

#### ┌ Federal taxes

Taxation year end	2019-12-31	2018-12-31	2017-12-31	2016-12-31	2015-12-31
Part I		104,592	118,015		
Part IV					
Part III.1					
Other*					

<sup>\*</sup> The amounts displayed on lines "Other" are all listed in the help. Press F1 to consult the context-sensative help.

#### ┌ Credits against part I tax -

Taxation year end	2019-12-31	2018-12-31	2017-12-31	2016-12-31	2015-12-31
Small business deduction					
M&P deduction					
Foreign tax credit					
Investment tax credit		3,756			
Abatement/other*		166,134	152,261		

<sup>\*</sup> The amounts displayed on lines "Other" are all listed in the help. Press F1 to consult the context-sensative help.

#### ¬ Refunds/credits

11clulius/cicuits					
Taxation year end	2019-12-31	2018-12-31	2017-12-31	2016-12-31	2015-12-31
ITC refund					
Dividend refund					
<ul> <li>Eligible dividends</li> </ul>					
<ul> <li>Non-eligible dividends</li> </ul>			17,854		
Instalments		185,683	124,082		
Other*					

<sup>\*</sup> The amounts displayed on lines "Other" are all listed in the help. Press F1 to consult the context-sensative help.

<sup>\*\*\*</sup> The adjusted Part IV tax multiplied by the multiplication factor before current-year loss carrybacks takes into account loss carrybacks that were made in prior taxation years. This amount is multiplied by the multiplication factor to help you determine the loss amount that must be used to reduce Part IV tax payable to zero.

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	ш	ric

Taxation year end	2019-12-31	2018-12-31	2017-12-31	2016-12-31	2015-12-31
Net income	348,297	727,370	699,911		
Taxable income		722,320	694,911		
% Allocation	100.00	100.00	100.00		
Attributed taxable income		722,320	694,911		
Surtax					
Income tax payable before deduction		83,067	79,915		
Income tax deductions /credits					
Net income tax payable		83,067	79,915		
Taxable capital					
Capital tax payable					
Total tax payable*		83,067	79,915		
Instalments and refundable credits		10,315	12,247		
Balance due/refund**		72,752	67,668		

For taxation years ending before January 1, 2009, this includes the corporate minimum tax and the premium tax. For taxation years ending after December 31, 2008, this includes the corporate minimum tax, the Crown royalties' additional tax, the transitional tax debit, the recaptured research and development tax credit and the special additional tax debit on life insurance corporations.

For taxation years ending after December 31, 2008, the Balance due/Refund is included in the federal Balance due/refund.



# **Tax Instalments**

_					
For the taxation year ended	2020-12-31	_			
Business number	86463 9562 F	RC0002			
		e current taxation year, and the latter the dates indicated below, other			Minister of
0					
0					
0					
0					
You can mail a cheque or a mor 620, Oshawa ON L1H 8E9.	ney order payable	to the Minister of Finance, to Min	istry of Finance, HYDRO Pli	LS DIVISION, 33 King S	t, PO Box
Do you want to calculate the inst	alments according	to the extended payment date (Co	OVID-19)?*		X Yes No
* The answer to this question is workchart sections is after M		t one of the dates entered in the <b>N</b> before September 1, 2020.	Ionthly instalments workc	hart or the Quarterly ins	stalments
Monthly instalment wo	rkchart		/ /-		
Date	Monthly tax instalments	Refund transferred to instalments	Instalments paid	Cumulative difference	Instalments payable

Monthly instalment	workchart		/		
Date	Monthly tax instalments	Refund transferred to instalments	Instalments paid	Cumulative difference	Instalments payable
2020-01-31	6,917				6,917
2020-02-29	6,917				6,917
2020-03-31					
2020-04-30					
2020-05-31					
2020-06-30					
2020-07-31					
2020-08-31					
2020-09-30	6,917				6,917
2020-10-31	6,917		7		6,917
2020-11-30	6,917				6,917
2020-12-31	6,913				6,913
Instalment (COVID-19	9)				
2020-09-01	41,502				41,502
Totals	83,000				83,000



Canada Revenue Agence du revenu du Canada

## **T2 Corporation Income Tax Return**

200

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

All legislative references on this return are to the federal Income Tax Act and Income Tax Regulations. This return may contain changes that had not yet become law at the time of publication.

Send one completed copy of this return, including schedules and the General Index of Financial Information (GIFI), to your tax centre. You have to file the return within six months after the end of the corporation's tax year.

For more information see **<u>canada.ca/taxes</u>** or Guide T4012, T2 Corporation – Income Tax Guide.

055	Do not use this area

┌ Identification ──────	
Business number (BN) 001 86463 9562 RC0002	
Corporation's name	To which tax year does this return apply?
002 Orangeville Hydro Limited	Tax year start Tax year-end
	Year Month Day Year Month Day
Address of head office Has this address changed since the last	060         2019-01-01         061         2019-12-31
time we were notified?	Has there been an acquisition of control
If <b>yes</b> , complete lines 011 to 018.	resulting in the application of
<b>011</b> 400 C Line	subsection 249(4) since the tax year start on line 060?
O12 Station A Box 400	
City Province, territory, or state	If yes, provide the date Year Month Day
015 Orangeville 016 ON	control was acquired 065
Country (other than Canada) Postal or ZIP code	Is the date on line 061 a deemed
<b>017</b> CA <b>018</b> L9W 2Z7	tax year-end according to subsection 249(3.1)?
Mailing address (if different from head office address)	
Has this address changed since the last	Is the corporation a professional
time we were notified?	corporation that is a member of a partnership?
If yes, complete lines 021 to 028.	
021 c/o	Is this the first year of filing after:
022	Incorporation? 070 Yes No X Amalgamation? 071 Yes No X
City Province, territory, or state	<u> </u>
025 026	If <b>yes</b> , complete lines 030 to 038 and attach Schedule 24.
Country (other than Canada)  Postal or ZIP code	Has there been a wind-up of a
027 028	subsidiary under section 88 during the current tax year?
Location of books and records (if different from head office address)	If <b>yes</b> , complete and attach Schedule 24.
Has this address changed since the	Is this the final tax year
last time we were notified? 030 Yes	before amalgamation? 076 Yes No X
If <b>yes</b> , complete lines 031 to 038.	Is this the final return up to
031 400 C Line	dissolution?         078         Yes         No         X
032 Station A Box 400	If an election was made under
City Province, territory, or state	section 261, state the functional currency used
035 Orangeville 036 ON	
Country (other than Canada) Postal or ZIP code	Is the corporation a resident of Canada? 080 Yes X No
037 CA 038 L9W 2Z7	If <b>no</b> , give the country of residence on line 081 and complete and attach Schedule 97.
040 Type of corporation at the end of the tax year (tick one)	081
1 Canadian-controlled private corporation (CCPC)	Is the non-resident corporation claiming an exemption under
2 Other private corporation	an income tax treaty? 082 Yes No X
3 Public corporation	If <b>yes</b> , complete and attach Schedule 91.
4 Corporation controlled by a public corporation	If the corporation is exempt from tax under section 149, tick one of
5 Other corporation	the following boxes:  1 Exempt under paragraph 149(1)(e) or (l)
(specify)	085 1 Exempt under paragraph 149(1)(e) or (I) 2 Exempt under paragraph 149(1)(j)
If the type of corporation changed during	3 Exempt under paragraph 149(1)(t)
the tax year, provide the effective Year Month Day	(for tax years starting before 2019)
date of the change	4 Exempt under other paragraphs of section 149
Do not use the	his area
095 096	898

┌ Attachments ──────		
Financial statement information: Use GIFI schedules 100, 125, and 141.  Schedules – Answer the following questions. For each yes response, attach the schedule to the T2 return, unless otherwise instructed.		
Constants — Answer the following questions. For each yes response, attach the solication to the 12 fetam, amess otherwise instructed.	Yes	Schedule
Is the corporation related to any other corporations?	150 X	9
Is the corporation an associated CCPC?	160 X	23
	161	49
Does the corporation have any non-resident shareholders who own voting shares?	151	19
Has the corporation had any transactions, including section 85 transfers, with its shareholders, officers, or employees, other than transactions in the ordinary course of business? Exclude non-arm's length transactions with non-residents	162	11
If you answered <b>yes</b> to the above question, and the transaction was between corporations not dealing at arm's length,		. !!
were all or substantially all of the assets of the transferor disposed of to the transferee?	163	44
Has the corporation paid any royalties, management fees, or other similar payments to residents of Canada?	164	14
Is the corporation claiming a deduction for payments to a type of employee benefit plan?	165	15
Is the corporation claiming a loss or deduction from a tax shelter?	166	T5004
Is the corporation a member of a partnership for which a partnership account number has been assigned?	167	T5013
Did the corporation, a foreign affiliate controlled by the corporation, or any other corporation or trust that did not deal at arm's length with the corporation have a beneficial interest in a non-resident discretionary trust (without reference to section 94)?	168	22
Did the corporation own any shares in one or more foreign affiliates in the tax year?	169	25
Has the corporation made any payments to non-residents of Canada under subsections 202(1) and/or 105(1) of the Income Tax Regulations?	170	29
Did the corporation have a total amount over CAN\$1 million of reportable transactions with non-arm's length non-residents?	171	T106
For private corporations: Does the corporation have any shareholders who own 10% or more of the corporation's common and/or preferred shares?	173 X	50
Has the corporation made payments to, or received amounts from, a retirement compensation plan arrangement during the year?	172	
Does the corporation earn income from one or more Internet web pages or websites?	180	88
Is the net income/loss shown on the financial statements different from the net income/loss for income tax purposes?	201 X	1
Has the corporation made any charitable donations; gifts of cultural or ecological property; or gifts of medicine?	202 X	2
Has the corporation received any dividends or paid any taxable dividends for purposes of the dividend refund?	203 X	3
Is the corporation claiming any type of losses?	204	4
Is the corporation claiming a provincial or territorial tax credit or does it have a permanent establishment in more than one jurisdiction?	205 X	5
Has the corporation realized any capital gains or incurred any capital losses during the tax year?	206	6
i) Is the corporation a CCPC and reporting a) income or loss from property (other than dividends deductible on line 320 of the T2 return), b) income from a partnership, c) income from a foreign business, d) income from a personal services business, e) income referred to in clause 125(1)(a)(i)(C) or 125(1)(a)(i)(B), f) aggregate investment income as defined in subsection 129(4), or g) an amount assigned to it under subsection 125(3.2) or 125(8); or ii) Is the corporation a member of a partnership and assigning its specified partnership business limit to a designated member under subsection 125(8)?	207	7
Does the corporation have any property that is eligible for capital cost allowance?	208 X	8
Does the corporation have any resource-related deductions?	212	12
Is the corporation claiming deductible reserves?	213	13
le me de peramen d'annum d'a parrenage annuella de dans de la compensation de la compensa	216	16
1	217	17
Is the corporation an investment corporation or a mutual fund corporation?	218	18
Is the corporation carrying on business in Canada as a non-resident corporation?	220	20
Is the corporation claiming any federal, provincial, or territorial foreign tax credits, or any federal logging tax credits?	221	21
Does the corporation have any Canadian manufacturing and processing profits?	227	27
Is the corporation claiming an investment tax credit?	231 X	31
to the despondition of annual graph and opposition (of the E) experimental development (of the E) experimental developmental developmental developmental developmental develop	232	T661
	233 X	33/34/35
Is the total taxable capital employed in Canada of the corporation and its associated corporations over \$10,000,000?	234 X	
to the corporation cuspical of all virtual on cuspical of infall methods methods.	238	38
Is the corporation claiming a Part I tax credit?	242	42
is the depotation duplet to that the target received on target professional order to that the target and the target profession and target profession a	243	43
Is the corporation agreeing to a transfer of the liability for Part VI.1 tax?	244	45
	249	46
For financial institutions: Is the corporation a member of a related group of financial institutions with one or more members subject to gross Part VI tax?	250	39
	253	T1131
, , , , , , , , , , , , , , , , , , ,	254	T1177
	255	92

Attachments (continued) Yes Schedule
Did the corporation have any foreign affiliates in the tax year?
Did the corporation own or hold specified foreign property where the total cost amount of all such property, at any time in the year, was
more than CAN\$100,000?
Did the corporation transfer or loan property to a non-resident trust?
Did the corporation receive a distribution from or was it indebted to a non-resident trust in the year?
Has the corporation entered into an agreement to allocate assistance for SR&ED carried out in Canada?
Has the corporation entered into an agreement to transfer qualified expenditures incurred in respect of SR&ED contracts?
Has the corporation entered into an agreement with other associated corporations for salary or wages of specified employees for SR&ED?  T1174  Did the corporation pay taxable dividends (other than capital gains dividends) in the tax year?  T55
Has the corporation made an election under subsection 89(11) not to be a CCPC? T2002  Has the corporation revoked any previous election made under subsection 89(11)? T2002
Did the corporation (CCPC or deposit insurance corporation (DIC)) pay eligible dividends, or did its
general rate income pool (GRIP) change in the tax year?
Did the corporation (other than a CCPC or DIC) pay eligible dividends, or did its low rate income pool (LRIP) change in the tax year? 269
┌ Additional information ─────────────────────────
Did the corporation use the International Financial Reporting Standards (IFRS) when it prepared its financial statements?
Is the corporation inactive?
· · · · · · · · · · · · · · · · · · ·
What is the corporation's main revenue-generating business activity?221122 _ Electric Power Distribution
Specify the principal products mined, manufactured,  284 Hydro distribution  285 100.000 %
sold, constructed, or services provided, giving the
approximate percentage of the total revenue that each product or service represents.
If the corporation was eligible to remit instalments on a quarterly basis for part of the tax year, provide the date the corporation ceased to be eligible
If the corporation's major business activity is construction, did you have any subcontractors during the tax year? 295 Yes No
┌ Taxable income ────
Net income or (loss) for income tax purposes from Schedule 1, financial statements, or GIFI
Deduct:
Charitable donations from Schedule 2
Cultural gifts from Schedule 2
Ecological gifts from Schedule 2
Gifts of medicine made before March 22, 2017, from Schedule 2
Taxable dividends deductible under section 112 or 113, or subsection 138(6) from Schedule 3
Part VI.1 tax deduction*
Non-capital losses of previous tax years from Schedule 4
Net capital losses of previous tax years from Schedule 4
Restricted farm losses of previous tax years from Schedule 4
Farm losses of previous tax years from Schedule 4
Limited partnership losses of previous tax years from Schedule 4
Taxable capital gains or taxable dividends allocated from a central credit union
Prospector's and grubstaker's shares
Employer deduction for non-qualified securities under an employee stock options
agreement
Subtotal (amount A <b>minus</b> amount B) (if negative, enter "0") 343,397 C Section 110.5 additions or subparagraph 115(1)(a)(vii) additions
212 222
Taxable income (amount C plus amount D) 343,397
Taxable income (amount C plus amount D)  Income exempt under paragraph 149(1)(t) (for tax years starting before 2019)  360 343,397
Taxable income (amount C plus amount D)
Taxable income (amount C plus amount D)  Income exempt under paragraph 149(1)(t) (for tax years starting before 2019)  360 343,397

- Small business deduction Canadian-controlled private corpor		out the tay year						
Income eligible for the small business	-	-				400	348,297	Α
Taxable income from line 360 on page minus 4 times the amount on line 6 federal law, is exempt from Part I tax	3, <b>minus</b> 100/28 ( 3.571 36** on page 8, and <b>minu</b>	143 ) of the amouns tha	t, because of			405	343,397	
Business limit (see notes 1 and 2 below	v)					410		C
Notes:	500 000 ··· !!		'E 41.		. 4 54			
<ol> <li>For CCPCs that are not associated weeks, prorate this amount by the r</li> </ol>								
2. For associated CCPCs, use Sched		· ·						
Business limit reduction Taxable capital business limit re	duction							
Amount C	x <b>415</b> ***	47,940	D =					Е
		11,250						
Passive income business limit re	eduction							
Adjusted aggregate investment inco	ome from Schedule 7****	417		_ <b>-</b>	50,000	) =		F
Amount C	X Amount F		=			<u></u>		G
100,	000				7/			
			Subtotal (the g	reater of amount	E and amoun	t G) <b>422</b>		Н
Reduced business limit for tax years st	arting before 2019 (amou	nt C <b>minus</b> amou	nt E) (if negative	e, enter "0")		425		I
Reduced business limit for tax years st	• ,		//	enter "0")		426		J
Business limit the CCPC assigns under	er subsection 125(3.2) (from	om line 515 on pag	ge 5) . (.\.			· · · ·		K
Reduced business limit after assign	ment for tax years star	ting before 2019	(amount I minu	is amount K)				L
Reduced business limit after assign	ment for tax years star	ting after 2018 (a	mount <b>J minus</b>	amount K)		428		M
Small business deduction				//				
Tax years starting before 2019		/						
Amount A, B, C, or L, whichever is the least	x	Number of days before Janua	ry 1, 2018			7.5 % =		1
		Number of days			65			
Amount A, B, C, or L, whichever is the least		umber of days in per 31, 2017, and l			x	18 % =		2
		Number of days			65			_
Amount A, B, C, or L, whichever is the least	x N	umber of days in December 3		r 3	65 ×	19 % =		3
		Number of days	in the tax year	3	65			
Tax years starting after 2018								
Amount A, B, C, or M, whichever is the	least	<u>}</u>			x	19 % =		4
Small business deduction (total of a	mounts 1 to 4)	′ ••••••				430		N
Enter amount N at amount J on page 8								
* Calculate the amount of foreign	non-business income tax	credit deductible	on line 632 with	out reference to t	he refundable	tax on the CCPC'	S	

- investment income (line 604) and without reference to the corporate tax reductions under section 123.4.
- Calculate the amount of foreign business income tax credit deductible on line 636 without reference to the corporation tax reductions under section 123.4.

#### \*\*\* Large corporations

- If the corporation is not associated with any corporations in both the current and previous tax years, the amount to be entered on line 415 is: (total taxable capital employed in Canada for the **prior** year **minus** \$10,000,000) x 0.225%.
- If the corporation is not associated with any corporations in the current tax year, but was associated in the previous tax year, the amount to be entered on line 415 is: (total taxable capital employed in Canada for the current year minus \$10,000,000) x 0.225%.
- For corporations associated in the current tax year, see Schedule 23 for the special rules that apply.

<sup>\*\*\*\*</sup> Enter the total adjusted aggregate investment income of the corporation and all associated corporations. Each corporation with such income has to file a Schedule 7, which includes a line 744 and a line 745. For the first tax year starting after 2018, use the total of lines 744. Otherwise, use the total of lines 745 of the preceding tax year.

	all business deduction (continued) ———— ied corporate income and assignment under subsectio	n 125(3.2)		
	O1 Name of corporation receiving the income and assigned amount	O Business number of the corporation receiving the assigned amount	P Income paid under clause 125(1)(a)(i)(B) to the corporation identified in column O <sup>3</sup>	Q Business limit assigned to corporation identified in column O <sup>4</sup>
		490	500	505
1. [		т	otal <b>510</b> -	Total <b>515</b>
Notes		ı	otal oto	Total oto
bus (A) sha (B) pro (	s amount is [as defined in subsection 125(7) <b>specified corp</b> siness of the corporation for the year from the provision of se at any time in the year, the corporation (or one of its shareholders) holds a direct or indirect interest in the private conit is not the case that all or substantially all of the corporation perty to [1] persons (other than the private corporation) with which the [1] partnerships with which the corporation deals at arm's lengifith the corporation holds a direct or indirect interest.	rvices or property to a private olders) or a person who does rporation, and 's income for the year from a corporation deals at arm's le	e corporation (directly or indirectly, is not deal at arm's length with the co an active business is from the provi	n any manner whatever) if orporation (or one of its sion of services or
4. The inc	e amount of the business limit you assign to a CCPC cannot ome referred to in column P in respect of that CCPC and B i ount of income referred to in clauses 125(1)(a)(i)(A) or (B) for tax years starting after 2018).	s the portion of the amount of	described in A that is deductible by	you in respect of the
	eral tax reduction for Canadian-controlled		3	
	lian-controlled private corporations throughout the tax	•		242.22
	e income from page 3 (line 360 or amount Z, whichever appl	,	( ))	343,397
				B
	nt 13K from Part 13 of Schedule 27		432	C
Amour	nt from line 400, 405, 410, or 427 (428 instead of 427 for tax	years starting after 2018)	· · · · · · · · ·	
Aggre	gate investment income from line 440 on page 6*			 F
		Subtotal (add amo	ounts B to F)	•
		Subtotal (add affic		
Amour	nt A <b>minus</b> amount G (if negative, enter "0")			<u>343,397</u>
Gener	al tax reduction for Canadian-controlled private corpor	ations – Amount H multipli	<b>ed</b> by 13 %	
Enter a	amount I on line 638 on page 8.			
* Exc	ept for a corporation that is, throughout the year, a cooperati	ve corporation (within the me	eaning assigned by subsection 136(	2)) or a credit union.
Do no	neral tax reduction t complete this area if you are a Canadian-controlled properties of the controlled	ivate corporation, an inve-	stment corporation, a mortgage of the corporation tax rate of 38%	investment corporation,
Taxabl	e income from page 3 (line 360 or amount Z, whichever appl	ies)		
Laccar	of amounts 9B and 9H from Part 9 of Schedule 27			К
			· · · · · · · · · · · · · · · · · · ·	
	nal services business income		434	 M
			unts K to M)	
Λ	A Lordina of the Control of the Cont		·	<del></del>
Amour				
	al tax reduction – Amount O multiplied by 13 % amount P on line 639 on page 8.			· · · · · · <u> </u>

Refundable portion of Part I tax				
Canadian-controlled private corporations throughout the tax year	ar			
Aggregate investment income from Schedule 7	x 30 2 / 3 %	=		A
Foreign non-business income tax credit from line 632 on page 8 .		В		
Foreign investment income from Schedule 7	v o 0/. –			
<del></del> -	x 8 % =			5
Subtotal (amount B <b>minus</b> amount C) (if nega				D
Amount A <b>minus</b> amount D (if negative, enter "0")  Taxable income from line 360 on page 3		242 207 -	· · · · · · · · · · · · · · · · · · ·	=
Amount from line 400, 405, 410, or 427 (428 instead		<del> F</del>		
of 427 for tax years starting after 2018) on page 4, whichever is the least	G			
Foreign non-business income tax credit from line 632 on page 8 x 75 / 29 =				
page 8 ^ /5 / 29	H	<b>A</b>		
business				
income				
tax credit from line 636				
on page 8 x 4 =	!			
Subtotal (add amounts G to I)	P			
Subtotal (amount F <b>minus</b> amount J) (if nega	itive, enter "0")	343,397 K × 30	2 / 3 % =	105,308 L
Part I tax payable minus investment tax credit refund (line 700 <b>minus</b> l	line 780 from page 9)	χ \ \)	<u></u>	<u>49,509</u> м
Refundable portion of Part I tax - Amount E, L, or M, whichever is the state of the model	the least /.	<b>∂</b>	450	N
− Refundable dividend tax on hand (for tax years s	tarting before 2	2019)		
Refundable dividend tax on hand at the end of the previous tax year		460		
Dividend refund for the previous tax year	,/,	465		
	Subtotal (line 460	minus line 465)	<b>&gt;</b>	0
Refundable portion of Part I tax from line 450 above		<u></u>	P	
Total Part IV tax payable from Schedule 3	<u></u>		Q	
Net refundable dividend tax on hand transferred on an amalgamation of a subsidiary		480		
, ,		Q <b>plus</b> line 480)	<u> </u>	R
		,	485	
Refundable dividend tax on hand at the end of the tax year - Am	ount O plus amount	К	405	
- Dividend refund (for tax years starting before 201	19) ————			
Private and subject corporations at the time taxable dividends w	•	/ear		
Taxable dividends paid in the tax year from line 460 on page 3 of Sc	hedule 3	x 38	1 / 3 % =	S
Refundable dividend tax on hand at the end of the tax year from line	485 above		· · · · · · · · · · · · · · · · · · ·	T
Dividend refund – Amount S or T, whichever is less			<u></u>	U
Enter amount II on line 784 on page 9			·	

Refundable dividend tax on hand (for tax years starting after 2018)  Refundable dividend tax on hand (RDTOH) at the end of the previous tax year
Dividend refund for the previous tax year
·
Subtotal (line 460 <b>minus</b> line 465 <b>plus</b> line 480) A
General rate income pool (GRIP) at the end of the previous tax year (from line 100 of schedule 53)
Total eligible dividends paid in the previous tax year (from line 300 of schedule 53)
Total excessive eligible dividend designation in the previous tax year (from line 310 of Schedule 53) D
Subtotal (amount C <b>minus</b> amount D) (if negative, enter "0") ► E
Net GRIP at the end of the previous tax year (amount B <b>minus</b> amount E) (if negative, enter "0")
(total of lines 230 and 240 of schedule 53)
Subtotal (amount F <b>plus</b> amount G) ▶
Amount H <b>multiplied</b> by 38 1 / 3 %
Eligible refundable dividend tax on hand (ERDTOH) at the end of the previous tax year (for the first tax year starting after 2018,
amount A or I, whichever is less, otherwise, use line 530 of the preceding tax year)
Non-eligible refundable dividend tax on hand (NERDTOH) at the end of the previous tax year (for the first tax year starting after
2018, amount A <b>minus</b> amount I, otherwise, use line 545 of the preceding tax year) (if negative, enter "0")
Part IV tax payable on taxable dividends from connected corporations (amount 2G from Schedule 3) L
Part IV tax payable on eligible dividends from non-connected corporations (amount 2J from Schedule 3)
Subtotal (amount L <b>plus</b> amount M)
Net ERDTOH transferred on an amalgamation or the wind-up of a subsidiary
ERDTOH dividend refund for the previous tax year
Refundable portion of Part I tax (from line 450 on page 6)
Part IV tax before deductions (amount 2A from Schedule 3)
Part IV tax allocated to ERDTOH (amount N)
Part IV tax reduction due to Part IV.1 tax payable (amount 4D of Schedule 43)
Subtotal (amount R minus total of amounts S and T) U
Net NERDTOH transferred on an amalgamation or the wind-up of a subsidiary /
NERDTOH dividend refund for the previous tax year
38 1/3% of the total losses applied against Part IV tax (amount 2D from Schedule 3)
Part IV tax payable allocated to NERDTOH, net of losses claimed (amount U minus amount X) (if negative enter "0") Y
NERDTOH at the end of the tax year* (total of amounts K, Q, V, and Y minus amount W) (if negative, enter "0")  Part IV tax payable allocated to ERDTOH, net of losses claimed (amount N minus the amount, if any, by which amount X
exceeds amount U) (if negative, enter "0")
ERDTOH at the end of the tax year* (total of amounts J, O, and Z minus amount P) (if negative, enter "0")
* For more information, consult the Help (F1).
- Dividend refund (for tax years starting after 2018) ————————————————————————————————————
38 1/3% of total eligible dividends paid in the tax year (amount 3A from Schedule 3)
ERDTOH balance at the end of the tax year (line 530)
Eligible dividend refund (amount AA or BB, whichever is less)
38 1/3% of total non-eligible taxable dividends paid in the tax year (amount 3B from Schedule 3)
NERDTOH balance at the end of the tax year (line 545)
Non-eligible dividend refund (amount DD or EE, whichever is less)
Amount DD <b>minus</b> amount EE (if negative, enter "0")
Amount BB <b>minus</b> amount CC (if negative, enter "0")
Additional non-eligible dividend refund (amount GG or HH, whichever is less)
Dividend refund* – Amount CC plus amount FF plus amount II
Enter amount JJ on line 784 on page 9.
* For more information, consult the Help (F1).

┌ Part I tax ───────────────────────────────────	
Base amount Part I tax – Taxable income from page 3 (line 360 or amount Z, whichever applies) multiplied by 38 %	130,491 A
Additional tax on personal services business income (section 123.5)	
Taxable income from a personal services business	В
Recapture of investment tax credit from Schedule 31	C
Calculation for the refundable tax on the Canadian-controlled private corporation's (CCPC) investment income (if it was a CCPC throughout the tax year)	
Aggregate investment income from line 440 on page 6	
Taxable income from line 360 on page 3	
Deduct:	
Amount from line 400, 405, 410, or 427 (428 instead of 427 for tax years	
starting after 2018) on page 4, whichever is the least F  Net amount (amount E minus amount F) 343,397   343,397   G	
Net amount (amount E minus amount F)	
Refundable tax on CCPC's investment income – 10 2 / 3 % of whichever is less: amount D or amount G	Н
Subtotal ( <b>add</b> amounts A, B, C, and H)	130,491
Deduct:	
Small business deduction from line 430 on page 4	
Federal tax abatement	
Manufacturing and processing profits deduction from Schedule 27	
Investment corporation deduction	
Taxed capital gains 624  Federal foreign non-business income tax credit from Schedule 21 632	
Federal qualifying environmental trust tax credit	
Federal qualifying environmental trust tax credit Investment tax credit from Schedule 31  648  2,000	80.982 k
Federal qualifying environmental trust tax credit	80,982 κ
Federal qualifying environmental trust tax credit Investment tax credit from Schedule 31  648  2,000	<u>80,982</u> к 49,509 L

#### - Privacy statement -

Personal information (including the SIN) is collected for the purposes of the administration or enforcement of the Income Tax Act and related programs and activities such as administering tax and benefits, audit, compliance, and collection. Personal information may be shared for purposes of other federal acts that provide for the imposition and collection of a tax or duty. Personal information may also be shared with other federal, provincial, territorial or foreign government institutions to the extent authorized by law. Failure to provide this information may result in interest payable, penalties or other actions. Under the Privacy Act, individuals have the right to access their personal information, request correction, or file a complaint to the Privacy Commissioner of Canada regarding the handling of the individual's personal information. Refer to Personal Information Bank CRA PPU 047 at canada.ca/cra-info-source.

Summary of tax and credits —  Federal tax		
Part I tax payable from amount L on page 8		<b>700</b> 49,509
Part II surcharge payable from Schedule 46		708
		710
		712
		716
		720
		724
Part XIII.1 tax payable from Schedule 92		727
		700
Add provincial or territorial tax:		Total federal tax 49,509
Provincial or territorial jurisdiction (if more than one jurisdiction and "multiple"		
(if more than one jurisdiction, enter "multiple"		<b></b>
Net provincial or territorial tax payable (excep-	(Quebec and Alberta)	·
Deduct other credits:		
Investment tax credit refund from Schedule 3	31	
Dividend refund from amount U on page 6 or	JJ on page 7	
Federal capital gains refund from Schedule 1	8	
Federal qualifying environmental trust tax cre		
Canadian film or video production tax credit (		
Film or video production services tax credit (F		*
Canadian journalism labour tax credit from So	chedule 58	
Tax withheld at source	· · · · · · · · · · · · · · · · · · ·	800
Total payments on which tax has been with		
Provincial and territorial capital gains refund f	rom Schedule 18	808
Provincial and territorial refundable tax credits	s from Schedule 5	( <sub>1</sub> . 812
Tax instalments paid		166,287
		Total-credits 890 166,287 ▶ 166,287 B
		Balance (amount A <b>minus</b> amount B)
Refund code 894 1	Refund 83,287	If the result is negative, you have a <b>refund</b> .
Direct deposit request		If the result is positive, you have a <b>balance owing</b> .  Enter the amount on whichever line applies.
To have the corporation's refund deposited di	irectly into the corporation's bank	Generally, we do not charge or refund a difference
account at a financial institution in Canada, o		of \$2 or less.
already gave us, complete the information be	// 《 》 //	Balance owing
Start Change information	910	For information on how to make your payment, go to
014	Branch number	canada.ca/payments.
914Institution number	918 Account number	
motitation number	, toodan namber	
If the corporation is a Canadian-controlled pridoes it qualify for the one-month extension of		
If this return was prepared by a tax preparer f	// . )/	920 G1829
	ED SOLELY EOR INCOME TAX PURPOSES WITHOUT AUDIT OR R	EVIEW FROM INFORMATION PROVIDED BY THE TAXPAYER.
- Certification ——————		
ı, <mark>950 Koekkoek</mark> Last name	951 Rob	President Position, office, or rank
		urn, including accompanying schedules and statements, and that
the information given on this return is, to the b	est of my knowledge, correct and complete	e. I also certify that the method of calculating income for this tax
year is consistent with that of the previous tax	year except as specifically disclosed in a s	statement attached to this return.
955		<b>956</b> (519) 942-8000
Date (yyyy/mm/dd)	Signature of the authorized signing office	
Is the contact person the same as the authoriz	zed signing officer? If <b>no</b> , complete the info	ormation below 957 Yes No X
958 Suzanne Presseault	·	<b>959</b> (519) 942-8000
	me of other authorized person	Telephone number
1		
- Language of correspondence -		
Indicate your language of correspondence by	/ entering 1 for English or 2 for French. inscrivant 1 pour anglais ou 2 pour françai	990 1

Orangeville Hydro Limited BN: 86463 9562 RC0002 Regulation 1101(5b.1) Election

Taxation period end: December 31, 2019

The taxpayer hereby elects pursuant to subsection 1101(5b.1) of the Income Tax Regulations of Canada, to include each eligible non-residential building acquired during the year in a separate prescribed class.

# **Schedule of Instalment Remittances**

Name of corporation	n contact					
Telephone number						
Effective interest date		Descri split	iption (instalment ren payment, assessed	nittance, credit)		Amount of credit
	2019 installments					166,287
		Total amount of in	stalments claimed	carry the result to	line 840 of the T2 Return)	166,287_A
					to the taxation year per T9	166,287 B
			i otai iiis	tamients creates	o the taxation year per 15	B
┌ Transfer —					<del>/</del>	
Account nu	umber	Taxation year end	Amount		Effective interest date	Description
From:		<b>,</b>				
То:			^			
From:				1		
To:				<u>-</u>		
From:						
T TOTTI.						
To:			7			
			\frac{1}{2}			
From:						
To:						
From:						
То:						

## \*

Canada Revenue Agency Agence du revenu du Canada

## Net Income (Loss) for Income Tax Purposes

Schedule 1

Corporation's name	Business number	Tax year-end
		Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2019-12-31

- Use this schedule to reconcile the corporation's net income (loss) as reported on the financial statements and its net income (loss) for tax purposes. For more information, see the T2 Corporation Income Tax Guide.
- All legislative references are to the Income Tax Act.

Net income (loss) after taxes and extraordinary items from line 9999 of Schedule 125	· · · · · · · · · · · · · · · · · · ·	901,542 A
Add:		
Provision for income taxes – current	-169,755	
Provision for income taxes – deferred	273,000	
Amortization of tangible assets	981,874	
Loss on disposal of assets	38,418	
Charitable donations and gifts from Schedule 2	4,900	
Non-deductible meals and entertainment expenses	1,509	
Reserves from financial statements – balance at the end of the year	379,688	
Subtotal of additions	1,509,634	1,509,634

#### Other additions:

#### Miscellaneous other additions:

		Description	Amount	\)		
		605	295			
	1	Inducement under 12(1)(x) ITA	14,071			
	2	Paragraph 12(1)(x) - Contributed capital	115,021			
	3	Paragraph 12(1)(a) - Customer Deposits	724,514			
	4	Tax grouped with change in regulatory	198,124			
		Total of column 2	1,051,730	<b>296</b>	1,051,730	
			Subtotal of other addition	s <b>199</b>	1,051,730	1,051,730 D
			Total addition	s <b>500</b>	2,561,364	2,561,364
An	noun	t A <b>plus</b> line 500				3,462,906 в

#### **Deduct:**

Deduct.				
Capital cost allowance from Schedule 8		403	1,497,657	
Reserves from financial statements – balance at the	e beginning of the year	414	359,084	
	\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\	Subtotal of deductions	1,856,741	1,856,741

#### Other deductions:

#### Miscellaneous other deductions:

	1	2		
	Description	Amount		
	705	395		
1	Amortization of contributed capital	94,119		
2	Deferred CGAAP Credits	51,214		
3	Subsection 13(7.4) election	115,021		
4	Paragraph 20(1)(m) - Customer Deposits	724,514		
5	Tax movement in reg account	273,000		
	Total of column 2	1,257,868	<b>396</b>	1,257,86

Subt	otal of other deductions  Total deductions  510	 1,257,868 E 3,114,609
Net income (loss) for income tax purposes (amount B minus line 510) Enter amount C on line 300 of the T2 return.		 348,297 C

T2 SCH 1 E (19) Canadä



## **Attached Schedule with Total**

Line 395 - Amount

Title Line 395 – Amount

Explanatory note

For FS presentation, grouped \$198,124 of tax expense as a reduction to regulatory movement.

Description	Operator (Note)	Amount
Movement in note 9 of FS for deferred tax balance		273,000 00
	+	
	Total	273,000 00

1

**Note**: The calculations are performed one at a time, from the first to the last line, and not according to the priority rules of the operations. For example, the formula 1+2\*3 will not result in the same thing as the formula 1+3\*2.

## **Inducement**

This form is used to calculate inducements that a corporation must add to its income under paragraph 12(1)(x) ITA. If an amount reduces the capital cost of a property, this amount will be indicated in Part "Tax credits whose amount should reduce the capital cost of property."

If you want to transfer an amount to Schedule 1 and include it in the corporation's income for tax purposes, select the corresponding check box in column A. You can also select the option **Select this check box to add all the amounts to income calculated in Schedule 1** to transfer all the amounts to Schedule 1. In either case, the column A check box will be selected for that amount and it will therefore be updated to Schedule 1.

#### Tax credits whose amount should be added to income

Fede	ral	
Α		
X	Investment tax credit from apprenticeship job creation expenditures	3,756
	Investment tax credit from child care spaces expenditures	
	Canadian film or video production tax credit*	
	* Please verify if the credit amount relates to depreciable property.  For more information, consult the Help (F1).	
	Film or video production services tax credit*	
	* Please verify if the credit amount relates to depreciable property.  For more information, consult the Help (F1).	
	Investment tax credit claimed on contributions made to SR&ED farming organizations	
	Canadian journalism labour tax credit	
Onta	rio	
Α		
Ш	Portion of the Ontario research and development tax credit that relates to the prescribed proxy amount (PPA) and portion of the Ontario investment tax credit that relates to contributions made to SR&ED farming organizations	
X	Ontario co-operative education tax credit	6,000
X	Ontario apprenticeship training tax credit	4,315
	Ontario computer animation and special effects tax credit*	
	* Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Ontario film and television tax credit*	
	* Please verify if the credit amount relates to depreciable property.  For more information, consult the Help (F1).	
	Ontario production services tax credit*	
	* Please verify if the credit amount relates to depreciable property.  For more information, consult the Help (F1).	
	Ontario interactive digital media tax credit*	
	* Please verify if the credit amount relates to depreciable property.  For more information, consult the Help (F1).	
	Ontario sound recording tax credit*	
	* Please verify if the credit amount relates to depreciable property.  For more information, consult the Help (F1).	
	Ontario book publishing tax credit	
X	Portion of the Ontario innovation tax credit that relates to the prescribed proxy amount (PPA) and portion of the Ontario investment tax credit that relates to contributions made to SR&ED farming organizations	
	Ontario business-research institute tax credit	
	Ontario community food program donation tax credit for farmers	

Tax credits whose amount should reduce the capital cost of property



Agence du revenu du Canada

#### **Charitable Donations and Gifts**

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2019-12-31

- For use by corporations to claim any of the following:
  - the eligible amount of charitable donations to qualified donees
  - the Ontario, Nova Scotia, and British Columbia food donation tax credits for farmers
  - the eligible amount of gifts of certified cultural property
  - the eligible amount of gifts of certified ecologically sensitive land or
  - the additional deduction for gifts of medicine made before March 22, 2017
- All legislative references are to the federal Income Tax Act, unless stated otherwise.
- The eligible amount of a gift is the amount by which the fair market value of the gifted property exceeds the amount of an advantage, if any, for the gift.
- The donations and gifts can be carried forward for 5 years except for gifts of certified ecologically sensitive land made after February 10, 2014, which can be carried forward for 10 years. Provincial food donation tax credits must be applied in the current tax year.
- Use this schedule to show a transfer of unused amounts from previous years following an amalgamation or the wind-up of a subsidiary as described under subsections 87(1) and 88(1).
- Subsection 110.1(1.2) provides as follows:
  - Where a particular corporation has undergone an acquisition of control, for tax years that end on or after the acquisition of control, no corporation can claim a deduction for a gift made by the particular corporation to a qualified donee before the acquisition of control.
  - If a particular corporation makes a gift to a qualified donee pursuant to an arrangement under which both the gift and the acquisition of control is expected, no corporation can claim a deduction for the gift unless the person acquiring control of the particular corporation is the qualified donee.
- An eligible medical gift made before March 22, 2017, to a qualifying organization for activities outside of Canada may be eligible for an additional deduction. Calculate the additional deduction in Part 5.
- File this schedule with your T2 Corporation Income Tax Return.

<ul> <li>For more information, see the T2 Corporation – Income Tax Guide.</li> </ul>		
┌ Part 1 – Charitable donations ─────		
Charity/Recipient	A	amount (\$100 or more only)
Various donation slips		4,900
	Subtotal	4,900
	Add: Total donations of less than \$100 each	
	Total donations in current tax year	4,900
// <	• )/	

Part 1 – Charitable donations				
	Federal		Québec	Alberta
Charitable donations at the end of the previous tax year		Α		
Charitable donations expired after 5 tax years*				
Charitable donations transferred on an amalgamation or the wind-up of a subsidiary				
Total charitable donations made in the current year	4,900		4,900	4,900
Subtotal (line 250 <b>plus</b> line 210)	4,900	В	4,900	4,900
Subtotal (line 240 <b>plus</b> amount B)	4,900	С	4,900	4,900
Adjustment for an acquisition of control				
Total charitable donations available (amount C <b>minus</b> line 255)  Amount applied in the current year against taxable income	4,900	D	4,900	4,900
(cannot be more than amount L in Part 2)	4,900		4,900	4,900
(enter this amount on line 311 of the T2 return)				_
Charitable donations closing balance (amount D <b>minus</b> line 260)		4		
The amount of qualifying donations for the Ontario community food program donation tax credit for farmers included in the amount on line 260 (for donations made after December 31, 2013)			1	
Ontario community food program donation tax credit for farmers (amount on line 262 <b>multiplied</b> by 25 %)		/ 1 <sub>//</sub>		
Enter amount 1 on line 420 of Schedule 5, Tax Calculation Supplementary – Corporation is less: the Ontario income tax otherwise payable or amount 1. For more information, see				hichever
The amount of qualifying donations for the Nova Scotia food bank tax credit for farmers included in the amount on line 260 (for donations made after December 31, 2015)				
Nova Scotia food bank tax credit for farmers (amount on line 263 <b>multiplied</b> by 25 %)		2		
Enter amount 2 on line 570 of Schedule 5, Tax Calculation Supplementary – Corporation is less: the Nova Scotia income tax otherwise payable or amount 2. For more information				hichever
The amount of qualifying gifts for the British Columbia farmers' food donation tax credit included in the amount on line 260 (for donations made after February 16, 2016 and before January 1, 2021)				
British Columbia farmers' food donation tax credit (amount on line 265 <b>multiplied</b> by 25 %)		3		
Enter amount 3 on line 683 of Schedule 5, Tax Calculation Supplementary – Corporation is less: the British Columbia income tax otherwise payable or amount 3. For more information of the control of the				
* For federal and Alberta tax purposes, donations and gifts expire after five tax years. F that ended before March 24, 2006, expire after five tax years; otherwise, donations an				ax year

Year of origin:			Federal	Québec	Alberta
1 <sup>st</sup> prior year		2018-12-31			
2 <sup>nd</sup> prior year		2017-12-31			
B <sup>rd</sup> prior year		2016-12-31			
<sup>th</sup> prior year		2015-12-31			
<sup>th</sup> prior year		2014-12-31			
6 <sup>th</sup> prior year*		2013-12-31			
<sup>7th</sup> prior year		2012-12-31			
B <sup>th</sup> prior year		2011-12-31		· · · · · · · · · · · · · · · · · · ·	
9 <sup>th</sup> prior year		2010-12-31			
10 <sup>th</sup> prior year		2009-12-31			
11 <sup>th</sup> prior year					
12 <sup>th</sup> prior year					
13 <sup>th</sup> prior year					
14 <sup>th</sup> prior year					
15 <sup>th</sup> prior year					
16 <sup>th</sup> prior year					
17 <sup>th</sup> prior year				7	
18 <sup>th</sup> prior year					
19 <sup>th</sup> prior year			\textsquare \texts		
20 <sup>th</sup> prior year					
21 <sup>st</sup> prior year*				—— <i>I</i>	
Fotal (to line A)				· <del></del>	_
on line 21 <sup>st</sup> pri	gifts made in a tax year that ended before Mar or year expire automatically in the current tax y aximum allowable deduction for o	ear.		<i>ear</i> and donations and gifts that a	re included
	ax purposes <sup>Note 1</sup> <b>multiplied</b> by 75 % .		Olis		261,223
Taxable capital of under subsection The amount of	the recapture of capital cost spect of charitable donations		225 225		
Capital cost Not		G Y			
Amount F or G	, whichever is less	235			
Amount on line 2	230 or 235, whichever is less			<u> </u>	
	R	Subtotal (add line	225, 227, and amount H		
				mount I <b>multiplied</b> by 25 %	264 222
		/	Subto	otal (amount E <b>plus</b> amount J)	261,223
	vable deduction for charitable donations / from Part 1, amount K, or net income for tax p	urposes, whichever is	least)		4,900
•	it unions, subsection 137(2) states that this am	•	,	<del></del>	

Note 2 This amount must be prorated by the following calculation: eligible amount of the gift divided by the proceeds of disposition of the gift.

	Federal	Québec	Alberta
Gifts of certified cultural property at the end of the previous tax year $\dots $	M		
Gifts of certified cultural property expired after 5 tax years* 439			
Gifts of certified cultural property at the beginning			
of the current tax year (amount M <b>minus</b> line 439)			
Gifts of certified cultural property transferred on an amalgamation			
or the wind-up of a subsidiary			
Total gifts of certified cultural property in the current year			
include this amount on line 112 of Schedule 1)			
Subtotal (line 450 <b>plus</b> line 410) _	N		
Subtotal (line 440 <b>plus</b> amount N) _	O		
Adjustment for an acquisition of control			
Amount applied in the current year against taxable income			
enter this amount on line 313 of the T2 return)			
Subtotal (line 455 <b>plus</b> line 460)	P		
Gifts of certified cultural property closing balance famount O minus amount P)		1	
For federal and Alberta tax purposes, donations and gifts expire after five tax years. ended before March 24, 2006, expire after five tax years; otherwise, donations and gifts expire after five tax years; otherwise, donations and gifts expire after five tax years.			n a tax year that

- Amount ca	arried forward – Gifts of certified cultural property —	$\longrightarrow$		
7 unount of				
Year of origin:	Feder	al	Québec	Alberta
1st prior year				
2 <sup>nd</sup> prior year				
3 <sup>rd</sup> prior year				
4 <sup>th</sup> prior year				
5 <sup>th</sup> prior year	2014-12-31	7		
6 <sup>th</sup> prior year*	2013-12-31			
7 <sup>th</sup> prior year	2012-12-31			
8 <sup>th</sup> prior year	2011-12-31			
9 <sup>th</sup> prior year	2010-12-31			
10 <sup>th</sup> prior year	2009,12-31			
11 <sup>th</sup> prior year				
12 <sup>th</sup> prior year				
13 <sup>th</sup> prior year				
14 <sup>th</sup> prior year				
15 <sup>th</sup> prior year	······································			
16 <sup>th</sup> prior year				
17 <sup>th</sup> prior year				
18 <sup>th</sup> prior year				
19 <sup>th</sup> prior year	······································			
20 <sup>th</sup> prior year				
21st prior year*	<u> </u>			
Total	·····			

<sup>\*</sup> For federal and Alberta tax purposes, donations and gifts included on line 6<sup>th</sup> prior year expire automatically in the current tax year. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, that are included on line 6<sup>th</sup> prior year and donations and gifts that are included on line 21<sup>st</sup> prior year expire automatically in the current tax year.

	Federal	Québec	Alberta
ifts of certified ecologically sensitive land at the end of the previous tax year .		Q	
ifts of certified ecologically sensitive land expired after			
tax years, or after 10 tax years for gifts made after			
ebruary 10, 2014*		-	-
ifts of certified ecologically sensitive land at the beginning f the current tax year (amount Q minus line 539)			
The current tax year (amount & minus line 500)			
Gifts of certified ecologically sensitive land transferred on an			
imalgamation or the wind-up of a subsidiary			
			-
otal current-year gifts of certified ecologically sensitive land 520			
include this amount on line 112 of Schedule 1)			
Subtotal (line 550 <b>plus</b> line 520)		R	
Subtotal (line 540 <b>plus</b> amount R)			
Adjustment for an acquisition of control			
enter this amount on line 314 of the T2 return)			
Subtotal (line 555 <b>plus</b> line 560)		Т	
Gifts of certified ecologically sensitive land closing balance		$\langle \rangle$	
amount S <b>minus</b> amount T)			
For federal and Alberta tax purposes, donations and gifts made before February 11,		ax years and gifts made after pefore March 24, 2006, expire	

┌ Amounts o	carried forward – Gifts of certified ecologically sensitive land		
Amount of carrie	ed forward gifts made on or after February 11, 2014, in the tax year including this date		
Year of origin:	Federal	Québec	Alberta
1st prior year			
2 <sup>nd</sup> prior year	2017-12-31		
3 <sup>rd</sup> prior year	2016-12-31		
4 <sup>th</sup> prior year	2015-12-31		
5 <sup>th</sup> prior year	2014-12-31		
6 <sup>th</sup> prior year*	2013-12-31		
7 <sup>th</sup> prior year	2012-12-31		
8 <sup>th</sup> prior year			
9 <sup>th</sup> prior year			
10 <sup>th</sup> prior year	2009-12-31		
11 <sup>th</sup> prior year*			
12 <sup>th</sup> prior year	······		
13 <sup>th</sup> prior year			
14 <sup>th</sup> prior year			
15 <sup>th</sup> prior year			
16 <sup>th</sup> prior year			
17 <sup>th</sup> prior year			
18 <sup>th</sup> prior year	<u></u>		
19 <sup>th</sup> prior year	<u></u>		
20 <sup>th</sup> prior year	<u></u>		
21st prior year*			
Total	· · · · · · · · · · · · · · · · · · ·		

<sup>\*</sup> For federal and Alberta tax purposes, donations and gifts made before February 11, 2014, that are included on line 6<sup>th</sup> prior year and gifts that are included on line 11<sup>th</sup> prior year expire automatically in the current year.

The field "Amount of carried forward gifts made on or after February 11, 2014, in the tax year including this date" is used to distinguish the portion of the gifts made in the tax year straddling February 11, 2014, that expires after ten tax years, from the portion that expires in the current tax year.

For Québec tax purposes, donations and gifts made during a tax year that ended before March 24, 2006, that are included on line 6<sup>th</sup> prior year and gifts that are included on line 21<sup>st</sup> prior year expire automatically in the current tax year.

Part 5 – Additional deduction for gifts of medicine			
	Federal	Québec	Alberta
dditional deduction for gifts of medicine at the end of the previous tax year	U		
ditional deduction for gifts of medicine expired after 5 tax years* 639			
diditional deduction for gifts of medicine at the beginning of the errent tax year (amount U <b>minus</b> line 639)			
dditional deduction for gifts of medicine made before March 22, 2017 ansferred on an amalgamation or the wind-up of a subsidiary 650			
ditional deduction for gifts of medicine made before March 22, 2017:			
Proceeds of disposition			
Cost of gifts of medicine made before March 22, 2017			-
Subtotal (line 602 <b>minus</b> line 601)			
Amount V <b>multiplied</b> by 50 %			
Eligible amount of gifts	······································		
Additional			
deduction for gifts			
Foderal of medicine made			
before March 22,			
a x ( <u>b</u> = 2017 610 _			
C Additional	, ^\	\	
deduction for gifts		2/	
Québec of medicine made		\	
before March 22, x / b \ = 2017		//	
] - 2017			
Additional			
deduction for gifts			
Alberta of medicine made before March 22,			
x ( <u>b</u> = 2017			
	, , , , , , , , , , , , , , , , , , ,		
here:			
is the <b>lesser</b> of line 601 and amount W			
//			
is the eligible amount of gifts (line 600)			
is the proceeds of disposition (line 602)	7		
Subtotal (line 650 <b>plus</b> line 610)	x		
Subtotal (line 640 <b>plus</b> amount X)	Υ		
, ,			
djustment for an acquisition of control			
nount applied in the current year against taxable income			
nter this amount on line 315 of the T2 return)			
,	_		
Subtotal (line 655 <b>plus</b> line 660) _	Z		
additional deduction for gifts of medicine closing balance			
mount Y <b>minus</b> amount Z)			
For federal and Alberta tax purposes, donations and gifts expire after five tax years	. For Québec tax purposes, do	nations and gifts made	in a tax year that

Year of origin:		Federal	Québec	Alberta
1 <sup>st</sup> prior year		31_		
2 <sup>nd</sup> prior year	2017-12-3	31		
3 <sup>rd</sup> prior year	2016-12-3	31		
4 <sup>th</sup> prior year	2015-12-3	31		
5 <sup>th</sup> prior year	2014-12-3	31		
6 <sup>th</sup> prior year*	2013-12-3	31		
7 <sup>th</sup> prior year		31_		
8 <sup>th</sup> prior year		31_		
9 <sup>th</sup> prior year	2010-12-3	31		
10 <sup>th</sup> prior year	2009-12-3	31		
11 <sup>th</sup> prior year				
12 <sup>th</sup> prior year				
13 <sup>th</sup> prior year				
14 <sup>th</sup> prior year				
15 <sup>th</sup> prior year				
16 <sup>th</sup> prior year				
17 <sup>th</sup> prior year			4	
18 <sup>th</sup> prior year				
19 <sup>th</sup> prior year				
20 <sup>th</sup> prior year				
21 <sup>st</sup> prior year*			<u> </u>	
Total			Y	
donations an	d Alberta tax purposes, donations and gifts included on line a gifts made in a tax year that ended before March 19, 2007, year expire automatically in the current tax year.	6 <sup>th</sup> prior year expire automatically that are included on line 6 <sup>th</sup> prior y	in the current tax year. For Québec /ear and donations and gifts that ar	tax purposes, e included on
Québec -	Gifts of musical instruments —			
Gifts of musica	instruments at the end of the previous tax year			
	f musical instruments expired after twenty tax years			
	instruments at the beginning of the tax year			
Add:				
Gifts of music	al instruments transferred on an amalgamation or the wind-u	p of a subsidiary		
Total current-	vear gifts of musical instruments		<u> </u>	
			Subtotal (line D <b>plus</b> line E)	
Deduct: Adjus	ment for an acquisition of control	> <sup>"</sup> · · · · · · · · · · · · · · · · · · ·		
ŭ	usical instruments available	·	····· <u> </u>	
Deduct: Amou	nt applied against taxable income (enter this amount on line 2	55 of form CO-17)		
Gifts of musica	instruments closing balance			

Year of origin:		Québec
1 <sup>st</sup> prior year		31_
2 <sup>nd</sup> prior year		31_
3 <sup>rd</sup> prior year		31_
4 <sup>th</sup> prior year		31_
5 <sup>th</sup> prior year		31_
6 <sup>th</sup> prior year*		31_
7 <sup>th</sup> prior year		31_
3 <sup>th</sup> prior year		31_
9 <sup>th</sup> prior year		31_
10 <sup>th</sup> prior year		31_
11 <sup>th</sup> prior year		
12 <sup>th</sup> prior year		
13 <sup>th</sup> prior year		
4 <sup>th</sup> prior year		
15 <sup>th</sup> prior year		
16 <sup>th</sup> prior year		
17 <sup>th</sup> prior year		
18 <sup>th</sup> prior year	· · · · · · · · · · · · · · · · · · ·	
19 <sup>th</sup> prior year		
20 <sup>th</sup> prior year		
21 <sup>st</sup> prior year*		
Total		

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Schedule 3

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# Dividends Received, Taxable Dividends Paid, and Part IV Tax Calculation

Corporation's name

Business number

Tax year-end

Year Month Day

Orangeville Hydro Limited

86463 9562 RC0002

2019-12-31

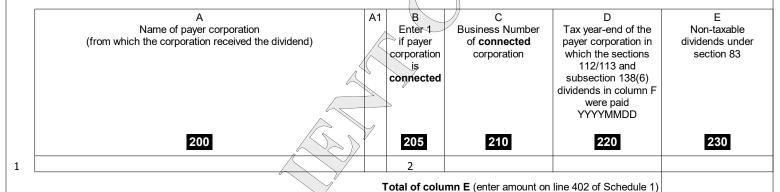
- · Corporations must use this schedule to report:
  - non-taxable dividends under section 83;
  - deductible dividends under subsection 138(6);
  - taxable dividends deductible from income under section 112, subsection 113(2) and paragraphs 113(1)(a), (a.1), (b) or (d); or
  - taxable dividends paid in the tax year that qualify for a dividend refund (see page 3).
- All legislative references are to the federal Income Tax Act.
- The calculations in this schedule apply only to private or subject corporations.
- A recipient corporation is **connected** with a payer corporation at any time in a tax year, if at that time the recipient corporation:
  - controls the payer corporation, other than because of a right referred to in paragraph 251(5)(b); or
  - owns more than 10% of the issued share capital (with full voting rights), and shares that have a fair market value of more than 10% of the fair market value of all shares of the payer corporation.
- If you need more space, continue on a separate schedule.
- File this schedule with your T2 Corporation Income Tax Return.
- Column A1 Enter "X" if dividends were received from a foreign source.
- Column F1 Enter the code that applies to the deductible taxable dividend.

#### Part 1 – Dividends received in the tax year

- Do **not** include dividends received from foreign non-affiliates.
- Complete columns B, C, D, H and I only if the payer corporation is connected.

#### Important instructions to follow if the payer corporation is connected

- If your corporation's tax year-end is different than that of the connected payer corporation, dividends could have been received from more than one
  tax year of the payer corporation. If so, use a separate line to provide the information according to each tax year of the payer corporation.
- When completing column J and K use the special calculations provided in the notes.



**1**.J

#### Part 1 – Dividends received in the tax year (continued)

Part IV tax on eligible dividends received from connected corporations (total amounts from column J

Part IV tax on eligible dividends received from non-connected corporations (total amounts from column J with code 2 in column B)

Part IV tax before deductions on taxable dividends (other than eligible dividends) (amount 11 minus amount 1K)

with code 1 in column B)

	F Taxable dividends deductible from taxable income under section 112, subsections 113(2) and 138(6), and paragraphs 113(1)(a), (a.1),(b), or (d) <sup>note 1</sup>	F1	G Eligible dividends included in column F	H Total taxable dividends paid by <b>connected</b> payer corporation (for tax year in column D)	I Dividend refund of the <b>connected</b> payer corporation (for tax year in column D) <sup>note 2</sup>	J Part IV tax for eligible dividends. Dividends (from column G) multiplied by 38 1/3% <sup>note 3</sup>	K Part IV tax before deductions. Dividends (from column F) multiplied by 38 1/3% <sup>note 4</sup>	
	240		242	250	260	265	275	
1								
Таха	ble dividends received fror	m connecte	ed corporations (total amo	unts from column F with o	code 1 in column B)	<u> </u>	1A	
Taxa	ble dividends received from	m non-con	nected corporations (total	amounts from column F v	with code 2 in column B)	<u> </u>	1B	
			Subtotal (amour	nt 1A <b>plus</b> amount 1B, inc	clude this amount on line	320 of the T2 Return)	1C	
Eligit	ole dividends received from	n connecte	d corporations (total amou	unts from column G with o	code 1 in column B)		1D	
Eligit	ole dividends received from	n non-conr	ected corporations (total a	amounts from column G v	vith code 2 in column B)	· · · · · · · · =	1E	
(total	Part IV tax before deductions on taxable dividends received from connected corporations (total amounts from column K with code 1 in column B)							
(total	amounts from column K v	with code 2	in column B)			1G		
				Subtotal (amount 1F pl	l <b>us</b> amount 1G)	<u></u> >	1H	

1 If taxable dividends are received, enter the amount in column F, but if the corporation is not subject to Part IV tax (such as a public corporation other than a subject corporation as defined in subsection 186(3)), enter "0" in column J or column K whichever one applies. Life insurers are not subject to Part IV tax on subsection 138(6) dividends.

Subtotal (amount 11 plus amount 1J)

- 2 If the connected payer corporation's tax year ends after the corporation's balance-due day for the tax year (two or three months, as applicable), you have to estimate the payer's dividend refund when you calculate the corporation's Part IV tax payable.
- 3 For eligible dividends received from connected corporations, Part IV tax on dividends is equal to: column I divided by column H multiplied by column G.
- 4 For taxable dividends received from connected corporations, Part IV tax on dividends is equal to: column I divided by column H multiplied by column F.

t IV tax on dividends received before deductions (amount 1H in part 1	,		2A	
t IV.I tax payable on dividends subject to Part IV tax (from line 360 of	<i>'</i>	320		
· ·	btotal (amount 2A <b>minus</b> line		<u> </u>	
urrent-year non-capital loss claimed to reduce Part IV tax		330		
on-capital losses from previous years claimed to reduce Part IV tax		-		
		340		
•		345		
Total losses applied against P	-		 2C	
	` 			
IV tax payable (amount 2B minus amount 2D, if negative enter "0"				
	)			
er amount on line 712 of the T2 return)	a the manufact amount of Dout	N/ tarras - a arrabla im		arila I a
ur tax year begins after 2018, complete the following part to determine dable dividend tax on hand (ERDTOH) at the end of the tax year.			order to calculate the elig	gible
IV tax before deductions on taxable dividends received from connect	•	. ,		
unt 4A from Schedule 43  IV tax payable on taxable dividends received from connected (				
"0")				
r at amount L on page 7 of the T2 return)		, N		
r tax year begins after 2018, complete the following part to determin dable dividend tax on hand (ERDTOH) at the end of the tax year.	e the required amount of Part	IV taxes payable in	order to calculate the eli	gible
V tax on eligible dividends received from non-connected corporation	ns (amount 1J in part 1)	<u>(                                    </u>		
unt 4C from Schedule 43				
IV tax payable on eligible dividends received from non-connec	cted corporations (amount 2)	1 minus amount 2l	, if negative	
"0")		·	· · · · · · · · · · · · · · · · · · ·	
er at amount M on page 7 of the T2 return)		)/		
the program calculates the amount on line 2E from the amount on lin n eligible refundable dividend tax on hand (ERDTOH), enter this am orporation does not result in an ERDTOH, the amount on line 2E mu	ount on line 2E, using an overr			
corporation does not result in an ERD FOR, the amount on line 2E mic	ist be equal to 0.			
art 3 – Taxable dividends paid in the tax year that	qualify for a dividone	l rofund ——		
it 3 – Taxable dividends paid in the tax year that	. quainty for a divident	i i <del>c</del> iuliu		
	. // -			
If your corporation's tax year-end is different than that of the connection of the recipient corporation. If so, use a separate line to	cted recipient corporation, your	corporation could	have paid dividends in m	ore than
If your corporation's tax year-end is different than that of the connection one tax year of the recipient corporation. If so, use a separate line to	cted recipient corporation, your oprovide the information accor	ding to each tax ye	ar of the recipient corpor	ation.
one tax year of the recipient corporation. If so, use a separate line to	cted recipient corporation, your o provide the information accor	ding to each tax ye	ar of the recipient corpor	ation.
If your corporation's tax year-end is different than that of the connect one tax year of the recipient corporation. If so, use a separate line to the tax year of the recipient corporation.	cted recipient corporation, your oprovide the information accor	ding to each tax ye  N  Tax year-end	ar of the recipient corpor  O  Taxable dividends	P Eligible
one tax year of the recipient corporation. If so, use a separate line to	cted recipient corporation, your o provide the information accor	ding to each tax ye  N  Tax year-end of connected	or of the recipient corpor  Or Taxable dividends paid to connected	P Eligible dividends
one tax year of the recipient corporation. If so, use a separate line to	cted recipient corporation, your o provide the information accor	N Tax year-end of connected recipient	ar of the recipient corpor  O  Taxable dividends	P Eligible dividends included in
one tax year of the recipient corporation. If so, use a separate line to	cted recipient corporation, your o provide the information accor	ding to each tax ye  N  Tax year-end of connected	O Taxable dividends paid to connected	P Eligible dividends
one tax year of the recipient corporation. If so, use a separate line to	cted recipient corporation, your o provide the information accor	N Tax year-end of connected recipient corporation in which the dividends in	O Taxable dividends paid to connected	P Eligible dividends included in
one tax year of the recipient corporation. If so, use a separate line to	cted recipient corporation, your o provide the information accor	N Tax year-end of connected recipient corporation in which the dividends in column O	O Taxable dividends paid to connected	P Eligible dividends included in
one tax year of the recipient corporation. If so, use a separate line to	cted recipient corporation, your o provide the information accor	N Tax year-end of connected recipient corporation in which the dividends in column O were received	O Taxable dividends paid to connected	P Eligible dividends included in
one tax year of the recipient corporation. If so, use a separate line to	cted recipient corporation, your o provide the information accor	N Tax year-end of connected recipient corporation in which the dividends in column O	O Taxable dividends paid to connected	P Eligible dividends included in
one tax year of the recipient corporation. If so, use a separate line to	cted recipient corporation, your oprovide the information accor	N Tax year-end of connected recipient corporation in which the dividends in column O were received YYYYMMDD	or of the recipient corpor  O  Taxable dividends paid to connected corporations	P Eligible dividends included in column O
Name of connected recipient corporation	cted recipient corporation, your oprovide the information accor  M Business Number	N Tax year-end of connected recipient corporation in which the dividends in column O were received YYYYMMDD	O Taxable dividends paid to connected corporations	P Eligible dividends included in
one tax year of the recipient corporation. If so, use a separate line to	cted recipient corporation, your oprovide the information accor	N Tax year-end of connected recipient corporation in which the dividends in column O were received YYYYMMDD	or of the recipient corpor  O  Taxable dividends paid to connected corporations	P Eligible dividends included in column O
one tax year of the recipient corporation. If so, use a separate line to L  Name of connected recipient corporation  400	cted recipient corporation, your oprovide the information accor  M Business Number	N Tax year-end of connected recipient corporation in which the dividends in column O were received YYYYMMDD	O Taxable dividends paid to connected corporations	P Eligible dividends included in column O

□ Part 3 – Taxable dividends paid in the tax year that qualify for a dividend refund (continued)	
Total taxable dividends paid in the tax year to other than connected corporations	31,154
Eligible dividends included in line 450	
Total taxable dividends paid in the tax year that qualify for a dividend refund (total of column O plus line 450)	566,435
Total eligible dividends paid in the tax year (total of column P <b>plus</b> line 455)	
	566,435
	300,733
Complete this part to determine the following amounts in order to calculate the dividend refund.	
Line 465 <b>multiplied</b> by 38 1 / 3 %	3A
(enter at amount AA on page 7 of the T2 return)	
Line 470 multiplied by 38 1 / 3 %	217,133 <sub>3E</sub>
(enter at amount DD on page 7 of the T2 return)	
Part 4 – Total dividends paid in the tax year  Complete this part if the total taxable dividends paid in the tax year that qualify for a dividend refund (line 460) is different from the total dividends in the tax year.	paid
Total taxable dividends paid in the tax year for the purposes of a dividend refund (from above)	566,435
Other dividends paid in the tax year (total of 510 to 540)	
Total dividends paid in the tax year	566,435
Dividends paid out of capital dividend account  Capital gains dividends  Dividends paid on shares described in subsection 129(1.2)  Taxable dividends paid to a controlling corporation that was bankrupt at any time in the year  540	
Subtotal (total of lines 510 to 540)	4A

Total taxable dividends paid in the tax year that qualify for a dividend refund (Line 500 minus amount 4A)

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566,435<sub>4B</sub>

## Canada Revenue Agency

Agence du revenu du Canada

## Tax Calculation Supplementary - Corporations

Schedule 5

Corporation's name	Business Number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2019-12-31

- Use this schedule if, during the tax year, your corporation:
  - had a permanent establishment in more than one jurisdiction (corporations that have no taxable income should only complete columns A, B, and D in Part 1)
  - is claiming provincial or territorial tax credits or rebates (see Part 2), or
  - has to pay taxes, other than income tax, for Newfoundland and Labrador, or Ontario (see Part 2).
- All legislative references are to the Income Tax Regulations.
- For more information, see the T2 Corporation Income Tax Guide.
- For the regulation number to be entered in field 100 of Part 1, see the chart below.

100				_ Enter the regulation that applies	(402 to 413)		
<b>A</b> Jurisdictio	nn.	B Tatal adams and wares	C (D. ) to vehic	D Common attailm to be	E (Dayteyahla	F Allocation of toyoble	
Tick yes if your corporation had a permanent establishment in the jurisdiction during the tax year *		Total salaries and wages paid in jurisdiction	(B x taxable income) / G	Gross revenue attributable to jurisdiction	(D x taxable income) / H	Allocation of taxable income (C + E) x 1/2 (where either G or H is nil, do not multiply by 1/2	
Newfoundland and Labrador	003 Yes	103		143			
Newfoundland and _abrador Offshore	Yes	104		144			
Prince Edward sland	<b>005</b> Yes	105		145			
Nova Scotia	907 Yes	107		147			
Nova Scotia Offshore	Yes	108		148			
New Brunswick	Yes	109		149			
Quebec	Yes	111		151			
Ontario	013 Yes	113		153			
Manitoba	<b>015</b> Yes	115		155			
Saskatchewan	<b>017</b> Yes	117		157			
Alberta	<b>019</b> Yes	119		159			
British Columbia	<b>021</b> Yes	121	7	161			
′ukon	<b>023</b> Yes	123		163			
lorthwest erritories	<b>025</b> Yes	125	,	165			
lunavut	026 Yes	126		166			
Outside Canada	<b>027</b> Yes	127		167			
otal		129 G		169 H			

<sup>\*</sup> Permanent establishment is defined in subsection 400(2)

#### Notes:

- 1. After determining the allocation of taxable income, you have to calculate the corporation's provincial or territorial tax payable. For more information on how to calculate the tax for each province or territory, see the instructions for Schedule 5 in the T2 Corporation Income Tax Guide.
- 2. If your corporation has provincial or territorial tax payable, complete Part 2.
- 3. If your corporation is a member of a partnership and the partnership had a permanent establishment in a jurisdiction, select the jurisdiction in Column A and include your proportionate share of the partnership's salaries and wages and gross revenue in columns B and D, respectively.

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<sup>\*\*</sup> For corporations other than those described under section 402, use the appropriate calculation described in the Regulations to allocate taxable income.

Total taxable income	Income eligible for small business deduction	Provincial or territorial allocation of taxable income	Provincial or territorial tax payable before credits			
343,397		343,397	39,491			
Ontario basic incom	e tax (from Schedule	500)		270	39,491	
Ontario small busines	s deduction (from Sch	edule 500)			22.404	
			Subtotal (line 270	minus line 402)	39,491	39,491
	tax debits (from Sched	,				
Recapture of Ontari	o research and develo	pment tax credit (from S	•			
			Subtotal (line 27	6 <b>plus</b> line 277)	<b>F</b>	
Gross Ontario tax (am	nount 5A <b>plus</b> amount	5B)			<u> </u>	39,491
Ontario resource ta	credit (from Schedule	e 504)		404		
	,	rocessing (from Schedu				
		21)				
Ontario credit union	tax reduction (from So	chedule 500)		_	7	
Ontario political con	tributions tax credit (fro	,			<u> </u>	
		Ontario non-refundabl	e tax credits (total of li	nes 404 to 415)	<b>^</b>	
			Subtotal (amou	nt 5C <b>minus</b> amount 5D)	(if negative, enter "0")	39,491
Ontario research and	development tax credit	(from Schedule 508)			416	
	·	,	num tay cradit and On	tario community food proc		
		ninus line 416) (if negati				39,491
Ontario cornorato min	imum tax credit (from S	Schodulo 510)			418	
•	,	ax credit for farmers (fro			420	
•		•				20.401
Ontario corporate inco	me tax payable (amou	nt 5F <b>minus</b> the total of	lines 418 and 420) (If	<u> </u>		39,491
•	inimum tax (from Sch	,		278		
Ontario special add	tional tax on life insura	nce corporations (from				
		//	Subtotal (line 27	8 <b>plus</b> line 280)	<b>F</b>	
Γotal Ontario tax paya	ble before refundable f	tax credits (amount 5G r	<b>lus</b> amount 5H)		· · · · · · · · · · · · · · · · · · ·	39,491
Ontario qualifying e	nvironmental trust tax o	credit		450		
. , ,	e education tax credit (1			452	6,000	
•	,				<u> </u>	
Ontario apprentices	The training tax or curt (	from Schedule 552)	/	454		
• • •		, \	:hedule 554)	454		
Ontario computer a		from Schedule 552) ffects tax credit (from Sc	chedule 554)			
Ontario computer a	nimation and special ef	from Schedule 552) ffects tax credit (from Sc Schedule 556)	hedule 554)	456 458 460		
Ontario computer al Ontario film and tele Ontario production s Ontario interactive d	nimation and special el evision tax credit (from services tax credit (fror ligital media tax credit (	from Schedule 552) ffects tax credit (from Sc Schedule 556) n Schedule 558) (from Schedule 560)	chedule 554)	456 458 460 462		
Ontario computer and Ontario film and teles Ontario production on Ontario interactive of Ontario sound recomputer and Ontario sound recomp	nimation and special ef evision tax credit (from services tax credit (fror ligital media tax credit ( rding tax credit (from S	from Schedule 552) ffects tax credit (from Sc Schedule 556) n Schedule 558) (from Schedule 560) chedule 562)	chedule 554)	456 458 460 462 464		
Ontario computer al Ontario film and tele Ontario production s Ontario interactive o Ontario sound recor Ontario book publis	nimation and special ef evision tax credit (from services tax credit (fror ligital media tax credit (from S dring tax credit (from S thing tax credit (from S	from Schedule 552) ffects tax credit (from Schedule 556) n Schedule 558) (from Schedule 560) chedule 562) chedule 564)		456 458 460 462 464 466		
Ontario computer al Ontario film and tele Ontario production s Ontario interactive c Ontario sound reco Ontario book publis Ontario innovation t	nimation and special effection tax credit (from services tax credit (fror ligital media tax credit (from Services tax credit (from Services) tax credit (from Services) tax credit (from Services) tax credit (from Schedular credit	from Schedule 552) ffects tax credit (from Schedule 556) m Schedule 558) (from Schedule 560) chedule 562) chedule 564) le 566)		456 458 460 462 464 466 466		
Ontario computer al Ontario film and tele Ontario production s Ontario interactive o Ontario sound reco Ontario book publis Ontario innovation t	nimation and special effection tax credit (from services tax credit (fror ligital media tax credit (from Services tax credit (from Services) tax credit (from Services) tax credit (from Services) tax credit (from Schedular credit	from Schedule 552) ffects tax credit (from Schedule 556) in Schedule 558) (from Schedule 560) ichedule 562) ichedule 564) ile 566) idit (from Schedule 568)		456 458 460 462 464 466 468 470	6.000	6 <b>0</b> 00
Ontario computer al Ontario film and tele Ontario production s Ontario interactive c Ontario sound reco Ontario book publis Ontario innovation t	nimation and special effection tax credit (from services tax credit (fror ligital media tax credit (from Services tax credit (from Services) tax credit (from Services) tax credit (from Services) tax credit (from Schedular credit	from Schedule 552) ffects tax credit (from Schedule 556) in Schedule 558) (from Schedule 560) ichedule 562) ichedule 564) ile 566) idit (from Schedule 568)		456 458 460 462 464 466 468 470	6,000	6,000
Ontario computer al Ontario film and tele Ontario production so Ontario interactive do Ontario sound recol Ontario book publis Ontario innovation to Ontario business-re	nimation and special effection tax credit (from services tax credit (from ligital media tax credit (from Stax credit (from Stax credit (from Stax credit (from Schedutsearch institute tax credit)	from Schedule 552) ffects tax credit (from Schedule 556) in Schedule 558) (from Schedule 560) ichedule 562) ichedule 564) ile 566) idit (from Schedule 568)	e tax credits (total of li	456 458 460 462 464 466 468 470	<u>6,000</u> ► 	
Ontario computer al Ontario film and tele Ontario production s Ontario interactive d Ontario sound record Ontario book publis Ontario innovation t Ontario business-re  Net Ontario tax paya if a credit, enter amou	nimation and special efection tax credit (from services tax credit (from digital media tax credit (from Stax credit (from Stax credit (from Schedutsearch institute tax credit (from Schedutsearch instit	from Schedule 552) ffects tax credit (from Schedule 556) in Schedule 558) (from Schedule 560) chedule 562) chedule 564) le 566) Ontario refundabl a credit (amount 51 min e this amount on line 256	e tax credits (total of li us amount 5J)	456 458 460 462 464 466 470 470 mes 450 to 470	<u> </u>	
Ontario computer al Ontario film and tele Ontario production s Ontario interactive d Ontario sound record Ontario book publis Ontario innovation to Ontario business-re Net Ontario tax paya if a credit, enter amou	nimation and special efection tax credit (from services tax credit (from digital media tax credit (from Stax credit (from Stax credit (from Schedutsearch institute tax credit (from Schedutsearch instit	from Schedule 552) ffects tax credit (from Schedule 556) m Schedule 558) (from Schedule 560) chedule 562) chedule 564) le 566) Ontario refundabl k credit (amount 51 min	e tax credits (total of li us amount 5J)	456 458 460 462 464 466 470 470 mes 450 to 470	290	33,491
Ontario computer al Ontario film and tele Ontario production so Ontario interactive of Ontario sound recol Ontario book publis Ontario innovation to Ontario business-res  Net Ontario tax paya if a credit, enter amou	nimation and special efection tax credit (from services tax credit (from sligital media tax credit (from Sching tax credit (from Schax credit (fro	from Schedule 552) ffects tax credit (from Schedule 556) in Schedule 558) (from Schedule 560) chedule 562) chedule 564) le 566) Ontario refundabl a credit (amount 51 min e this amount on line 256	e tax credits (total of li us amount 5J) 5.	456 458 460 462 464 466 470 470 mes 450 to 470	<u> </u>	

Schedule 8

## Canada Revenue Agence du revenu du Canada

## **Capital Cost Allowance (CCA)**

Corporation's name	Business number	Tax year-end
		Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2019-12-31

No X

For more information, see the section called "Capital Cost Allowance" in the T2 Corporation Income Tax Guide.

Is the corporation electing under Regulation 1101(5q)? 101 Yes

	1		2	3	4	5	6	7	8	
n	Class number * See note 1	Description	Undepreciated capital cost (UCC) at the beginning of the year	Cost of acquisitions during the year (new property must be available for use) See note 2	Cost of acquisitions from column 3 that are accelerated investment incentive properties (AIIP) See note 3	Adjustments and transfers See note 4	Amount from column 5 that is assistance received or receivable during the year for a property, subsequent to its disposition  See note 5	Amount from column 5 that is repaid during the year for a property, subsequent to its disposition  See note 6	Proceeds of dispositions  See note 7	For tax years ending before November 21, 2018: 50% rule (1/2 of net acquisitions)
ŀ	1	Buildings	8,322,319				<del></del>		0	
	8	Equipment	138,791	23,461	23,461				78	
.[	10	Trucks	380,278	32,823	<i>3</i> 2,823				0	
.[	12	Computer Software	4,554	49,155	49,155				0	
j. L	45	Computer equipment	24						0	
i. L	47	Electric Distribution Equipment	9,647,032	1,059,343	1,059,343				4,452	
·.L	50	Computer equipment	13,934	30,297	30,297				0	
i.	43.2	Solar Generation	439						0	
).[	14.1		123,781						0	
ı.[	1b		6,053						0	
.[	1b	2018 Addition	66,439	35,528	35,528				0	
	95	CIP	29,360						0	
		Totals	18.733.004	1,230,607	1,230,607				4,530	

	1		9	10	11	12	13	14	15	16	17	18
	lass	Des- crip-	UCC	Proceeds of	Net capital cost	UCC adjustment	UCC adjustment	CCA rate %	Recapture of CCA	Terminal loss	CCA	UCC
	mber *	tion	(column 2 plus column 3 plus or	disposition available to reduce	additions of AIIP acquired during	for AllP acquired during the year	for non-AIIP acquired during	rate %	See note 12	See note 13	(for declining balance	at the end of the year
			minus column 5 minus column 8)	the UCC of AIIP	the year	(column 11	the year	See	000 11010 12	000 11010 10	method, the result	(column 9
	See ote 1		minus column o)	(column 8 <b>plus</b> column 6 <b>minus</b>	(column 4 minus column 10)	multiplied by the relevant factor)	(0.5 <b>multiplied</b> by the result of	note 11			of column 9 plus column 12 minus	minus column 17)
			See note 8	column 3 plus	(if negative,	,	column 3 <b>minus</b>				column 13,	
				column 4 <b>minus</b> column 7)	enter "0")	See note 9	column 4 minus column 6				multiplied by column 14 or a	
				(if negativé, enter "0")			plus column 7				lower amount)	
				enter 0)			minus column 8) (if negative,				See note 14	
							enter "0")					
							See note 10					
2	200						224	212	213	215	217	220
	1	Buildin	8,322,319					4	0	0	332,893	7,989,426
2	8	Equipn	162,174	78	23,383	11,692		20	<sub>1</sub> 0	0	34,773	127,401
3	10	Trucks	413,101		32,823	16,412		30	0	0	128,854	284,247
i	12	Compu	53,709		49,155			100	0	0	53,709	
j	45	Compu	24					45	>0	0	11	13
S	47	Electric	10,701,923	4,452	1,054,891	527,446		8	0	0	898,350	9,803,573
'. <u> </u>	50	Compu	44,231		30,297	15,149		55	0	0	32,659	11,572
3. 4.	3.2	Solar G	439					50	0	0	220	219
). 14	4.1		123,781					5	0	0	8,641	115,140
)	1b		6,053					6	0	0	363	5,690
	1b	2018 A	101,967		35,528	17,764		6	0	0	7,184	94,783
29	95	CIP	29,360					0	0	0		29,360
		Totals	19,959,081	4,530	1,226,077	588, <del>4</del> 63					1,497,657	18,461,424

Enter the total of column 15 on line 107 of Schedule 1. Enter the total of column 16 on line 404 of Schedule 1. Enter the total of column 17 on line 403 of Schedule 1.

- Note 1. If a class number has not been provided in Schedule II of the Income Tax Regulations for a particular class of property, use the subsection provided in Regulation 1101. Class numbers followed by a letter indicate the basic rate of the class taking into account the additional deduction allowed. Class 1a: 4% + 6% = 10% (class 1 to 10%), class 1b: 4% + 2% = 6% (class 1 to 6%).
- Note 2. 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 of property in the class that are not subject to the 50% rule. See Income Tax Folio S3-F4-C1, General Discussion of Capital Cost Allowance, for exceptions to the 50% rule.
- Note 3. An accelerated investment incentive property (AIIP) is a property (other than property included in Class 54 or 55) that you acquired after November 20, 2018 and became available for use before 2028. See the T2 Corporation Income Tax Guide for more information. Classes 54 and 55 include property that is a zero-emission vehicle you acquired after March 18, 2019 and became available for use before 2028.
- Note 4. Enter in column 5, "Adjustments and transfers", amounts that increase or reduce the undepreciated capital cost (column 9). Items that increase the undepreciated capital cost include amounts transferred under section 85, or transferred on amalgamation or winding-up of a subsidiary. Items that reduce the undepreciated capital cost (show amounts that reduce the undepreciated capital cost in brackets) include government assistance received or entitled to be received in the year, or a reduction of capital cost after the application of section 80. See the T2 Corporation Income Tax Guide for other examples of adjustments and transfers to include in column 5.
- Note 5. Include all amounts of assistance you received (or were entitled to receive) after the disposition of a depreciable property that would have decreased the capital cost of the property by virtue of paragraph 13(7.1)(f) if received before the disposition.
- Note 6. Include all amounts you have repaid during the year with respect to any legally required repayment, made after the disposition of a corresponding property, of:
  - assistance that would have otherwise increased the capital cost of the property under paragraph 13(7.1)(d); and
  - an inducement, assistance or any other amount contemplated in paragraph 12(1)(x) received, that otherwise would have increased the capital cost of the property under paragraph 13(7.4)(b).

Also include the UCC of each property of a prescribed class acquired in the course of a corporate reorganization described under paragraph 55(3)(b) of the Act (also known as "butterfly reorganization") or in a non-arm's length transaction (other than by virtue of a right referred to in paragraph 251(5)(b) of the Act) if the property was a depreciable property acquired by the transferor less than 364 days before the end of your tax year.

- Note 7. For each property disposed of during the year, deduct from the proceeds of disposition any outlays and expenses to the extent that they were made or incurred for the purpose of making the disposition(s). The amount reported in respect of the property cannot exceed the property's capital cost, unless that property is a timber resource property as defined in subsection 13(21).
- Note 8. If the amount in column 5 reduces the undepreciated capital cost (i.e. it is shown in brackets), you must subtract it for the purposes of the calculation. Otherwise, add the amount in column 5 for the purposes of the calculation.
- Note 9. The relevant factors for AllP of a class in Schedule II and for property included in classes 54 and 55, available for use before 2024, are:
  - 2 1/3 for property in Classes 43.1 and 54;
  - 1 1/2 for property in Class 55;
  - 1 for property in Classes 43.2 and 53;
  - 0 for property in Classes 12, 13, 14, and 15, as well as properties that are Canadian vessels included in paragraph 1100(1)(v) of the Regulations (see note 14 for additional information); and
  - 0.5 for all other property that is AIIP.
- Note 10. The UCC adjustment for non-AllP acquired during the year (formerly known as the half-year rule or 50% rule) does not apply to certain property (including AllP). For special rules and exceptions, see Income Tax Folio S3-F4-C1, General Discussion of Capital Cost Allowance.
- Note 11. Enter a rate only if you are using the declining balance method. For any other method (for example the straight-line method, where calculations are always based on the cost of acquisitions), enter N/A. Then enter the amount you are claiming in column 17.
- Note 12. If the amount in column 9 is negative, you have a recapture of CCA. If applicable, enter the negative amount from column 9 in column 15 as a positive. The recapture rules do not apply to passenger vehicles in Class 10.1.
- Note 13. If no property is left in the class at the end of the tax year and there is still a positive amount in the column 9, you have a terminal loss. If applicable, enter the positive amount from column 9 in column 16. The terminal loss rules do not apply to:
  - passenger vehicles in Class 10.1;
  - property in Class 14.1, unless you have ceased carrying on the business to which it relates; or
  - limited-period franchises, concessions, or licences in Class 14 if, at the time of acquisition, the property was a former property of the transferor or any similar property attributable to the same fixed place of business, and you had jointly elected with the transferor to have the replacement property rules apply.
- Note 14. If the tax year is shorter than 365 days, prorate the CCA claim. Some classes of property do not have to be prorated. See the T2 Corporation Income Tax Guide for more information. For property in class 10.1 disposed of during the year, deduct a maximum of 50% of the regular CCA deduction if you owned the property at the beginning of the tax year. For AllP listed below, the maximum first year allowance you can claim is determined as follows:
  - Class 13: the lesser of 150% of the amount calculated in Schedule III of the Regulations and the UCC at the end of the tax year (before any CCA deduction).
  - Class 14: the lesser of 150% of the allocation for the year of the capital cost of the property apportioned over the remaining life of the property (at the time the cost was incurred) and the UCC at the end of the tax year (before any CCA deduction).
  - Class 15: the lesser of 150% of an amount computed on the basis of a rate per cord, board foot or cubic metre cut in the tax year and the UCC at the end of the tax year (before any CCA deduction).
  - Canadian vessels described under paragraph 1100(1)(v) of the Regulations: the lesser of 50% of the capital cost of the property and the UCC at the end of the tax year (before any CCA deduction).
  - Class 41.2: use a 25% CCA rate. The additional allowance under paragraph 1100(1)(y.2)(for single mine properties) and 1100(1)(ya.2)(for multiple mine properties) of the Regulations is not eligible for the accelerated investment incentive. The additional allowance in respect of natural gas liquefaction under paragraph 1100(1)(yb) of the Regulations is eligible for the accelerated investment incentive.
  - Property (other than a timber resource property) that is a timber limit or a right to cut timber from a limit: 150% of the amount determined by first subtracting the total of the residual value of the timber limit and all amounts you expended for the 1949 or later tax years for surveys, cruises or preparation of prints, maps or plans for the purpose of obtaining a licence or right to cut timber from the capital cost of the limit or right, and then dividing the result by the quantity of timber in the limit or the quantity of timber you have the right to cut.
  - Industrial mineral mine or a right to remove industrial minerals from an industrial mineral mine: 150% of the amount determined by first subtracting the residual value, if any, of the mine or right from the capital cost of the mine or right, and then dividing the result by the number of units of commercially mineable material estimated to be in the mine when the mine or right was acquired (alternatively, if you have acquired a right to remove only a specified number of units, that number of units that you acquired a right to remove).

T2 SCH 8 (19)

**Canadä** 

# **Fixed Assets Reconciliation**

Reconciliation of change in fixed assets per financial statements to amounts used per tax return.

### Tax return

Additions for the purposes. Calculus 9 regular alongs	1,230,607	
Additions for tax purposes – Schedule 8 regular classes	1,230,007	
Additions for tax purposes – Schedule 8 leasehold improvements + Operating leases capitalized for book purposes +		
Capital gain deferred +	<u> </u>	
- <del></del>		
Recapture deferred + Padustible synapses capitalized for back purposes. Schodula 1		
Deductible expenses capitalized for book purposes – Schedule 1 + Other (specify):		
	115,021	
Contributed capital - Subsection 13(7.4) election +	-28,510	
Less: Reduction in CIP +		
Additions of Land Rights +	22,600	1 220 710
Total additions per books =	1,339,718 <b>&gt;</b>	1,339,718
Proceeds up to original cost – Schedule 8 regular classes	4,530	
Proceeds up to original cost – Schedule 8 leasehold improvements		
Proceeds in excess of original cost – capital gain		
Recapture deferred – as above		
Capital gain deferred – as above	7	
Pre V-day appreciation +	Y	
Other (specify):	<del></del>	
Additions of land rights not included in NBV below	22,600	
Proceeds on stranded metres +	-78	
Total proceeds per books =	27,052	27,052
Depreciation and amortization per accounts – Schedule 1	_	981,874
Loss on disposal of fixed assets per accounts		38,418
Gain on disposal of fixed assets per accounts	+	
Net	change per tax return =	292,374
Financial statements		
Fixed assets (excluding land) per financial statements		
Closing net book value		20,665,773
Opening net book value		20,373,399
Net change po	er financial statements =	292,374
If the amounts from the tax return and the financial statements differ, explain why below.		
	-	
	-	
	-	
	-	

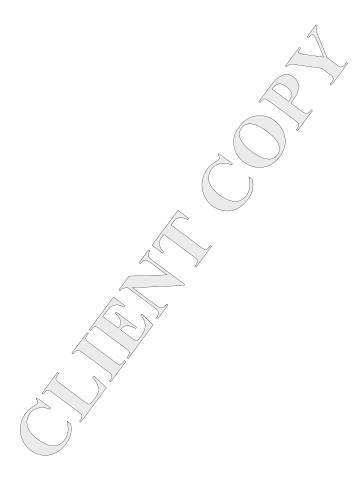
# **Attached Schedule with Total**

Financial statements – Fixed assets (excluding land) per financial statements – Closing net book value

Title Financial statements – Fixed assets (excluding land) per financial statemen

Description	Operator (Note)	Amount
PP&E per FS Note 7		20,708,211 00
Intangibles per FS Note 8	+	226,777 00
Less: land rights per S8 01		135,717 93
Less: land per S8 01		133,496 94
	Total	20,665,773 13

**Note**: The calculations are performed one at a time, from the first to the last line, and not according to the priority rules of the operations. For example, the formula 1+2\*3 will not result in the same thing as the formula 1+3\*2.



# **Attached Schedule with Total**

Financial statements – Fixed assets (excluding land) per financial statements – Opening net book value

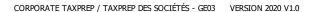
Title Financial statements – Fixed assets (excluding land) per financial statemen

Explanatory note

All numbers per fixed asset continuity

Description	Operator (Note)	Amount
Opening PPE per FS Note 7		20,424,388 00
Opening intangibles per FS Note 8	+	195,626 00
Less: land rights per S8 01	_	113,118 00
Less: total land per S8 01		133,496 94
	Total	20,373,399 06

**Note:** The calculations are performed one at a time, from the first to the last line, and not according to the priority rules of the operations. For example, the formula 1+2\*3 will not result in the same thing as the formula 1+3\*2.





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**SCHEDULE 9** 

# **RELATED AND ASSOCIATED CORPORATIONS**

Name of corporation	Business Number	Tax year end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2019-12-31

- Complete this schedule if the corporation is related to or associated with at least one other corporation.
- For more information, see the T2 Corporation Income Tax Guide.

		Country of resi- dence (other than Canada)	Business number (see note 1)	Relation-ship code (see note 2)	Number of common shares you own	% of common shares you own	Number of preferred shares you own	% of preferred shares you own	Book value of capital stock
	100	200	300	400	500	550	600	650	700
1.	Corporation of the Town of Orange		10698 6151 RC0001	1					
2.	Corporation of the Township of Eas		NR	1					
3.	Orangeville Hydro Services Inc.		89454 8015 RC0001	3		4			
4.	Orangville Railway Development Co		86433 3166 RC0001	3		2 N			

Note 1: Enter "NR" if the corporation is not registered or does not have a business number.

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

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379,688

# Continuity of financial statement reserves (not deductible)

		—— Financial stat	tement reserves (	not deductible) —		
	Description	Balance at the beginning of the year	Transfer on an amalgamation or the wind-up of a subsidiary	Add	Deduct	Balance at the end of the year
1	Allowance for doubtful accts	30,000		42,000	30,000	42,000
2	Employee Future Benefits	329,084		337,688	329,084	337,688
3						
	Reserves from Part 2 of Schedule 13					

379,688

359,084

The total opening balance plus the total transfers should be entered on line 414 of Schedule 1 as a deduction. The total closing balance should be entered on line 126 of Schedule 1 as an addition.

**Totals** 

359,084

# Agreement Among Associated Canadian-Controlled Private Corporations to Allocate the Business Limit

- For use by a Canadian-controlled private corporation (CCPC) to identify all associated corporations and to assign a percentage for each associated corporation. This percentage will be used to allocate the business limit for the small business deduction. Information from this schedule will also be used to determine the date the balance of tax is due and to calculate the reduction to the business limit.
- An associated CCPC that has more than one tax year ending in a calendar year must file an agreement for each tax year ending in that calendar year.
- Column 1: Enter the legal name of each of the corporations in the associated group, including those deemed to be associated under subsection 256(2) of the Income Tax Act.
- Column 2: Provide the business number for each corporation (if a corporation is not registered, enter "NR").
- Column 3: Enter the association code from the list below that applies to each corporation:
  - 1 Associated for purposes of allocating the business limit (unless association code 5 applies)
  - 2 CCPC that is a **third corporation** as referred to in subsection 256(2) and has filed Schedule 28, Election not to be Associated Through a Third Corporation
  - 3 Non-CCPC that is a third corporation
  - 4 Associated non-CCPC
  - 5 Associated CCPC to which association code 1 does not apply because a third corporation has filed Schedule 28
- **Column 4:** Enter the business limit for the year of each corporation in the associated group. Enter "0" if the corporation has association code 2, 3 or 4 in column 3 (except if the corporation is a cooperative or a credit union eligible for the SBD and it has association code 4).
- **Column 5:** Assign a percentage to allocate the business limit to each corporation that has association code 1 in column 3. The total of all percentages in column 5 cannot exceed 100%.
- **Column 6:** Enter the business limit allocated to each corporation by multiplying the amount in column 4 by the percentage in column 5. Add all business limits allocated in column 6 and enter the total at line A.

Ensure that the total at line A does not exceed \$500,000.

<b>- ΔΙΙ</b>	ocating the business limit —		7//	<u> </u>			
	iled (do not use this area)		.)		. 025	Year Month Day	
Enter	the calendar year the agreement applies to				. 050	Year 2019	
	an amended agreement for the above calendar year that in reement previously filed by any of the associated corporation				. 075	Yes X No	
	1	2	3	4	5	6	
	Name of associated corporations	Business number of associated corporations	Asso- ciation code	Business limit for the year before the allocation \$	Percentage of the business limit %	Business limit allocated* \$	
	100	200	300		350	400	
1	Orangeville Hydro Limited	86463 9562 RC0002	1	500,000			
2	Corporation of the Town of Orangeville	10698 6151 RC0001	1	500,000			
3	Corporation of the Township of East Luther Gra	NR	1	500,000			
4	Orangeville Hydro Services Inc.	89454 8015 RC0001	1	500,000	100.0000	500,000	
5	Orangville Railway Development Corporation	86433 3166 RC0001	1	500,000			
				Total	100.0000	500.000	Δ

### Business limit reduction under subsection 125(5.1) of the Act

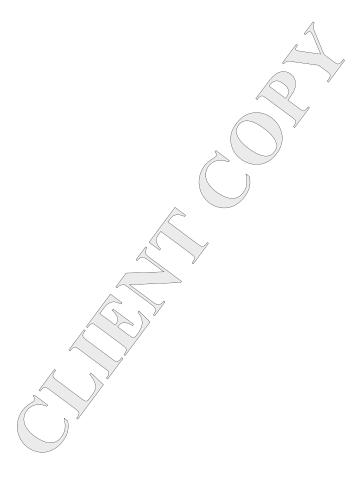
The business limit reduction is calculated in the small business deduction area of the T2 return. One of the factors used in this calculation is the "large corporation amount" at line 415 of the T2 return. The amount at line 415 is determined using the formula 0.225% x (C - \$10,000,000). Another factor is the "adjusted aggregate investment income" from lines 744 and 745 of Schedule 7, Aggregate Investment Income and Income Eligible for the Small Business Deduction. Details of these formulas and variable C are in subsection 125(5.1) of the Act.

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

#### Special rules for business limit

Special rules apply under subsection 125(5) if a CCPC has more than one tax year ending in the same calendar year and it is associated in more than one of those tax years with another CCPC that has a tax year ending in that calendar year. The business limit for the second or later tax year will be equal to the lesser of: the business limit determined for the first tax year ending in the calendar year or the business limit determined for the second or later tax year ending in the same calendar year.

T2 SCH 23 E (19) Canadä





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# **Investment Tax Credit – Corporations**

#### General information

- Use this schedule:
  - to calculate an investment tax credit (ITC) earned during the tax year;
  - to claim a deduction against Part I tax payable;
  - to claim a refund of credit earned during the current tax year;
  - to claim a carryforward of credit from previous tax years;
  - to transfer a credit following an amalgamation or the wind-up of a subsidiary, as described under subsections 87(1) and 88(1);
  - to request a credit carryback to one or more previous years;
  - if you are subject to a recapture of ITC; or
  - if you are claiming:
    - the Ontario Research and Development Tax Credit;
    - the Ontario Innovation Tax Credit.
- Unless otherwise stated, all legislative references are to the Income Tax Act and the Income Tax Regulations.
- The ITC is eligible for a three-year carryback (if not deductible in the year earned). It is also eligible for a twenty-year carryforward.
- Investments or expenditures, described in subsection 127(9) and Regulation Part XLVI, that earn an ITC are:
  - qualified property and qualified resource property (Parts 4 to 7 of this schedule);
  - qualified scientific research and experimental development (SR&ED) expenditures (Parts 8 to 17). File Form T661, Scientific Research and Experimental Development (SR&ED) Expenditures Claim;
  - pre-production mining expenditures (Parts 18 to 20);
  - apprenticeship job creation expenditures (Parts 21 to 23); and
  - child care spaces expenditures (Parts 24 to 28).
    - Expenditures related to child care spaces incurred after March 21, 2017 no longer qualify for the investment tax credit. If you entered into a written
      agreement before March 22, 2017, eligible expenditures incurred before 2020 will remain eligible for the credit.
- File this schedule with the T2 Corporation Income Tax Return. If you need more space, attach additional schedules.
- For more information on ITCs, see "Investment Tax Credit" in Guide T4012, T2 Corporation Income Tax Guide and read Information Circular IC78-4, Investment Tax Credit Rates, and its related Special Release.
- For more information on SR&ED, see guide T4088, Guide to Form T661 Scientific Research and Experimental Development (SR&ED) Expenditures Claim.

#### Detailed information

- For the purpose of this schedule, **investment** means the capital cost of the property (excluding amounts added by an election under section 21), determined without reference to subsections 13(7.1) and 13(7.4), minus the amount of any government or non-government assistance that the corporation has received, is entitled to receive, or can reasonably be expected to receive for that property when it files the income tax return for the year in which the property was acquired.
- An ITC deducted or refunded in a tax year for a depreciable property, other than a depreciable property deductible under paragraph 37(1)(b), reduces both
  the capital cost of that property and the undepreciated capital cost of that class in the next tax year. An ITC for SR&ED deducted or refunded in a tax year
  will reduce the balance in the pool of deductible SR&ED expenditures and the adjusted cost base (ACB) of an interest in a partnership in the next tax year.
  An ITC from pre-production mining expenditures deducted in a tax year reduces the balance in the pool of deductible cumulative Canadian exploration
  expenses in the next tax year.
- Property acquired has to be available for use before a claim for an ITC can be made. See subsections 127(11.2) and 248(19) for more information.
- Expenditures for SR&ED and capital costs for a property qualifying for an ITC must be identified by the claimant on Form T661 and Schedule 31 no later than 12 months after the claimant's income tax return is due for the tax year in which it incurred the expenditures or capital costs.
- Expenditures for pre-production mining, apprenticeship, or child care space for an ITC must be identified by the claimant on Schedule 31 no later than 12 months after the claimant's income tax return is due for the tax year in which it incurred the expenditures or capital costs.
- Partnership allocations Subsection 127(8) provides for the allocation of the amount that may reasonably be considered to be a partner's share of
  the ITCs of the partnership at the end of the fiscal period of the partnership. An allocation of ITCs is generally considered to be the partner's
  reasonable share of the ITCs if it is made in the same proportion in which the partners have agreed to share any income or loss and if section 103 is
  not applicable for the agreement to share any income or loss. Special rules apply to specified members of a partnership and limited partners.
   For more information, see Guide T4068, Guide for the Partnership Information Return.
- For tax purposes, Canada includes the **exclusive economic zone of Canada** as defined in the *Oceans Act* (which generally consists of an area of the sea that is within 200 nautical miles from the Canadian coastline), including the airspace, seabed and subsoil of that zone.
- For the purpose of this schedule, the expression **Atlantic Canada** includes the Gaspé Peninsula and the provinces of Newfoundland and Labrador, Prince Edward Island, Nova Scotia, and New Brunswick, as well as their respective offshore regions (prescribed in Regulation 4609).
- For the purpose of this schedule, qualified property means property in Atlantic Canada that is used primarily for manufacturing and processing, farming or fishing, logging, storing grain, or harvesting peat. Property in Atlantic Canada that is used primarily for oil and gas, and mining activities is considered qualified property only if acquired by the taxpayer before March 29, 2012. Qualified property includes new buildings and new machinery and equipment (prescribed in Regulation 4600), and if acquired by the taxpayer after March 28, 2012, new energy generation and conservation property (prescribed in Regulation 4600). Qualified property can also be used primarily to produce or process electrical energy or steam in a prescribed area (as described in Regulation 4610). See the definition of qualified property in subsection 127(9) for more information.

**Specified** percentage

15 %

10 %

10 %

#### Detailed information (continued) -

Investments

- after 2013\*\*

- after March 28, 2012, and before 2014

Part 1 – Investments, expenditures, and percentages -

- For the purpose of this schedule, qualified resource property means property in Atlantic Canada that is used primarily for oil and gas, and mining activities, if acquired by the taxpayer after March 28, 2012, and before January 1, 2016. Qualified resource property includes new buildings and new machinery and equipment (prescribed in Regulation 4600). See the definition of qualified resource property in subsection 127(9) for more information.
- For the purpose of this schedule, pre-production mining exploration expenditures are pre-production mining expenditures incurred after March 28, 2012, by the taxpayer to determine the existence, location, extent, or quality of certain mineral resources in Canada, excluding expenses incurred in the exploration of an oil or gas well. See subparagraph (a)(i) of the definition of pre-production mining expenditure in subsection 127(9) for more information.
- For the purpose of this schedule, pre-production mining development expenditures are pre-production mining expenditures incurred after March 28, 2012, by the taxpayer to bring a new mineral resource mine in Canada into production, excluding expenses in the development of a bituminous sands deposit or an oil shale deposit. See subparagraph (a)(ii) of the definition of pre-production mining expenditure in subsection 127(9) for more information.

Qualified property acquired primarily for use in Atlantic Canada	10 %
Qualified resource property acquired primarily for use in Atlantic Canada and acquired:	
- after March 28, 2012, and before 2014	10 %
– after 2013 and before 2016	5 %
- after 2015*	0 %
Expenditures  If you are a Canadian-controlled private corporation (CCPC), this percentage may apply to the portion that you claim of the SR&ED qualified expenditure pool that does not exceed your expenditure limit (see Part 10)	35 %
Note: If your current year's qualified expenditures are more than your expenditure limit (see Part 10),	
the excess is eligible for an ITC calculated at the 15 % rate.	
If you are a corporation that is not a CCPC and have incurred qualified expenditures for SR&ED in any area in Canada:	
- before 2014**	20 %

If you are a taxable Canadian corporation that incurred pre-production mining exploration expenditures: - after March 28, 2012, and before 2013 10 % - in 2013 5 % - after 2013 ..... 0 %

.....A....

If you are a taxable Canadian corporation that incurred pre-production mining development expenditures\*\*\*: 

If you are a taxable Canadian corporation that incurred pre-production mining expenditures before March 29, 2012

- in 2014		7 %
- in 2015		4 %
- after 2015		0 %
If you paid salary a	nd wages to apprentices in the first 24 months of their apprenticeship contract for employment	10 %

If you incurred expenditures after March 18, 2007 and before March 22, 2017 (or before 2020 if you entered into a written agreement before 25 %

- A transitional relief rate of 10% may apply to property acquired after 2013 and before 2017, if the property is acquired under a written agreement entered into before March 29, 2012, or the property is acquired as part of a phase of a project where the construction or the engineering and design work for the construction started before March 29, 2012. See paragraph (a.1) of the definition of specified percentage in subsection 127(9) for more information.
- The reduction of the rate from 20% to 15% applies to 2014 and later tax years, except that, for 2014 tax years that start before 2014, the reduction is pro-rated based on the number of days in the tax year that are after 2013.

March 22, 2017) for the creation of licensed child care spaces for the children of your employees and, potentially, for other children

A transitional relief rate may apply to expenditures incurred after 2013 and before 2016, if the expenditure is incurred under a written agreement entered into before March 29, 2012, or the expenditure is incurred as part of the development of a new mine where the construction or the engineering and design work for the construction of the new mine started before March 29, 2012. See subparagraphs (k)(ii) and (iii) of the definition of specified percentage in subsection 127(9) for more information.

2 No X

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2019-12-31

### Part 2 – Determination of a qualifying corporation -

Is the corporation a qualifying corporation?

**101** 1 Yes

For the purpose of a refundable ITC, a **qualifying corporation** is defined under subsection 127.1(2). The corporation has to be a CCPC and its taxable income (before any loss carrybacks) for its previous tax year cannot be more than its **qualifying income limit** for the particular tax year. If the corporation is associated with any other corporations during the tax year, the total of the taxable incomes of the corporation and the associated corporations (before any loss carrybacks), for their last tax year ending in the previous calendar year, cannot be more than their qualifying income limit for the particular tax year.

**Note:** A CCPC considered associated with another corporation under subsection 256(1) will be considered **not** associated for the calculation of a refundable ITC if:

- one corporation is associated with another corporation solely because one or more persons own shares of the capital stock of both corporations; and
- one of the corporations has at least one shareholder who is not common to both corporations.

If you are a **qualifying** corporation, you will earn a **100%** refund on your share of any ITCs earned at the 35% rate on qualified **current** expenditures for SR&ED, up to the allocated expenditure limit. The 100% refund does not apply to qualified **capital** expenditures eligible for the 35% credit rate. They are only eligible for the **40%** refund\*.

Some CCPCs that are **not qualifying** corporations may also earn a **100%** refund on their share of any ITCs earned at the 35% rate on qualified **current** expenditures for SR&ED, up to the allocated expenditure limit. The expenditure limit can be determined in Part 10. The 100% refund does not apply to qualified **capital** expenditures eligible for the 35% credit rate. They are only eligible for the **40%** refund\*.

The 100% refund will not be available to a corporation that is an **excluded corporation** as defined under subsection 127.1(2). A corporation is an excluded corporation if, at any time during the year, it is a corporation that is either controlled by (directly or indirectly, in any manner whatever) or is related to:

- a) one or more persons exempt from Part I tax under section 149;
- b) Her Majesty in right of a province, a Canadian municipality, or any other public authority; or
- c) any combination of persons referred to in a) or b) above.
- \* Capital expenditures incurred after December 31, 2013, including lease payments for property that would have been a capital expenditure if purchased directly, are **not** qualified SR&ED expenditures and are **not** eligible for an ITC on SR&ED expenditures.

Port 2. Comparations in the formation in ductors
Part 3 – Corporations in the farming industry
Complete this area if the corporation is making SR&ED contributions.
Is the corporation claiming a contribution in the current year to an agricultural organization whose goal is to finance SR&ED work (for example, check-off dues)? 2 No X
If yes, complete Schedule 125, Income Statement Information, to identify the type of farming industry the corporation is involved in.
Contributions to agricultural organizations for SR&ED* Enter on line 350 of Part 8.
* Enter only contributions not already included on Form T661.  Include 80% of the contributions made <b>after</b> 2012. For contributions made <b>before</b> 2013, include all of the contributions.

# **Qualified Property and Qualified Resource Property**

#### Part 4 - Eligible investments for qualified property and qualified resource property from the current tax year-

	Total of investments for	r qualified property and qual	lified resource property	
105	110	115	120	125
Capital cost allowance class number	Description of investment	Date available for use	Location used in Atlantic Canada (province)	Amount of investment

	redit and account balances resource property	– ITC fror	n investments	s in qualified prope	erty ———	
ITC at the end of the previous tax						B1
Credit deemed as a remittance of			21	0		
Credit expired			21	5	_	
		Subtotal (line	e 210 <b>plus</b> line 215	5)	_▶	C1
ITC at the beginning of the tax year	ar (amount B1 <b>minus</b> amount C1)				220	
Credit transferred on an amalgam	ation or the wind-up of a subsidiary		23	0	_	
ITC from repayment of assistance	e		23	5	_	
Qualified property; and qualified reacquired after March 28, 2012, ar January 1, 2014* (applicable part amount A1 in Part 4)	nd before	x	10 % = <b>24</b>	0	_	
Qualified resource property acqui December 31, 2013, and before J (applicable part from amount A1 in		x	5 % = <b>24</b>	2	_	
Credit allocated from a partnershi	р		25	0	_	
	S	Subtotal (total	of lines 230 to 250	)) <u> </u>	<b>_</b>	D1
Total credit available (line 220 plu	s amount D1)		//	<u></u>	· · · · <u> </u>	E1
Credit deducted from Part I tax			26	0	_	
Credit carried back to previous ye	ars (amount H1 in Part 6)				_ a	
Credit transferred to offset Part V	II tax liability		28	0	_	
	Subtotal (total c	of line 260, an	nount a, and line 28	30)	<b>-</b>	F1
Credit balance before refund (ame	ount E1 <b>minus</b> amount F1)		(\)			G1
Refund of credit claimed on inves	tments from qualified property and qua	alified resourc	e property (from Pa	art 7)	310	
ITC closing balance of investm (amount G1 minus line 310)	nents from qualified property and qu	ualified reso			320	
* Include investments acquired a	fter 2013 and before 2017 that are eligi	ible for transit	ional relief.			
- Part 6 - Request for ca	rryback of credit from inves	stments in	qualified pro	perty and qualified	l resource prop	ertv ———
	Year Month Day		, ,	<b>,</b> , , , , , , , , , , , , , , , , , ,		,
1st previous tax year				Credit to be applied	901	
2nd previous tax year		·		Credit to be applied	902	
3rd previous tax year				Credit to be applied	903	
, ,				Total of lines 901 Enter at amount a in		H1
Part 7 – Refund of ITC and qualified r	for qualifying corporations esource property	on invest	ments from q	ualified property –		
Current-year ITCs (total of lines 2	40, 242, and 250 in Part 5)					I1
Credit balance before refund (fror	m amount G1 in Part 5)				· · · · <u> </u>	J1
Refund ( 40 % of amount	I1 or J1, whichever is less)				· · · · · <u> </u>	K1
Enter amount K1 or a lesser amount	unt on line 310 in Part 5 (also enter on	line 780 of the	e T2 return if you d	o not claim an SR&ED IT0	C refund).	

# SR&ED

- Part 8 – Qualified SR&ED expenditures ————————————————————————————————————
Current expenditures (from line 557 on Form T661)
Contributions to agricultural organizations for SR&ED  Deduct:  Government assistance, non-government assistance, or
contract payment
federal ITC (this amount is updated to line 103 of Part 3. For more details, consult the Help.)*
Current expenditures (line 557 on Form T661 <b>plus</b> line 103 in Part 3)*
Capital expenditures incurred <b>before</b> 2014 (from line 558 on Form T661)**
Repayments made in the year (from line 560 on Form T661)
Qualified SR&ED expenditures (total of lines 350 to 370)
* If you are claiming only contributions made to agricultural organizations for SR&ED, line 350 should equal line 103 in Part 3. Do not file Form T661.
** Capital expenditures incurred after December 31, 2013, are not qualified SR&ED expenditures. Capital cost allowance can be claimed for depreciable property acquired for use in SR&ED after 2013.
Part 9 – Components of the SR&ED expenditure limit calculation
Part 9 only applies if you are a CCPC.
Note: A CCPC considered associated with another corporation under subsection 256(1) will be considered not associated for the calculation of an SR&ED expenditure limit if:
<ul> <li>one corporation is associated with another corporation solely because one or more persons own shares of the capital stock of the corporation; and</li> </ul>
one of the corporations has at least one shareholder who is not common to both corporations.
Is the corporation associated with another CCPC for the purpose of calculating the SR&ED expenditure limit?
If you answered <b>no</b> to the question on line 385 or if you are not associated with any other corporations, complete lines 390 and 398. If you answered <b>yes</b> , the amounts for associated corporations will be determined on Schedule 49.
Enter your taxable income for the previous tax year* (prior to any loss carrybacks applied)
Enter your taxable capital employed in Canada for the previous tax year minus \$10 million. If this amount is nil or negative, enter "0".  If this amount is over \$40 million, enter \$40 million.
* If the tax year referred to on line 390 is less than 51 weeks, <b>multiply</b> the taxable income by the following result: 365 <b>divided</b> by the number of days in that tax year.
- Part 10 – SR&ED expenditure limit for a CCPC
For a stand-alone (not associated) corporation:  \$\frac{8,000,000}{2}\$  Taxable income for the previous tax year (line 390 in Rart 9) or \$500,000, whichever is more  722,320 x 10 = 7,223,200 A2
Excess (\$8,000,000 <b>minus</b> amount A2 if the taxation year ends before March 19, 2019; otherwise, enter \$3,000,000) (if negative, enter "0")*  3,000,000  B2
\$ 40,000,000 <b>minus</b> line 398 in Part 9
Amount b <b>divided</b> by \$ 40,000,000
Expenditure limit for the stand-alone corporation (amount B2 multiplied by amount C2)**
For an associated corporation:
If associated, the allocation of the SR&ED expenditure limit, as provided on Schedule 49**
If your tax year is less than 51 weeks, calculate the amount of the expenditure limit as follows:
Amount D2 or E2 x Number of days in the tax year 365 = F2
Your SR&ED expenditure limit for the year (enter amount D2, E2, or F2, whichever applies)
* For taxation years ending after March 18, 2019, the taxable income is no longer taken into account in the SR&ED expenditure limit calculation. For more information, consult the Help (F1).
**Amount D2 or E2 cannot be more than \$3,000,000.

Amount Number of days in the tax year before 2014	Current expenditures (from line 35 the expenditure limit (from line 41)		42	20	x 35 %	=	G2
Amount from line so the fact year of days in the fax year that are at a day of		,			_		O.Z.
in the tax year shount from line where 2014	` •	,			-		
Number of days in the tax year   Number of days   Number of days in the tax year   Number of days   Number of days in the tax year   Number of days   Num							
In the tax year  Number of days in the lax year after 2013 a 365 X 15 % =	430		x 20%	=	С		
Amount from line  30**  X  Number of days in the tax year after 2013  Number of days in the tax year after 2013  Subtotal (amount c plus amount d)  Let 410 minus line 350 (if negative, enter "0")  2,902,020 e  Subtotal expenditures (line 360 in Fart 8) or amount e, whichever is less*  Ine 430 minus amount e (if negative, enter "0")  2,902,020 e  Subtotal expenditures (line 360 in Fart 8) or amount e, whichever is less*  Ine 360 minus amount e (if negative, enter "0")  X  Number of days in the lax year after 2014  X  Number of days in the lax year  Number of days and the year  Number of days in the lax year  Number of days in the lax year  Number of days and year after 2013  Subtotal (amount f plus amount g)  J2  Ia corporation makes a repayment of any government or non-government assistance, or contract payments that reduced the amount of qualified expenditures for ITC purposes, the amount of the repayment on the line that corresponds to the appropriate rate.  Repayment of assistance made after speltern to the line that corresponds to the appropriate rate.  Repayment of assistance made after speltern to the line that corresponds to the appropriate rate.  Repayment of assistance made after speltern to the line that corresponds to the appropriate rate.  Repayment of assistance made after speltern to the line that corresponds to the appropriate rate.  Repayment of assistance made after speltern to the line that corresponds to the appropriate rate.  Repayment of assistance made aft		Number of days			-		
In the tax year after 2013 and the tax year after 2014 and		in the tax year					
rom line 30**  X after 2013 Number of days 365 Number of days in the tax year  Amount of plus amount go line 360 in Part 8) or amount e, whichever is less*  Amount (if negative, enter "0")  X burbotal (amount e) (if negative, enter "0")  X burbor of days in the tax year before 2014  X burbor of days in the tax year burbor of days in the tax year after 2013  X burbor of days in the tax year before 2015  X burbor of days in the tax year after 2013  X burbor of days in the tax year after 2013  X burbor of days in the tax year after 2013  X burbor of days in the tax year after 2013  X burbor of days in the tax year after 2013  X burbor of days in the tax year after 2013  X burbor of days in the tax year after 2013  X burbor of days in the tax year after 2013  X burbor of days in the tax year after 2013  X burbor of days in the tax year after 2013  X burbor of days in the tax year after 2013  X burbor of days in the tax year after 2013  X burbor of days in the tax year after 2013  X burbor of days in the tax year after 2013  X burbor of days in the tax year after 2013  X burbor of days in the tax year after 2014  X burbor of days in the tax year after 2014  X burbor of days in the tax year after 2014  X burbor of days in the tax year after 2014  X burbor of days in the tax year after 2015  X burbor of days in the tax year after 2015  X burbor of days in the tax year after 2014  X burbor of days in the tax year that after 2014  X burbor of days in the tax year that after 2014  X burbor of days in the tax year that after 2013, For tax years that start before 2014, the reduction is pro-rated based on the number of days in the tax year that are after 2013. For tax years that have a start date after 2013, multiply the amount by 15%.  *For corporations that are not CCPCs, enter "0" for amounts GC and I2.  *For car poor that did not exceed your expenditure limit at the lime. This percentage was applied to the portion that you claimed of the SR&ED IQ daylind expenditure poor that did not exceed your expenditure limit at the	A						
Subtotal (amount c plus amount d)  Line 410 minus line 350 (if negative, enter "0")  Lapital expenditures (line 360 in Part 8) or amount e, whichever is less"  Lapital expenditures (line 360 in Part 8) or amount e, whichever is less"  Lapital expenditures (line 360 in Part 8) or amount e, whichever is less"  Lapital expenditures (line 360 in Part 8) or amount e, whichever is less"  Lapital expenditures (line 360 in Part 8) or amount e, whichever is less"  Lapital expenditures (line 360 in Part 8) or amount e, whichever is less"  Lapital expenditures (line 360 in Part 8) or amount e, whichever is less"  Lapital expenditures (line 360 in Part 8) or amount e, whichever is less"  Lapital expenditures (line 360 in Part 8) or amount e, whichever is less"  Lapital expenditures (line 360 in Part 8) or amount e, whichever is less to less than expenditure in the lax year after 2013 and 55 x and 50 minutes are expendent of any government or non-government assistance, or contract payments that reduced the amount of uplified expenditures for ITC purposes, the amount of the repayment of any government or non-government assistance that reduced the amount of the repayment of assistance that reduced a qualifying expenditure for a CCPCT**  Lapital expenditure for a CCPCT**  Lapital expenditure for a CCPCT**  Lapital expenditure incurred before 2015  Lapital expenditure incurred before 2015  Lapital expenditure incurred effer 2014  Lapital expenditure incurred effer 2015  Lapital expenditure incurred effer 2014  Lapital expenditure incurred effer 2015  Lapital expenditure incurred effer 2014  Lapital expenditure incurred effer 2015  Lapital expenditure incurred effer 2014  Lapital expenditure incurred effer 2014  Lapital expenditure incurred effer 2015  Lapital expenditure incurred effer 2015  Lapital expenditure incurred effer 2014  Lapital expenditure incurred effer 2014  Lapital expenditure incurred effer							
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Line 410 minus line 350 (if negative, enter "0")  Capital expenditures (line 360 in Part 8) or amount e, whichever is less*  Auto							
Line 410 minus line 350 (if negative, enter "0")  Capital expenditures (line 360 in Part 8) or amount e, whichever is less*  Auto	Subtotal (amount a <b>plus</b> amount (	۹)			•		ЦЭ
Capital expenditures (line 360 in Part 8) or amount e, whichever is less*    Amount	Subtotal (amount c <b>plus</b> amount t	u)		•	•		112
Amount nine the tax year start 2013	Line 410 <b>minus</b> line 350 (if negat	ive, enter "0")		2,902,020	_ e		
Amount rom line	Capital expenditures (line 360 in F	Part 8) or amount e,	_	_			
Amount from line    Number of days in the tax year   Number of days in the tax year	whichever is less*		44	.0	_ X 35 %	=	12
Amount from line    Number of days in the tax year   Number of days in the tax year	Line 360 <b>minus</b> amount e (if nega	ative enter "0")	45	50	$\Delta$		
in the tax year  Amount Number of days in the tax year  Number of days in the tax year  In the tax year  Number of days in the tax year  In th	, ,	,			- \\		
Number of days in the tax year  Number of days in the tax year after 2013 365 x 15 % =	from line						
Amount from line tax year    Number of days	450		x 20%	=	_ f		
Amount from line 150**  X and in the tax year 150**  Number of days 365 x 15 % =		Number of days					
In the tax year after 2013 365 x 15 % =		in the tax year			1		
A after 2013 365 × 15 % = g  Number of days 365  Subtotal (amount f plus amount g)	Amount				/		
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Repayment of assistance that reduced a qualifying expenditure for a CCPC****  Repayment of assistance made after September 16, 2016 that reduced a qualifying expenditure incurred before 2015  Repayment of assistance made after September 16, 2016 that reduced a qualifying expenditure incurred before 2015  Repayment of assistance made after September 16, 2016 that reduced a qualifying expenditure incurred after 2014  X  20 % =	Enter the amount of the renaymer	at on the line that corresponds to	the appropriate rate				
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Repayment of assistance made after September 16, 2016 that reduced a qualifying expenditure incurred before 2015			x	35 % =		h	
September 16, 2016 that reduced a qualifying expenditure incurred before 2015	' ' ' ' '			00 70		- ''	
According expenditure incurred before 2015		la					
September 16, 2016 that reduced a qualifying expenditure incurred after 2014			x	20 % =		_ i	
Subtotal (add amounts h to j)  ** For corporations that are not CCPCs, enter "0" for amounts G2 and I2.  ** For tax years that end after 2013, the general SR&ED ITC rate is reduced from 20% to 15%, except that, for 2014 tax years that start before 2014, the reduction is pro-rated based on the number of days in the tax year that are after 2013. For tax years that have a start date after 2013, multiply the amount by 15%.  ** If you were a Canadian-controlled private corporation (CCPC), this percentage was applied to the portion that you claimed of the SR&ED qualified expenditure pool that did not exceed your expenditure limit at the time. This percentage includes the rate under subsection 127(10.1), additions to investment tax credit. See subsection 127(10.1) for details about exceptions. For expenditures not eligible for this rate use line 480 or 490 as	Repayment of assistance made a	fter	\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\				
** For corporations that are not CCPCs, enter "0" for amounts G2 and I2.  ** For tax years that end after 2013, the general SR&ED ITC rate is reduced from 20% to 15%, except that, for 2014 tax years that start before 2014, the reduction is pro-rated based on the number of days in the tax year that are after 2013. For tax years that have a start date after 2013, multiply the amount by 15%.  ** If you were a Canadian-controlled private corporation (CCPC), this percentage was applied to the portion that you claimed of the SR&ED qualified expenditure pool that did not exceed your expenditure limit at the time. This percentage includes the rate under subsection 127(10.1), additions to investment tax credit. See subsection 127(10.1) for details about exceptions. For expenditures not eligible for this rate use line 480 or 490 as		400					
** For corporations that are not CCPCs, enter "0" for amounts G2 and I2.  ** For tax years that end after 2013, the general SR&ED ITC rate is reduced from 20% to 15%, except that, for 2014 tax years that start before 2014, the reduction is pro-rated based on the number of days in the tax year that are after 2013. For tax years that have a start date after 2013, multiply the amount by 15%.  ** If you were a Canadian-controlled private corporation (CCPC), this percentage was applied to the portion that you claimed of the SR&ED qualified expenditure pool that did not exceed your expenditure limit at the time. This percentage includes the rate under subsection 127(10.1), additions to investment tax credit. See subsection 127(10.1) for details about exceptions. For expenditures not eligible for this rate use line 480 or 490 as	qualifying expenditure incurred aff	ter 2014	^	15 %		<b>.</b> J	
* For corporations that are not CCPCs, enter "0" for amounts G2 and I2.  ** For tax years that end after 2013, the general SR&ED ITC rate is reduced from 20% to 15%, except that, for 2014 tax years that start before 2014, the reduction is pro-rated based on the number of days in the tax year that are after 2013. For tax years that have a start date after 2013, multiply the amount by 15%.  ** If you were a Canadian-controlled private corporation (CCPC), this percentage was applied to the portion that you claimed of the SR&ED qualified expenditure pool that did not exceed your expenditure limit at the time. This percentage includes the rate under subsection 127(10.1), additions to investment tax credit. See subsection 127(10.1) for details about exceptions. For expenditures not eligible for this rate use line 480 or 490 as			Subtotal	( <b>add</b> amounts h to j)		<b>.</b>	K2
* For corporations that are not CCPCs, enter "0" for amounts G2 and I2.  ** For tax years that end after 2013, the general SR&ED ITC rate is reduced from 20% to 15%, except that, for 2014 tax years that start before 2014, the reduction is pro-rated based on the number of days in the tax year that are after 2013. For tax years that have a start date after 2013, multiply the amount by 15%.  ** If you were a Canadian-controlled private corporation (CCPC), this percentage was applied to the portion that you claimed of the SR&ED qualified expenditure pool that did not exceed your expenditure limit at the time. This percentage includes the rate under subsection 127(10.1), additions to investment tax credit. See subsection 127(10.1) for details about exceptions. For expenditures not eligible for this rate use line 480 or 490 as	Current year SP&ED ITC (total	of amounts G2 to K2: onter on lin	o 540 in Port 12)			-	12
** For tax years that end after 2013, the general SR&ED ITC rate is reduced from 20% to 15%, except that, for 2014 tax years that start <b>before</b> 2014, the reduction is pro-rated based on the number of days in the tax year that are <b>after</b> 2013. For tax years that have a start date <b>after</b> 2013, <b>multiply</b> the amount by 15%.  ** If you were a Canadian-controlled private corporation (CCPC), this percentage was applied to the portion that you claimed of the SR&ED qualified expenditure pool that did not exceed your expenditure limit at the time. This percentage includes the rate under subsection 127(10.1), <b>additions to investment tax credit</b> . See subsection 127(10.1) for details about exceptions. For expenditures not eligible for this rate use line 480 or 490 as	,		,			···	LZ
the reduction is pro-rated based on the number of days in the tax year that are <b>after</b> 2013. For tax years that have a start date <b>after</b> 2013, <b>multiply</b> the amount by 15%.  ** If you were a Canadian-controlled private corporation (CCPC), this percentage was applied to the portion that you claimed of the SR&ED qualified expenditure pool that did not exceed your expenditure limit at the time. This percentage includes the rate under subsection 127(10.1), <b>additions to investment tax credit</b> . See subsection 127(10.1) for details about exceptions. For expenditures not eligible for this rate use line 480 or 490 as	* For corporations that are not 0	CCPCs, enter "0" for amounts G2	and I2.				
the amount by 15%.  ** If you were a Canadian-controlled private corporation (CCPC), this percentage was applied to the portion that you claimed of the SR&ED qualified expenditure pool that did not exceed your expenditure limit at the time. This percentage includes the rate under subsection 127(10.1), additions to investment tax credit. See subsection 127(10.1) for details about exceptions. For expenditures not eligible for this rate use line 480 or 490 as							
** If you were a Canadian-controlled private corporation (CCPC), this percentage was applied to the portion that you claimed of the SR&ED qualified expenditure pool that did not exceed your expenditure limit at the time. This percentage includes the rate under subsection 127(10.1), additions to investment tax credit. See subsection 127(10.1) for details about exceptions. For expenditures not eligible for this rate use line 480 or 490 as		ed on the number of days in the ta	ax year that are <b>after</b>	2013. For tax years that	t have a start date <b>afte</b>	er 2013, multiply	
expenditure pool that did not exceed your expenditure limit at the time. This percentage includes the rate under subsection 127(10.1), additions to investment tax credit. See subsection 127(10.1) for details about exceptions. For expenditures not eligible for this rate use line 480 or 490 as							
to investment tax credit. See subsection 127(10.1) for details about exceptions. For expenditures not eligible for this rate use line 480 or 490 as							
, ,							
αργισγιαίο.	appropriate.						

Part 12 – Current-year credit and account	balances – ITC from SR&ED expenditures —		
ITC at the end of the previous tax year			M2
Credit deemed as a remittance of co-op corporations .	510		
Credit expired			
	Subtotal (line 510 <b>plus</b> line 515)	<u></u> >	N2
ITC at the beginning of the tax year (amount M2 minus amount M3 minus minu	unt N2)	<b>520</b>	
Credit transferred on an amalgamation or the wind-up of a su	ubsidiary		
Total current-year credit (from amount L2 in Part 11) .	540		
Credit allocated from a partnership			
	Subtotal (total of lines 530 to 550)	<b>&gt;</b>	O2
Total credit available (line 520 <b>plus</b> amount O2)		<u></u>	P2
Credit deducted from Part I tax	560		
Credit carried back to previous years (amount S2 in Part 13)		k	
Credit transferred to offset Part VII tax liability	<b>580</b>		
Subto	otal (total of line 560, amount k, and line 580)	<b>&gt;</b>	Q2
Credit balance before refund (amount P2 <b>minus</b> amount Q2	)	· · · · · · · · · <u> </u>	R2
Refund of credit claimed on SR&ED expenditures (from Part	t 14 or 15, whichever applies)	610	
ITC closing balance on SR&ED (amount R2 minus line 6	10)	620	
− Part 13 – Request for carryback of credit fi	rom SR&ED expenditures		
Year Month Da			
1st previous tax year	Credit to be app		
2nd previous tax year	Credit to be app		
3rd previous tax year	Credit to be app	plied <b>913</b> es 911 to 913	
	Enter at amoun		S2

┌ Part 14 – Refund of ITC for qualifying corporations – SR&ED	
Complete this part only if you are a qualifying corporation as determined on line 101 in Part 2.	
Is the corporation an excluded corporation as defined under subsection 127.1(2)?	2 No 🗶
Current-year ITC (lines 540 <b>plus</b> 550 in Part 12 <b>minus</b> amount K2 in Part 11)	
Refundable credits (amount I or amount R2 in Part 12, whichever is less)*	T2
Amount T2 or amount G2 in Part 11, whichever is less	U2
Net amount (amount T2 <b>minus</b> amount U2; if negative, enter "0")	V2
Amount V2 <b>multiplied</b> by 40 %	W2
Amount U2	X2
Refund of ITC (amount W2 plus amount X2 – enter this, or a lesser amount, on line 610 in Part 12)  Enter the total of line 310 in Part 5 and line 610 in Part 12 on line 780 of the T2 return.	Y2
* If you are also an excluded corporation, as defined in subsection 127.1(2), this amount must be multiplied by 40%. Claim this, or a lesser amount, as your refund of ITC for amount Y2.	
Part 15 – Refund of ITC for CCPCs that are not qualifying or excluded corporations – SR&ED	
Complete this part only if you are a CCPC that is not a qualifying or excluded corporation as determined on line 101 in Part 2.	
Credit balance before refund (amount R2 in Part 12)	Z2
Amount Z2 or amount G2 in Part 11, whichever is less	AA2
Net amount (amount Z2 minus amount AA2; if negative, enter "0")	BB2
Amount BB2 or amount I2 in Part 11, whichever is less	CC2
Amount CC2 multiplied by 40 %	DD2
Amount AA2	EE2
Refund of ITC (amount DD2 plus amount EE2)	FF2
Enter FF2, or a lesser amount, on line 610 in Part 12 and also on line 780 of the 72 return.	

### Recapture - SR&ED

### ¬ Part 16 – Recapture of ITC for corporations and partnerships – SR&ED

You will have a recapture of ITC in a year when all of the following conditions are met:

- you acquired a particular property in the current year or in any of the 20 previous tax years, and the credit was earned in a tax year ending after 1997 and did not expire before 2008;
- you claimed the cost of the property as a qualified expenditure for SR&ED on Form T661;
- the cost of the property was included in calculating your ITC or was the subject of an agreement made under subsection 127(13) to transfer qualified expenditures; and
- you disposed of the property or converted it to commercial use after February 23, 1998. This condition is also met if you disposed of or converted to commercial use a property that incorporates the particular property previously referred to.

#### Note:

The recapture **does not apply** if you disposed of the property to a non-arm's-length purchaser who intended to use it all or substantially all for SR&ED. When the non-arm's-length purchaser later sells or converts the property to commercial use, the recapture rules will apply to the purchaser based on the historical ITC rate of the original user.

You will report a recapture on the T2 return for the year in which you disposed of the property or converted it to commercial use. In the following tax year, add the amount of the ITC recapture to the SR&ED expenditure pool.

If you have more than one disposition for calculations 1 and 2, complete the columns for each disposition for which a recapture applies, using the calculation formats below.

#### - Calculation 1 - If you meet all of the above conditions Amount of ITC you originally calculated Amount calculated using ITC rate Amount from column 700 or 710, for the property you acquired, or the at the date of acquisition whichever is less original user's ITC where you acquired the (or the original user's date of acquisition) property from a non-arm's length party, as on either the proceeds of disposition described in the note above (if sold in an arm's length transaction) or the fair market value of the property (in any other case) 700 710 Subtotal **A3** Enter at amount C3 in Part 17.

	I				
<b>A</b> Rate that the transferee	B Proceeds of disposition	C Amount, if any,	<b>D</b> Amount	E ITC earned by the	<b>F</b> Amount from
used in determining its ITC for qualified expenditures under a subsection 127(13) agreement	of the property if you dispose of it to an arm's length person; or, in any other case, enter the fair market value of the property at conversion or disposition	already provided for in Calculation 1 (This allows for the situation where only part of the cost of a property is transferred under a subsection 127(13) agreement.)	determined by the formula (A x B) – C	transferee for the qualified expenditures that were transferred	column D or E, whichever is less
720	730	740		750	

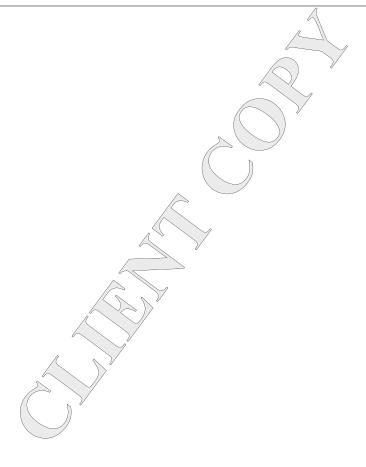
# ¬ Part 16 – Recapture of ITC for corporations and partnerships – SR&ED (continued) -

### - Calculation 3 -

As a member of the partnership, you will report your share of the SR&ED ITC of the partnership after the SR&ED ITC has been reduced by the amount of the recapture. If this amount is a positive amount, you will report it on line 550 in Part 12. However, if the partnership does not have enough ITC otherwise available to offset the recapture, then the amount by which reductions to ITC exceed additions (the excess) will be determined and reported on line 760.

Corporate partner's share of the excess of SR&ED ITC Enter at amount E3 in Part 17.

Part 17 – Total recapture of SR&ED invest	ment tax credit	
Recaptured ITC from calculation 1, amount A3 in Part 16		C3
Recaptured ITC from calculation 2, amount B3 in Part 16		D3
Recaptured ITC from calculation 3, line 760 in Part 16	<u> </u>	E3
Total recapture of SR&ED investment tax credit (total of Enter at amount A8 in Part 29.	amounts C3 to E3)	F3



# **Pre-Production Mining**

# Part 18 − Pre-production mining expenditures -

#### **Exploration information**

A mineral resource that qualifies for the credit means a mineral deposit from which the principal mineral to be extracted is diamond, a base or precious metal deposit, or a mineral deposit from which the principal mineral to be extracted is an industrial mineral that, when refined, results in a base or precious metal.

In column 800, list all minerals for which pre-production mining expenditures have taken place in the tax year.

For each of the minerals reported in column 800, identify each project (in column 805), mineral title (in column 806), and mining division (in column 807) where title is registered. If there is no mineral title, identify only the project and mining division.

List of minerals	Project name
Mineral title	Mining division
806	807
Pre-production mi	ning expenditures*
<b>Exploration:</b> Pre-production mining expenditures that you incurred in the tax year ( <b>before</b> Januar	v.1. 2014) for the purpose of determining
the existence, location, extent, or quality of a mineral resource in Canada:	y 1, 2014) for the purpose of determining
Prospecting	810
Geological, geophysical, or geochemical surveys	
Drilling by rotary, diamond, percussion, or other methods	812
Trenching, digging test pits, and preliminary sampling	
Development:	
Pre-production mining expenditures incurred in the tax year for bringing a new mine production in reasonable commercial quantities and incurred before the new mine or	
Clearing, removing overburden, and stripping	820
Sinking a mine shaft, constructing an adit, or other underground entry	821
Other pre-production mining expenditures incurred in the tax years	
Description	Amount
825	826
	Total of column 826 A
Total pre-production mining expenditures (total of lines 810 to 821 and amount A4)	
Total of all assistance (grants, subsidies, rebates, and forgivable loans) or reimbursoreceived or is entitled to receive in respect of the amounts referred to on line 830 about	
Excess (line 830 minus line 832) (if negative, enter "0")	B4
Repayments of government and non-government assistance	835
Pre-production mining expenditures (amount B4 plus line 835)	C4
* A pre-production mining expenditure is defined under subsection 127(9).	

<ul> <li>Part 19 – Current-year credit and account balances – ITC from pre-production mining expenditures</li> </ul>	
ITC at the end of the previous tax year	D4
Credit deemed as a remittance of co-op corporations	
Credit expired         845	
Subtotal (line 841 <b>plus</b> line 845)	E4
ITC at the beginning of the tax year (amount D4 minus amount E4)	
Credit transferred on an amalgamation or the wind-up of a subsidiary	
Pre-production mining expenditures* incurred before January 1, 2013 (applicable part from amount C4 in Part 18) 870 x 10 % = m	
Pre-production mining exploration expenditures** incurred in 2013 (applicable part from amount C4 in Part 18) 872 x x n	
Pre-production mining development expenditures incurred in 2014 (applicable part from amount C4 in Part 18) 874 x y = o	
Pre-production mining development expenditures incurred in 2015 (applicable part from amount C4 in Part 18) 876 x 4 % = p	
Current year credit (total of amounts m to p)	F4
Total credit available (total of lines 850, 860, and amount F4)	G4
Credit deducted from Part I tax	
Credit carried back to previous years (amount I4 in Part 20)	
Subtotal (line 885 plus amount q)	H4
ITC closing balance from pre-production mining expenditures (amount G4 minus amount H4)	
* Also include pre-production mining development expenditures incurred before 2014 and pre-production mining development expenditures incurred 2013 and before 2016 that are eligible for transitional relief.	red after
** Also include pre-production mining development expenditures incurred in 2015 if the expense is described in subparagraph (a)(ii) of the definition <b>pre-production mining expenditure</b> in subsection 127(9) of the Act because of paragraph (g.4) of the definition <b>Canadian exploration expense</b> in subsection 66.1(6) of the Act.	on

- Part 20 - Request fo	or carryback of credit from pre-production mining expenditures ————————————————————————————————————
	Year Month Day
1st previous tax year	Credit to be applied 921
2nd previous tax year	Credit to be applied 922
3rd previous tax year	Credit to be applied 923
	Total of lines 921 to 923 Enter at amount q in Part 19.

# **Apprenticeship Job Creation**

Par	t 21 – Total current-year	credit – ITC from apprenticesh	ip job creation ex	openditures ——			
f you vho w	are a related person as defined und vill be claiming the apprenticeship jo	der subsection 251(2), has it been agreed in both creation tax credit for this tax year for earne) appears below? (If not, you cannot clair	n writing that you are the ch apprentice whose co	e only employer ntract number	<b>611</b> 1	1 Yes 2 No	
ınder		hs of the apprenticeship, enter the apprenti ed to certify or license individuals in the trac me of the eligible apprentice.					
	A Contract number (SIN or name of apprentice)	B Name of eligible trade	C Eligible salary a wages*	D Column C :	κ	E Lesser of column D or	
	601	602	603	604		\$ 2,000 <b>605</b>	
1.	SYS089443	Powerline Technician	72	2,237	7,224	2,000	
(		, , , , , , , , , , , , , , , , , , , ,		year credit (total of colu	nn E)	2,000	A5
		rred, and net of any other government or no ures are defined under subsection 127(9).		Enter on line 640 in Pace received or to be rece		gible salary	
Par	t 22 – Current-year credit	and account balances - ITC fi	rom apprenticesh	ip job creation ex	kpendi	tures ———	
TC a	t the end of the previous tax year						B5
	,		C40	<b>4</b>	–		ы
Credit	deemed as a remittance of co-op of	corporations		<del>\</del>			
Credit	expired after 20 tax years .		615				
		Subtotal (li	ine 612 <b>plus</b> line 615)		<b>&gt;</b>		C5
TC a	t the beginning of the tax year (amo	unt B5 <b>minus</b> amount C5)	((\( \) )		625		
Credit	transferred on an amalgamation or	the wind-up of a subsidiary	630		_		
TC fr	om repayment of assistance		635				
Total (	current-year credit (amount A5 in P	art 21)	640	2,000			
Credit	allocated from a partnership		<sub>&gt;</sub> 655				
		Subtotal (tot	al of lines 630 to 655)	2,000	<b>-</b>	2,000	D5
Total •	credit available (line 625 <b>plus</b> amou	ınt D5)			· · · · =	2,000	E5
Credit	deducted from Part I tax		660	2,000			
Credit	carried back to previous years (am	ount G5 in Part 23)			r		
		Subtotal (lin	ne 660 <b>plus</b> amount r) _	2,000	<b>.</b>	2,000	F5
TC c	losing balance from apprentices	hip job creation expenditures (amount E	- E5 <b>minus</b> amount F5)		690		
Par	t 23 – Request for carryb	ack of credit from apprentices	hip job creation e	expenditures —			
	Yea	ar Month Day					
lst pr	evious tax year			Credit to be applied	931		
	revious tax year			Credit to be applied	932		
	revious tax year			Credit to be applied	933		
				Total of lines 931 t Enter at amount r in Pa	_		G5

# **Child Care Spaces**

# Part 24 − Eligible child care spaces expenditures -

Enter the eligible expenditures that you incurred after March 18, 2007 and before March 22, 2017\* to create licensed child care spaces for the children of the employees and, potentially, for other children. You cannot be carrying on a child care services business. The eligible expenditures include:

- the cost of depreciable property (other than specified property); and
- the specified child care start-up expenditures.

Properties should be acquired and expenditures should be incurred only to create new child care spaces at a licensed child care facility.

	<ul> <li>Cost of depreciable pro</li> </ul>	perty from the current tax year ————————————————————————————————————		
	Capital cost allowance class number	Description of investment	Date available for use	Amount of investment
	665	675	685	695
1.				
		Total cost of depreciable property from the current tax year (to	otal of column 695) <b>715</b>	
i i	• •	nditures from the current tax year	<u> </u>	
Total	gross eligible expenditures f	or child care spaces (line 715 <b>plus</b> line 705)	· ]/· · · · · · · · · · · · · · · · ·	A(
		rants, subsidies, rebates, and forgivable loans) or reimbursements that the tled to receive in respect of the amounts referred to in amount A6	725	
Exces	s (amount A6 <b>minus</b> line 72	25) (if negative, enter "0")		Be
Repa	ments by the corporation of	government and non-government assistance	735	
Total	eligible expenditures for	child care spaces (amount B6 plus line 735)	745	
* If	you entered into a written ag	reement before March 22, 2017, eligible expenditures incurred before 2020 will	remain eligible for the cre	edit.

Part 25 - Current-year credit - ITC from child care spaces expendite	ur	lit	d	n	aı	o	D	ď	(	x	3	Ť,	3	e	e	e	e	e	2	٤	ì,	)	3	>	×	×	X	X	×	>	,		3	>	>	3	,	0	1	1	1	1	1	ì,	1	)	,	,	١.	į	ڊ	ڊ	ڊ	9	e	e	e	2	٤	Ā,	1	,	)	>	y	X	X	(	(	ľ	(	ľ	(	(	(	1	ď	ď	ď	1	X	X	X	1	X	×	y	>	>	>	1		1	1	1	þ	7	2	3	,	>	y	X	X	y	y	×	y	y	>	1	ì,	į	•	e	ε	E	f	(	(	1	1	,			ŝ	3	3	s	٤	•	٠	9	E	:(	:	c	1	3	ê	í	)	a	r	r	
--	----	-----	---	---	----	---	---	---	---	---	---	----	---	---	---	---	---	---	---	---	----	---	---	---	---	---	---	---	---	---	---	--	---	---	---	---	---	---	---	---	---	---	---	----	---	---	---	---	----	---	---	---	---	---	---	---	---	---	---	----	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	--	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	----	---	---	---	---	---	---	---	---	---	---	---	--	--	---	---	---	---	---	---	---	---	---	----	---	---	---	---	---	---	---	---	---	---	--

The credit is equal to 25% of eligible child care spaces ex	penditures incurred to a maximum of	f \$10,000 per child care space	created in a licensed child
care facility.			

Eligible expenditures (from line 745 in Part 24)	x	25 % = (	26
Number of child care spaces 755	X \$ 1	0,000 = [	06

ITC from child care spaces expenditures (amount C6 or D6, whichever is less)

Dort 26 Current vos	ar aradit and account hal	anaga ITC from shild sare anagas a	vnandituraa	7400 3002 1100002
ITC at the end of the previous		ances – ITC from child care spaces ex		F6
Credit deemed as a remittance	•	765		
Credit expired after 20 tax year		770		
		Subtotal (line 765 <b>plus</b> line 770)	<b>&gt;</b>	G6
ITC at the beginning of the tax	year (amount F6 <b>minus</b> amount G	 66)	775	
Credit transferred on an amalg	amation or the wind-up of a subsid	diary 777		
Total current-year credit (amou	unt E6 in Part 25)			
Credit allocated from a partner	ship	<b>782</b>		
		Subtotal (total of lines 777 to 782)	<b>&gt;</b>	H6
Total credit available (line 775	<b>plus</b> amount H6)			I6
Credit deducted from Part I tax	· (	<b>785</b>		
Credit carried back to previous	years (amount K6 in Part 27)		s	
·	,	Subtotal (line 785 <b>plus</b> amount s)	<b>&gt;</b>	J6
ITC closing balance from ch	ild care spaces expenditures (a	mount I6 <b>minus</b> amount J6)	790	
- Part 27 - Request for	r carryback of credit from	n child care space expenditures	<u> </u>	
Ture 27 Request for	Year Month Day			
1st previous tax year	2018-12-31	Credit to	be applied 941	
2nd previous tax year	2017-12-31		be applied 942	
3rd previous tax year	2016-12-31		be applied 943	
			of lines 941 to 943 amount s in Part 26.	K6

# Recapture - Child Care Spaces

Part 28 – Recapture of ITC for corporations and partnerships – Child care spaces
The ITC will be recovered against the taxpayer's tax otherwise payable under Part I of the Act if, at any time within 60 months of the day on which the taxpayer acquired the property:
the new child care space is no longer available; or
property that was an eligible expenditure for the child care space is:
<ul> <li>disposed of or leased to a lessee; or</li> </ul>
<ul> <li>converted to another use.</li> </ul>
If the property disposed of is a child care space, the amount that can reasonably be considered to have been included in the original ITC (paragraph 127(27.12)(a))
In the case of eligible expenditures (paragraph 127(27.12)(b)), the lesser of:
The amount that can reasonably be considered to have been included in the original ITC 795
25% of either the proceeds of disposition (if sold in an arm's length transaction) or the fair market value (in any other case) of the property
Amount from line 795 or line 797, whichever is less A7
Partnerships —
As a member of the partnership, you will report your share of the child care spaces ITC of the partnership after the child care spaces ITC has been reduced by the amount of the recapture. If this amount is a positive amount, you will report it on line 782 in Part 26. However, if the partnership does not have enough ITC otherwise available to offset the recapture, then the amount by which reductions to ITC exceed additions (the excess) will be determined and reported on line 799 below.
Corporate partner's share of the excess of ITC 799
Total recapture of child care spaces investment tax credit (total of line 792, amount AZ, and line 799)
Enter at amount B8 in Part 29.
Summary of Investment Tax Credits
┌ Part 29 – Total recapture of investment tax credit
Recaptured SR&ED ITC (amount F3 in Part 17)
Recaptured child care spaces ITC (amount B7 in Part 28)
Total recapture of investment tax credit (amount A8 plus amount B8)
Enter on line 602 of the T2 return.
Port 00 Total ITO do do do disco Porti torre
Part 30 – Total ITC deducted from Part I tax
ITC from investments in qualified property deducted from Part I tax (line 260 in Part 5)
ITC from SR&ED expenditures deducted from Part I tax (line 560 in Part 12)
ITC from pre-production mining expenditures deducted from Part I tax (line 885 in Part 19)
ITC from apprenticeship job creation expenditures deducted from Part I tax (line 660 in Part 22)
ITC from child care space expenditures deducted from Part I tax (line 785 in Part 26)
<b>Total ITC deducted from Part I tax</b> (total of amounts D8 to H8)
Enter on line 652 of the T2 return.

# **Summary of Investment Tax Credit Carryovers**

CCA class number	97	Apprenticeship	job creation ITC			
Current year						
		Addition current year (A)	Applied current year (B)	Claimed as a refund (C)	Carried back (D)	ITC end of year (A-B-C-D)
	_	2,000	2,000			
Prior years						
Taxation year			ITC beginning of year (E)	Adjustments (F)	Applied current year (G)	ITC end of year (E-F-G)
2018-12-31			( )	( )	( )	,
2017-12-31						
2016-12-31						
2015-12-31						
2014-12-31						
2013-12-31					<u> </u>	
2012-12-31					<b>\</b>	
2011-12-31						
2010-12-31						
2009-12-31						
				7		
		Total				
3+C+D+G					Total ITC utilized	2,000

<sup>\*</sup> The ITC end of year includes the amount of ITC expired from the 10<sup>th</sup> preceding year if it is before January 1, 1998, or the amount of ITC expired from the 20<sup>th</sup> preceding year if it is after December 31, 1997. Note that this credit expires at the end of the tax year and any expired credit will be posted to line 215, 515, 615, 770 or 845, as applicable, in Schedule 31 the following year.

Agence du revenu du Canada Schedule 33

# Taxable Capital Employed in Canada – Large Corporations

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2019-12-31

- Use this schedule in determining if the total taxable capital employed in Canada of the corporation (other than a financial institution or an insurance corporation) and its related corporations is greater than \$10,000,000.
- If the total taxable capital employed in Canada of the corporation and its related corporations is greater than \$10,000,000, file a completed Schedule 33 with your T2 Corporation Income Tax Return no later than six months from the end of the tax year.
- Unless otherwise noted, all legislative references are to the Income Tax Act and the Income Tax Regulations.
- Subsection 181(1) defines the terms financial institution, long-term debt, and reserves.
- Subsection 181(3) provides the basis to determine the carrying value of a corporation's assets or any other amount under Part I.3 for its capital, investment allowance, taxable capital, or taxable capital employed in Canada, or for a partnership in which it has an interest.
- If the corporation was a non-resident of Canada throughout the year and carried on a business through a permanent establishment in Canada, go to Part 4,
   Taxable capital employed in Canada.

Part 1 - Capital
Add the following year-end amounts:
Reserves that have not been deducted in calculating income for the year under Part I 379,688
Capital stock (or members' contributions if incorporated without share capital) 103 8,290,714
Retained earnings
Contributed surplus
Any other surpluses
Deferred unrealized foreign exchange gains
All loans and advances to the corporation
All indebtedness of the corporation represented by bonds, debentures, notes, mortgages, hypothecary claims, bankers' acceptances, or similar obligations
Any dividends declared but not paid by the corporation before the end of the year
All other indebtedness of the corporation (other than any indebtedness for a lease) that has been outstanding for more than 365 days before the end of the year
The total of all amounts, each of which is the amount, if any, in respect of a partnership in which the corporation held a membership interest at the end of the year, either directly or indirectly through another partnership (see note below)

Subtotal (add lines 101 to 112)

24,672,097

#### Note:

Line 112 is determined by the formula (A - B) x C/D (as per paragraph 181/2(3)(g)) where:

- A is the total of all amounts that would be determined for lines 101, 107, 108, 109, and 111 in respect of the partnership for its last fiscal period that ends at or before the end of the year if
  - a) those lines applied to partnerships in the same manner that they apply to corporations, and
  - b) those amounts were computed without reference to amounts owing by the partnership
    - (i) to any corporation that held a membership interest in the partnership either directly or indirectly through another partnership, or
    - (ii) to any partnership in which a corporation described in subparagraph (i) held a membership interest either directly or indirectly through another partnership.
- B is the partnership's deferred unrealized foreign exchange losses at the end of the period,
- C is the share of the partnership's income or loss for the period to which the corporation is entitled either directly or indirectly through another partnership, and
- D is the partnership's income or loss for the period.

24,672,097 A

		86463 9562 RC0002
Part 1 – Capital (continued)		
	Subtotal A (from page 1)	24,672,097 A
<b>Deduct</b> the following amounts:		
Deferred tax debit balance at the end of the year	121	
Any deficit deducted in calculating its shareholders' equity (including, for this purpose, the amount of any provision for the redemption of preferred shares) at the end of the year	122	
To the extent that the amount may reasonably be regarded as being included in any of lines 101 to 112 above for the year, any amount deducted under subsection 135(1) in calculating income under Part I for the year.	123	
Deferred unrealized foreign exchange losses at the end of the year	124	
Subtotal (add lines 121 to	124)	В
Capital for the year (amount A minus amount B) (if negative, enter "0")	190 <u> </u>	24,672,097
Part 2 – Investment allowance		
Add the carrying value at the end of the year of the following assets of the corporation:		
A share of another corporation		
A loan or advance to another corporation (other than a financial institution)		
A bond, debenture, note, mortgage, hypothecary claim, or similar obligation of another corporation (other than a financial institution)	403	145,623
Long-term debt of a financial institution	404	
A dividend payable on a share of the capital stock of another corporation	405	
A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim or similar obligation of, member of which was, throughout the year, another corporation (other than a financial institution) that tax under this Part (otherwise than because of paragraph 181.1(3)(d)), or another partnership describe paragraph 181.2(4)(d.1)	was not exempt from	
An interest in a partnership (see note 2 below)	<i></i>	
Investment allowance for the year (add lines 401 to 407)	490	145,623
Notes:	<del></del>	
<ol> <li>Lines 401 to 405 should not include the carrying value of a share of the capital stock of, a dividend p exempt from tax under Part I.3 (other than a non-resident corporation that at no time in the year carrie establishment).</li> </ol>		
2. Where the corporation has an interest in a partnership held either directly or indirectly through another additional rules regarding the carrying value of an interest in a partnership.	er partnership, refer to subsection 181.2(5	i) for
<ol> <li>Where a trust is used as a conduit for loaning money from a corporation to another related corporatio considered to have been made directly from the lending corporation to the borrowing corporation. Re apply.</li> </ol>		
Part 3 – Taxable capital		
	<u> </u>	<b>24,672,097</b> c

- Part 2 Tayable conital		
Part 3 – Taxable capital ——		
Capital for the year (line 190)		24,672,097 c
<b>Deduct:</b> Investment allowance for the ye	ear (line 490) /	145,623 D
Taxable capital for the year (amount C	C minus amount D) (if negative, enter "0")	24,526,474

┌ Part 4 – Taxable o	capital employed	d in Canada ——					
	To be con	mpleted by a corporati	on that was resider	nt in Canada at	any time in the year		
Taxable capital for the year (line 500)	24,526,474 x	Taxable income earner in Canada Taxable income	610	343,397 = 343,397	Taxable capital employed in Canada	690	24,526,474
to have a tax	ooration's taxable incor able income for that ye	alculating the amount of ta ne for a tax year is "0," it	shall, for the purpos	d in Canada. es of the above			
		pleted by a corporation d carried on a business			la throughout the year ent in Canada		
Total of all amounts each held in the year, in the col						701	
<b>Deduct</b> the following amo	unts:						
Corporation's indebtedness paragraphs 181.2(3)(c) to on during the year through	(f)] that may reasonal	oly be regarded as relatin					
Total of all amounts each described in subsection 1 year, in the course of carr establishment in Canada	81.2(4) of the corporat	tion that it used in the yea	ar, or held in the	712	1		
Total of all amounts each corporation that is a ship personal or movable prop during the year through a	or aircraft the corporati erty used or held by the	on operated in internation corporation in carrying	nal traffic, or on any business	713			
		Total deduc	tions (add lines 711,	712, and 713)	<u> </u>	<b>&gt;</b>	E
Taxable capital employ	ed in Canada (line 70	1 <b>minus</b> amount E) (if ne	egative, enter "0")	()		790	
					for the year on similar ass sident in Canada during t		r the
⊢ Part 5 – Calculati	on for purposes	of the small busi	ness deduction	1			
This part is applicable t	o corporations that a	are not associated in th	ne current year, but	were associat	ed in the prior year.		
Taxable capital employed	in Canada (amount fro	om line 690)					F
Deduct:			·····				10,000,000 G
			Excess (amo	ount F <b>minus</b> an	nount G) (if negative, ente	er "0")	н
Calculation for purpose	s of the small busine	ess deduction (amount	H x 0.225%) .				
Enter this amount at line			<u>//</u>				

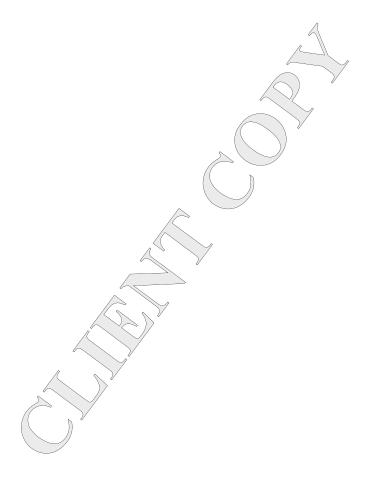
# **Attached Schedule with Total**

Part 1 – All loans and advances to the corporation

Title Part 1 – All loans and advances to the corporation

	Operator	
Description	(Note)	Amount
Current portion of long-term debt		564,845 00
Long-term debt		12,444,972 00
	Total	13,009,817 00

**Note**: The calculations are performed one at a time, from the first to the last line, and not according to the priority rules of the operations. For example, the formula 1+2\*3 will not result in the same thing as the formula 1+3\*2.



Agence du revenu du Canada

Schedule 50

# **Shareholder Information**

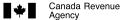
Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2019-12-31

- All private corporations must complete this schedule for any shareholder who holds 10% or more of the corporation's common and/or preferred shares.
- Provide only one number per shareholder (business number, social insurance number or trust number).

Name of shareholder (after name, indicate in brackets if the shareholder is a corporation, partnership, individual, or trust)	Business number (If a corporation is not registered, enter "NR")	Social insurance number	Trust number	Percentage common shares	Percentage preferred shares
100	200	300	350	400	500
The Corporation of the Town of Orangeville	10698 6151 RC0001			94.500	
The Corporation of the Township of East Luther Grand	NR			5.500	
1		A			
,					



Schedule 53



Agence du revenu du Canada

# General Rate Income Pool (GRIP) Calculation

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2019-12-31

On: 2019-12-31

- If you are a Canadian-controlled private corporation (CCPC) or a deposit insurance corporation (DIC), use this schedule to determine the general rate income pool (GRIP).
- Credit unions are **not** required to complete this schedule.
- All legislative references are to the Income Tax Act and the Income Tax Regulations.
- When an eligible dividend was paid in the tax year or there was a change in the GRIP balance, file a completed copy of this schedule with your T2 Corporation Income Tax Return. Do not send your worksheets with your return, but keep them in your records in case we ask to see them later.
- Subsection 89(1) defines the terms eligible dividend, excessive eligible dividend designation, general rate income pool, and low rate income pool.

┌ Eligibility for the various additions ─────	
Answer the following questions to determine the corporation's eligibility for the various additions:	
2006 addition	
1. Is this the corporation's first taxation year that includes January 1, 2006?	Yes X No
2. If not, what is the date of the taxation year end of the corporation's first year that includes January 1, 2006?  Enter the date and go directly to question 4	2006-12-31
3. During that first year, was the corporation a CCPC or would it have been a CCPC if not for the election of subsection 89(11) ITA?	Yes No
If the answer to question 3 is yes, complete Part "GRIP addition for 2006".	
Change in the type of corporation	
4. Was the corporation a CCPC during its preceding taxation year?	X Yes No
5. Corporations that become a CCPC or a DIC	Yes X No
If the answer to question 5 is yes, complete Part 4.	
Amalgamation (first year of filing after amalgamation)	
6. Corporations that were formed as a result of an amalgamation	Yes X No
If the answer to question 6 is yes, answer questions 7 and 8. If the answer is no, go to question 9.	
7. Was one or more of the predecessor corporations neither a CCPC nor a DIC?	Yes No
If the answer to question 7 is yes, complete Part 4.	
8. Was one or more of the predecessor corporation a CCPC or a DIC during the taxation year that ended immediately before amalgamation?	Yes No
If the answer to question 8 is yes, complete Part 3.	
Winding-up	
9. Has the corporation wound-up a subsidiary in the preceding taxation year?	Yes X No
If the answer to question 9 is yes, answer questions 10 and 11. If the answer is no, go to Part 1.	
10. Was the subsidiary neither a CCPC nor a DIC during its last taxation year?  If the answer to question 10 is yes, complete Part 4.	Yes No
11. Was the subsidiary a CCPC or a DIC during its last taxation year?  If the answer to question 11 is yes, complete Part 3.	Yes No

Canadä

T2 SCH53 E (19)

┌ Part 1 – General rate income pool (GRIP)		
GRIP at the end of the previous tax year	7,888,215	
Taxable income for the year (DICs enter "0") *		
Amount on line 400, 405, 410, and 427 or 428** of the T2 return, whichever is the least *		
Subtotal (line 130 <b>plus</b> line 140) A		
Income taxable at the general corporate rate (line 110 <b>minus</b> amount A) (if negative enter "0")		
After-tax income (line 150 multiplied by 0.72 (the general rate factor for the tax year))	247,246	
Eligible dividends received in the tax year		
Dividends deductible under section 113 received in the tax year		
Subtotal (line 200 <b>plus</b> line 210)		В
Becoming a CCPC (amount W5 in Part 4)		
Subtotal (add lines 100, 190, 290, and amount B)	8,135,461	С
Eligible dividends paid in the previous tax year		
(If becoming a CCPC (subsection 89(4) applies), enter "0" on lines 300 and 310.)		_
Subtotal (line 300 minus line 310)		D
GRIP before adjustment for specified future tax consequences (amount C minus amount D) (amount can be negative) 490	8,135,461	
Total GRIP adjustment for specified future tax consequences to previous tax years (amount L3 in P art 2)		
GRIP at the end of the tax year (line 490 minus line 560)  Enter this amount on line 160 of Schedule 55.	8,135,461	
* For lines 110, 130, and 140, the income amount is the amount before considering specified future tax consequences. This phrase is defined in subsection 248(1). It includes the deduction of a loss carryback from subsequent tax years, a reduction of Canadian exploration expenses and Canadian development expenses that were renounced in subsequent tax years (e.g., flow-through share renunciations), reversals of income inclusions where an option is exercised in subsequent tax years, and the effect of certain foreign tax credit adjustments.		
** If your tax year starts before 2019, use line 427. If your tax year starts after 2018, use line 428.		

Complete	this part if the corporatio	n's taxable income of a	uture tax consequency of the previous three tax nerwise, enter "0" on line 5	years took into accour		
First pre	vious tax year 2018	-12-31				
	ncome before specified fu	•		722,320_A1		
	e following amounts be ences from the current		ax			
427 or 42 whichever Aggregate	n line 400, 405, 410, and 8** of the T2 return, r is the least e investment income of the T2 return)					
	otal (amount B1 <b>plus</b> am		_	D1		
;	Subtotal (amount A1 <b>min</b>	<b>us</b> amount D1) (if nega	tive, enter "0")	<u>722,320</u> ►	722,320 E	1
		Futu	re tax consequences th	at occur for the curre	ent year	
		Ar	nount carried back from th	ne current year to a prio	r year	
	Non-capital loss carry-back (paragraph 111 (1)(a) ITA)	Capital loss carry-back	Restricted farm loss carry-back	Farm loss carry-back	Other	Total carrybacks
Tavahle ir	ncome after specified futu	ire tay consequences		F1		
	following amounts aft	•				
Amount of 427 or 42	n line 400, 405, 410, and 8** of the T2 return, r is the least		·			
	e investment income of the T2 return)		H1			
Subto	otal (amount G1 <b>plus</b> am	ount H1)	<b>&gt;</b>	I1		
	Subtotal (amount F1 min	<b>nus</b> amount I1) (if nega	tive, enter "0")	<u> </u>	J	1
			t E1 <b>minus</b> amount J1) (if	negative, enter "0") _	K	1
-	ustment for specified for specified for specified for specified by	•	es to the first previous	-		500

econd previous ta	x year <u>201</u>	7-12-31				
Faxable income befor he current tax year			es from	694,911 A2		
Enter the following consequences from			e tax			
Amount on line 400, 4 127 or 428** of the T	2 return,					
whichever is the lease Aggregate investmen	t income		50.004			
line 440 of the T2 re	,		58,221 ► 58,221 ►	58,221 <sub>D2</sub>		
			egative, enter "0")	636,690	636,690 E	2
		F	uture tax consequences th	at occur for the curre	ent year	
			Amount carried back from the	ne current year to a prid	or year	
carry (parag	pital loss y-back raph 111	Capital loss carry-back	Restricted farm loss carry-back	Farm loss carry-back	Other	Total carrybacks
(1)(6	a) ITA)					
axable income after	specified futu	re tax consequence	s	F2		
nter the following	amounts afte	er specified future	tax consequences:		V	
Amount on line 400,					)	
27 or 428** of the T whichever is the leas	,		G2			
ggregate investmen ne 440 of the T2 re		· · · · · · <u> </u>	H2			
Subtotal (amoun	t G2 <b>plus</b> amo	ount H2)		I2		
Subtotal (a	mount F2 min	i <b>us</b> amount I2) (if ne	egative, enter "0")	<u> </u>	J:	2
		Subtotal (amo	ount E2 <b>minus</b> amount J2) (il	negative, enter "0") _	K	2
SRIP adjustment fo	or specified fu	ture tax conseque	ences to the second previo	us tax year		
amount K2 <b>multipli</b> e						520
* If your tax your sta	rts before 201	9 use line 427 If vo	our tax year starts after 2018,	use line 428.		

− Part 2 – GRIP adjustmer	nt for specified fu	iture tax conseque	nces to previous	s tax years (contin	ued) ————
Third previous tax year2016-	-12-31				
Taxable income before specified futhe current tax year		from 	A3		
Enter the following amounts bef consequences from the current	•	ах			
Amount on line 400, 405, 410, and 427 or 428** of the T2 return, whichever is the least		B3			
Aggregate investment income (line 440 of the T2 return)	· · · · · · <u> </u>	C3			
Subtotal (amount B3 <b>plus</b> amo	ount C3)	<b>&gt;</b>	D3		
Subtotal (amount A3 minu			<b>&gt;</b> _	E	3
	Futu	re tax consequences that	at occur for the curre	nt year	
	An	nount carried back from the	e current year to a prior	r year	
Non-capital loss carry-back (paragraph 111 (1)(a) ITA)	Capital loss carry-back	Restricted farm loss carry-back	Farm loss carry-back	Other	Total carrybacks
Taxable income after specified future.  Enter the following amounts after Amount on line 400, 405, 410, and 427 or 428** of the T2 return, whichever is the least	er specified future tax	consequences:	F3		
Aggregate investment income (line 440 of the T2 return)					
Subtotal (amount G3 <b>plus</b> amo	ount H3)		I3		
Subtotal (amount F3 <b>mir</b>	, , ,	, 7	<b>→</b> -	J	
	Subtotal (amount	E3 <b>minus</b> amount 33) (if	negative, enter "0") =	K	3
GRIP adjustment for specified fu (amount K3 multiplied by Total GRIP adjustment for speci (add lines 500, 520, and 540) (if ne	0.72 ) fied future tax consec		years:		
Enter amount L3 on line 560 in part	t 1.				
** If your tax year starts before 201	9, use line 427. If your	tax year starts after 2018,	use line 428.		

86463 9562 RC000	)2
Part 3 – Worksheet to calculate the GRIP addition post-amalgamation or post-wind-up (predecessor or subsidiary was a CCPC or a DIC in its last tax year)	
nb. 1 Post amalgamation Post wind-up	
Complete this part when there has been an amalgamation (within the meaning assigned by subsection 87(1)) or a wind-up (to which subsection 88(1) applies) and the predecessor or subsidiary corporation was a CCPC or a DIC in its last tax year. The last tax year for a predecessor corporation was its tax year that ended immediately before the amalgamation and for a subsidiary corporation was its tax year during which its assets were distributed to the parent on the wind-up.	
Calculate the GRIP addition of a successor corporation following an amalgamation at the end of its first tax year.	
Calculate the GRIP addition of a parent corporation upon wind-up at the end of the tax year that ends immediately after the tax year in which the parent has received the assets of the subsidiary.	
In the calculation below, <b>corporation</b> means a predecessor or a subsidiary. Complete a separate worksheet for <b>each</b> predecessor and <b>each</b> subsidiary that was a CCPC or a DIC in its last tax year. Keep a copy of this calculation for your records, in case we ask to see it later.	
Corporation's GRIP at the end of its last tax year	.4
Eligible dividends paid by the corporation in its last tax yearB4	
Excessive eligible dividend designations made by the corporation in its last tax year	
Subtotal (amount B4 <b>minus</b> amount C4) D	4
GRIP addition post-amalgamation or post-wind-up (predecessor or subsidiary was a CCPC or a DIC in its last tax year) (amount A4 minus amount D4)E	4
After you complete this calculation for each predecessor and each subsidiary, calculate the total of all the E4 amounts. Enter this total amount on:	
- line 230 for post-amalgamation; or	
<ul> <li>line 240 for post-wind-up.</li> </ul>	
	_

<ul> <li>Part 4 – Worksheet to calculate the GRIP addition</li> <li>(predecessor or subsidiary was not a CC or the corporation is becoming a CCPC</li> </ul>	n post-amalgamation, post-wind-up ————————————————————————————————————	
<b>nb. 1</b> Corporation becoming a CCPC Post am	nalgamation Post wind-up	
and the predecessor or subsidiary was not a CCPC or a DIC in its las	meaning assigned by subsection 87(1)) or a wind-up (to which subsection 88(1) applies) st tax year. The last tax year for a predecessor corporation was its tax year that ended it was its tax year during which its assets were distributed to the parent on the wind-up.	
Calculate the GRIP addition of a successor corporation following an a	amalgamation at the end of its first tax year.	
Calculate the GRIP addition of a parent corporation upon wind-up at the received the assets of the subsidiary.	the end of the tax year that ends immediately after the tax year in which the parent has	
In the calculation below, <b>corporation</b> means a predecessor or a subswas a CCPC or a DIC in its last year. Keep a copy of this calculation f	sidiary. Complete a separate worksheet for <b>each</b> predecessor and <b>each</b> subsidiary that for your records, in case we ask to see it later.	
Cost amount to the corporation of all property immediately before the	end of its previous/last tax year	A5
The corporation's money on hand immediately before the end of its pro	revious/last tax year	B5
Total of subsection 111(1) losses that would have been deductible in the previous/last tax year if the corporation had had unlimited income that realized an unlimited amount of capital gains for the previous/last	from each business carried on and each property held and	
Non-capital losses	C5	
Net capital losses	D5	
Farm losses	. —	
Restricted farm losses		
Limited partnership losses	G5	
Subtotal (add amounts C5 to G5)	H5	
Total of all amounts deducted under subsection 111(1) in calculating	the corporation's taxable income for the previous/last tax year:	
Non-capital losses	15	
Net capital losses		
Farm losses		
Restricted farm losses	L5	
Limited partnership losses	M5	
Subtotal (add amounts I5 to M5)	►N5	
Unused and unexpired losses at the end of the	corporation's previous/last tax year (amount H5 minus amount N5)	O5
	Subtotal (add amounts A5, B5, and O5)	— P5
All the corporation's debts and other obligations to pay that were outstanding immediately before the end of its previous/last tax year	Q5	_
Paid-up capital of all the corporation's issued and outstanding shares	$\mathcal{Y}$	
of capital stock immediately before the end of its previous/last tax year	rR5	
All the corporation's reserves deducted in its previous/last tax year	\$5	
The corporation's capital dividend account immediately before the end		
The corporation's low rate income pool immediately before the end of its previous/last tax year		
	Subtotal (add amounts Q5 to U5)	V5
GRIP addition post-amalgamation or post-wind-up (predecessor or the corporation is becoming a CCPC (amount P5 minus amount P5	or or subsidiary was not a CCPC or a DIC in its last tax year),	W5
•		
<ul> <li>After you complete this worksneet for each predecessor and each sur</li> <li>line 220 for a corporation becoming a CCPC;</li> </ul>	bsidiary, calculate the total of all the W5 amounts. Enter this total amount on:	
<ul><li>line 230 for post-amalgamation; or</li></ul>		
<ul><li>line 240 for post-wind-up.</li></ul>		
•		

Schedule 55

## Part III.1 Tax on Excessive Eligible Dividend Designations

G	•		
Corporation's name	Busine	ess number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9	9562 RC0002	2019-12-31
• Every corporation resident in Canada that pays a taxable dividend (other than a capital gains dividend within the meaning assigned by subsection 130.1(4) or 131(1)) in the tax year must file this schedule.	n	Do not	use this area
<ul> <li>Canadian-controlled private corporations (CCPC) and deposit insurance corporations (DIC) must complete Part 1 of this schedule. All other corporations must complete Part 2.</li> </ul>			
• Every corporation that has paid an eligible dividend must also file Schedule 53, General Rate Income Pool (GRIP) Calculation, or Schedule 54, Low Rate Income Pool (LRIP) Calculation, whichever is applicable.	<i>!</i>		
• File the completed schedules with your <i>T2 Corporation Income Tax Return</i> no later than six months from the end of the tax year.			
• All legislative references are to the <i>Income Tax Act</i> and the <i>Income Tax Regulations</i> .			
<ul> <li>Subsection 89(1) defines the terms eligible dividend, excessive eligible dividend designation, general rate in low rate income pool (LRIP).</li> </ul>	ncome pool (	GRIP), and	
• The calculations in Part 1 and Part 2 do not apply if the excessive eligible dividend designation arises from paragraph (c) of the definition of excessive eligible dividend designation in subsection 89(1). This paragraph dividend is paid to artificially maintain or increase the GRIP or to artificially maintain or decrease the LRIP.	oh applies wh		
- Part 1 – Canadian-controlled private corporations and deposit insurance cor	porations	s ———	
Taxable dividends paid in the tax year <b>not included</b> in Schedule 3	)		
Taxable dividends paid in the tax year <b>included</b> in Schedule 3	<u> </u>	<u>,435</u>	
Total taxable dividends paid in the tax year	566	<u>,435</u>	
Total eligible dividends paid in the tax year		150	A
GRIP at the end of the tax year (line 590 on Schedule 53) (if negative, enter "0")		160	8,135,461 B
Excessive eligible dividend designation (line 150 minus line 160)			C
Deduct:			
Excessive eligible dividend designations elected under subsection 185.1(2) to be treated as ordinary dividend	s*	180	D
Subtotal	(amount C n	ninus amount D)	E
Part III.1 tax on excessive eligible dividend designations – CCPC or DIC (amount E multiplied by	20 %	) <b>190</b>	F
Enter the amount from line 190 on line 710 of the T2 return.			
Part 2 – Other corporations			
Taxable dividends paid in the tax year <b>not included</b> in Schedule 3			
Taxable dividends paid in the tax year included in Schedule 3			
Total taxable dividends paid in the tax year			
Total excessive eligible dividend designations in the tax year (amount from line A of Schedule 54)			G
Deduct:			
Excessive eligible dividend designations elected under subsection 185.1(2) to be treated as ordinary dividend		280	H
		ninus amount H)	I
Part III.1 tax on excessive eligible dividend designations – Other corporations (amount I multiplied by	У	20 %) . <b>290</b>	J
Enter the amount from line 290 on line 710 of the T2 return.			

<sup>\*</sup> You can elect to treat all or part of your excessive eligible dividend designation as a separate taxable dividend in order to eliminate or reduce the Part III.1 tax otherwise payable. You must file the election on or before the day that is 90 days **after** the day the notice of assessment for Part III.1 tax was sent. We will accept an election before the assessment of the tax. For more information on how to make this election, go to **www.cra.gc.ca/eligibledividends**.

Part 1 − Ontario basic income tax ·

## **Ontario Corporation Tax Calculation**

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2019-12-31

- Use this schedule if your corporation had a permanent establishment, under section 400 of the federal Income Tax Regulations, in Ontario at any time in the tax year and had Ontario taxable income in the year.
- Legislative references are to the federal Income Tax Act and Income Tax Regulations.
- This schedule is a worksheet only and is not required to be filed with your T2 Corporation Income Tax Return.

Ontario taxable income Note 1	343,397 1A
Ontario basic rate of tax for the year	<b>11.5</b> % 1B
Ontario basic income tax (amount 1A multiplied by amount 1B) Note 2	39,491 <sub>1C</sub>
Note 1 If your corporation had a permanent establishment only in Ontario, enter the amount from line 360 or amount Z, whichever applies, from page 3 of the T2 return. Otherwise, enter the taxable income allocated to Ontario from column F in Part 1 of Schedule 5.	age
Note 2 If your corporation had a permanent establishment in more than one jurisdiction, or is claiming an Ontario tax credit in addition to Ontario basic income tax, or Ontario corporate minimum tax or Ontario special additional tax on life insurance corporations payable, enter amount on line 270 of Schedule 5, Tax Calculation Supplementary – Corporations. Otherwise, enter it on line 760 of the T2 return.	IC
Part 2 – Ontario small business deduction (OSBD)	
Complete this part if your corporation claimed the federal small business deduction under subsection 125(1).	
Line 400 of the T2 return2A	
Line 405 of the T2 return2B	
If your tax year starts before 2019, line 427 of the T2 return	
If your tax year starts after 2018	
Line 410 of the T2 return2D	
Line 415 of the T2 return	
Amount 2D Amount 2E	
x <u>47,940</u> ≠2F	
Line 515 of the T2 return	
Subtotal (amount 2D <b>minus</b> amount 2F <b>minus</b> amount 2G) 2H	
Amount 2A, 2B, and 2C or 2H, whichever is least	21
Ontario domestic factor (ODF): Taxable income for Ontario Note 3 343,397.00 =	1.00000 <sub>2</sub> J
Taxable income for all provinces Note 4 343,397	
Amount 2I <b>multiplied</b> by amount 2J	
Ontario taxable income (amount 1A)	
Ontario small business income (amount 2K or 2L, whichever is least)	2M
· · · · · · · · · · · · · · · · · · ·	

Ontario small business deduction rate for the y	/ear			
Number of days in the tax year before January 1, 2018	x	7 % =	% 2N.1	
Number of days in the tax year	365			
Number of days in the tax year after December 31, 2017 and before January 1, 2020	<u>365</u> _ ×	8 % =	8.00000 %_2N.2	
Number of days in the tax year	365			
Number of days in the tax year after December 31, 2019	x	8.3 % =	<u>%</u> 2N.3	
Number of days in the tax year	365			
OSBD rate for the year (rate 2N.1 <b>plus</b> rate 2N.2 <b>plus</b>	rate 2N.3)		8.00000 %	8.00000 % 2N.4
Ontario amall business deduction (amount 2M mult	inlind by rate 2N 4)	_		2N
Ontario small business deduction (amount 2M mult Enter amount 2N on line 402 of Schedule 5.	ipiled by rate 2N.4) .		····· <del>=</del>	ZIN
Note 3 Enter amount 1A.			Λ	
Note 4 Includes the territories and the offshore jurisd	lictions for Nova Scotia and	Newfoundland and Labrado	or:	
− Part 3 – Ontario adjusted small busine	ess income ———		7	
Complete this part if your corporation was a Canadian-c		n throughout the tax vear an	d is claiming the Ontario tax cred	dit for
manufacturing and processing or the Ontario credit union		ir unoughout the tax your an		art 101
Outside adjusted amount business income (amount to	A == 01hishais laset)		7	24
Ontario adjusted small business income (amount 1/	A or 21, whichever is least)	()	····· =	3A
Enter amount 3A at amount 4B in Part 4 of this schedu	la an at amazont OF in Dant O			
	ie or at amount 2E in Part 2	of Schedule 502, Ontario T	ax Credit for Manufacturing	
and Processing, whichever applies.	ie or at amount 2E in Part 2	of Schedule 502, Ontario T	ax Credit for Manufacturing	
and Processing, whichever applies.	ie or at amount ZE in Part Z	of Schedule 502, Ontario T	ax Credit for Manufacturing	
and Processing, whichever applies.  Part 4 – Credit union tax reduction				
and Processing, whichever applies.				
and Processing, whichever applies.  Part 4 – Credit union tax reduction  Complete this part and Schedule 17, Credit Union Dedu			the tax year.	
and Processing, whichever applies.  Part 4 – Credit union tax reduction				
and Processing, whichever applies.  Part 4 – Credit union tax reduction  Complete this part and Schedule 17, Credit Union Dedu			the tax year.	
and Processing, whichever applies.  Part 4 – Credit union tax reduction  Complete this part and Schedule 17, Credit Union Dedu  Amount 3C of Schedule 17  Ontario adjusted small business income (amount 3A)	uctions, if the corporation w	as a credit union throughou	the tax year4A4B	
and Processing, whichever applies.  Part 4 – Credit union tax reduction  Complete this part and Schedule 17, Credit Union Dedu  Amount 3C of Schedule 17  Ontario adjusted small business income (amount 3A)		as a credit union throughou	the tax year4A4B	
and Processing, whichever applies.  Part 4 – Credit union tax reduction  Complete this part and Schedule 17, Credit Union Dedu  Amount 3C of Schedule 17  Ontario adjusted small business income (amount 3A)  Subtotal (a	uctions, if the corporation w	as a credit union throughout  B, if negative, enter "0")	the tax year. 4A4B4C	40.
and Processing, whichever applies.  Part 4 – Credit union tax reduction  Complete this part and Schedule 17, Credit Union Dedu  Amount 3C of Schedule 17  Ontario adjusted small business income (amount 3A)	uctions, if the corporation w	as a credit union throughout  B, if negative, enter "0")	the tax year4A4B	4D
and Processing, whichever applies.  Part 4 – Credit union tax reduction  Complete this part and Schedule 17, Credit Union Dedu  Amount 3C of Schedule 17  Ontario adjusted small business income (amount 3A)  Subtotal (a	uctions, if the corporation w	as a credit union throughout as a credit unio	the tax year. 4A4B4C	4D 1.00000 4E
and Processing, whichever applies.  Part 4 – Credit union tax reduction  Complete this part and Schedule 17, Credit Union Dedu  Amount 3C of Schedule 17  Ontario adjusted small business income (amount 3A)  Subtotal (a	uctions, if the corporation w	as a credit union throughout as a credit unio	the tax year.  4A 4B 4C	
and Processing, whichever applies.  Part 4 – Credit union tax reduction  Complete this part and Schedule 17, Credit Union Dedu  Amount 3C of Schedule 17  Ontario adjusted small business income (amount 3A)  Subtotal (a	mount 4A minus amount 4	as a credit union throughout as a credit unio	the tax year. 4A4B4C	

## **Ontario Corporate Minimum Tax**

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2019-12-31

- File this schedule if the corporation is subject to Ontario corporate minimum tax (CMT). CMT is levied under section 55 of the *Taxation Act*, 2007 (Ontario), referred to as the "Ontario Act".
- Complete Part 1 to determine if the corporation is subject to CMT for the tax year.
- A corporation not subject to CMT in the tax year is still required to file this schedule if it is deducting a CMT credit, has a CMT credit carryforward,
  or has a CMT loss carryforward or a current year CMT loss.
- A corporation that has Ontario special additional tax on life insurance corporations (SAT) payable in the tax year must complete Part 4 of this
  schedule even if it is not subject to CMT for the tax year.
- A corporation is exempt from CMT if, throughout the tax year, it was one of the following:
  - 1) a corporation exempt from income tax under section 149 of the federal *Income Tax Act*;
  - 2) a mortgage investment corporation under subsection 130.1(6) of the federal Act;
  - 3) a deposit insurance corporation under subsection 137.1(5) of the federal Act;
  - 4) a congregation or business agency to which section 143 of the federal Act applies;
  - 5) an investment corporation as referred to in subsection 130(3) of the federal Act; or
  - 6) a mutual fund corporation under subsection 131(8) of the federal Act.
- File this schedule with the T2 Corporation Income Tax Return.

- Part 1 Determination of CMT applicability		
Part 1 – Determination of CMT applicability		
Total assets of the corporation at the end of the tax year *	<b>12</b> 31,657,443	
Share of total assets from partnership(s) and joint venture(s) *	14	
Total assets of associated corporations (amount from line 450 on Schedule 511)	50,000,001	
Total assets (total of lines 112 to 116)	81,657,444	
Total revenue of the corporation for the tax year **	<b>42</b> 35,161,301	
Share of total revenue from partnership(s) and joint venture(s) **	44	
Total revenue of associated corporations (amount from line 550 on Schedule 511)	100,000,000	
Total revenue (total of lines 142 to 146)	135,161,301	

The corporation is subject to CMT if:

- for tax years ending before July 1, 2010, the total assets at the end of the year of the corporation or the associated group of corporations are more than \$5,000,000, or the total revenue for the year of the corporation or/the associated group of corporations is more than \$10,000,000.
- for tax years ending after June 30, 2010, the total assets at the end of the year of the corporation or the associated group of corporations are equal to or more than \$50,000,000, and the total revenue for the year of the corporation or the associated group of corporations is equal to or more than \$100,000,000.

If the corporation is not subject to CMT, do not complete the remaining parts unless the corporation is deducting a CMT credit, or has a CMT credit carryforward, a CMT loss carryforward, a current year CMT loss, or SAT payable in the year.

#### \* Rules for total assets

- Report total assets according to generally accepted accounting principles, adjusted so that consolidation and equity methods are not used.
- Do not include unrealized gains and losses on assets and foreign currency gains and losses on assets that are included in net income for
  accounting purposes but not in income for corporate income tax purposes.
- The amount on line 114 is determined at the end of the last fiscal period of the partnership or joint venture that ends in the tax year of the corporation. Add the proportionate share of the assets of the partnership(s) and joint venture(s), and deduct the recorded asset(s) for the investment in partnerships and joint ventures.
- A corporation's share in a partnership or joint venture is determined under paragraph 54(5)(b) of the Ontario Act and, if the partnership or joint venture had no income or loss, is calculated as if the partnership's or joint venture's income were \$1 million. For a corporation with an indirect interest in a partnership or joint venture, determine the corporation's share according to paragraph 54(5)(c) of the Ontario Act.

#### \*\* Rules for total revenue

- Report total revenue in accordance with generally accepted accounting principles, adjusted so that consolidation and equity methods are not used.
- If the tax year is less than 51 weeks, multiply the total revenue of the corporation or the partnership, whichever applies, by 365 and divide by the number of days in the tax year.
- The amount on line 144 is determined for the partnership or joint venture fiscal period that ends in the tax year of the corporation. If the partnership or joint venture has 2 or more fiscal periods ending in the filing corporation's tax year, **multiply** the sum of the total revenue for each of the fiscal periods by 365 and **divide** by the total number of days in all the fiscal periods.
- A corporation's share in a partnership or joint venture is determined under paragraph 54(5)(b) of the Ontario Act and, if the partnership or joint venture had no income or loss, is calculated as if the partnership's or joint venture's income were \$1 million. For a corporation with an indirect interest in a partnership or joint venture, determine the corporation's share according to paragraph 54(5)(c) of the Ontario Act.



<ul> <li>Part 2 – Adjusted net income/loss for CMT purposes ——</li> </ul>			
Net income/loss per financial statements *			901,542
Add (to the extent reflected in income/loss):			
Provision for current income taxes/cost of current income taxes			
Provision for deferred income taxes (debits)/cost of future income taxes		273,000	
Equity losses from corporations			
Financial statement loss from partnerships and joint ventures			
Dividends deducted on financial statements (subsection 57(2) of the Ontario Act), excluding dividends paid by credit unions under subsection $137(4.1)$ of the federal	Act 230		
Other additions (see note below):			
Share of adjusted net income of partnerships and joint ventures ** $\dots \dots$	<mark>228</mark>		
Total patronage dividends received, not already included in net income/loss	232		
281	282		
283	284		
	Subtotal	273,000 ▶	273,000 A
<b>Deduct</b> (to the extent reflected in income/loss):			<u> </u>
Provision for recovery of current income taxes/benefit of current income taxes	320	169,755	
Provision for deferred income taxes (credits)/benefit of future income taxes	322	<u>,                                      </u>	
Equity income from corporations	324		
Financial statement income from partnerships and joint ventures			
Dividends deductible under section 112, section 113, or subsection 138(6) of the fe	ederal Act 330		
Dividends not taxable under section 83 of the federal Act (from Schedule 3)	332		
Gain on donation of listed security or ecological gift			
Accounting gain on transfer of property to a corporation under section 85 or 85.1 of the federal Act ***	342	·	
Accounting gain on transfer of property to/from a partnership under section 85 or 9 of the federal Act ****	7		
Accounting gain on disposition of property under subsection 13(4), subsection 14(6), or section 44 of the federal Act *****	346		
Accounting gain on a windup under subsection 88(1) of the federal Act or an amalgamation under section 87 of the federal Act			
Other deductions (see note below):			
Share of adjusted net loss of partnerships and joint ventures **			
Tax payable on dividends under subsection 191.1(1) of the federal Act <b>multiplied</b> Interest deducted/deductible under paragraph 20(1)(c) or (d) of the federal Act, not already included in net income/loss	by 3 334 336		
Patronage dividends paid (from Schedule 16) not already included in net income/lo	ss 338		
381 Tax Movement in Regulatory Account	382	273,000	
383 Tax Reclassification		198,124	
385			
387			
389			
	Subtotal	640,879 ▶	640,879 <sub>B</sub>
Adjusted not income/less for CMT numbers (line 240 plus appoint A minus appoint		490	533 663

Adjusted net income/loss for CMT purposes (line 210 plus amount A minus amount B)

If the amount on line 490 is positive and the corporation is subject to CMT as determined in Part 1, enter the amount on line 515 in Part 3.

If the amount on line 490 is negative, enter the amount on line 760 in Part 7 (enter as a positive amount).

## Note

In accordance with Ontario Regulation 37/09, when calculating net income for CMT purposes, accounting income should be adjusted to:

- exclude unrealized gains and losses due to mark-to-market changes or foreign currency changes on specified mark-to-market property (assets only);
- include realized gains and losses on the disposition of specified mark-to-market property not already included in the accounting income, if the
  property is not a capital property or is a capital property disposed in the year or in a previous tax year ended after March 22, 2007.

"Specified mark-to-market property" is defined in subsection 54(1) of the Ontario Act.

These rules also apply to partnerships. A corporate partner's share of a partnership's adjusted income flows through on a proportionate basis to the corporate partner.

#### \* Rules for net income/loss

Banks must report net income/loss as per the report accepted by the Superintendent of Financial Institutions under the federal Bank Act, adjusted so consolidation and equity methods are not used.

#### Part 2 – Calculation of adjusted net income/loss for CMT purposes (continued)

- Life insurance corporations must report net income/loss as per the report accepted by the federal Superintendent of Financial Institutions or equivalent provincial insurance regulator, before SAT and adjusted so consolidation and equity methods are not used. If the life insurance corporation is resident in Canada and carries on business in and outside of Canada, multiply the net income/loss by the ratio of the Canadian reserve liabilities divided by the total reserve liability. The reserve liabilities are calculated in accordance with Regulation 2405(3) of the federal Act.
- Other corporations must report net income/loss in accordance with generally accepted accounting principles, except that consolidation and equity methods must not be used. When the equity method has been used for accounting purposes, equity losses and equity income are removed from book income/loss on lines 224 and 324 respectively.
- Corporations, other than insurance corporations, should report net income from line 9999 of the GIFI (Schedule 125) on line 210.
- \*\* The share of the adjusted net income of a partnership or joint venture is calculated as if the partnership or joint venture were a corporation and the tax year of the partnership or joint venture were its fiscal period. For a corporation with an indirect interest in a partnership through one or more partnerships, determine the corporation's share according to clause 54(5)(c) of the Ontario Act.
- \*\*\* A joint election will be considered made under subsection 60(1) of the Ontario Act if there is an entry on line 342, and an election has been made for transfer of property to a corporation under subsection 85(1) of the federal Act.
- \*\*\*\* A joint election will be considered made under subsection 60(2) of the Ontario Act if there is an entry on line 344, and an election has been made under subsection 85(2) or 97(2) of the federal Act.
- \*\*\*\*\* A joint election will be considered made under subsection 61(1) of the Ontario Act if there is an entry on line 346, and an election has been made under subsection 13(4) or 14(6) and/or section 44 of the federal Act.

For more information on how to complete this part, see the T2 Corporation - Income Tax Guide.

		_
┌ Part 3 – CMT payable ──────		
Adjusted net income for CMT purposes (line 490 in Part 2, if positive)		
Deduct:  CMT loss available (amount R from Part 7)		
Minus: Adjustment for an acquisition of control *		
Adjusted CMT loss available		
Net income subject to CMT calculation (if negative, enter "0")		
Amount from line 520 533,663 × Number of days in the tax year before July 1, 2010 Number of days in the tax year		
Amount from line 520 533,663 x Number of days in the tax year after June 30, 2010 Number of days in the tax year 2.7 % = 14,409 2		
Subtotal (amount 1 <b>plus</b> amount 2)		
Gross CMT: amount on line 3 above x OAF **	14,409	
Deduct:		
Foreign tax credit for CMT purposes *** 550		
CMT after foreign tax credit deduction (line 540 <b>minus</b> line 550) (if negative, enter "0")	14,409	D
Deduct:		
Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5)	39,491	
Net CMT payable (if negative, enter "0")		Ε
Enter amount E on line 278 of Schedule 5, Tax Calculation Supplementary – Corporations, and complete Part 4.		
* Enter the portion of CMT loss available that exceeds the adjusted net income for the tax year from carrying on a business before the acquisition of control. See subsection 58(3) of the Ontario Act.		
*** Enter "0" on line 550 for life insurance corporations as they are not eligible for this deduction. For all other corporations, enter the cumulative total of amount J for the province of Ontario from Part 9 of Schedule 21 on line 550.		
** Calculation of the Ontario allocation factor (OAF):		
If the provincial or territorial jurisdiction entered on line 750 of the T2 return is "Ontario," enter "1" on line F.		
If the provincial or territorial jurisdiction entered on line 750 of the T2 return is "multiple," complete the following calculation, and enter the result on line I	F:	
Ontario taxable income ****		
Taxable income *****		
Ontario allocation factor	1.00000	F
**** Enter the amount allocated to Ontario from column F in Part 1 of Schedule 5. If the taxable income is nil, calculate the amount in column F as if the taxable income were \$1,000.		
******Enter the taxable income amount from line 360 or amount 7 of the T2 return, whichever applies. If the taxable income is nil, enter "1,000"		

CMT credit carryforward at the end of the previous tax year *	G	
Deduct:		
CMT credit expired *		
CMT credit carryforward at the beginning of the current tax year * (see note below)	<b>620</b>	
Add:		
CMT credit carryforward balances transferred on an amalgamation or the windup of a subsidiary (see note below)	650	
, (		H
Deduct:		
CMT credit deducted in the current tax year (amount P from Part 5)		!
Add:	nount H <b>minus</b> amount I)	J
Net CMT payable (amount E from Part 3)		
SAT payable (amount 0 from Part 6 of Schedule 512)		
Subtotal	<u> </u>	K
	070	
CMT credit carryforward at the end of the tax year (amount J <b>plus</b> amount K)		L
	,	
* For the first harmonized T2 return filed with a tax year that includes days in 2009:		
- do not enter an amount on line G or line 600;	74 for the last towns on that on	d-d:- 0000
- for line 620, enter the amount from line 2336 of Ontario CT23 Schedule 101, Corporate Minimum ⊅ax (€	JVI I) Joi the last tax year that en	idea in 2006.
For other tax years, enter on line G the amount from line 670 of Schedule 510 from the previous tax year.	/	
Note: If you entered an amount on line 620 or line 650, complete Part 6.		
Part 5 – Calculation of CMT credit deducted from Ontario corporate income tax	navahle ———	
(\)	payable	
CMT credit available for the tax year (amount H from Part 4)	· · · · · · · · · · · · · · · · · · ·	M
Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5)	20.401 4	
	39,491 1	
For a corporation that is not a life insurance corporation:	1	
For a corporation that is not a life insurance corporation:  CMT after foreign tax credit deduction (amount D from Part 3)	1	
	<u>39,<del>1</del>91</u> 1	
CMT after foreign tax credit deduction (amount D from Part 3)2	<u></u>	
CMT after foreign tax credit deduction (amount D from Part 3)		
CMT after foreign tax credit deduction (amount D from Part 3)		
CMT after foreign tax credit deduction (amount D from Part 3)	14,409 6	
CMT after foreign tax credit deduction (amount D from Part 3)		25,082 <sub>.</sub> N
CMT after foreign tax credit deduction (amount D from Part 3)	14,409 6 25,082 ►	<u>25,082</u> n
CMT after foreign tax credit deduction (amount D from Part 3)	14,409 <sub>6</sub>	<u>25,082</u> n
CMT after foreign tax credit deduction (amount D from Part 3)	14,409 6 25,082 ►	<u>25,082</u> n
CMT after foreign tax credit deduction (amount D from Part 3)	14,409 6 25,082 ► 39,491 6,000	
CMT after foreign tax credit deduction (amount D from Part 3)	14,409 6 25,082 ► 39,491	25,082 N 33,491 O
CMT after foreign tax credit deduction (amount D from Part 3)	14,409 6 25,082 39,491 6,000 33,491	
CMT after foreign tax credit deduction (amount D from Part 3)	14,409 6 25,082 39,491 6,000 33,491	
CMT after foreign tax credit deduction (amount D from Part 3)	14,409 6 25,082 39,491 6,000 33,491	33,491 O
CMT after foreign tax credit deduction (amount D from Part 3)	14,409 6 25,082 ► 39,491 6,000 33,491 ►	33,491 O

## Part 6 – Analysis of CMT credit available for carryforward by year of origin -

Complete this part if:

- the tax year includes January 1, 2009; or
- the previous tax year-end is deemed to be December 31, 2008, under subsection 249(3) of the federal Act.

Year of origin	CMT credit balance *
10th previous tax year	680
9th previous tax year	681
8th previous tax year	682
7th previous tax year	683
6th previous tax year	684
5th previous tax year	685
4th previous tax year	686
3rd previous tax year	687
2nd previous tax year	688
1st previous tax year	689
Total **	

- \* CMT credit that was earned (by the corporation, predecessors of the corporation, and subsidiaries wound up into the corporation) in each of the previous 10 tax years and has not been deducted.
- \*\* Must equal the total of the amounts entered on lines 620 and 650 in Part 4.

Part 7 – Calculation of CMT loss carryforward	
CMT loss carryforward at the end of the previous tax year *	
Deduct:	
CMT loss expired *	
CMT loss carryforward at the beginning of the tax year * (see note below)	_
Add:	
CMT loss transferred on an amalgamation under section 87 of the federal Act ** (see note below)	
CMT loss available (line 720 <b>plus</b> line 750)	R
Deduct:	
CMT loss deducted against adjusted net income for the tax year (lesser of line 490 (if positive) and line C in Part 3)	_
Subtotal (if negative, enter "0")  Add:	s
Adjusted net loss for CMT purposes (amount from line 490 in Part 2, if negative) (enter as a positive amount)	_
CMT loss carryforward balance at the end of the tax year (amount S <b>plus</b> line 760)	Т
* For the first harmonized T2 return filed with a tax year that includes days in 2009:	
<ul> <li>do not enter an amount on line Q or line 700;</li> </ul>	
- for line 720, enter the amount from line 2214 of Ontario CT23 Schedule 101, Corporate Minimum Tax (CMT), for the last tax year that ended in 2008.	
For other tax years, enter on line Q the amount from line 770 of Schedule 510 from the previous tax year.	
** Do not include an amount from a predecessor corporation if it was controlled at any time before the amalgamation by any of the other predecessor corporations.	
Note: If you entered an amount on line 720 or line 750, complete Part 8.	

## Part 8 – Analysis of CMT loss available for carryforward by year of origin -

Complete this part if:

- the tax year includes January 1, 2009; or
- the previous tax year-end is deemed to be December 31, 2008, under subsection 249(3) of the federal Act.

Year of origin	Balance earned in a tax year ending before March 23, 2007 *	Balance earned in a tax year ending after March 22, 2007 **
10th previous tax year	810	820
9th previous tax year	811	821
8th previous tax year	812	822
7th previous tax year	813	823
6th previous tax year	814	824
5th previous tax year	815	825
4th previous tax year	816	826
3rd previous tax year	817	<b>827</b>
2nd previous tax year	818	828
1st previous tax year		829
Total ***		

<sup>\*</sup> Adjusted net loss for CMT purposes that was earned (by the corporation, by subsidiaries wound up into or amalgamated with the corporation before March 22, 2007, and by other predecessors of the corporation) in each of the previous 10 tax years that ended before March 23, 2007, and has not been deducted.

<sup>\*\*\*</sup> The total of these two columns must equal the total of the amounts entered on lines 720 and 750.



<sup>\*\*</sup> Adjusted net loss for CMT purposes that was earned (by the corporation and its predecessors, but not by a subsidiary predecessor) in each of the previous 20 tax years that ended after March 22, 2007, and has not been deducted.

**SCHEDULE 511** 

# ONTARIO CORPORATE MINIMUM TAX – TOTAL ASSETS AND REVENUE FOR ASSOCIATED CORPORATIONS

Name of corporation	Business Number	Tax year-end Year Month Dav
Orangeville Hydro Limited	86463 9562 RC0002	2019-12-31

- For use by corporations to report the total assets and total revenue of all the Canadian or foreign corporations with which the filing corporation was associated at any time during the tax year. These amounts are required to determine if the filing corporation is subject to corporate minimum tax.
- Total assets and total revenue include the associated corporation's share of any partnership(s)/joint venture(s) total assets and total revenue.
- · Attach additional schedules if more space is required.
- File this schedule with the T2 Corporation Income Tax Return.

	Names of associated corporations	Business number (Canadian corporation only) (see Note 1)	Total assets* (see Note 2)	Total revenue** (see Note 2)
	200	300	400	500
1	Corporation of the Town of Orangeville	10698 6151 RC0001	<u>/</u> 50,000,000	100,000,000
2	Corporation of the Township of East Luther Grand	NR	0	0
3	Orangeville Hydro Services Inc.	89454 8015 RC0001	1	0
4	Orangville Railway Development Corporation	86433 3166 RC0001	0	0
		Total	50,000,001	<b>550</b> 100,000,000

Enter the total assets from line 450 on line 116 in Part 1 of Schedule 510, Ontario Corporate Minimum Tax.

Enter the total revenue from line 550 on line 146 in Part 1 of Schedule 510.

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

Note 2: If the associated corporation does not have a tax year that ends in the filing corporation's current tax year but was associated with the filing corporation in the previous tax year of the filing corporation, enter the total revenue and total assets from the tax year of the associated corporation that ends in the previous tax year of the filing corporation.

#### \* Rules for total assets

- Report total assets in accordance with generally accepted accounting principles, adjusted so that consolidation and equity methods are not used.
- Include the associated corporation's share of the total assets of partnership(s) and joint venture(s) but exclude the recorded asset(s) for the
  investment in partnerships and joint ventures.
- Exclude unrealized gains and losses on assets that are included in net income for accounting purposes but not in income for corporate income tax purposes.

#### \*\* Rules for total revenue

- Report total revenue in accordance with generally accepted accounting principles, adjusted so that consolidation and equity methods are not used.
- If the associated corporation has 2 or more tax years ending in the filing corporation's tax year, multiply the sum of the total revenue for each of those tax years by 365 and divide by the total number of days in all of those tax years.
- If the associated corporation's tax year is less than 51 weeks and is the only tax year of the associated corporation that ends in the filing corporation's tax year, multiply the associated corporation's total revenue by 365 and divide by the number of days in the associated corporation's tax year.
- Include the associated corporation's share of the total revenue of partnerships and joint ventures.
- If the partnership or joint venture has 2 or more fiscal periods ending in the associated corporation's tax year, multiply the sum of the total revenue for each of the fiscal periods by 365 and divide by the total number of days in all the fiscal periods.

T2 SCH 511 Canadä

#### **SCHEDULE 546**

#### **CORPORATIONS INFORMATION ACTANNUAL RETURN FOR ONTARIO CORPORATIONS**

Name of corporation	Business Number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2019-12-31

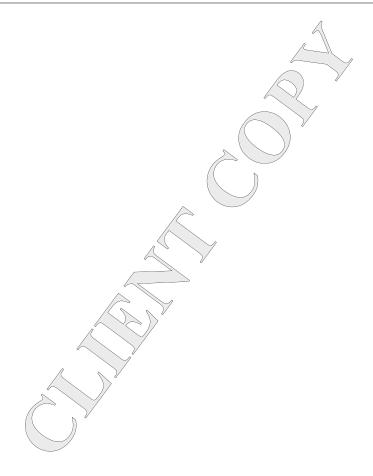
- This schedule should be completed by a corporation that is incorporated, continued, or amalgamated in Ontario and subject to the Ontario *Business Corporations Act* (BCA) or Ontario *Corporations Act* (CA), except for registered charities under the federal *Income Tax Act*. This completed schedule serves as a *Corporations Information Act* Annual Return under the *Ontario Corporations Information Act*.
- Complete parts 1 to 4. Complete parts 5 to 7 only to report change(s) in the information recorded on the Ontario Ministry of Government Services (MGS) public record.
- · This schedule must set out the required information for the corporation as of the date of delivery of this schedule.
- A completed Ontario Corporations Information Act Annual Return must be delivered within six months after the end of the corporation's tax year-end.
   The MGS considers this return to be delivered on the date that it is filed with the Canada Revenue Agency (CRA) together with the corporation's income tax return.

This schedule contains non-tax information collected und	er the authority of the Ontario <i>Corporatio</i>	ons Information Act. This inf	formation will be sent to the
MGS for the purposes of recording the information on the		7	
art 1 – Identification —————			
Corporation's name (exactly as shown on the MGS po	ublic record)		
Orangeville Hydro Limited	25.10 (000) 4)		
	110 Date of incorporation or		120 Ontario Corporation No.
nichever is the most recent	amalgamation, whichever is the	Year Month Day	
Ontario	most recent	2009-01-01	1787206
art 2 – Head or registered office address	(P.O. box not acceptable as	stand-alone addres	s) ———
Care of (if applicable)	•		•
Care of (if applicable)			
0 Street number 220 Street name/Rural route/Lot	and Concession number	230 Suite number	
400 C-Line	and Concession number	Zoo Calle Hamber	
Additional address information if applicable (line 220)	must be completed first)		
Station A Box 400	made be completed in sty		
Municipality (e.g., city, town)	260 Province/state 270	Country 280	Postal/zip code
Orangeville	on _	CA	L9W 2Z7
art 3 - Change identifier			
ave there been any changes in any of the information mos	st recently filed for the public record mair	ntained by the MGS for the	corporation with respect to
ames, addresses for service, and the date elected/appoint			
enior officers, or with respect to the corporation's mailing a ablic record maintained by the MGS, obtain a Corporation			
If there have been no abanges enter 4 in this	)/		
If there are changes, enter 2 in this box and			4 – Certification."
art 4 – Certification ————————			
certify that all information given in this Corporations Inform	nation Act Annual Return is true, correct	, and complete.	
50 Koekkoek	<b>451</b> Rob		
		First name	
Last name		i iiot iidiiio	
		THIST HAIRE	

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

Complete the applicable parts to report changes in the information recorded on the MGS public record.

2 - The corporation's r	nailing address is th	e same as the head	i or
3 - The corporation's of	complete mailing add	dress is as follows:	
oncession number	<b>540</b> S	uite number	
e completed first)			
570 Province/state	580 Country	590	Postal/zip code
	2 - The corporation's registered office ac 3 - The corporation's concession number be completed first)  Province/state	2 - The corporation's mailing address is the registered office address in Part 2 of the 3 - The corporation's complete mailing address in Part 2 of the 3 - The corporation's complete mailing address in Part 2 of the 3 - The corporation's complete mailing address is the registered address in Part 2 of the second seco	2 - The corporation's mailing address is the same as the head registered office address in Part 2 of this schedule.  3 - The corporation's complete mailing address is as follows:  concession number  540 Suite number  be completed first)



**SCHEDULE 550** 

#### ONTARIO CO-OPERATIVE EDUCATION TAX CREDIT

Name of corporation	Business Number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2019-12-31

- Use this schedule to claim an Ontario co-operative education tax credit (CETC) under section 88 of the Taxation Act, 2007 (Ontario).
- The CETC is a refundable tax credit that is equal to an eligible percentage (10% to 30%) of the eligible expenditures incurred by a corporation for a qualifying work placement. The maximum credit amount is \$1,000 for each qualifying work placement ending before March 27, 2009, and \$3,000 for each qualifying work placement beginning after March 26, 2009. For a qualifying work placement that straddles March 26, 2009, the maximum credit amount is prorated.
- Eligible expenditures are salaries and wages (including taxable benefits) paid or payable to a student in a qualifying work placement, or fees paid or payable to an employment agency for services performed by the student in a qualifying work placement. These expenditures must be paid on account of employment or services, as applicable, at a permanent establishment of the corporation in Ontario. Expenditures for a work placement (WP) are not eligible expenditures if they are greater than the amounts that would be paid to an arm's length employee.
- A WP must meet all of the following conditions to be a qualifying work placement:
  - the student performs employment duties for a corporation under a qualifying co-operative education program (QCEP);
  - the WP has been developed or approved by an eligible educational institution as a suitable learning situation
  - the terms of the WP require the student to engage in productive work;
  - the WP is for a period of at least 10 consecutive weeks or, in the case of an internship program, not less than 8 consecutive months and not more than 16 consecutive months;
  - the student is paid for the work performed in the WP;
  - the corporation is required to supervise and evaluate the job performance of the student in the WP;
  - the institution monitors the student's performance in the WP; and
  - the institution has certified the WP as a qualifying work placement.
- Make sure you keep a copy of the letter of certification from the Ontario eligible educational institution containing the name of the student, the employer, the institution, the term of the WP, and the name/discipline of the QCEP to support the claim. Do not submit the letter of certification with the T2 Corporation Income Tax Return.
- File this schedule with the T2 Corporation Income Tax Return.

Part 1 - Corporate information	
110 Name of person to contact for more information	120 Telephone number including area code
Suzanne Presseault	(519) 942-8000
Is the claim filed for a CETC earned through a partnership?*  If you answered <b>yes</b> to the question at line 150,	
what is the name of the partnership?	
Enter the percentage of the partnership's CETC allocated to the corporation	
* When a corporate member of a partnership is claiming an amount for eligible expenditures incurred by a partnership as if the partnership were a corporation. Each corporate partner, other than a limited partner, the partner's share of the partnership's CETC. The allocated amounts can not exceed the amount of the partnership's CETC.	should file a separate Schedule 550 to claim

Part 2 – Eligibility ————————————————————————————————————		
Did the corporation have a permanent establishment in Ontario in the tax year?	1 Van <b>Y</b>	2 No
2. Was the corporation exempt from tax under Part III of the <i>Taxation Act</i> , 2007 (Ontario)?	1 Yes	2 No 👗
If you answered <b>no</b> to question 1 or <b>yes</b> to question 2, then the corporation is <b>not eligible</b> for the CETC.		

Corporation's salaries and wages paid in the previous tax year \*

10,000,000

For eligible expenditures incurred before March 27, 2009:

- If line 300 is \$400,000 or less, enter 15% on line 310.
- If line 300 is \$600,000 or more, enter 10% on line 310.
- If line 300 is more than \$400,000 and less than \$600,000, enter the percentage on line 310 using the following formula:

## Eligible percentage for determining the eligible amount

**310** 10.000 %

For eligible expenditures incurred after March 26, 2009:

- If line 300 is \$400,000 or less, enter 30% on line 312.
- If line 300 is \$600,000 or more, enter 25% on line 312.
- If line 300 is more than \$400,000 and less than \$600,000, enter the percentage on line 312 using the following formula:

#### Eligible percentage for determining the eligible amount

25.000 %

\* If this is the first tax year of an amalgamated corporation and subsection 88(9) of the *Taxation Act, 2007* (Ontario) applies, enter the salaries and wages paid in the previous tax year by the predecessor corporations.

## - Part 4 - Calculation of the Ontario co-operative education tax credit -

Complete a separate entry for each student for each qualifying work placement that ended in the corporation's tax year. If a qualifying work placement would otherwise exceed four consecutive months, divide the WP into periods of four consecutive months and enter each full period of four consecutive months as a separate WP. If the WP does not divide equally into four-month periods and if the period that is less than 4 months is 10 or more consecutive weeks, then enter that period as a separate WP. If that period is less than 10 consecutive weeks, then include it with the WP for the last period of 4 consecutive months. Consecutive WPs with two or more associated corporations are deemed to be with only one corporation, as designated by the corporations.

		Name of university, college, or other eligible educational institution	Name of co-operative ed	<b>3</b> qualifying ucation program
		400	405	
1.	Conestoga College		Powerline Technician	
2.	Conestoga College		Powerline Technician	
3.				
ſ		c	D	E

	Name of student	D Start date of WP (see note 1 below)	<b>E</b> End date of WP (see note 2 below)	
	410	430	435	
1.	Anthony Provenzano	2019-05-03	2019-08-31	
2.	Michael Mantle	2019-01-04	2019-04-26	
3.				

Note 1: When the WP has been divided into separate periods because it exceeds four consecutive months, enter the start date for the separate WP.

Note 2: When the WP has been divided into separate periods because it exceeds four consecutive months, enter the end date for the separate WP.

1.

#### − Part 4 − Calculation of the Ontario co-operative education tax credit (continued)

	F1 Eligible expenditures before March 27, 2009 (see note 1 below)	Eligible percentage before March 27, 2009 (from line 310 in Part 3)	F2 Eligible expenditures after March 26, 2009 (see note 1 below)	Eligible percentage after March 26, 2009 (from line 310a in Part 3)	X Number of consecutive weeks of the WP completed by the student before March 27, 2009 (see note 3 below)	Y Total number of consecutive weeks of the student's WP (see note 3 below)
1.	430	10.000 %	12,870	25.000 %		17
2.		10.000 %	14,465	25.000 %		16
3.		10.000 %	·	25.000 %		

	G Eligible amount (eligible expenditures multiplied by eligible percentage) (see note 2 below)	H Maximum CETC per WP (see note 3 below)	I CETC on eligible expenditures (column G or H, whichever is less)	J CETC on repayment of government assistance (see note 4 below)	K CETC for each WP (column I or column J)	
	460	462	470	<b>480</b>	490	
1.	3,218	3,000	3,000		3,000	
2.	3,616	3,000	3,000		3,000	
3.						

Ontario co-operative education tax credit (total of amounts in column K) 500 6,000 L

or, if the corporation answered **yes** at line 150 in Part 1, determine the partner's share of amount L:

Enter amount L or M, whichever applies, on line 452 of Schedule 5, Tax Calculation Supplementary – Corporations. If you are filing more than one Schedule 550, add the amounts from line L or M, whichever applies, on all the schedules and enter the total amount on line 452 of Schedule 5.

- Note 1: Reduce eligible expenditures by all government assistance, as defined under subsection 88(21) of the *Taxation Act, 2007* (Ontario), that the corporation has received, is entitled to receive, or may reasonably expect to receive, for the eligible expenditures, on or before the filing due date of the *T2 Corporation Income Tax Return* for the tax year.
- Note 2: Calculate the eligible amount (Column G) using the following formula:

Column G = (column F1 x percentage on line 310) + (column F2 x percentage on line 312)

x percentage on line 170 in Part 1

Note 3: If the WP ends before March 27, 2009, the maximum credit amount for the WP is \$1,000.

If the WP begins after March 26, 2009, the maximum credit amount for the WP is \$3,000.

If the WP begins before March 27, 2009, and ends after March 26, 2009, calculate the maximum credit amount using the following formula:

 $(\$1,000 \times X/Y) + [\$3,000 \times (Y - X)/Y]$ 

where "X" is the number of consecutive weeks of the WP completed by the student before March 27, 2009, and "Y" is the total number of consecutive weeks of the student's WP.

Note 4: When claiming a CETC for repayment of government assistance, complete a **separate entry** for each repayment and complete columns A to E and J and K with the details for the previous year WP in which the government assistance was received. Include the amount of government assistance repaid in the tax year multiplied by the eligible percentage for the tax year in which the government assistance was received, to the extent that the government assistance reduced the CETC in that tax year.

М

## **Corporate Taxpayer Summary**

- Corpo	orate inf	ormatio	on ——											
Corporati	on's name			Orang	eville Hydro Limit	ed								
Taxation	Year			2019-	01-01 to <u>201</u>	9-12-31	_							
Jurisdicti	on			Ontari	0									
ВС	AB	SK	MB	ON	QC NB	NS	NO	PE	NL	XO	YT	NT	NU	ОС
				X										
Corporati	on is assoc	ciated .		Υ										
			ations											
					ian-Controlled Pri	vate Corr	oration							
	ount due (re						, , , , , , , , , , , , , , , , , , ,							
and provi	ncial*				-83,287									
* The am	ounts disp	ayed on li	nes "Total a	amount due	e (refund) federal and	l provincial	" are all list	ed in the h	elp. Press	F1 to cons	ult the con	text-sensa	tive help.	
- Sumn	nary of f	oderal	informat	ion —										
Net incon	-								, N					348,297
Taxable i									_					343,397
Donation:								,		<u> </u>			'	4,900
									$\sim$ //			—		348,297
									, \					566,435
Dividends	•								( )					<u> </u>
	ıds paid – F ıds paid – E	U					0		) <del>)</del>			<u>,435</u>		
Balance of	of the low ra	ate income	e pool at the	end of the	e previous year		(	)						
Balance of	of the low ra	ate incom	e pool at the	end of the	e year			<i>. ]</i>						
Balance o	of the gene	ral rate ind	come pool a	t the end c	of the previous year	/ج	<del>.</del>	- 					7,	888,215
Balance o	of the gene	ral rate ind	come pool a	t the end c	of the year							<u></u>	8,	135,461
Part I tax	(base amo	unt)					/							130,491
Crodite	against pa	rt I tav			Summary of ta		,		D,	efunds/cre	dite			
	-				- 0	<b>^</b>	→	4	19,509 IT					
					Part IV		· ·	•		vidends ref				
					Part III.1	<u> </u>								
					00 Other*	7				-				
Abateme	nt/Other*			78,9	Provincial or terr	itorial tax		3	3,491 Ins	stalments				166,287
				;						Balance	due/refur	nd (–)		-83,287
* The am	ounts displ	ayed on li	nes "Other"	are all list	ed in the Help. Press	F1 to cons	sult the con	ntext-sensit	tive help.					
– Sumn	narv of f	ederal	carryfor	ward/ca	rryback inform	ation —								
	ward bala		y . • 1											
-	ividend amo													58,221
	statement													379,688

<ul> <li>Summary of provincial information – provincial income tax pay</li> </ul>	able ———		
	Ontario	Québec (CO-17)	Alberta (AT1)
Net income	348,297		
Taxable income			
% Allocation	100.00		
Attributed taxable income	0.40.00=		
Tax payable before deduction*	39,491		
Deductions and credits			
Net tax payable	20.404		
Attributed taxable capital	N/A		N/A
Capital tax payable**			N/A
Total tax payable***	39,491		
Instalments and refundable credits	6,000		
Balance due/Refund (-)	22.404		
Logging tax payable (COZ-1179)			
Tax payable	N/A 🔬 _		N/A

## Summary - taxable capital

#### **Federal**

Corporate name		Taxable capital used to calculate the business limit reduction (T2, line 415)	Taxable capital used to calculate the SR&ED expenditure limit for a CCPC (Schedules 31 and 49)	Taxable capital used to calculate line 233 of the T2 return	Taxable capital used to calculate line 234 of the T2 return
Orangeville Hydro Limited		11,306,569	11,306,569	24,526,474	24,526,474
Corporation of the Town of Orangeville		15,000,000	15,000,000		
Corporation of the Township of East Luther Grand	$\langle V V \rangle$	5,000,000	5,000,000		
Orangeville Hydro Services Inc.		1	1	1	1
Orangville Railway Development Corporation					
	Total	31,306,570	31,306,570	24,526,475	24,526,475

## Québec

		,		
Corporate name	Paid-up capital used to calculate the Québec business limit reduction (CO-771) and to calculate the additional deduction for transportation costs of remote manufacturing SMEs (CO-156.TR)	Paid-up capital used to calculate the tax credit for investment (CO-1029.8.36.IN) and to determine the applicability of Form CO-1029.8.33.TE	Paid-up capital used to calculate the \$1 million deduction (CO-1137.A and CO-1137.E)	Paid-up capital used to determine the applicability of Form CO-737.SI
T. ( )				
Total				

<sup>\*</sup> For Québec, this includes special taxes.

<sup>\*\*</sup> For Québec, this includes compensation tax and registration fee.

<sup>\*\*\*</sup> For Ontario, this includes the corporate minimum tax, the Crown royalties' additional tax, the transitional tax debit, the recaptured research and development tax credit and the special additional tax debit on life insurance corporations. The Balance due/Refund is included in the federal Balance due/refund.

		86463 9562 RC0002
Ontario		
Corporate name		Specified capital used to calculate the expenditure limit – Ontario innovation tax credit (Schedule 566)
	Total	
Other provinces		
Corporate name		Capital used to calculate the Newfoundland and Labrador capital deduction on financial institutions (Schedule 306)
	Total	

# **Five-Year Comparative Summary**

	Current year	1st prior year	2nd prior year	3rd prior year	4th prior year
Federal information (T2)					
Taxation year end	2019-12-31	2018-12-31	2017-12-31	2016-12-31	2015-12-31
Net income	348,297	727,370	699,911		
axable income	343,397	722,320	694,911		
Active business income	348,297	727,370	641,690		
 Dividends paid	566,435	447,092	646,294		
 Dividends paid – Regular	566,435	447,092	35,547		
Dividends paid – Eligible			610,747		
RIP – end of the previous year					
RIP – end of the year					
GRIP – end of the	7,000,245	7.070.000	7 520 475		
revious year	7,888,215	7,978,892	7,520,475		
GRIP – end of the year	8,135,461	7,888,215	7,978,892		
Donations	4,900	5,050	5,000		
Balance due/refund (-)	-83,287	-8,339	43,747 _		
Line 996 – Amended ax return					
oss carrybacks requested in prior rears to reduce taxable income					
axation year end	2019-12-31	2018-12-31	2017-12-31	2016-12-31	2015-12-31
axable income before oss carrybacks	N/A	N/A	694,911		
Non-capital losses	N/A	N/A			
Net capital losses (50%)	N/A	N/A			
Restricted farm losses	N/A	N/A			
Farm losses	N/A	N/A ^			
Listed personal property losses (50%)	N/A	N/A			
otal loss carried back		Δ.			
o prior years	N/A	N/A			
Adjusted taxable income  Ifter loss carrybacks	N/A	N/A	694,911		
Losses in the current year carried back to previous years to reduce taxable ncome (according to Schedule 4)					
axation year end	2019-12-31	2018-12-31	2017-12-31	2016-12-31	2015-12-31
djusted taxable income before urrent year loss carrybacks*	N/A	722,320	694,911		N/A
Non-capital losses	N/A				N/A
Net capital losses (50%)	N/A				N/A
Restricted farm losses	N/A				N/A
Farm losses	N/A				N/A
Listed personal property losses (50%)	N/A				N/A
otal current year losses carried ack to prior years	N/A				N/A
Adjusted taxable income	N/A -	722,320			N/A
after loss carrybacks	IN/A	/22,320	09 <del>4</del> ,911		IN/A

Loss carrybacks requested in prior
years to reduce taxable dividends
subject to Part IV tax

Taxation year end	2019-12-31	2018-12-31	2017-12-31	2016-12-31	2015-12-31
Adjusted Part IV tax multiplied by the multiplication factor**,					
before loss carrybacks	N/A	N/A			
Non-capital losses	N/A	N/A			
Farm losses	N/A	N/A			
Total loss carried back to prior years	N/A	N/A			
Adjusted Part IV tax multiplied by the multiplication factor**, after loss carrybacks	N/A	N/A			

#### Losses in the current year carried back to previous years to reduce taxable dividends subject to Part IV tax (according to Schedule 4)

Taxation year end	2019-12-31	2018-12-31	2017-12-31	2016-12-31	2015-12-31
Adjusted Part IV tax multiplied by the multiplication factor**, before current-year loss			A		
carrybacks***	N/A				N/A
Non-capital losses	N/A			$\searrow$	N/A
Farm losses	N/A				N/A
Total current year losses carried back to prior years	N/A				N/A
Adjusted Part IV tax multiplied by the multiplication factor**, after loss carrybacks	N/A				N/A

<sup>\*\*</sup> The multiplication factor is 3 for dividends received before January 1, 2016, and 100 / 38 1/3 for dividends received after December 31, 2015.

## 

Taxation year end	2019-12-31	2018-12-31	2017-12-31	2016-12-31	2015-12-31
Part I	49,509	104,592	118,015		
Part IV					
Part III.1					
Other*					

<sup>\*</sup> The amounts displayed on lines "Other" are all listed in the help. Press F1 to consult the context-sensative help.

- (	Credits	against	part I	tax

Taxation year end	2019-12-31	<b>2018-12-31</b>	2017-12-31	2016-12-31	2015-12-31
Small business deduction					
M&P deduction					
Foreign tax credit					
Investment tax credit	2,000	3,756			
Abatement/other*	78,982	166,134	152,261		

<sup>\*</sup> The amounts displayed on lines "Other" are all listed in the help. Press F1 to consult the context-sensative help.

## ¬ Refunds/credits

11clulius/Cleuits					
Taxation year end	2019-12-31	2018-12-31	2017-12-31	2016-12-31	2015-12-31
ITC refund					
Dividend refund					
<ul> <li>Eligible dividends</li> </ul>					
<ul> <li>Non-eligible dividends</li> </ul>			17,854		
Instalments	166,287	185,683	124,082		
Other*					

<sup>\*</sup> The amounts displayed on lines "Other" are all listed in the help. Press F1 to consult the context-sensative help.

<sup>\*\*\*</sup> The adjusted Part IV tax multiplied by the multiplication factor before current-year loss carrybacks takes into account loss carrybacks that were made in prior taxation years. This amount is multiplied by the multiplication factor to help you determine the loss amount that must be used to reduce Part IV tax payable to zero.

_			_	
റ	n	ta	ri	^

Taxation year end	2019-12-31	2018-12-31	2017-12-31	2016-12-31	2015-12-31
Net income	348,297	727,370	699,911		
Taxable income	343,397	722,320	694,911		
% Allocation	100.00	100.00	100.00		
Attributed taxable income	343,397	722,320	694,911		
Surtax					
Income tax payable before deduction	39,491	83,067	79,915		
Income tax deductions /credits					
Net income tax payable	39,491	83,067	79,915		
Taxable capital					
Capital tax payable					
Total tax payable*	39,491	83,067	79,915		
Instalments and refundable credits	6,000	10,315	12,247		
Balance due/refund**	33,491	72,752	67,668		

For taxation years ending before January 1, 2009, this includes the corporate minimum tax and the premium tax. For taxation years ending after December 31, 2008, this includes the corporate minimum tax, the Crown royalties' additional tax, the transitional tax debit, the recaptured research and development tax credit and the special additional tax debit on life insurance corporations.



<sup>\*\*</sup> For taxation years ending after December 31, 2008, the Balance due/Refund is included in the federal Balance due/refund.

Orangeville Hydro Limited EB-2023-0045

Exhibit 6 - Revenue Requirement and Other Revenue

September 29, 2023

Page **39** of **41** 

## APPENDIX 6-E 2020 PILS TAX RETURN



KPMG LLP 115 King Street South 2nd Floor Waterloo ON N2J 5A3 Canada Telephone (519) 747-8800 Fax (519) 747-8811

### **PRIVATE AND CONFIDENTIAL**

Amy Long CFO Orangeville Hydro Limited 400 C Line Station A Box 400 Orangeville ON L9W 2Z7

June 28, 2021

Dear Long:

## Subject: Orangeville Hydro Limited - Corporate Income Tax Returns

We have enclosed the corporate income tax return(s) (the "Returns") of Orangeville Hydro Limited (the "Company") for the period ended December 31, 2020.

- ☑ T2 Corporation Income Tax Return EXEMPT
- ☑ T183 Information Return for Corporations Filing Electronically

(Federal - to be e-filed with CRA) - EXEMPT

- ☑ T2 Corporations Income Tax Return (to be filed with Ministry of Finance) PILS
- ☑ Instalment Schedule
- ☑ Client copy for your records

We have prepared these Returns based on our understanding of and reliance upon the facts, data, materials, assumptions and other information (collectively, the "Information") provided to us by the Company and/or its representatives, and we have not independently investigated or verified the accuracy or completeness of such Information. We accept no responsibility or liability for any errors attributable to our reliance upon inaccurate or incomplete Information. We recommend that you carefully review the Returns in their entirety to ensure that all of the relevant Information is correctly and completely disclosed.

When you are satisfied that the Returns are in order they must be filed (electronically or in paper format) with the respective taxing authorities by the due date (as set out in the following instructions) if late filing penalties are to be avoided or minimized, or if losses are carried back to a prior taxation year. One copy of each Return should be retained for your records (the "Client Copy") and the remaining copies should be completed by an authorized signing officer of the Company and filed as described below.

We would like to remind you that tax-deductible inter-corporate dividends that are received subsequent to April 20, 2015 and that are otherwise tax-free under Part I of the Income Tax Act may be re-characterized, under an expanded anti-avoidance rule in subsection 55(2) of the Income Tax Act, as capital gains that are subject to tax if, in general terms, there is insufficient safe income on hand.

You have advised us that either there is sufficient safe income on hand to support the position that the anti-avoidance rule does not apply to the inter-corporate dividends reported in the Returns, or that the anti-avoidance rule does not apply to the inter-corporate dividends reported in the Returns and that safe income on hand is not required to support the position that the anti-avoidance rule does not apply. If you wish to engage KPMG to prepare a safe income on hand calculation, please contact us and we would be pleased to discuss this with you.

#### **FOREIGN PROPERTY**

The information return, which reports the Company's specified foreign property, is Form T1135 - *Foreign Income Verification Statement*. Form T1135 should be completed if at any time during 2020 the total cost of all specified foreign property the Company owned or held a beneficial interest in was more than Cdn\$100,000.

According to the information you have provided to us, the Company did not hold specified foreign property at any time in 2020 with a total cost of more than Cdn\$100,000. As such, we have **not** marked an X in box 259 on page 3 of your return and **we have not completed the Form T1135**. If the information on specified foreign property is incorrect, please let us know immediately.

The Form T1135 is due by **June 30, 2021**. The implications of late filing and/or failure to properly report specified foreign property on the Form T1135 and failure to report income from a specified foreign property on your income tax return are substantial. They include significant penalties and an increase to the normal reassessment period by an additional 3 years. Further, the reassessment period extension would impact otherwise statute-barred tax years and would impact the entire income tax return, not just the foreign income and reporting sections.

#### **DUE DATE OF RETURNS AND PAYMENTS**

All returns must be filed with the respective taxing authorities by June 30, 2021 if late filing penalties are to be avoided. We recommend the returns be sent by registered mail and the mailing receipt be kept on file in order to have evidence of the date of filing.

Any balances owing must be remitted as soon as possible if interest charges are to be minimized.

# T2 – T183 – INFORMATION RETURN FOR CORPORATIONS FILING ELECTRONICALLY (FEDERAL-EXEMPT)

In order for us to electronically file the Company's corporate exempt income tax return, a signed copy of Form T183CORP – *Information Return for Corporations Filing Electronically* must be returned to us. Please note that we will not electronically file the Company's corporate income tax return until we receive the signed Form T183 Corp.

The Form T183CORP – *Information Return for Corporations Filing Electronically* includes information from your Company's income tax return and all applicable schedules.

### Signature

Form T183CORP – Information Return for Corporations Filing Electronically should be completed and signed

No amount is payable for the 2020 taxation year.

#### Mailing

One copy of the signed Form T183 Corp should be returned to KPMG by fax at (519) 747-8811, as soon as possible, no later than June 30, 2021, in order to have the Company's Return filed on or before the due date for filing. **We will not electronically file the Return until we receive a copy of the signed T183CORP**. The Form T183CORP must **not** be sent to the CRA.

#### T2 - CORPORATION INCOME TAX RETURN - MINISTRY OF FINANCE

#### Signature

Form T2, the certification section on page 9 should be completed and signed.

#### **Enclosure**

A cheque in the amount of \$94,776 made payable to the Minister of Finance should be attached to the return for the 2020 taxation year. You should write the company's tax account number on the back of the cheque and the taxation year for which the payment is made. Alternatively, you may make the payment at any branch of a chartered bank.

#### Mailing

One copy of the Return and one copy of the Company's financial statements must be <u>received</u> by The Ministry of Finance, HYDRO PIL DIVISION, PO Box 620, 33 King Street West, Oshawa, ON, L1H 8E9 no later than **June 30, 2021**. For greater certainty, KPMG will not be mailing this Return.

#### **NOTICES OF ASSESSMENT**

If your Company receives a Notice of Assessment that does not agree with the returns prepared by us, please contact us so that we can determine whether any action should be taken. The Company has only 90 days (180 days in the case of Ontario) from the date of mailing of the Assessment in which to object. Failure to respond within the prescribed time limit will cause the Company to lose its right to object to the Assessment.

Any balances owing must be remitted by the due date (as set out in the Filing Instructions), or as soon as possible, if interest charges are to be minimized.

## **GENERAL RATE INCOME POOL ("GRIP")**

Shareholders receiving eligible dividends as compared to non-eligible dividends, are subject to a reduced rate of income tax. Eligible dividends are paid out of the Company's GRIP balance, which at December 31, 2020 is estimated to be \$8,608,986. The supporting calculation is summarized in Schedule 53 of the federal corporate tax return.

In addition, designation of eligible dividends is required, with each shareholder recipient being formally notified in writing <u>at time of payment</u>.

The Company did not designate the payment of an eligible dividend for the current taxation year.

#### **INSTALMENTS**

We have prepared and enclose an estimate of tax instalments as applicable for the Company for the taxation year ending on December 31, 2021. The amounts were computed with reference to the Company's taxable income and taxes payable for prior years.

If during the year it is evident that the taxable income or taxable capital for the current year will be substantially less than for the previous taxation year, your instalments may be recalculated. Please call your KPMG advisor in order that we may determine what course of action should be taken.

In order to avoid interest charges, the tax authorities must receive the instalment payments no later than the date indicated on the attached schedule.

If you have any questions concerning these returns, or if we may be of any further assistance, please feel free to contact us.

Yours truly,

Tony Italiano, CPA, CA

Tony Maliono

Partner, Tax

**Enclosure** 

## **Federal Tax Instalments**

Federa	I tax	insta	Iments
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For the taxation year ended 2021-12-31

Business number 86463 9562 RC0002

The following is a list of instalments payable for the current taxation year, and the last column indicates the instalments payable to the Canada Revenue Agency (CRA). The instalments must be paid on each of the dates indicated below, otherwise non-deductible interest might be charged.

Instalment payments can be made using one of the following methods:

- electronically, using your online or telephone banking services;
- online, using the CRA's My Payment service, at canada.ca/cra-my-payment;
- by setting up a pre-authorized debit agreement, in My Business Account, at canada.ca/my-cra-business-account;
- in person, at a Canadian financial institution, by presenting the appropriate remittance voucher with your payment.

You can also mail a cheque or a money order payable to the Receiver General of Canada, accompanied by the appropriate remittance voucher, to Canada Revenue Agency, P.O. Box 3800, Station A, Sudbury ON P3A 0C3.

Do you want to calculate the tax instalments according to the extended payment date (COVID-19)?\*

Yes X No

\* The answer to this question is **Yes** when at least one of the dates entered in the **Monthly instalment workchart** or the **Quarterly instalment workchart** sections is after March 17, 2020, and before September 30, 2020.

#### Monthly instalment workchart

Date	Monthly tax instalments	Refund transferred to instalments	Instalments Cumulative paid difference	Instalments payable
2021-01-31	15,928			15,928
2021-02-28	15,928			15,928
2021-03-31	15,928			15,928
2021-04-30	15,928			15,928
2021-05-31	15,928			15,928
2021-06-30	15,928			15,928
2021-07-31	15,928			15,928
2021-08-31	15,928			15,928
2021-09-30	15,928			15,928
2021-10-31	15,928			15,928
2021-11-30	15,928			15,928
2021-12-31	15,925			15,925
Instalment (COVID-19	9)			
Totals	191,133			191,133



Canada Revenue Agence du revenu du Canada

## **T2 Corporation Income Tax Return**

200

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

All legislative references on this return are to the federal Income Tax Act and Income Tax Regulations. This return may contain changes that had not yet become law at the time of publication.

Send one completed copy of this return, including schedules and the General Index of Financial Information (GIFI), to your tax centre. You have to file the return within six months after the end of the corporation's tax year.

For more information see **<u>canada.ca/taxes</u>** or Guide T4012, T2 Corporation – Income Tax Guide.

055	Do not use this area

┌ Identification ————————————————————————————————————	
Business number (BN) 001 86463 9562 RC0002	
Corporation's name O02 Orangeville Hydro Limited	To which tax year does this return apply?  Tax year start  Year Month Day  To which tax year does this return apply?  Tax year-end  Year Month Day
Address of head office Has this address changed since the last time we were notified?	060 2020-01-01 061 2020-12-31  Has there been an acquisition of control resulting in the application of
011 400 C Line 012 Station A Box 400 City Province, territory, or state	subsection 249(4) since the tax year start on line 060?  If yes, provide the date  Year Month Day
O15 Orangeville Country (other than Canada) O16 ON Postal or ZIP code O17 CA O18 L9W 2Z7	control was acquired
Mailing address (if different from head office address)  Has this address changed since the last time we were notified?	Is the corporation a professional corporation that is a member of a partnership?
021 c/o 022 023 City Province, territory, or state	Is this the first year of filing after: Incorporation?
Country (other than Canada) Postal or ZIP code  027  Location of books and records (if different from head office address)	Has there been a wind-up of a subsidiary under section 88 during the current tax year?
Has this address changed since the last time we were notified?	Is this the final tax year before amalgamation?
If yes, complete lines 031 to 038.  031 400 C Line  Station A Box 400  City Province, territery, or state	dissolution?
O35 Orangeville Country (other than Canada) O36 ON Postal or ZIP code O37 CA O38 L9W 2Z7	Is the corporation a resident of Canada?  If no, give the country of residence on line 081 and complete and attach Schedule 97.
1 Canadian-controlled private corporation (CCPC) 2 Other private corporation	Is the non-resident corporation claiming an exemption under an income tax treaty?
3 Public corporation 4 Corporation controlled by a public corporation 5 Other corporation (specify)	If the corporation is exempt from tax under section 149, tick one of the following boxes:  1 Exempt under paragraph 149(1)(e) or (I)
If the type of corporation changed during the tax year, provide the effective date of the change	2 Exempt under paragraph 149(1)(j) 4 Exempt under other paragraphs of section 149
Do not use	
095	898

- Attachments	
Financial statement information: Use GIFI schedules 100, 125, and 141.  Schedules – Answer the following questions. For each yes response, attach the schedule to the T2 return, unless otherwise instructed.  Yes	Schedule
Is the corporation related to any other corporations?	9
Is the corporation an associated CCPC?	23
Is the corporation an associated CCPC that is claiming the expenditure limit?	49
Does the corporation have any non-resident shareholders who own voting shares?	19
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	11
If you answered <b>yes</b> 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?	44
visite air of custotal ritary air of the deserte of the defected of the the defected.	44 14
Has the corporation paid any royalties, management fees, or other similar payments to residents of Canada?	
The second secon	15 T5004
Is the corporation claiming a loss or deduction from a tax shelter?	T5004
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 (without reference to section 94)?	22
Did the corporation own any shares in one or more foreign affiliates in the tax year?	25
Has the corporation made any payments to non-residents of Canada under subsections 202(1) and/or 105(1) of the Income Tax Regulations?	29
Did the corporation have a total amount over CAN\$1 million of reportable transactions with non-arm's length non-residents?	T106
For private corporations: Does the corporation have any shareholders who own 10% or more of the corporation's	
common and/or preferred shares? 173 X Has the corporation made payments to, or received amounts from, a retirement compensation plan arrangement during the year? 172	50
Does the corporation earn income from one or more Internet web pages or websites?	88
Is the net income/loss shown on the financial statements different from the net income/loss for income tax purposes?	1
Has the corporation made any charitable donations; gifts of cultural or ecological property; or gifts of medicine?	2
Has the corporation received any dividends or paid any taxable dividends for purposes of the dividend refund?	3
Is the corporation claiming any type of losses?	4
Is the corporation claiming a provincial or territorial tax credit or does it have a permanent establishment	
	5
	6
i) Is the corporation a CCPC and reporting a) income or loss from property (other than dividends deductible on line 320 of the T2 return), b) income from a partnership, c) income from a foreign business, d) income from a personal services business, e) income referred to in clause 125(1)(a)(i)(C) or 125(1)(a)(i)(B), f) aggregate investment income as defined in subsection 129(4), or g) an amount assigned to it under subsection 125(3.2) or 125(8); or ii) Is the corporation a member of a partnership and assigning its specified partnership business limit to a designated member under subsection 125(8)?	7
Does the corporation have any property that is eligible for capital cost allowance?	8
Does the corporation have any resource-related deductions?	12
Is the corporation claiming deductible reserves?	13
Is the corporation claiming a patronage dividend deduction?	16
Is the corporation a credit union claiming a deduction for allocations in proportion to borrowing or a provincial credit union tax reduction? 217	17
Is the corporation an investment corporation or a mutual fund corporation?	18
Is the corporation carrying on business in Canada as a non-resident corporation?	20
Is the corporation claiming any federal, provincial, or territorial foreign tax credits, or any federal logging tax credits?	21
Does the corporation have any Canadian manufacturing and processing profits?	27
Is the corporation claiming an investment tax credit?	31
Is the corporation claiming any scientific research and experimental development (SR&ED) expenditures?	T661
Is the total taxable capital employed in Canada of the corporation and its related corporations over \$10,000,000?	33/34/35
Is the total taxable capital employed in Canada of the corporation and its associated corporations over \$10,000,000?	
Is the corporation subject to gross Part VI tax on capital of financial institutions?	38
Is the corporation claiming a Part I tax credit?	42
Is the corporation subject to Part IV.1 tax on dividends received on taxable preferred shares or Part VI.1 tax on dividends paid?	43
Is the corporation agreeing to a transfer of the liability for Part VI.1 tax?	45
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?	39
Is the corporation claiming a Canadian film or video production tax credit?	T1131
Is the corporation claiming a film or video production services tax credit?	T1177
Is the corporation claiming a Canadian journalism labour tax credit?	58
Is the corporation subject to Part XIII.1 tax? (Show your calculations on a sheet that you identify as Schedule 92.)	92

Attachments (continued) Yes Schedule
Did the corporation have any foreign affiliates in the tax year?
Did the corporation own or hold specified foreign property where the total cost amount of all such property, at any time in the year, was
more than CAN\$100,000?
Did the corporation transfer or loan property to a non-resident trust?
Did the corporation receive a distribution from or was it indebted to a non-resident trust in the year?
Has the corporation entered into an agreement to allocate assistance for SR&ED carried out in Canada?
Has the corporation entered into an agreement to transfer qualified expenditures incurred in respect of SR&ED contracts?
Has the corporation entered into an agreement with other associated corporations for salary or wages of specified employees for SR&ED?
Did the corporation pay taxable dividends (other than capital gains dividends) in the tax year?
Has the corporation made an election under subsection 89(11) not to be a CCPC?
Has the corporation revoked any previous election made under subsection 89(11)?
Did the corporation (CCPC or deposit insurance corporation (DIC)) pay eligible dividends, or did its
general rate income pool (GRIP) change in the tax year?
Did the corporation (other than a CCPC or DIC) pay eligible dividends, or did its low rate income pool (LRIP) change in the tax year? 269 54
Additional information —
Did the corporation use the International Financial Reporting Standards (IFRS) when it prepared its financial statements?
Is the corporation inactive?
What is the corporation's main
revenue-generating business activity? 221122 _ Electric Power Distribution
Specify the principal products mined, manufactured,  284 Hydro distribution  285 100.000 %
sold, constructed, or services provided, giving the
approximate percentage of the total revenue that each
Did the corporation immigrate to Canada during the tax year? No X
Did the corporation emigrate from Canada during the tax year?
Do you want to be considered as a quarterly instalment remitter if you are eligible?
If the corporation was eligible to remit instalments on a quarterly basis for part of the tax year, provide the date the corporation ceased to be eligible  Year Month Day  Year Month Day
If the corporation's major business activity is construction, did you have any subcontractors during the tax year? 295 Yes No
Taxable income —
Net income or (loss) for income tax purposes from Schedule 1, financial statements, or GIFI
Deduct:
Charitable donations from Schedule 2
Cultural gifts from Schedule 2
Ecological gifts from Schedule 2
Gifts of medicine made before March 22, 2017, from Schedule 2
Taxable dividends deductible under section 112 or 113, or subsection 138(6) from Schedule 3
Net capital losses of previous tax years from Schedule 4
Farm losses of previous tax years from Schedule 4
Taxable capital gains or taxable dividends allocated from
a central credit union
Prospector's and grubstaker's shares
Employer deduction for non-qualified securities under an employee stock options
agreement a 5 0.75 N
Subtotal
Subtotal (amount A <b>minus</b> amount B) (if negative, enter "0") 701,228 C Section 110.5 additions or subparagraph 115(1)(a)(vii) additions
Taxable income (amount C plus amount D)         360         701,228
Taxable income for the year from a personal services business
* This amount is equal to 3.5 times the Part VI.1 tax payable at line 724 on page 9.

- Small business										
Canadian-controlled p	private corporations	s (CCPCs) t	hroughout t	the tax year				-		
Income eligible for the s								400	662,749	. <i>F</i>
Taxable income from lin										
<b>minus</b> 4 times the ar federal law, is exempt fr				-		· 		405	701,228	F
Business limit (see note								410	500,000	-
Notes:	,									
For CCPCs that are weeks, prorate this a					•	•				
2. For associated CCP	•	•	•	-						
Business limit reducti	on									
Taxable capital bus		on								
Amount C	500,000	x 415 **	*	32,685	D	=			1,452,667	Е
	· · · · · · · · · · · · · · · · · · ·			11,250			Λ	<del></del>		
Passive income bu	siness limit reduct	tion		•			$\langle \langle \rangle \rangle$			
Adjusted aggregate	investment income fr	rom Schedul	e 7**** .	417		_	50,000	=		F
, 55 5					_		4			
Amount C	100,000	X Amount	r			•	$\cdots$	• • • • • • • • • • • • • • • • • • • •		٠ ر
	100,000				т.		nount E and amount (	G <b>422</b>	1,452,667	
<b>D</b>	, , , ,			11011)	11	ne greater or an	TOUTH E and amount C	426	1,132,007	, r
Reduced business limit	•	, ,	•	•			/	. 420		. '
Business limit the CCP0 Reduced business lim	ŭ	,	, ,	,			7	428		. ·
Small business deduc	_	•		•		$(1, 1, \dots)$	× 19 % =	·		. '
Enter amount from line			0110701 10 1110				_ 13 /3			:
	ount of foreign non-b ne (line 604) and with						e to the refundable tax	x on the CCPC's	3	
** Calculate the am	ount of foreign busin	ess income t	ax credit dec	luctible on line	636 withou	ut reference to t	he corporation tax red	ductions under s	ection 123.4.	
*** Large corporati	ons									
(total taxable) • If the corporation	capital employed in C	Canada for th I with any co	e <b>prior</b> year rporations in	minus \$10,0 the current ta	00,000) x 0. x year, but v	.225%. was associated	the amount to be entering the previous tax ye $0,000 \times 0.225\%$ .			
<ul> <li>For corporation</li> </ul>	ons associated in the	current tax y	/ear, see Sch	edule 23 for t	ne special r	ules that apply.				
calendar year. Ea reported at line 74	ch corporation with s	such income ling Schedule	has to file a e 7. Otherwis	Schedule 7. F e, this amoun	or a corpor t is the total	ation's first tax y l of all amounts	for each tax year that year that starts after 2 reported at line 745 o	2018, this amour	nt is	
Specified corporate in	come and assignm	nent under	subsection	125(3.2)						
	L1		1	L			М		N	_
	nme of corporation re ncome and assigned			Business r the corp receiving assigned	oration ng the	clause 125 corporat	ne paid under 5(1)(a)(i)(B) to the ion identified in olumn L <sup>3</sup>	corporation	limit assigned to on identified in umn L <sup>4</sup>	
				49	0		500		505	

Notes:

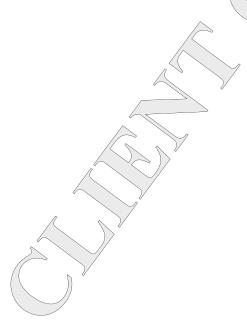
Total 510 \_\_\_\_\_ Total 515 \_\_\_\_\_

3. This amount is [as defined in subsection 125(7) specified corporate income (a)(i)] the total of all amounts each of which is income (other than specified farming or fishing income of the corporation for the year) from an active business of the corporation for the year from the provision of

- 3. This amount is [as defined in subsection 125(7) specified corporate income (a)(i)] the total of all amounts each of which is income (other than specified farming or fishing income of the corporation for the year) from an active business of the corporation for the year from the provision of services or property to a private corporation (directly or indirectly, in any manner whatever) if
  - (A) at any time in the year, the corporation (or one of its shareholders) or a person who does not deal at arm's length with the corporation (or one of its shareholders) holds a direct or indirect interest in the private corporation, and
  - (B) it is not the case that all or substantially all of the corporation's income for the year from an active business is from the provision of services or property to
    - (I) persons (other than the private corporation) with which the corporation deals at arm's length, or
    - (II) partnerships with which the corporation deals at arm's length, other than a partnership in which a person that does not deal at arm's length with the corporation holds a direct or indirect interest.
- 4. The amount of the business limit you assign to a CCPC cannot be greater than the amount determined by the formula A B, where A is the amount of income referred to in column M in respect of that CCPC and B is the portion of the amount described in A that is deductible by you in respect of the amount of income referred to in clauses 125(1)(a)(i)(A) or (B) for the year. The amount on line 515 cannot be greater than the amount on line 426.

Taxable income from line 360 on page 3		701,228	<u>3</u> A
Lesser of amounts 9B and 9H from Part 9 of Schedule 27	1	3	
Amount 13K from Part 13 of Schedule 27		C	
Personal services business income		)	
Amount from line 400, 405, 410, or 428 on page 4, whichever is the least		Ε	
Aggregate investment income from line 440 on page 6*	43,554	F	
Subtotal (add amounts B to F)	43,554	43,554	<u>1</u> G
Amount A minus amount G (if negative, enter "0")		657,674	<u>1</u> н
General tax reduction for Canadian-controlled private corporations – Amount H multiplied by $13\%$ . Enter amount I on line 638 on page 8.		85,498	<u>3</u> 1
* Except for a corporation that is, throughout the year, a cooperative corporation (within the meaning assigned by	subsection 136(2)) o	r a credit union.	
Compared tory moderation	$\overline{A}$		
<ul> <li>General tax reduction</li> <li>Do not complete this area if you are a Canadian-controlled private corporation, an investment corporation a mutual fund corporation, or any corporation with taxable income that is not subject to the corporation</li> </ul>	,	stment corporation,	
Taxable income from line 360 on page 3	·)·····	• • -	_ J
Lesser of amounts 9B and 9H from Part 9 of Schedule 27	।	<	
Amount 13K from Part 13 of Schedule 27	$\mathcal{I}$	L	
Personal services business income	<u> </u>	М	
Subtotal ( <b>add</b> amounts K to M)	)	<b>-</b>	_ N
Amount J minus amount N (if negative, enter "0")			0
		<del></del>	= -
		• • = = = = = = = = = = = = = = = = = =	= P
Enter amount P on line 639 on page 8.			

 Refundable portion of Part I tax – Canadian-controlled private corporations throughout the tax year Aggregate investment income 43,554 × \_\_\_\_\_ 30 2 / 3 % = 13,357 A from Schedule 7 . . . . . . . . . . . Foreign non-business income tax credit from line 632 on page 8 . . . . . . . . . \_ Foreign investment income 445 x 8 % = from Schedule 7 ...... Subtotal (amount B minus amount C) (if negative, enter "0") 13,357 E Amount A **minus** amount D (if negative, enter "0") ......\_\_\_\_\_701,228 F Taxable income from line 360 on page 3 Amount from line 400, 405, 410, or 428 on page 4, whichever is the least ..... G Foreign nonbusiness income tax credit from line 632 on x 75 / 29 = page 8 .... Foreign business income tax credit from line 636 on page 8 Subtotal (add amounts G to I) \_\_\_ 701,228 30 2 / 3 % = \_\_ 215,043 Subtotal (amount F minus amount J) 113,492 <sub>M</sub> Part I tax payable minus investment tax credit refund (line 700 minus line 780 from page 9)/ 13,357 N 450 Refundable portion of Part I tax – Amount E, L, or M, whichever is the least



┌ Refundable dividend tax on hand ──────		
Refundable dividend tax on hand (RDTOH) at the end of the previous tax year 460		
Dividend refund for the previous tax year		
Net RDTOH transferred on an amalgamation or the wind-up of a subsidiary		
Subtotal (line 460 <b>minus</b> line 465 <b>plus</b> line 480)		Α
General rate income pool (GRIP) at the end of the previous tax year (from line 100 of Schedule 53)	• • • •	В
Total eligible dividends paid in the previous tax year (from line 300 of Schedule 53)	С	
Total excessive eligible dividend designation in the previous tax year (from line 310 of Schedule 53)	D	
Subtotal (amount C <b>minus</b> amount D) (if negative, enter "0")	<b>&gt;</b>	Ε
Net GRIP at the end of the previous tax year (amount B <b>minus</b> amount E) (if negative, enter "0")	F	
(total of lines 230 and 240 of Schedule 53)	G	
Subtotal (amount F <b>plus</b> amount G)Amount H <b>multiplied</b> by 38 1 / 3 %		Η .
Eligible refundable dividend tax on hand (ERDTOH) at the end of the previous tax year (for the first tax year starting after 2018,	•••	'
l i i i i i i i i i i i i i i i i i i i	520	
Non-eligible refundable dividend tax on hand (NERDTOH) at the end of the previous tax year (for the first tax year starting after		J
	535	K
Part IV tax payable on taxable dividends from connected corporations (amount 2G from Schedule 3)	L	
Part IV tax payable on eligible dividends from non-connected corporations (amount 2J from Schedule 3)	M	
Subtotal (amount L plus amount M)	<b>—</b>	N
Net ERDTOH transferred on an amalgamation or the wind-up of a subsidiary	525	0
ERDTOH dividend refund for the previous tax year	570	Р
Refundable portion of Part I tax (from line 450 on page 6)	13,357	Q
Part IV tax before deductions (amount 2A from Schedule 3)	R	
Part IV tax allocated to ERDTOH (amount N)	S	
Part IV tax reduction due to Part IV.1 tax payable (amount 4D of Schedule 43)	T	
Subtotal (amount R minus total of amounts S and T)	<b>.</b>	U
Net NERDTOH transferred on an amalgamation or the wind-up of a subsidiary	540	٧
NERDTOH dividend refund for the previous tax year	575	W
38 1/3% of the total losses applied against Part IV tax (amount 2D from Schedule 3)		Χ
Part IV tax payable allocated to NERDTOH, net of losses claimed (amount U minus amount X) (if negative enter "0")		Υ
NERDTOH at the end of the tax year (total of amounts K, Q, V, and Y minus amount W) (if negative, enter "0")  Part IV tax payable allocated to ERDTOH, net of losses claimed (amount N minus the amount, if any, by which amount X exceeds amount U) (if negative, enter "0")	13,357	7
	530	_
The state of the tax year (local of almost to 5), and I would be received the state of the state		
┌ Dividend refund		
38 1/3% of total eligible dividends paid in the tax year (amount 3A from Schedule 3)		AA
ERDTOH balance at the end of the tax year (line 530)		ВВ
Eligible dividend refund (amount AA or BB, whichever is less)		CC
38 1/3% of total non-eligible taxable dividends paid in the tax year (amount 3B from Schedule 3)		
NERDTOH balance at the end of the tax year (line 545)		
Non-eligible dividend refund (amount DD or EE, whichever is less)	13,357	FF
Amount DD minus amount EE (if negative, enter "0")	159,439_0	GG
Amount BB <b>minus</b> amount CC (if negative, enter "0")	I	ΗН
Additional non-eligible dividend refund (amount GG or HH, whichever is less)		II
Dividend refund – Amount CC plus amount FF plus amount II	13,357	JJ
Enter amount JJ on line 784 on page 9.		

┌ Part I tax ───────────────────────────────────	
	٨
	. А
Additional tax on personal services business income (section 123.5)	
Taxable income from a personal services business	В
Recapture of investment tax credit from Schedule 31	С
Calculation for the refundable tax on the Canadian-controlled private corporation's (CCPC) investment income (if it was a CCPC throughout the tax year)	
Aggregate investment income from line 440 on page 6	
Taxable income from line 360 on page 3	
Deduct:	
Amount from line 400, 405, 410, or 428 on page 4, whichever	
is the least F	
Net amount (amount E <b>minus</b> amount F) <b>701,228</b> ▶ <b>701,228</b> G	
Refundable tax on CCPC's investment income – 10 2 / 3 % of whichever is less: amount D or amount G/	Н
Subtotal (add amounts A, B, C, and H) 271,113	·
Oublotal (and allounts A, B, O, and H)	. '
Deduct:	
Small business deduction from line 430 on page 4	
Federal tax abatement	
Manufacturing and processing profits deduction from Schedule 27 616	
Investment corporation deduction	
Taxed capital gains 624	
Federal foreign non-business income tax credit from Schedule 21	
Federal foreign business income tax credit from Schedule 21	
General tax reduction for CCPCs from amount I on page 5	
General tax reduction from amount P on page 5	
Federal logging tax credit from Schedule 21	
Eligible Canadian bank deduction under section 125.21	
Federal qualifying environmental trust tax credit	
Investment tax credit from Schedule 31	
Subtotal 157,621 ► 157,621	K
Part I tax payable – Amount I minus amount K         113,492	. L
Enter amount L on line 700 on page 9.	

### Privacy statement -

Personal information (including the SIN) is collected for the purposes of the administration or enforcement of the Income Tax Act and related programs and activities including administering tax, benefits, audit, combiance, and collection. The information collected may be used or disclosed for purposes of other federal acts that provide for the imposition and collection of a tax or duty. It may also be disclosed to other federal, provincial, territorial, or foreign government institutions to the extent authorized by law. Failure to provide this information may result in interest payable, penalties, or other actions. Under the Privacy Act, individuals have a right of protection, access to and correction of their personal information, or to file a complaint with the Privacy Commissioner of Canada regarding the handling of their personal information. Refer to Personal Information Bank CRA PPU 047 on Info Source at canada.ca/cra-info-source.

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Februal case   Februal	• •	
Office the continue of the composition of the co	Add provincial or territorial tax:	Total federal tax113,492
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Total payments on which tax has been withheld Provincial and territorial capital gains refund from Schedule 18 Provincial and territorial capital gains refund from Schedule 5  Tax instalments paid  Total credits  830  83,000  Total credits  830  96,357  P6,357  Refund code  834  Refund dode  Refund deposite 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  Start Change information  Total credits  830  83,000  Total credits  830  96,357  P6,357  Balance (amount A minus amount B)  94,776  If the result is positive, you have a refund. If the result is positive, you have a balance owing. Enter the amount on whichever line applies. Generally, we do not charge or refund a difference of \$2 or less.  Balance owing  94,776  For information on whichever line applies.  Generally, we do not charge or refund a difference of \$2 or less.  Balance owing  94,776  For information on how to make your payment, go to canada.ca/payments.  Institution number  Account number  #If the corporation is a Canadian-controlled private corporation throughout the tax year, does it qualify for the one-month extension of the date the balance of tax is due?  For information on how to make your payment, go to canada.ca/payments.  #If this return was prepared by a tax prepared for a fee, provide their EFILE number  PREPARED SOLE YEAR INDOE TAX PURPOSES WITHOUT AUDIT OR REVIEW FROM INCORMATION PROVIDED BY The TAXPAYES.  **Certification**  I, 950 Long  Balance owing  First name  am an authorized signing officer of the corporation. I certify that I have examined this return, including accompanying schedules and statements, and that the information given on this return is, to the best of my knowledge, correct and complete, I also certify that the method of calculating income for this tax year is consistent with that of the previous tax year except as specifically disclosed in a statement attached to		
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Tax instalments paid    Refund   S30   96,357   Page   94,776		
Refund code 394 Refund	/ \	840 83,000
Balance (amount A minus amount B) 94,776  If the result is negative, you have a refund.  If the result is negative, you have a balance owing.  If the result is negative, you have a balance owing.  If the result is negative, you have a balance owing.  If the result is positive, you have a balance owing.  If the result is negative, you have a balance owing.  If the result is negative, you have a balance owing.  If the result is negative, you have a balance owing.  If the result is negative, you have a balance owing.  If the result is negative, you have a balance owing.  If the result is negative, you have a balance owing.  If the result is negative, you have a balance owing.  If the result is negative, you have a balance owing.  If the result is negative, you have a balance owing.  If the result is negative, you have a balance owing.  If the result is negative, you have a balance owing.  If the result is negative, you have a balance owing.  If the result is negative, you have a balance owing.  If the result is negative, you have a balance owing.  If the result is negative, you have a balance owing.  If the result is negative, you have a balance owing.  If the result is negative, you have a prefund.  If the result is negative, you have a prefund.  If the result is negative, you have a prefund.  If the result is negative, you have a prefund.  If the result is negative, you have a prefund.  If the result is negative, you have a prefund.  If the result is negative, you have a prefund.  If the result is negative, you have a prefund.  If the result is negative, you have a prefund.  If the result is negative, you have a prefund.  If the result is negative, you have a prefund a difference of several prefund.  If the result is negative, you have a prefund.  If the result is negative, you have a refund.  If the result is negative, you have a prefund.  If the result is negative, you have a refund.  If the result is negative, you have a refund.  If the result is negative, you have a refund.  If the result is negative, you ha		96,357 <b>890</b> 96,357 <b>9</b>
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If the corporation is a Canadian-controlled private corporation throughout the tax year, does it qualify for the one-month extension of the date the balance of tax is due?    If this return was prepared by a tax preparer for a fee, provide their EFILE number    PREPARED SPLELY FOR INCOME TAX PURPOSES WITHOUT AUDIT OR REVIEW FROM INFORMATION PROVIDED BY THE TAXPAYER.    Certification	Start Change information 910	
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If the corporation is a Canadian-controlled private corporation throughout the tax year, does it qualify for the one-month extension of the date the balance of tax is due?    First name		
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If this return was prepared by a tax preparer for a fee, provide their EFILE number  PREPARED SQUELY FOR INCOME TAX PURPOSES WITHOUT AUDIT OR REVIEW FROM INFORMATION PROVIDED BY THE TAXPAYER.  Certification  I, 950 Long  Last name  Last name  Last name  First name  First name  Position, office, or rank  am an authorized signing officer of the corporation. I certify that I have examined this return, including accompanying schedules and statements, and that the information given on this return is, to the best of my knowledge, correct and complete. I also certify that the method of calculating income for this tax year is consistent with that of the previous tax year except as specifically disclosed in a statement attached to this return.  955  2021/06/29  Date (yyyy/mm/dd)  Signature of the authorized signing officer of the corporation  Telephone number  Is the contact person the same as the authorized signing officer? If no, complete the information below  Name of other authorized person  Name of other authorized person  Telephone number  Language of correspondence — Langue de correspondance  Indicate your language of correspondence by entering 1 for English or 2 for French.		
PREPARED SOLELY FOR INCOME TAX PURPOSES WITHOUT AUDIT OR REVIEW FROM INFORMATION PROVIDED BY THE TAXPAYER.  Certification  I, 950 Long  Last name  Last name  First name  First name  Position, office, or rank  am an authorized signing officer of the corporation. I certify that I have examined this return, including accompanying schedules and statements, and that the information given on this return is, to the best of my knowledge, correct and complete. I also certify that the method of calculating income for this tax year is consistent with that of the previous tax year except as specifically disclosed in a statement attached to this return.  955 2021/06/29  Date (yyyy/mm/dd)  Signature of the authorized signing officer of the corporation  Telephone number  Telephone number  Telephone number  Telephone number  Telephone number  Language of correspondence – Langue de correspondance  Indicate your language of correspondence by entering 1 for English or 2 for French.		
Last name    Signature of the contact person the same as the authorized signing officer? If no, complete the information below    Suzanne Presseault   Suzanne Presseault   Suzanne Pressent		OM INFORMATION PROVIDED BY THE TAXPAYER.
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the information given on this return is, to the best of my knowledge, correct and complete. I also certify that the method of calculating income for this tax year is consistent with that of the previous tax year except as specifically disclosed in a statement attached to this return.    955   2021/06/29		
Date (yyyy/mm/dd) Signature of the authorized signing officer of the corporation Is the contact person the same as the authorized signing officer? If no, complete the information below  Suzanne Presseault  Name of other authorized person  Name of other authorized person  Telephone number  Telephone number  Telephone number  Telephone number		
Date (yyyy/mm/dd)  Signature of the authorized signing officer of the corporation  Is the contact person the same as the authorized signing officer? If no, complete the information below  Suzanne Presseault  Name of other authorized person  Name of other authorized person  Telephone number  Telephone number  Telephone number  Telephone number	year is consistent with that of the previous tax year except as specifically disclosed in a statement	ent attached to this return.
Is the contact person the same as the authorized signing officer? If <b>no</b> , complete the information below  957  Yes  No  X  959  (519) 942-8000  Telephone number  - Language of correspondence – Langue de correspondance Indicate your language of correspondence by entering 1 for English or 2 for French.	2021/00/25	
Suzanne Presseault  Name of other authorized person  Telephone number  Language of correspondence – Langue de correspondance Indicate your language of correspondence by entering 1 for English or 2 for French.	Date (yyyy/mm/dd) Signature of the authorized digning officer of the	e corporation Telephone number
Name of other authorized person  Telephone number  Language of correspondence – Langue de correspondance Indicate your language of correspondence by entering 1 for English or 2 for French.	Is the contact person the same as the authorized signing officer? If <b>no</b> , complete the information	on below
- Language of correspondence – Langue de correspondance Indicate your language of correspondence by entering 1 for English or 2 for French.		<b>959</b> (519) 942-8000
Indicate your language of correspondence by entering 1 for English or 2 for French.	Name of other authorized person	Telephone number
Indicate your language of correspondence by entering 1 for English or 2 for French.	- Language of correspondence - Langue de correspondance	
		990 1

Financial Statements of

# ORANGEVILLE HYDRO LIMITED

And Independent Auditors' Report thereon Year ended December 31, 2020



KPMG LLP 115 King Street South 2nd Floor Waterloo ON N2J 5A3 Canada Tel 519-747-8800 Fax 519-747-8830

## INDEPENDENT AUDITORS' REPORT

To the Shareholders of Orangeville Hydro Limited

## **Opinion**

We have audited the financial statements of Orangeville Hydro Limited (the Entity), which comprise:

- the statement of financial position as at December 31, 2020
- the statement of comprehensive income for the year then ended
- the statement of changes in equity for the year then ended
- · the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2020, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

## Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "Auditors' Responsibilities for the Audit of the Financial Statements" section of our auditors' report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



### Page 2

## Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRS), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

## Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

## We also:

- Identify and assess the risks of material misstatement of the financial statements, whether
  due to fraud or error, design and perform audit procedures responsive to those risks, and
  obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
  - The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit
  procedures that are appropriate in the circumstances, but not for the purpose of
  expressing an opinion on the effectiveness of the Entity's internal control.



## Page 3

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the
  planned scope and timing of the audit and significant audit findings, including any
  significant deficiencies in internal control that we identify during our audit.

Chartered Professional Accountants, Licensed Public Accountants

Waterloo, Canada

KPMG LLP

April 16, 2021

Statement of Financial Position December 31, 2020, with comparative information for 2019

	Note	2020	2019
Assets			
Current assets			
Cash		\$ 692,91	9 \$ 656,693
Accounts receivable	4	4,695,51	9 4,207,174
Unbilled revenue		2,745,21	4 2,626,067
Inventory		363,06	8 291,834
Prepaid expenses		137,59	8 145,623
Income taxes receivable		-	75,292
Other Other		5	5 489
Total current assets		8,634,37	3 8,003,172
Non-current assets			
Property, plant and equipment	5	21,569,17	9 20,708,211
Intangible assets	6	217,19	2 226,777
Deferred tax assets	7	-	4,000
Total non-current assets		21,786,37	1 20,938,988
Total assets		30,420,74	4 28,942,160
Regulatory debit balances	8	3,881,94	2 2,711,283
Total assets and regulatory balance	ces	\$ 34,302,68	

Statement of Financial Position December 31, 2020, with comparative information for 2019

	Note	2020	2019
Liabilities			
Current liabilities			
Accounts payable and accrued			
liabilities	9	\$ 4,990,611	\$ 3,721,170
Income taxes payable		119,981	-
Long-term debt due within one year	10	610,889	564,845
Customer deposits		225,000	225,000
Other payables		168,507	114,904
Total current liabilities		6,114,988	4,625,919
Non-current liabilities			
Long-term debt	10	12,807,891	12,444,972
Employee future benefits	11	346,292	337,688
Customer deposits	• •	404,719	499,514
Contributions in aid of construction	12	2,040,099	1,859,325
Deferred tax liability	7	140,285	-
Total non-current liabilities		15,739,286	15,141,499
Total liabilities		21,854,274	19,767,418
Facility			
<b>Equity</b> Share capital	13	8,290,714	8,290,714
Retained earnings	13	3,627,624	2,991,878
Accumulated other comprehensive		3,027,024	2,991,070
income		47,400	47,400
Total equity		11,965,738	11,329,992
Total liabilities and equity		33,820,012	31,097,410
		, ,	
Regulatory credit balances	8	482,674	556,033
Total liabilities, equity and regulato	ry		
balances		\$ 34,302,686	\$ 31,653,443
See accompanying notes to the finance	vial statements		
· · ·	iai siaitiiitiiis.		
On behalf of the Board:			
Di	rector		Director
	<del> </del>		555.61

Statement of Comprehensive Income Year ended December 31, 2020, with comparative information for 2019

	Note		2020		2019
Revenue					
Distribution revenue	14	\$	5,664,418	\$	5,674,628
Other	14	Ψ	280,854	Ψ	263,385
			5,945,272		5,938,013
Sale of energy	14		33,148,280		29,164,689
			39,093,552		35,102,702
Operating expenses					
General and administrative			1,643,229		1,697,925
Billing and collecting			803,309		835,794
Operating and maintenance			839,119		958,991
Depreciation and amortization			896,463		882,819
			4,182,120		4,375,529
Cost of power purchased			34,271,041		30,112,525
			38,453,161		34,488,054
Income from operating activities			640,391		614,648
Finance income	16		12,991		58,599
Finance costs	16		(470,213)		(490,995)
Income before income taxes			183,169		182,252
Income tax expense	7		(41,897)		(103,245)
Net income for the year			141,272		79,007
Net movement in regulatory balances			1,244,022		1,020,659
Tax on net movement in regulatory balances			(298,777)		(198,124)
Tax of the movement in regulatory balances			945,245		822,535
Net income for the year and net movement					
in regulatory balances			1,086,517		901,542
Other comprehensive income					
Remeasurement of post-employment benefits			-		-
Other comprehensive income for the year			-		-
Total comprehensive income for the year		\$	1,086,517	\$	901,542

Statement of Changes in Equity Year ended December 31, 2020, with comparative information for 2019

	Share	Retained	nprehensive income	
	capital	earnings	income	Total
Balance at January 1, 2019  Net income and net movement	\$8,290,714	\$2,656,771	\$ 47,400	\$ 10,994,885
in regulatory balances	-	901,542	-	901,542
Dividends	-	(566,435)	-	(566,435)
Balance at December 31, 2019	\$8,290,714	\$2,991,878	\$ 47,400	\$ 11,329,992
Balance at January 1, 2020 Net income and net movement	\$8,290,714	\$2,991,878	\$ 47,400	\$ 11,329,992
in regulatory balances	-	1,086,517	_	1,086,517
Dividends	-	(450,771)	-	(450,771)
Balance at December 31, 2020	\$8,290,714	\$3,627,624	\$ 47,400	\$ 11,965,738

Statements of Cash Flows Year ended December 31, 2020, with comparative information for 2019

		2020		2019
Operating activities				
Net Income and net movement in regulatory balances	\$	1,086,517	\$	901,542
Adjustments for:	•	1,000,011	•	
Depreciation and amortization		996,813		981,874
Loss (gain) on disposal of property, plant and equipment				
and intangible assets		(49,214)		38,418
Net finance costs		457,222		432,396
Income tax expense		41,897		103,245
Tax on net movement in regulatory		298,777		198,124
Employee future benefits		8,604		8,604
Contributions received from customers revenue recognized		(59,205)		(94,119)
		2,781,411		2,570,084
Change in non-cash operating working capital:		(100 010)		// /
Accounts receivable		(488,345)		(162,121)
Unbilled revenue		(119,147)		283,407
Inventory		(71,234)		30,168
Prepaid expenses		8,025		(14,095)
Other current assets		434		(194)
Accounts payable and accrued liabilities		1,269,441		(624,722)
Other payables		53,603 (94,795)		6,244
Customer deposits		557,982		(142,008) (623,321)
Pagulatany balanga				
Regulatory balances Income tax paid		(1,244,022) (1,115)		(1,020,659) (88,232)
Interest paid		(470,213)		(490,995)
Interest received		12,991		58,599
Net cash from operating activities		1,637,034		405,476
Investing activities		· · · · · ·		•
Purchase of property, plant and equipment		(1,915,414)		(1,267,962)
Proceeds on disposal of property, plant and equipment		141,583		4,452
Purchase of intangible assets		(25,148)		(71,756)
Contributions received from customers		239,979		115,021
Net cash used by investing activities		(1,559,000)		(1,220,245)
Financing activities				
Proceeds from long-term debt		977,065		2,000,000
Repayment of long-term debt		(568,102)		(545,027)
Dividends paid		(450,771)		(566,435)
Net cash from financing activities		(41,808)		888,538
Change in cash		36,226		73,769
Cash, beginning of year		656,693		582,924
Cash, end of year	\$	692,919	\$	656,693

Notes to Financial Statements

Year ended December 31, 2020

### 1. Reporting entity

Orangeville Hydro Limited (the "Corporation") is a rate regulated, municipally owned hydro distribution company incorporated under the laws of Ontario, Canada. The address of the Corporation's registered office is 400 C Line, Orangeville, Ontario.

The Corporation delivers electricity and related energy services to residential and commercial customers in the Town of Orangeville and Town of Grand Valley. The Corporation is owned by the Town of Orangeville and Town of Grand Valley.

The financial statements are for the Corporation as at and for the year ended December 31, 2020.

## 2. Basis of presentation

(a) Statement of compliance

The Corporation's financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS").

The financial statements were approved by the Board of Directors on April 15, 2021.

(b) Basis of measurement

These financial statements have been prepared on the historical cost basis, unless otherwise stated.

(c) Functional and presentation currency

These financial statements are presented in Canadian dollars, which is the Corporation's functional currency.

(d) Use of estimates and judgments

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and disclosure of contingent assets and liabilities. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future years affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in material adjustment is included in the following notes:

- (i) Note 3(b) measurement of unbilled revenue
- (ii) Notes 5, 6 estimation of useful lives of its property, plant and equipment and intangible assets
- (iii) Note 8 recognition and measurement of regulatory balances
- (iv) Note 11 measurement of defined benefit obligations: key actuarial assumptions
- (v) Note 17 recognition and measurement of provisions and contingencies

Notes to Financial Statements

Year ended December 31, 2020

## 2. Basis of presentation (continued)

### (e) Rate regulation

The Corporation is regulated by the Ontario Energy Board ("OEB"), under the authority granted by the *Ontario Energy Board Act, 1998*. Among other things, the OEB has the power and responsibility to approve or set rates for the transmission and distribution of electricity, providing continued rate protection for electricity consumers in Ontario, and ensuring that transmission and distribution companies fulfill obligations to connect and service customers. The OEB may also prescribe license requirements and conditions of service to local distribution companies ("LDCs"), such as the Corporation, which may include, among other things, record keeping, regulatory accounting principles, separation of accounts for distinct businesses, and filing and process requirements for rate setting purposes.

## Rate setting

#### Distribution revenue

For the distribution revenue included in sale of energy, the Corporation files a "Cost of Service" ("COS") rate application with the OEB every five years where rates are determined through a review of the forecasted annual amount of operating and capital expenditures, debt and shareholder's equity required to support the Corporation's business. The Corporation estimates electricity usage and the costs to service each customer class to determine the appropriate rates to be charged to each customer class. The COS application is reviewed by the OEB and interveners and rates are approved based upon this review, including any revisions resulting from that review.

In the intervening years an Incentive Rate Mechanism application ("IRM") is filed. An IRM application results in a formulaic adjustment to distribution rates that were set under the last COS application. The previous year's rates are adjusted for the annual change in the Gross Domestic Product Implicit Price Inflator for Final Domestic Demand ("GDP IPI-FDD") net of a productivity factor and a "stretch factor" determined by the relative efficiency of an electricity distributor.

As a licensed distributor, the Corporation is responsible for billing customers for electricity generated by third parties and the related costs of providing electricity service, such as transmission services and other services provided by third parties. The Corporation is required, pursuant to regulation, to remit such amounts to these third parties, irrespective of whether the Corporation ultimately collects these amounts from customers.

The Corporation last filed a COS application in October 2013 for rates effective May 1, 2014 to April 30, 2019. The Corporation received approval for a deferral of a COS application for 2020 rates. The GDP IPI-FDD for 2020 is 2.00%, the Corporation's productivity factor is nil% and the stretch factor is 0.15%, resulting in a net adjustment of 1.85% to the previous year's rates.

Notes to Financial Statements

Year ended December 31, 2020

## 2. Basis of presentation (continued)

(e) Rate regulation (continued)

Electricity rates

The OEB sets electricity prices for low-volume consumers twice each year based on an estimate of how much it will cost to supply the province with electricity for the next year. All remaining consumers pay the market price for electricity. The Corporation is billed for the cost of the electricity that its customers use and passes this cost on to the customer at cost without a mark-up.

## 3. Significant accounting policies

The accounting policies set out below have been applied consistently in all years presented in these financial statements.

## (a) Financial instruments

At initial recognition, the Corporation measures its financial assets at fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Subsequent measurement of the financial asset depends on the classification determined on initial recognition. Financial assets are classified as either amortized cost, fair value through other comprehensive income or fair value through profit or loss, depending on its business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. Financial assets are not reclassified subsequent to their initial recognition, unless the Corporation changes its business model for managing financial assets.

Financial liabilities are initially measured at fair value, net of transaction costs incurred. They are subsequently carried at amortized cost using the effective interest rate method; any difference between the proceeds (net of transaction costs) and the redemption value is recognized as an adjustment to interest expense over the period of the borrowings.

The Corporation has not entered into derivative instruments.

Hedge accounting has not been used in the preparation of these financial statements.

Cash equivalents include short-term investments with maturities of three months or less when purchased.

Notes to Financial Statements

Year ended December 31, 2020

## 3. Significant accounting policies (continued)

### (b) Revenue recognition

Sale and distribution of electricity

The performance obligations for the sale and distribution of electricity are recognized over time using an output method to measure the satisfaction of the performance obligation. The value of the electricity services transferred to the customer is determined on the basis of cyclical meter readings plus estimated customer usage since the last meter reading date to the end of the year and represents the amount that the Corporation has the right to bill. Revenue includes the cost of electricity supplied, distribution, and any other regulatory charges. The related cost of power is recorded on the basis of power used.

For customer billings related to electricity generated by third parties and the related costs of providing electricity service, such as transmission services and other services provided by third parties, the Corporation has determined that it is acting as a principal for these electricity charges and, therefore, has presented electricity revenue on a gross basis.

Customer billings for debt retirement charges are recorded on a net basis as the Corporation is acting as an agent for this billing stream.

#### Capital contributions

Developers are required to contribute towards the capital cost of construction of distribution assets in order to provide ongoing service. The developer is not a customer and therefore the contributions are scoped out of IFRS 15 *Revenue from Contracts with Customers*. Cash contributions, received from developers are recorded as deferred revenue. When an asset other than cash is received as a capital contribution, the asset is initially recognized at its fair value, with a corresponding amount recognized as deferred revenue. The deferred revenue, which represents the Corporation's obligation to continue to provide the customers access to the supply of electricity, is amortized to income on a straight-line basis over the useful life of the related asset.

Certain customers are also required to contribute towards the capital cost of construction of distribution assets in order to provide ongoing service. These contributions fall within the scope of IFRS 15 Revenue from Contracts with Customers. The contributions are received to obtain a connection to the distribution system in order receive ongoing access to electricity. The Corporation has concluded that the performance obligation is the supply of electricity over the life of the relationship with the customer which is satisfied over time as the customer receives and consumes the electricity. Revenue is recognized on a straight-line basis over the useful life of the related asset.

#### Other revenue

Revenue earned from the provision of services is recognized as the service is rendered.

Government grants and the related performance incentive payments under CDM programs are recognized as revenue in the year when there is reasonable assurance that the program conditions have been satisfied and the payment will be received.

Notes to Financial Statements

Year ended December 31, 2020

## 3. Significant accounting policies (continued)

### (c) Inventory

Inventory, the majority of which is consumed by the Corporation in the provision of its services, is valued at the lower of cost and net realizable value, with cost being determined on an average cost basis, and includes expenditures incurred in acquiring the materials and supplies and other costs incurred in bringing them to their existing location and condition.

## (d) Property, plant and equipment

Items of property, plant and equipment ("PP&E") used in rate-regulated activities and acquired prior to January 1, 2015 are measured at the deemed cost (carrying value as elected under IFRS 1) established on the transition date, less accumulated depreciation. All other items of PP&E are measured at cost, or, where the item is contributed by customers, its fair value, less accumulated depreciation.

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes contracted services, materials and transportation costs, direct labour, overhead costs, borrowing costs and any other costs directly attributable to bringing the asset to a working condition for its intended use.

Borrowing costs on qualifying assets are capitalized as part of the cost of the asset based upon the weighted average cost of debt incurred on the Corporation's borrowings. Qualifying assets are considered to be those that take in excess of 12 months to construct.

When parts of an item of PP&E have different useful lives, they are accounted for as separate items (major components) of PP&E.

When items of PP&E are retired or otherwise disposed of, a gain or loss on disposal is determined by comparing the proceeds from disposal, if any, with the carrying amount of the item and is included in profit or loss.

Major spare parts and standby equipment are recognized as items of PP&E.

The cost of replacing a part of an item of PP&E is recognized in the net book value of the item if it is probable that the future economic benefits embodied within the part will flow to the Corporation and its cost can be measured reliably. In this event, the replaced part of PP&E is written off, and the related gain or loss is included in profit or loss. The costs of the day-to-day servicing of PP&E are recognized in profit or loss as incurred.

The need to estimate the decommissioning costs at the end of the useful lives of certain assets is reviewed periodically. The Corporation has concluded it does not have any legal or constructive obligation to remove PP&E.

Depreciation is calculated to write off the cost of items of PP&E using the straight-line method over their estimated useful lives, and is generally recognized in profit or loss. Depreciation methods, useful lives, and residual values are reviewed at each reporting date and adjusted prospectively if appropriate. Land is not depreciated. Construction-in-progress assets are not depreciated until the project is complete and the asset is available for use.

Notes to Financial Statements

Year ended December 31, 2020

## 3. Significant accounting policies (continued)

(d) Property, plant and equipment (continued)

The estimated useful lives are as follows:

Asset	Years
Buildings	20-60 years
Distribution equipment Vehicles	15-60 years 8-15 years
Other tools and equipment  Computer equipment	10-60 years 5 years

## (e) Intangible assets

Intangible assets used in rate-regulated activities and acquired prior to January 1, 2015 are measured at deemed cost (carrying value as elected under IFRS 1) established on the transition date, less accumulated amortization. All other intangible assets are measured at cost.

Computer software that is acquired or developed by the Corporation after January 1, 2015, including software that is not integral to the functionality of equipment purchased which has finite useful lives, is measured at cost less accumulated amortization.

Payments to obtain rights to access land ("land rights") are classified as intangible assets. These include payments made for easements, right of access and right of use over land for which the Corporation does not hold title. Land rights are measured at cost. Management has determined that land rights have an indefinite life. Land rights are tested for impairment when events or circumstances indicate their carrying amount exceeds their fair value. As at December 31, 2020, management has not identified any events or circumstances indicating that land rights are impaired.

Amortization is recognized in profit or loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use. Amortization methods and useful lives of all intangible assets are reviewed at each reporting date and adjusted prospectively if appropriate. The estimated useful lives are:

Asset	Years
Computer software	5 years

Notes to Financial Statements

Year ended December 31, 2020

## 3. Significant accounting policies (continued)

#### (f) Impairment

## (i) Financial assets measured at amortized cost:

A loss allowance for expected credit losses on financial assets measured at amortized cost is recognized at the reporting date. The loss allowance is measured at an amount equal to the lifetime expected credit losses for the asset.

#### (ii) Non-financial assets:

The carrying amounts of the Corporation's non-financial assets, other than materials and supplies and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit" or "CGU"). The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

## (g) Customer deposits

Customer deposits represent cash deposits from electricity distribution customers and retailers to guarantee the payment of energy bills. Interest is paid on customer deposits.

Deposits are refundable to customers who demonstrate an acceptable level of credit risk as determined by the Corporation in accordance with policies set out by the OEB or upon termination of their electricity distribution service.

## (h) Provisions

A provision is recognized if, as a result of a past event, the Corporation has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Notes to Financial Statements

Year ended December 31, 2020

## 3. Significant accounting policies (continued)

### (i) Regulatory balances

Regulatory deferral account debit balances represent costs incurred in excess of amounts billed to the customer at OEB approved rates. Regulatory deferral account credit balances represent amounts billed to the customer at OEB approved rates in excess of costs incurred by the Corporation.

Regulatory deferral account debit balances are recognized if it is probable that future billings in an amount at least equal to the deferred cost will result from inclusion of that cost in allowable costs for rate-making purposes. The offsetting amount is recognized in net movement in regulatory balances in profit or loss or OCI. When the customer is billed at rates approved by the OEB for the recovery of the deferred costs, the customer billings are recognized in revenue. The regulatory deferral debit balance is reduced by the amount of these customer billings with the offset to net movement in regulatory balances in profit or loss or OCI.

The probability of recovery of the regulatory deferral debit account balances is assessed annually based upon the likelihood that the OEB will approve the change in rates to recover the balance. The assessment of likelihood of recovery is based upon previous decisions made by the OEB for similar circumstances, policies or guidelines issued by the OEB, etc. Any resulting impairment loss is recognized in profit or loss in the year incurred.

When the Corporation is required to refund amounts to ratepayers in the future, the Corporation recognizes a regulatory deferral account credit balance. The offsetting amount is recognized in net movement in regulatory balances in profit or loss or OCI. The amounts returned to the customers are recognized as a reduction of revenue. The regulatory deferral credit balance is reduced by the amount of these customer repayments with the offset to net movement in regulatory balances in profit or loss or OCI.

#### (i) Post-employment benefits

### (i) Pension plan

The Corporation provides a pension plan for all its full-time employees through Ontario Municipal Employees Retirement System ("OMERS"). OMERS is a multi-employer pension plan which operates as the Ontario Municipal Employees Retirement Fund ("the Fund"), and provides pensions for employees of Ontario municipalities, local boards and public utilities. The Fund is a contributory defined benefit pension plan, which is financed by equal contributions from participating employers and employees, and by the investment earnings of the Fund. To the extent that the Fund finds itself in an under-funded position, additional contribution rates may be assessed to participating employers and members.

OMERS is a defined benefit plan. However, as OMERS does not segregate its pension asset and liability information by individual employers, there is insufficient information available to enable the Corporation to directly account for the plan. Consequently, the plan has been accounted for as a defined contribution plan. The Corporation is not responsible for any other contractual obligations other than the contributions. Obligations for contributions to defined contribution pension plans are recognized as an employee benefit expense in profit or loss when they are due.

Notes to Financial Statements

Year ended December 31, 2020

## 3. Significant accounting policies (continued)

- (j) Post-employment benefits (continued)
  - (ii) Post-employment benefits, other than pension

The Corporation provides some of its retired employees with life insurance and medical benefits beyond those provided by government sponsored plans.

The obligations for these post-employment benefit plans are actuarially determined by applying the projected unit credit method and reflect management's best estimate of certain underlying assumptions. Remeasurements of the net defined benefit obligations, including actuarial gains and losses and the return on plan assets (excluding interest), are recognized immediately in other comprehensive income. When the benefits of a plan are improved, the portion of the increased benefit relating to past service by employees is recognized immediately in profit or loss.

## (k) Leased assets

At inception of a contract, the Corporation assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Corporation assesses whether:

- (i) The contract involves the use of an identified asset;
- (ii) The Corporation has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- (ii) The Corporation has the right to direct the use of the asset. The Corporation has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used is predetermined, the Corporation has the right to direct the use of the asset if either:
  - a) The Corporation has the right to operate the asset; or
  - b) The Corporation designed the asset in a way that predetermines how and for what purposes it will be used.

#### Short-term leases and low value assets

The Corporation has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Corporation recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Notes to Financial Statements

Year ended December 31, 2020

## 3. Significant accounting policies (continued)

### (I) Finance income and finance costs

Finance income is recognized as it accrues in profit or loss, using the effective interest method. Finance income comprises interest earned on cash.

Finance costs comprise interest expense on borrowings and net interest expense on postemployment benefits. Finance costs are recognized in profit or loss unless they are capitalized as part of the cost of qualifying assets.

#### (m) Income taxes

The income tax expense comprises current and deferred tax. Income tax expense is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case, it is recognized in equity.

The Corporation is currently exempt from taxes under the Income Tax Act (Canada) and the Ontario Corporations Tax Act (collectively the "Tax Acts"). Under the *Electricity Act*, 1998, the Corporation makes payments in lieu of corporate taxes to the Ontario Electricity Financial Corporation ("OEFC"). These payments are calculated in accordance with the rules for computing taxable income and taxable capital and other relevant amounts contained in the Tax Acts as modified by the *Electricity Act*, 1998, and related regulations. Prior to October 1, 2001, the Corporation was not subject to income or capital taxes. Payments in lieu of taxes are referred to as income taxes.

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized in respect of temporary differences between the tax basis of assets and liabilities and their carrying amounts for accounting purposes. Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted, at the reporting date.

Notes to Financial Statements

Year ended December 31, 2020

## 4. Accounts receivable

	2020	2019
Trade customer accounts receivable	\$ 4,023,520	\$ 4,192,219
Other receivables	717,999	56,955
Provision uncollectible accounts	(46,000)	(42,000)
	\$ 4,695,519	\$ 4,207,174

## 5. Property, plant and equipment

		Land and	Distribution			struction	
		buildings	equipment	assets	-in-	Progress	Total
Cost or deemed cost							
Balance at January 1, 2020	\$	2,092,617	\$22,023,107	\$1,513,612	\$	847	\$25,630,183
Additions	•	25,149	1,644,413	230,227	·	15,625	1,915,414
Transfers		-	-	-		-	-
Disposals/retirements		(4,473)	(95,274)	(75,908)		-	(175,655)
Balance at December 31, 2020	\$	2,113,293	\$23,572,246	\$1,667,931	\$	16,472	\$27,369,942
Balance at January 1, 2019	\$	2 057 089	\$20,915,704	\$1,458,004	\$	29,358	\$24,460,155
Additions	Ψ	35.528	1,145,853	86,581	Ψ	-	1,267,962
Transfers		-	28,511	-		(28,511)	-
Disposals/retirements		-	(66,961)	(30,973)		-	(97,934)
Balance at December 31, 2019	\$	2,092,617	\$22,023,107	\$1,513,612	\$	847	\$25,630,183
Accumulated depreciation	_						
Balance at January 1, 2020	\$	475,139	\$ 3,752,437	\$ 694,396	\$	-	\$ 4,921,972
Depreciation		83,677	741,455	142,193		-	967,325
Disposals	Φ.		(24,074)	,	Φ.		(88,534)
Balance at December 31, 2020	\$	558,816	\$ 4,469,818	\$ 772,129	\$	-	\$ 5,800,763
Balance at January 1, 2019	\$	393,046	\$ 3,065,782	\$ 576,939	\$	_	\$ 4,035,767
Depreciation	Ψ	82,093	715,632	145,847	Ψ	_	943,572
Disposals		-	(28,977)	(28,390)		-	(57,367)
Balance at December 31, 2019	\$	475,139	\$ 3,752,437	\$ 694,396	\$	-	\$ 4,921,972
Carrying amounts							
At December 31, 2020	\$	1 554 477	\$19,102,428	\$ 895,802	\$	16,472	\$21,569,179
At December 31, 2019	\$		\$18,270,670	\$ 819,216	\$	847	\$20,708,211

Notes to Financial Statements

Year ended December 31, 2020

## 6. Intangible assets

		Computer		Land		
		software		rights		Total
Cost or deemed cost						
Balance at January 1, 2020	\$	406,540	\$	135,718	\$	542,258
Additions	•	21,059		4,089		25,148
Disposals		(23,514)		, <u>-</u>		(23,514)
Balance at December 31, 2020	\$	404,085	\$	139,807	\$	543,892
Balance at January 1, 2019	\$	361,561	\$	113,118	\$	474,679
Additions	Ψ	49,156	Ψ	22,600	Ψ	71,756
Disposals		(4,177)		-		(4,177)
Balance at December 31, 2019	\$	406,540	\$	135,718	\$	542,258
Accumulated amortization						
Balance at January 1, 2020	\$	315,481	\$	_	\$	315,481
Amortization	•	29,488	·	_		29,488
Disposal		(18,269)		-		(18,269)
Balance at December 31, 2020	\$	326,700	\$	-	\$	326,700
Balance at January 1, 2019	\$	279,053	\$	_	\$	279,053
Amortization	•	38,302	•	_	•	38,302
Disposals		(1,874)		-		(1,874)
Balance at December 31, 2019	\$	315,481	\$	-	\$	315,481
Carrying amounts						
At December 31, 2020	\$	77,385	\$	139,807	\$	217,192
At December 31, 2019	\$	91,059	\$	135,718	\$	226,777

Notes to Financial Statements

Year ended December 31, 2020

## 7. Income tax expense

Current tax expense (recovery)

		2020		2019
Current tax recovery	¢	5 (102,388)	Ф	(169,755)
Deferred tax expense	4	144,285	Ψ	273,000
Income tax expense	\$		\$	103,245
Reconciliation of effective tax rate:	•	7		
		2020		2019
Income before taxes	\$	183,169	\$	182,252
Statutory income tax rates		26.5%		26.5%
Expected tax provision on income at statutory rates Increase (decrease) in income taxes resulting from:		48,540		48,297
Permanent differences		(11,376)		400
Other		4,733		54,548
Income tax expense	\$	41,897	\$	103,245
Significant components of the Corporation's deferred tax ba	alances			
		2020		2019
Deferred tax assets (liabilities):				
Property, plant and equipment	\$	(244,000)	\$	(97,000)
Post-employment benefits		` 91,715 <sup>′</sup>		89,000
Other		12,000		12,000
	\$	(140,285)	\$	4,000

Notes to Financial Statements

Year ended December 31, 2020

## 8. Regulatory balances

Reconciliation of the carrying amount for each class of regulatory balances

					Remaining recovery/
	January 1,		Recovery/ D	ecember 31,	reversal
Regulatory deferral account debit balances	2020	Additions	reversal	2020	years
Retail settlement variances	\$ 2,498,035	\$1,349,925	\$(617,548)	\$3,230,412	1
Regulatory transition to IFRS	162,985	2,018	- 1	165,003	-
Regulatory variances disposition	39,590	217,659	-	257,249	-
Deferred income tax	(4,000)	144,285	-	140,285	-
Other	14,673	74,320	-	88,993	1
	\$ 2,711,283	\$1,788,207	\$(617,548)	\$3,881,942	

					Remaining recovery/
	January 1,		Recovery/	December 31,	reversal
Regulatory deferral account debit balances	2019	Additions	reversal	2019	years
Retail settlement variances	\$ 1,416,379	\$1,081,656	\$ -	\$2,498,035	1
Regulatory transition to IFRS	159,686	3,299	-	162,985	-
Regulatory variances disposition	68,070	(28,480)	-	39,590	-
Deferred income tax	(277,000)	273,000	-	(4,000	) -
Other	199,430	311	(185,068	14,673	1
	\$ 1.566.565	\$1.329.786	\$(185.068	\$) \$2.711.283	

Regulatory deferral account credit balances	January 1, 2020	Additions	Recovery/ D reversal	ecember 31, 2020	Remaining years
Retail settlement variances	\$ 369,893		\$(303,536)		1
Change in asset useful lives Other	20,102 166,038	(9) 94,074	-	20,093 260,112	1
	\$ 556,033	\$ 230,177	\$(303,536)	\$ 482,674	

Regulatory deferral account credit balances	January 1, 2019	Additions	ecovery/ reversal	December 31, 2019	Remaining years
Retail settlement variances Change in asset useful lives Other	\$ 300,256 71,316 60.402	\$ 69,637 (51,214) 105.636	\$ - - -	\$ 369,893 20,102 166,038	1 2 1
	\$ 431,974	\$ 124,059	\$ -	\$ 556,033	<u> </u>

Notes to Financial Statements

Year ended December 31, 2020

## 8. Regulatory balances (continued)

The regulatory balances are recovered or settled through rates approved by the OEB which are determined using estimates of future consumption of electricity by its customers. Future consumption is impacted by various factors including the economy and weather. The Corporation has received approval from the OEB to establish its regulatory balances.

Settlement of the Group 1 deferral accounts is done on an annual basis through application to the OEB. An application has been approved by the OEB to recover \$275,060 for the Group 1 deferral accounts for the 2020 rate application. The Corporation received approval for deferral of a COS application for 2020 rates, and is completing an IRM application for 2021 rates. The OEB requires the Corporation to estimate its income taxes when it files a COS application to set its rates. As a result, the Corporation has recognized a regulatory deferral account for the amount of deferred taxes that will ultimately be recovered from/paid back to its customers. This balance will fluctuate as the Corporation's deferred tax balance fluctuates.

Regulatory balances attract interest at OEB prescribed rates, which are based on Bankers' Acceptances three-month rate plus a spread of 25 basis points. In 2020, the rate ranged from 0.57% to 2.18%.

#### 9. Accounts payable and accrued liabilities

	2020	2019
Accounts payable – energy purchases Water and sewer charges payable Other	\$ 2,633,131 903,876 1,453,604	\$ 1,467,517 1,025,115 1,228,538
	\$ 4,990,611	\$ 3,721,170

Notes to Financial Statements

Year ended December 31, 2020

## 10. Long-term debt

	2020	2019
TD Bank term loan payable, interest at 3.38%,		
payable in monthly instalments, due 2022	\$ 2,752,028	\$ 3,118,740
TD Bank term loan payable, interest at 3.54%,		
payable in monthly instalments, due 2024	3,490,086	3,584,767
TD Bank term loan payable, interest at 3.40%,		
interest only payments, due 2022	2,500,000	2,500,000
TD Bank term loan payable, interest at 3.60%,		
payable in monthly instalments, due 2027	1,797,107	1,852,560
TD Bank term loan payable, interest at 4.20%,	4.005.754	4 050 550
payable in monthly instalments, due 2029	1,905,751	1,953,750
TD Bank term loan payable, interest at 2.58%,	070 000	
payable in monthly instalments, due 2025	973,808	-
	13,418,780	13,009,817
Less current portion of long-term debt	610,889	564,845
2033 Carrotte portion of long-term debt	010,009	304,043
	\$ 12,807,891	\$ 12,444,972

The TD Bank term loans holds as security a general security agreement representing a first charge on all assets and undertakings of the Corporation and assignment of general liability insurance for the Corporation.

The agreement with respect to the TD Bank term loans contain certain covenants regarding (i) leverage, (ii) liquidity, (iii) change in status of business, (iv) change in ownership, and (v) limitations on additional debt and encumbrance of assets.

The agreement with TD Bank also contains financial covenants that require the Corporation to maintain a maximum debt to capital ratio of 0.60 to 1 and a minimum debt service coverage ratio of 1.20x to be tested and calculated on a quarterly basis. The Corporation is in compliance with these covenants as at December 31, 2020.

Principal repayments for the next five years and thereafter are as follows:

2021	\$ 610,889
2022	5,115,492
2023	251,914
2024	3,335,197
2025	986,195
Thereafter	3,119,093
	\$ 13,418,780

Notes to Financial Statements

Year ended December 31, 2020

## 11. Post-employment benefits

#### (a) OMERS pension plan

The Corporation provides a pension plan for its employees through OMERS. The plan is a multi-employer, contributory defined pension plan with equal contributions by the employer and its employees. In 2020, the Corporation made employer contributions of \$192,886 to OMERS (2019 - \$192,810), of which has been recognized in profit or loss. The Corporation estimates that a contribution of \$181,491 to OMERS will be made during the next fiscal year.

As at December 31, 2020, OMERS had approximately 500,000 members, of whom 19 are current employees of the Corporation. The most recently available OMERS annual report is for the year ended December 31, 2020, which reported that the plan was 97% funded, with an unfunded liability of \$3.2 billion. This unfunded liability is likely to result in future payments by participating employers and members.

### (b) Post-employment benefits other than pension

The Corporation pays certain medical and life insurance benefits on behalf of some of its retired employees. The Corporation recognizes these post-employment benefits in the year in which employees' services were rendered. The Corporation is recovering its post-employment benefits in rates based on the expense and remeasurements recognized for post-employment benefit plans.

Reconciliation of the obligation	2020	2019
Defined benefit obligation, beginning of year Included in profit or loss	\$ 337,688	\$ 329,084
Current service cost	12,557	11,449
Interest cost	13,219	12,849
	25,776	24,298
Included in OCI		
Actuarial losses arising from:		
changes in financial assumptions	-	-
	363,464	353,382
Benefits paid	(17,172)	(15,694)
Defined benefit obligation, end of year	\$ 346,292	\$ 337,688
<del></del>		0010
Actuarial assumptions	2020	2019
Discount (interest) rate	4.00%	4.00%
Salary levels	3.00%	3.00%
Medical costs	4.20%	4.00%
Dental costs	4.50%	4.00%

Notes to Financial Statements

Year ended December 31, 2020

## 11. Post-employment benefits (continued)

## (b) Post-employment benefits other than pension (continued)

A 1% increase in the assumed discount rate would result in the defined benefit obligation decreasing by \$45,100. A 1% decrease in the assumed discount rate would result in the defined benefit obligation increasing by \$59,700.

## 12. Contributions in aid of construction

	2020	2019
Contributions in aid of construction, beginning of year Contributions in aid of construction received Contributions in aid of construction recognized as	\$ 1,859,325 239,979	\$ 1,838,423 115,021
distribution revenue	(59,205)	(94,119)
Contributions in aid of construction, end of year	\$ 2,040,099	\$ 1,859,325

## 13. Share capital

	2020	2019
Authorized: Unlimited number of common shares		
Issued: 1,000 common shares	\$ 8,290,714	\$ 8,290,714

#### 14. Revenues

		2020		2019
Collection and other service charges	\$	46.180	\$	115,185
Water and sewer billing services	*	11,583	•	23,955
Rent		109,913		101,301
Gain (loss) on disposals		49,214		(38,418)
Other		63,964		61,362
Total other revenue	\$	280,854	\$	263,385

In the following table, sale of energy and distribution revenue is disaggregated by type of customer.

	2020	2019
Residential	\$ 17,783,192	\$ 13,803,021
Commercial	20,686,145	20,711,482
Other	343,361	324,814
	\$ 38,812,698	\$ 34,839,317

Notes to Financial Statements

Year ended December 31, 2020

## 15. Employee salaries and benefits

	2020	2019
Salaries, wages and benefits	\$ 1,974,111	\$ 1,940,378
CPP and EI remittances Contributions to OMERS	72,154 192.886	68,197 192.810
OSTATIONAL TO SMELL	\$ 2,239,151	\$ 2,201,385

#### 16. Finance income and costs

	2020	2019
Finance income		
Interest income on bank deposits	\$ 12,991	\$ 58,599
Finance costs		
Interest expense on long-term debt	(460,312)	(473,798)
Interest expense on customer deposits	(9,901)	(17,197)
	(470,213)	(490,995)
Net finance costs recognized in profit or loss	\$ (457,222)	\$ (432,396)

#### 17. Commitments and contingencies

Cornerstone Hydro Electric Concepts (CHEC)

CHEC is an association of sixteen LDCs modelled after a co-operative to share resources and proficiencies (see note 18).

The Corporation may terminate its membership at any time upon the following terms:

- (a) giving written notice 60 days in advance of termination; and
- (b) by making a prepayment in full of the balance of its contract service costs to CHEC. The amount of prepayment cost shall be the total cost which the Corporation would have paid over the three year term of the agreement less amounts already paid by it to the date of the termination. The current three year term for CHEC commitment goes to December 31, 2023. The prepayment cost of termination is a settlement of the Corporation's obligation under the agreement by reason of termination of its membership before the expiry of the term. The amount is liquidated damages and not a penalty for early termination and is intended to leave the remaining members in the same position as if the Corporation had not terminated the agreement. As at December 31, 2020, the obligation to CHEC includes the 2021 to 2023 membership dues of approximately \$46,000 per year, \$138,000 total.

Notes to Financial Statements

Year ended December 31, 2020

## 17. Commitments and contingencies (continued)

Utility Collaborative Services Inc. (UCS)

The Corporation has the right to redeem its shares in UCS (see note 18) by retraction upon the following terms:

- (a) notice of such retraction shall be given 120 days prior to the effective date; and
- (b) a redemption fee shall be paid equal to the previous three years' worth of average purchases from UCS for services or products; or in alternative to paying such fees, the Corporation may elect in writing to provide three years' written notice of the retraction, provided that the Corporation continues to receive services at the same or greater average volume as those received at the time the notice was given.

### General Liability Insurance

The Corporation is a member of the Municipal Electric Association Reciprocal Insurance Exchange (MEARIE). MEARIE is a pooling of public liability insurance risks of many of the LDCs in Ontario. All members of the pool are subjected to assessment for losses experienced by the pool for the years in which they were members, on a pro-rata basis based on the total of their respective service revenues. As at December 31, 2020, no assessments have been made.

#### 18. Related party transactions

(a) Parents and ultimate controlling party

The common shares of Orangeville Hydro Limited are owned by the Town of Orangeville and Town of Grand Valley, the ultimate parents.

(b) Outstanding balances with related parties

		2020		2019
Town of Orangovilla, receivable	¢	149.403	¢	151 520
Town of Orangeville - receivable Town of Grand Valley – receivable	Φ	149,403	Ф	151,530 2.304
Town of Orangeville - payable		(875,650)		(994,349)
Town of Grand Valley - payable		(28,226)		(31,936)
	\$	(739,598)	\$	(872,451)

Notes to Financial Statements

Year ended December 31, 2020

## 18. Related party transactions (continued)

#### (c) Transactions with ultimate parents

The Corporation provides water and sewage billing and collection services to the customers of the Town of Orangeville and Town of Grand Valley, as well as supplying street light energy and street lighting maintenance services to the Town of Orangeville and Town of Grand Valley. Revenue includes \$492,661 (2019 - \$417,621) from the Town of Orangeville and \$25,506 (2019 - \$22,416) from the Town of Grand Valley for these services.

The Corporation also delivers electricity to the Town of Orangeville and Town of Grand Valley throughout the year for the electricity needs of the Townships and its related organizations. Electricity delivery charges are at prices and under terms approved by the OEB. The Corporation also provides additional services to the Townships, including streetlight maintenance services, sentinel lights and water and waste water billing and customer care services.

## (d) Transactions with related parties

The Corporation paid \$52,609 (2019 - \$73,725) in fees to Cornerstone Hydro Electric Concepts Association Inc. (CHEC). CHEC is an association of sixteen electricity distribution utilities modeled after a cooperative to share resources and proficiencies.

The Corporation owns 100 common shares, at a cost of \$100, in Utility Collaborative Services Inc. (UCS) which represents a 10% interest. At the time of purchase, due to the immaterial amount, the investment was expensed. The Corporation paid \$207,566 (2019 - \$159,696) in fees to UCS. UCS offers standards-based back office services and the collaboration allows leverage in the reduction of costs for items such as information technology hosting and software licensing.

## (e) Key management personnel

The key management personnel of the Corporation have been defined as members of its board of directors and executive management team members. The compensation paid during the year is \$554,334 (2019 - \$514,110).

## 19. Financial instruments and risk management

#### Fair value disclosure

The carrying values of cash, accounts receivable, unbilled revenue, due from/to related parties and accounts payable and accrued liabilities approximate fair value because of the short maturity of these instruments. The carrying value of the customer deposits approximates fair value because the amounts are payable on demand.

The fair value of the TD Bank long-term debt at December 31, 2020 is \$6,942,693. The fair value is calculated based on the present value of future principal and interest cash flows, discounted at the current rate of interest at the reporting date. The interest rate used to calculate fair value at December 31, 2020 ranged from 0.46% to 1.43%.

Notes to Financial Statements

Year ended December 31, 2020

#### 19. Financial instruments and risk management (continued)

#### Financial risks

The Corporation understands the risks inherent in its business and defines them broadly as anything that could impact its ability to achieve its strategic objectives. The Corporation's exposure to a variety of risks such as credit risk, interest rate risk, and liquidity risk, as well as related mitigation strategies are discussed below.

#### (a) Credit risk

Financial assets carry credit risk that a counterparty will fail to discharge an obligation which could result in a financial loss. Financial assets held by the Corporation, such as accounts receivable, expose it to credit risk. The Corporation earns its revenue from a broad base of customers located in the Town of Orangeville and Town of Grand Valley.

The carrying amount of accounts receivable is reduced through the use of an allowance for impairment and the amount of the related impairment loss is recognized in profit or loss. Subsequent recoveries of receivables previously provisioned are credited to profit or loss. The balance of the allowance for impairment at December 31, 2020 is \$46,000 (2019 - \$42,000). An impairment loss of \$37,389 (2019 - \$51,922) was recognized during the year.

The Corporation's credit risk associated with accounts receivable is primarily related to payments from distribution customers. At December 31, 2020, approximately \$78,016 (2019 - \$43,586) is considered 60 days past due. The Corporation has over 12,000 customers, the majority of whom are residential. Credit risk is managed through collection of security deposits from customers in accordance with directions provided by the OEB and through credit insurance. As at December 31, 2020, the Corporation holds security deposits in the amount of \$629,719 (2019 - \$724,514) which also includes deposits received from developers.

#### (b) Market risk

Market risks primarily refer to the risk of loss resulting from changes in commodity prices, foreign exchange rates, and interest rates. The Corporation currently does not have any material commodity or foreign exchange risk. The Corporation is exposed to fluctuations in interest rates as the regulated rate of return for the Corporation's distribution business is derived using a complex formulaic approach which is in part based on the forecast for long-term Government of Canada bond yields. This rate of return is approved by the OEB as part of the approval of distribution rates.

A 1% increase in the interest rate at December 31, 2020 would have increased interest expense on the long-term debt by \$137,012 (2019 - \$132,603), assuming all other variables remain constant. A 1% decrease in the interest rate would have an equal but opposite effect.

Notes to Financial Statements

Year ended December 31, 2020

#### 19. Financial instruments and risk management (continued)

### (c) Liquidity risk

The Corporation monitors its liquidity risk to ensure access to sufficient funds to meet operational and investing requirements. The Corporation's objective is to ensure that sufficient liquidity is on hand to meet obligations as they fall due while minimizing interest exposure. The Corporation has access to a \$3,500,000 credit facility and monitors cash balances daily to ensure that a sufficient level of liquidity is on hand to meet financial commitments as they become due. As at December 31, 2020, the Corporation has \$2,293,740 available on this credit facility.

The Corporation also has a facility for \$1,206,260 (the "LC" facility) for the purpose of issuing letters of credit mainly to support the prudential requirements of the IESO, of which \$nil has been drawn and posted with the IESO (2019 - \$nil).

The majority of accounts payable, as reported on the statement of financial position, are due within 30 days.

## (d) Capital disclosures

The main objectives of the Corporation, when managing capital, are to ensure ongoing access to funding to maintain and improve the electricity distribution system, compliance with covenants related to its credit facilities, prudent management of its capital structure with regard for recoveries of financing charges permitted by the OEB on its regulated electricity distribution business, and to deliver the appropriate financial returns.

The Corporation's definition of capital includes equity and long-term debt. As at December 31, 2020, equity amounts to \$11,965,738 (2019 - \$11,329,992) and long-term debt amounts to \$13,418,780 (2019 - \$12,444,972).

## 20. Impact of COVID-19 pandemic:

On March 11, 2020, the World Health Organization declared the Coronavirus (COVID-19) outbreak a pandemic. This has resulted in significant financial, market and societal impacts in Canada and around the world.

During the year, the Corporation has experienced the following in relation to the pandemic:

Mandatory working from home requirements for those able to do so

The situation is evolving and the ultimate duration and magnitude of the impact on the economy is not known at this time. The outbreak has not had any material impacts on the operation of the Corporation to date, and management does not expect any material impacts given the nature and scope of the business, and management will continue to actively monitor the situation.

## 21. Comparatives

Certain comparative information has been reclassified to conform with the financial statement presentation adopted in the current year.

## **Schedule of Instalment Remittances**

Name of corporatio	n contact			
Telephone number			<u> </u>	
Effective interest date		Desc spl	cription (instalment remittance, it payment, assessed credit)	Amount of credit
	2020 installr		,	83,000
	_			
			A	
		Total amount of i	nstalments claimed (carry the result to line 840 of the T2 Return)	83,000 A
			Total instalments credited to the taxation year per T9	83,000 в
Account n	umbor	Taxation	Amount Effective interest date	Description
From:	umbei	year end	Amount	Description
To:				
From:				
To:				
From:				
To:				
From:				
То:				
From:				
То:				

## \*

Canada Revenue Agency Agence du revenu du Canada

## Net Income (Loss) for Income Tax Purposes

Schedule 1

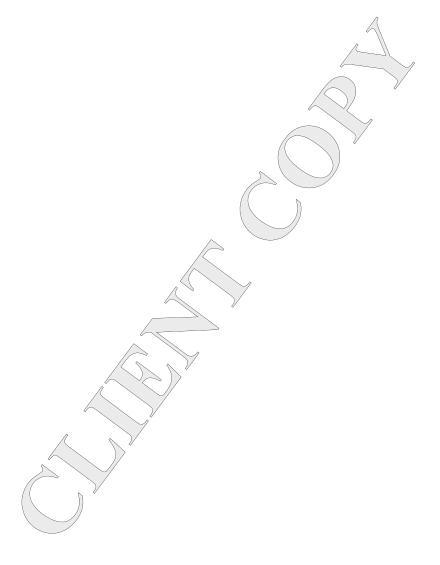
Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2020-12-31

- Use this schedule to reconcile the corporation's net income (loss) as reported on the financial statements and its net income (loss) for tax purposes. For more information, see the T2 Corporation Income Tax Guide.
- All legislative references are to the Income Tax Act.

Net income (loss) after taxes and extraordinary items from line 99	99 of Schedule 125		1,086,517 A
Add:			
Provision for income taxes – current		-102,388	
Provision for income taxes – deferred		144,285	
Amortization of tangible assets		996,813	
Charitable donations and gifts from Schedule 2		5,075	
Taxable capital gains from Schedule 6		43,554	
Non-deductible meals and entertainment expenses		625	
Reserves from financial statements – balance at the end of the	year 126	392,292	
	Subtotal of additions	1,480,256 ►	1,480,256
Other additions:			
Miscellaneous other additions:			
1	2		
Description	Amount		
605	295		
1 Inducement under 12(1)(x) ITA	8,000		
2 Paragraph 12(1)(x) - Contributed capital	239,979		
3 Paragraph 12(1)(a) - Customer Deposits	629,719		
4 Tax grouped with change in regulatory	298,777		
Total of co		1,176,475	
	Subtotal of other additions 199	1,176,475	1,176,475
	Total additions 500	2,656,731	2,656,731
Amount A <b>plus</b> line 500	<u> </u>		3,743,248
Deduct:			
Gain on disposal of assets per financial statements	401 <u>401</u>	49,214	
Capital cost allowance from Schedule 8	403	1,534,855	
Reserves from financial statements – balance at the beginning of	of the year	379,688	
	Subtotal of deductions	<u>1,963,757</u> ►	1,963,757
Other deductions:			
Miscellaneous other deductions:			
1	2		
Description	Amount		
705	395		
1 Amortization of contributed capital	59,205		
2 Subsection 13(7.4) election	239,979		
Paragraph 20(1)(m) - Customer Deposits	629,719		
4 Tax movement in reg account	144,285		
Total of c	column 2 1,073,188 ► 396	1,073,188	

Subtotal of other ded Total ded		1,073,188 ► 3,036,945 ►	1,073,188 E 3,036,945
Net income (loss) for income tax purposes (amount B minus line 510)	 		706,303 C

T2 SCH 1 E (19) Canadä



# **Attached Schedule with Total**

Line 395 - Amount

Title Line 395 – Amount

Explanatory note

For FS presentation, grouped \$198,124 of tax expense as a reduction to regulatory movement.

Description  Movement in note 7 of FS for deferred tax balance	Operator (Note)	Amount 144,285 00
	+	,
	Total	144,285 00

**Note**: The calculations are performed one at a time, from the first to the last line, and not according to the priority rules of the operations. For example, the formula 1+2\*3 will not result in the same thing as the formula 1+3\*2.

# **Attached Schedule with Total**

Line 295 - Amount

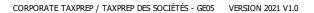
T:41 -	Line 295 – Amount		
ritte	LINE 293 - AINOUNG		

Explanatory note

As per balance sheet

Description	Operator (Note)	Amount
Short term customer deposit		225,000 00
Long-term Portion of Customer Deposit	+	404,719 00
	+	
	Total	629,719 00

Note: The calculations are performed one at a time, from the first to the last line, and not according to the priority rules of the operations. For example, the formula 1+2\*3 will not result in the same thing as the formula 1+3\*2.



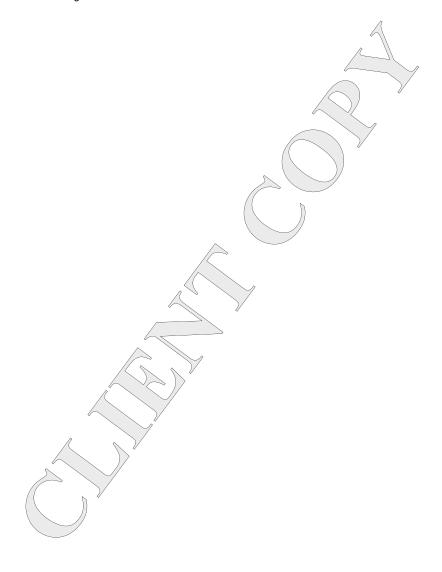
# **Attached Schedule with Total**

Line 395 - Amount

Title Line 395 – Amount

	Operator	
Description	(Note)	Amount
Short term customer deposit		225,000 00
Long-term Portion of Customer Deposit		404,719 00
	Total	629,719 00

**Note**: The calculations are performed one at a time, from the first to the last line, and not according to the priority rules of the operations. For example, the formula 1+2\*3 will not result in the same thing as the formula 1+3\*2.



## **Inducement**

This form is used to calculate inducements that a corporation must add to its income under paragraph 12(1)(x) ITA. If an amount reduces the capital cost of a property, this amount will be indicated in Part "Tax credits whose amount should reduce the capital cost of property."

If you want to transfer an amount to Schedule 1 and include it in the corporation's income for tax purposes, select the corresponding check box in column A. You can also select the option **Select this check box to add all the amounts to income calculated in Schedule 1** to transfer all the amounts to Schedule 1. In either case, the column A check box will be selected for that amount and it will therefore be updated to Schedule 1.

## Tax credits whose amount should be added to income

Fede	eral eral	
Α		
X	Investment tax credit from apprenticeship job creation expenditures	2,000
	Investment tax credit from child care spaces expenditures	
	Canadian film or video production tax credit*	
	* Please verify if the credit amount relates to depreciable property.  For more information, consult the Help (F1).	
	Film or video production services tax credit*	
	* Please verify if the credit amount relates to depreciable property.  For more information, consult the Help (F1).	
	Investment tax credit claimed on contributions made to SR&ED farming organizations	
	Canadian journalism labour tax credit	
	Canada emergency wage subsidy (CEWS), Canada emergency rent subsidy (CERS) and other taxable amounts from COVID-19 programs*	
	* The amount entered in this field is transferred to the <b>Miscellaneous other additions</b> section of Schedule 1 on the line of column 295 associated with line 4, <b>Taxable amounts from COVID-19 programs</b> , of column 605.	
Onta A	irio	
	Portion of the Ontario research and development tax credit that relates to the prescribed proxy amount (PPA) and portion of the Ontario investment tax credit that relates to contributions made to SR&ED farming organizations	
X	Ontario co-operative education tax credit	6,000
X	Ontario apprenticeship training tax credit	
	Ontario computer animation and special effects tax credit*	
	* Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Ontario film and television tax credit*	
	* Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Ontario production services tax credit*	
	* Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Ontario interactive digital media tax credit*	
	* Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Ontario book publishing tax credit	
X	Portion of the Ontario innovation tax credit that relates to the prescribed proxy amount (PPA) and portion of the Ontario investment tax credit that relates to contributions made to SR&ED farming organizations	
	Ontario business-research institute tax credit	
$\Box$	Ontario community food program donation tax credit for farmers	

Tax credits whose amount should reduce the capital cost of property

Agence du revenu du Canada

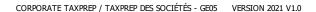
### Schedule 2

## **Charitable Donations and Gifts**

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2020-12-31

- For use by corporations to claim any of the following:
  - the eligible amount of charitable donations to qualified donees
  - the Ontario, Nova Scotia, and British Columbia food donation tax credits for farmers
  - the eligible amount of gifts of certified cultural property
  - the eligible amount of gifts of certified ecologically sensitive land or
  - the additional deduction for gifts of medicine made before March 22, 2017
- All legislative references are to the federal Income Tax Act, unless stated otherwise.
- The eligible amount of a gift is the amount by which the fair market value of the gifted property exceeds the amount of an advantage, if any, for the gift.
- The donations and gifts can be carried forward for 5 years except for gifts of certified ecologically sensitive land made after February 10, 2014, which can be carried forward for 10 years.
- Use this schedule to show a transfer of unused amounts from previous years following an amalgamation or the wind-up of a subsidiary as described under subsections 87(1) and 88(1).
- Subsection 110.1(1.2) provides as follows:
  - Where a particular corporation has undergone an acquisition of control, for tax years that end on or after the acquisition of control, no corporation can claim a deduction for a gift made by the particular corporation to a qualified donee before the acquisition of control.
  - If a particular corporation makes a gift to a qualified donee pursuant to an arrangement under which both the gift and the acquisition of control is
    expected, no corporation can claim a deduction for the gift unless the person acquiring control of the particular corporation is the qualified donee.
- An eligible medical gift made before March 22, 2017, to a qualifying organization for activities outside of Canada may be eligible for an additional deduction. Calculate the additional deduction in Part 5.
- File this schedule with your T2 Corporation Income Tax Return.
- For more information, see the T2 Corporation Income Tax Guide.

┌ Part 1 – Charitable donations ────		
Charity/Recipient		Amount (\$100 or more only)
Various donation slips		5,075
	s	ubtotal 5,075
	Add: Total donations of less than \$10	0 each
	Total donations in current to	ax year5,075



Part 1 – Charitable donations			
	Federal	Québec	Alberta
Charitable donations at the end of the previous tax year	1A		
Charitable donations expired after five tax years*			
Total charitable donations made in the current year	5,075	5,075	5,075
Subtotal (line 250 <b>plus</b> line 210)	5,075 <sub>1B</sub>	5,075	5,075
Subtotal (line 240 <b>plus</b> amoun <u>t 1B)</u>	<b>5,075</b> 1C_	5,075	5,075
Adjustment for an acquisition of control			
Total charitable donations available (amount 1C <b>minus</b> line 255)	<b>5,075</b> 1D_	5,075	5,075
Amount applied in the current year against taxable income (cannot be more than amount 2H in Part 2)	5,075	5,075	5,075
(enter this amount on line 311 of the T2 return)	/	_ \\	
Charitable donations closing balance (amount 1D minus line 260)			
The amount of qualifying donations for the Ontario community food program donation tax credit for farmers included in the amount on line 260 (for donations made after December 31, 2013)			
Ontario community food program donation tax credit for farmers (amount on line 262 <b>multiplied</b> by 25 %)			
Enter amount 1 on line 420 of Schedule 5, Tax Calculation Supplementary – Corporation is less: the Ontario income tax otherwise payable or amount 1. For more information, see			whichever
The amount of qualifying donations for the Nova Scotia food bank tax credit for farmers included in the amount on line 260 (for donations made after December 31, 2015)			
Nova Scotia food bank tax credit for farmers (amount on line 263 multiplied by 25 %)	2		
Enter amount 2 on line 570 of Schedule 5, Tax Calculation Supplementary – Corporation is less: the Nova Scotia income tax otherwise payable or amount 2. For more information	ons. The maximum you can on, see section 50A of the N	claim in the current year is ova Scotia Income Tax Act	whichever
The amount of qualifying gifts for the British Columbia farmers' food donation tax credit included in the amount on line 260 (for donations made after February 16, 2016, and before January 1, 2024)	<u></u>		
British Columbia farmers' food donation tax credit (amount on line 265 <b>multiplied</b> by 25 %)	3		
Enter amount 3 on line 683 of Schedule 5, Tax Calculation Supplementary — Corporation is less: the British Columbia income tax otherwise payable or amount 3. For more information of the control of the			

<sup>\*</sup> For federal and Alberta tax purposes, donations and gifts expire after five tax years. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, expire after five tax years, otherwise, donations and gifts expire after twenty tax years.

Year of origin:			Federal	Québec	Alberta
1 <sup>st</sup> prior year		2019-12-31	i odoral	Quebbe	7 iiborta
-nd .		2018-12-31			
		2017-12-31		<del></del>	
3 <sup>rd</sup> prior year		2016-12-31			
4 <sup>th</sup> prior year		2015-12-31			
5 <sup>th</sup> prior year		2014-12-31			
6 <sup>th</sup> prior year*					
7 <sup>th</sup> prior year		2013-12-31			
8 <sup>th</sup> prior year		2012-12-31			
9 <sup>th</sup> prior year		2011-12-31			
10 <sup>th</sup> prior year		2010-12-31			
11 <sup>th</sup> prior year		2009-12-31			
12 <sup>th</sup> prior year					
13 <sup>th</sup> prior year					
14 <sup>th</sup> prior year					
15 <sup>th</sup> prior year					
16 <sup>th</sup> prior year					
17 <sup>th</sup> prior year					
18 <sup>th</sup> prior year					
19 <sup>th</sup> prior year					
20 <sup>th</sup> prior year				<u> </u>	
21 <sup>st</sup> prior year*			· `		
Total (to line A)				\ <del>-</del>	
donations and gifts made	x purposes, donations and gifts inc in a tax year that ended before Mar ire automatically in the current tax y	ch 24, 2006, that are i	ncluded on line 6th prior y	ear and donations and gifts that are	included
	allowable deduction for a	haritable donat	ions		
Part 2 – Maximum		mantable denat			
				· · · · · · · · · · · · · · · · · · ·	<b>529,727</b> 2
Net income for tax purpose: Taxable capital gains arising Taxable capital gain in resp	s Note 1 <b>multiplied</b> by 75 % . g in respect of gifts of capital proper ect of a disposition of a non-qualifyi	rty included in Part 1 N	ote 2		<u>529,727</u> 2
Net income for tax purposes Taxable capital gains arising	s Note 1 multiplied by 75 %. g in respect of gifts of capital proper ect of a disposition of a non-qualifyi	rty included in Part 1 N	<u></u>		<u>529,727</u> 2
Net income for tax purpose: Taxable capital gains arising Taxable capital gain in resp under subsection 40(1.01) The amount of the recaptu	g in respect of gifts of capital proper ect of a disposition of a non-qualifyi	rty included in Part 1 N	ote 2		<u>529,727</u> 2
Net income for tax purposes Taxable capital gains arising Taxable capital gain in resp under subsection 40(1.01) The amount of the recaptu allowance in respect of ch Proceeds of disposition, Ie	g in respect of gifts of capital proper ect of a disposition of a non-qualifyi	rty included in Part 1 N ng security	ote 2		<u>529,727</u> 2
Net income for tax purposes Taxable capital gains arising Taxable capital gain in resp under subsection 40(1.01) The amount of the recaptu allowance in respect of ch Proceeds of disposition, Ic outlays and expenses Note	g in respect of gifts of capital proper ect of a disposition of a non-qualifyi	rty included in Part 1 Nng security	ote 2		<u>529,727</u> 2
Net income for tax purposes Taxable capital gains arising Taxable capital gain in resp under subsection 40(1.01) The amount of the recaptu allowance in respect of ch Proceeds of disposition, Ic outlays and expenses Note Capital cost Note 2 Amount 2B or 2C, whicher	g in respect of gifts of capital proper ect of a disposition of a non-qualifyi	rty included in Part 1 ng security  230  2B  2C	ote 2		<u>529,727</u> 2
Net income for tax purposes Taxable capital gains arising Taxable capital gain in resp under subsection 40(1.01) The amount of the recaptu allowance in respect of ch Proceeds of disposition, Ic outlays and expenses Note Capital cost Note 2 Amount 2B or 2C, whicher	g in respect of gifts of capital proper ect of a disposition of a non-qualifyi	rty included in Part 1 N ng security  230  2B  2C  235	ote 2		<u>529,727</u> 2
Net income for tax purposes Taxable capital gains arising Taxable capital gain in resp under subsection 40(1.01) The amount of the recaptu allowance in respect of ch Proceeds of disposition, Ie outlays and expenses Note Capital cost Note 2	g in respect of gifts of capital proper ect of a disposition of a non-qualifyi	rty included in Part 1 N ng security  230  2B  2C  235	225 227 227 225, 227, and amount 2D	2D 2E	
Net income for tax purposes Taxable capital gains arising Taxable capital gain in resp under subsection 40(1.01) The amount of the recaptu allowance in respect of ch Proceeds of disposition, Ic outlays and expenses Note Capital cost Note 2 Amount 2B or 2C, whicher	g in respect of gifts of capital proper ect of a disposition of a non-qualifyi	rty included in Part 1 N ng security  230  2B  2C  235	225, 227, and amount 2D Amo	2D )2E unt 2E <b>multiplied</b> by 25 %	2
Net income for tax purposes Taxable capital gains arising Taxable capital gain in resp under subsection 40(1.01) The amount of the recaptu allowance in respect of ch Proceeds of disposition, Ie outlays and expenses Note Capital cost Note 2 Amount 2B or 2C, whiche Amount on line 230 or 235,	g in respect of gifts of capital proper ect of a disposition of a non-qualifying or capital cost aritable donations sesses whichever is less	rty included in Part 1 Nng security  230  2B  2C  235  Subtotal (add lines	225, 227, and amount 2D Amo Subtotal	2D )2E unt 2E <b>multiplied</b> by 25 % (amount 2A <b>plus</b> amount 2F)	2 
Net income for tax purposes Taxable capital gains arising Taxable capital gain in resp under subsection 40(1.01) The amount of the recaptu allowance in respect of ch Proceeds of disposition, Ic outlays and expenses Note Capital cost Note 2 Amount 2B or 2C, whiches Amount on line 230 or 235,  Maximum allowable dedu (enter amount 1D from Part	g in respect of gifts of capital proper ect of a disposition of a non-qualifying or capital cost aritable donations asses whichever is less whichever is less around for charitable donations as a subsection 137(2) states that this a	rty included in Part 1 Nng security  230  2B  2C  235  Subtotal (add lines a	225, 227, and amount 2D Amo Subtotal r is the least)	2D )2E unt 2E <b>multiplied</b> by 25 %(amount 2A <b>plus</b> amount 2F)	

Part 3 – Gifts		Federal	Québec	Alberta
ifts of certified cu	ıltural property at the end of the previous tax year		3A	
	ultural property expired after five tax years* 439		<u></u>	_
Sifts of certified cu	ultural property at the beginning			_
f the current tax y	ear (amount 3A <b>minus</b> line 439)			
	Iltural property transferred on an amalgamation subsidiary			
	ed cultural property in the current year			_
•	nt on line 112 of Schedule 1)			_
noidae tillo amodi	Subtotal (line 450 <b>plus</b> line 410)		3B	
	Subtotal (line 440 <b>plus</b> amount 3B)			
Adjustment for an	acquisition of control			
•	the current year against taxable income			
	on line 313 of the T2 return)			
<b></b>	Subtotal (line 455 <b>plus</b> line 460)		3D	
		·		_
	ultural property closing balance amount 3D)			
amount 3C <b>minus</b>	, — — — — — — — — — — — — — — — — — — —		_	= =======
ended before Ma	Alberta tax purposes, donations and gifts expire after five tax years. Farch 24, 2006, expire after five tax years; otherwise, donations and gifted forward – Gifts of certified cultural property	ifts expire after twenty t	ax years.	·
Amount carr	rch 24, 2006, expire after five tax years; otherwise, donations and gi	ifts expire after twenty t	Québec	Alberta
ended before Ma  Amount carr  'ear of origin:	rch 24, 2006, expire after five tax years; otherwise, donations and gi	ifts expire after twenty t	ax years.	
Amount carr  /ear of origin:  st prior year	rich 24, 2006, expire after five tax years; otherwise, donations and given forward – Gifts of certified cultural property	ifts expire after twenty t	ax years.	
Amount carr  Year of origin:  st prior year  prior year  rd prior year  rd prior year	rich 24, 2006, expire after five tax years; otherwise, donations and given forward – Gifts of certified cultural property	ifts expire after twenty t	ax years.	
Amount carr  Year of origin:  St prior year  prior year  prior year  prior year  prior year  prior year	2019-12-31	ifts expire after twenty t	ax years.	
Amount carr  Year of origin:  st prior year  ond prior year  ord prior year  th prior year  th prior year  th prior year	2019-12-31	ifts expire after twenty t	ax years.	
Amount carr  /ear of origin:  st prior year  ond prior year  th prior year	2019-12-31	ifts expire after twenty t	ax years.	
ended before Ma  Amount carr  'ear of origin:  st prior year  rd prior year  th prior year	2019-12-31	ifts expire after twenty t	ax years.	
Amount carr  (ear of origin:  st prior year  ord prior year  th prior year	2019-12-31	ifts expire after twenty t	ax years.	
Amount carr  Year of origin:  St prior year  And prior year  Ard prior year	2019-12-31	ifts expire after twenty t	ax years.	
ended before Ma  Amount carr  Year of origin:  St prior year  ord prior year  th prior year  oth prior year  th prior year  th prior year  th prior year  th prior year	2019-12-31	ifts expire after twenty t	ax years.	
Amount carr  Year of origin:  st prior year  rd prior year  th prior year  1th prior year	2019-12-31	ifts expire after twenty t	ax years.	
Amount carr  Year of origin:  st prior year  rd prior year  th prior year  2th prior year  2th prior year	2019-12-31	ifts expire after twenty t	ax years.	
ended before Ma  Amount carr  fear of origin:  st prior year  rd prior year  rd prior year  th prior year  2th prior year  2th prior year  3th prior year  3th prior year  3th prior year	2019-12-31	ifts expire after twenty t	ax years.	
ended before Ma  Amount carr  fear of origin:  st prior year  nd prior year  th prior year  2th prior year  2th prior year  3th prior year  4th prior year  4th prior year	2019-12-31	ifts expire after twenty t	ax years.	
ended before Ma  Amount carr  Year of origin:  St prior year  And prior year	2019-12-31	ifts expire after twenty t	ax years.	
Amount carr  Year of origin:  st prior year  rd prior year  th prior year  2th prior year  2th prior year  4th prior year  5th prior year  5th prior year  6th prior year  6th prior year	2019-12-31	ifts expire after twenty t	ax years.	
Amount carr  Year of origin:  st prior year  and prior year  th prior year  2th prior year  2th prior year  4th prior year  2th prior year  5th prior year  4th prior year  4th prior year  7th prior year  7th prior year	2019-12-31	ifts expire after twenty t	ax years.	
ended before Ma  Amount carr  Year of origin:  Ist prior year  Ind prior year	2019-12-31	ifts expire after twenty t	ax years.	
ended before Ma  Amount carr  (ear of origin:  st prior year prior prior year prior year prior year  sth prior year prior year  sth prior year	2019-12-31	ifts expire after twenty t	ax years.	
ended before Ma  Amount carr  Year of origin:  st prior year  rd prior year  rd prior year  th prior year  sth prior year  th prior year  th prior year  th prior year  th prior year  2th prior year  5th prior year  5th prior year  7th prior year  4th prior year  5th prior year  4th prior year  5th prior year  4th prior year  5th prior year  5th prior year  8th prior year	2019-12-31	ifts expire after twenty t	ax years.	

<sup>\*</sup> For federal and Alberta tax purposes, donations and gifts included on line 6<sup>th</sup> prior year expire automatically in the current tax year. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, that are included on line 6<sup>th</sup> prior year and donations and gifts that are included on line 21<sup>st</sup> prior year expire automatically in the current tax year.

Part 4 – Gifts of certified ecologically sensitive land			
<b>,</b>	Federal	Québec	Alberta
Gifts of certified ecologically sensitive land at the end of the previous tax year Gifts of certified ecologically sensitive land expired after		4A	_
5 tax years, or after 10 tax years for gifts made after February 10, 2014*		_	_
Gifts of certified ecologically sensitive land at the beginning of the current tax year (amount 4A <b>minus</b> line 539)		_	_
Gifts of certified ecologically sensitive land transferred on an amalgamation or the wind-up of a subsidiary			_
Total current-year gifts of certified ecologically sensitive land 520			_
include this amount on line 112 of Schedule 1)			
Subtotal (line 550 <b>plus</b> line 520) _		4B	
Subtotal (line 540 <b>plus</b> amount 4B) _		4C	
Adjustment for an acquisition of control  Amount applied in the current year against taxable income (enter this amount on line 314 of the T2 return)  555  560			_
Subtotal (line 555 <b>plus</b> line 560)		4D	_
· · · · · ·			_
Gifts of certified ecologically sensitive land closing balance (amount 4C <b>minus</b> amount 4D)			
* For federal and Alberta tax purposes, donations and gifts made before February 11, expire after ten tax years. For Québec tax purposes, donations and gifts made durin otherwise, donation and gifts expire after twenty tax years.			

### Amounts carried forward - Gifts of certified ecologically sensitive land Amount of carried forward gifts made on or after February 11, 2014, in the tax year including this date Federal Alberta Québec Year of origin: 2019-12-31 1st prior year 2<sup>nd</sup> prior year 2018-12-31 2017-12-31 3<sup>rd</sup> prior year 4th prior year 2016-12-31 5<sup>th</sup> prior year 2015-12-31 2014-12-31 6th prior year\* 7<sup>th</sup> prior year 2013-12-31 2012-12-31 8<sup>th</sup> prior year **/2011-12-31**/ 9th prior year 10<sup>th</sup> prior year 2010-12-31 2009-12-31 11th prior year\* 12th prior year 13th prior year 14<sup>th</sup> prior year 15<sup>th</sup> prior year 16th prior year 17th prior year 18<sup>th</sup> prior year 19<sup>th</sup> prior year 20th prior year 21st prior year Total

The field "Amount of carried forward gifts made on or after February 11, 2014, in the tax year including this date" is used to distinguish the portion of the gifts made in the tax year straddling February 11, 2014, that expires after ten tax years, from the portion that expires in the current tax year.

For Québec tax purposes, donations and gifts made during a tax year that ended before March 24, 2006, that are included on line 6<sup>th</sup> prior year and gifts that are included on line 21<sup>st</sup> prior year expire automatically in the current tax year.

<sup>\*</sup> For federal and Alberta tax purposes, donations and gifts made before February 11, 2014, that are included on line 6<sup>th</sup> prior year and gifts that are included on line 11<sup>th</sup> prior year expire automatically in the current year.

Part 5 - Additional deduction	for gifts of medicine	Fodoral	Ouábas	Alborto
additional deduction for gifts of medicine at	the and of the provious tay year	Federal 5A	Québec	Alberta
dditional deduction for gifts of medicine ex		5A		
dditional deduction for gifts of medicine al Irrent tax year (amount 5A <b>minus</b> line 639	the beginning of the			
lditional deduction for gifts of medicine mansferred on an amalgamation or the wind				
lditional deduction for gifts of medicine m	ade before March 22, 2017:			
Proceeds of disposition Cost of gifts of medicine made before Ma				
	` ,			
Amount 5B <b>multiplied</b> by 50 %		5C		
Eligible amount of gifts				
	deduction for gifts		Λ	
Federal	of medicine made		$\sim$	
,	before March 22, = 2017 610	/		
x ( b	<del></del>	—— <i>(</i>	<u> </u>	
• •	Additional		,	
	deduction for gifts of medicine made			
Québec	before March 22,	, \	$\searrow$	
x ( <u>b</u>	= 2017			
<b>\</b> c	Additional		,	
	deduction for gifts			
Alberta	of medicine made before March 22,			
x ( <u>b</u>	= 2017			
nere:	-			
is the <b>lesser</b> of line 601 and amount 5C				
is the eligible amount of gifts (line 600)				
is the proceeds of disposition (line 602)		$\searrow$		
	Out to 1 (fine OFO at 10 (fine)	50		
	Subtotal (line 650 <b>plus</b> line 610)	5D		
	Subtotal (line 640 <b>plus</b> amount 5D)	5E		
djustment for an acquisition of control	655			
nount applied in the current year against	//			
nter this amount on line 315 of the T2 ret			_	
	' \			
	Subtotal (line 655 <b>plus</b> line 660)	5F		
dditional deduction for gifts of medicine cl mount 5E <b>minus</b> amount 5F)				
For federal and Alberta tax purposes, dor ended before March 19, 2007, expire after	nations and gifts expire after five tax years. For five tax years, otherwise, donations and gift	or Québec tax purposes, do	onations and gifts made ars	in a tax year that

Year of origin:			Federal	Québec	Alberta
1 <sup>st</sup> prior year		2019-12-31			
2 <sup>nd</sup> prior year		2018-12-31			
B <sup>rd</sup> prior year		2017-12-31			
1 <sup>th</sup> prior year		2016-12-31			
5 <sup>th</sup> prior year		2015-12-31			
6 <sup>th</sup> prior year*		2014-12-31			
7 <sup>th</sup> prior year		2013-12-31			
8 <sup>th</sup> prior year		2012-12-31			
9 <sup>th</sup> prior year		2011-12-31			
10 <sup>th</sup> prior year		2010-12-31			
11 <sup>th</sup> prior year		2009-12-31			
12 <sup>th</sup> prior year					
13 <sup>th</sup> prior year					
14 <sup>th</sup> prior year					
15 <sup>th</sup> prior year					
16 <sup>th</sup> prior year					
17 <sup>th</sup> prior year					
18 <sup>th</sup> prior year			//	\ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \	
19 <sup>th</sup> prior year				<u> </u>	
20 <sup>th</sup> prior year			_		
21 <sup>st</sup> prior year*					
Total					
donations and line 21 <sup>st</sup> prior	nd Alberta tax purposes, donations and gifts including gifts made in a tax year that ended before Marc year expire automatically in the current tax year.	uded on line 6 <sup>th</sup> prior y th 19, 2007, that are in	rear expire automatically ncluded on line 6th prior	in the current tax year. For Québ year and donations and gifts that	ec tax purposes, are included on
- Québec -	Gifts of musical instruments ——				
Gifts of musica	I instruments at the end of the previous tax year				
	of musical instruments expired after twenty tax ye	ears/	·		
Gifts of musica	I instruments at the beginning of the tax year	/	<u> </u>		
Add:			$\nearrow$		
	al instruments transferred on an amalgamation o	or the wind-up of a sul	osidiary		
Total current-y	year gifts of musical instruments	, <del></del> .			
				Subtotal (line D <b>plus</b> line E) =	
Deduct: Adiust	ment for an acquisition of control //				
•	usical instruments available				
-					
Deduct: Amou	nt applied against taxable income (enter this amo	ount on line 255 of for	m CO-17)	<u> </u>	
Gifts of musica	I instruments closing balance			<u> </u>	

$_{ extstyle \cap}$ Amounts car	ried forward – Gifts of musical instruments		
Year of origin:			Québec
1 <sup>st</sup> prior year		2019-12-31	
2 <sup>nd</sup> prior year		2018-12-31	
3 <sup>rd</sup> prior year		2017-12-31	
4 <sup>th</sup> prior year		2016-12-31	
5 <sup>th</sup> prior year		2015-12-31	
6 <sup>th</sup> prior year*		2014-12-31	
7 <sup>th</sup> prior year		2013-12-31	
8 <sup>th</sup> prior year		2012-12-31	
9 <sup>th</sup> prior year		2011-12-31	
10 <sup>th</sup> prior year	<del>-</del>	2010-12-31	
11 <sup>th</sup> prior year		2009-12-31	
12 <sup>th</sup> prior year			
13 <sup>th</sup> prior year			
14 <sup>th</sup> prior year			
15 <sup>th</sup> prior year	· · · · · · · · · · · · · · · · · · ·		
16 <sup>th</sup> prior year			
17 <sup>th</sup> prior year		<u> </u>	
18 <sup>th</sup> prior year		<u>/</u>	
19 <sup>th</sup> prior year			
20 <sup>th</sup> prior year			
21st prior year*			
Total		=	
* These gifts expire	ed in the current year.		

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Canadä<sup>†</sup>

Schedule 3

# Dividends Received, Taxable Dividends Paid, and Part IV Tax Calculation

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2020-12-31

2020-12-31

- · Corporations must use this schedule to report:
  - non-taxable dividends under section 83
  - deductible dividends under subsection 138(6)
  - taxable dividends deductible from income under section 112, subsection 113(2) and paragraphs 113(1)(a), (a.1), (b) or (d)
  - taxable dividends paid in the tax year that qualify for a dividend refund (see page 3)
- All legislative references are to the federal Income Tax Act.
- The calculations in this schedule apply only to private or subject corporations.
- A payer corporation is connected with a recipient corporation at any time in a tax year, if at that time the recipient corporation meets either of the following
  conditions:
  - it controls the payer corporation, other than because of a right referred to in paragraph 251(5)(b)
  - it owns more than 10% of the issued share capital (with full voting rights), and shares that have a fair market value of more than 10% of the fair market value of all shares of the payer corporation
- If you need more space, continue on a separate schedule.
- File this schedule with your T2 Corporation Income Tax Return.
- Column A1 Enter "X" if dividends were received from a foreign source.
  - Column F1 Enter the code that applies to the deductible taxable dividend.

## Part 1 – Dividends received in the tax year

- Do **not** include dividends received from foreign non-affiliates.
- Complete columns B, C, D, H, I, I.1 and L only if the payer corporation is connected.

## Important instructions to follow if the payer corporation is connected

- If your corporation's tax year-end is different than that of the connected payer corporation, dividends could have been received from more than one
  tax year of the payer corporation. If so, use a separate line to provide the information according to each tax year of the payer corporation.
- When completing columns J, K and L use the special calculations provided in the notes.

		_		T T	
A	A <sub>1</sub>	<b>№</b> В Т	С	D	E
Name of payer corporation	$-1/\langle$	Enter 1	Business Number	Tax year-end of the	Non-taxable
(from which the corporation received the dividend)		if payer	of connected	payer corporation in	dividends under
		corporation	corporation	which the sections	section 83
$\wedge$		is	,	112/113 and	
		connected		subsection 138(6)	
	14			dividends in column F	
	_	+ 1		were paid	
				YYYYMMDD	
	1				
200	V .	205	210	220	230
		2			
		Total of colu	<b>mn E</b> (enter amount on	line 402 of Schedule 1)	

⊢ Pa	art 1 – Dividends received i	n the tax year (continu	ed) ————		
	Taxable div deductible from income unde 112, subsections 11: and paragraphs (a.1),(b), or	m taxable r section 3(2) and 138(6), s 113(1)(a),	F1	G Eligible dividends included in column F	H Total taxable dividends paid by <b>connected</b> payer corporation (for tax year in column D)
	240	I		242	250
1					
		I.1	J	K	1
	Dividend refund of the <b>connected</b> payer corporation (for tax year in column D) <sup>note 2</sup>	Dividend refund of the <b>connected</b> payer corporation from its eligible refundable dividend tax on hand (ERDTOH) (for tax year in column D) notes 2 and 5	Part IV tax for eligible dividends. Dividends (from column G) multiplied by 38 1/3% <sup>note 3</sup>	Part IV tax before deductions. Dividends (from column F) multiplied by 38.4/3%note 4	Part IV tax before deductions on taxable dividends received from connected corporations notes 2 and 5
	260		265	275	280
1					
			Total of column L (er	nter amount on line 2E in Part 2)	
Tav	able dividends received from connecte	ed cornorations (total amounts fr	om column F with code 1 in col	lumn B)	1
	able dividends received from non-conr	' '		\ \ \	· ·' 1
				mount on line 320 of the T2 retu	rn)1
	ble dividends received from connected ble dividends received from non-conn				1 1
(tota	IV tax before deductions on taxable d al amounts from column K with code 1 IV tax before deductions on taxable d	in column B)ividends received from non-con	nected corporations	1F	
(lola	al amounts from column K with code 2	,	ototal (amount 1F plus amount	1G 1G)	1
	IV tax on eligible dividends received f	rom connected corporations (to	al amounts from column J		
	code 1 in column B)	rom non-connected cornorations		11	
				1J	
		// .	ibtotal (amount 11 plus amount		
	IV tax before deductions on taxable d		)> ''	,	1
8	f taxable dividends are received, enter subject corporation as defined in subs subsection 138(6) dividends.	the amount in column F, but if ection 186(3)), enter "0" in column	the corporation is not subject to mn J or column K whichever on	Part IV tax (such as a public co le applies. Life insurers are not s	rporation other than a ubject to Part IV tax on
t	f the connected payer corporation's ta o estimate the payer's dividend refund dividend refund from its eligible refund	I when you calculate the corpora	ation's Part IV tax payable. For		
l	For eligible dividends received from co		·	•	•
4 F	For taxable dividends received from <b>c</b> o	nnected corporations, Part IV	tax on dividends is equal to: col	umn I <b>divided</b> by column H <b>mu</b> l	tiplied by column F.
(	For taxable dividends received from <b>c</b> o of amounts CC and II of the connected refund to the connected payer corpora	payer corporation (on page 7 c	of the T2 return)) divided by co	lumn H multiplied by column F.	

Part IV tax on dividends received before deductions (amount 1H in part 1)			2A	
Part IV.I tax payable on dividends subject to Part IV tax (from line 360 of So				
Subt	total (amount 2A <b>minus</b> line i	320)	<b>-</b>	
Current-year non-capital loss claimed to reduce Part IV tax		330		
Non-capital losses from previous years claimed to reduce Part IV tax		335		
,		340		
Farm losses from previous years claimed to reduce Part IV tax		345		
Total losses applied against Par	rt IV tax (total of lines 330 to	345)	2C	
Amount 2C multiplied by 38 1 / 3 %				
Part IV tax payable (amount 2B minus amount 2D, if negative enter "0")			360	
enter amount on line 712 of the T2 return)				
If your tax year begins after 2018, complete the following part to determine fundable dividend tax on hand (ERDTOH) at the end of the tax year.	ine the required amount of Pa	art IV taxes payable	in order to calculate the	e eligible
Part IV tax before deductions on taxable dividends received from connected		(0)		:
Amount 4A from Schedule 43			<u> </u>	:
Part IV tax payable on taxable dividends received from connected co enter "0")				2
/enter at amount L on page 7 of the T2 return)			· //····· <del></del>	
f your tax year begins after 2018, complete the following part to determi	ing the required amount of D	art IV tayes payable	in order to coloulate the	o oligiblo
refundable dividend tax on hand (ERDTOH) at the end of the tax year.	me the required amount of Fa	art iv taxes payable	in order to calculate the	e eligible
Part IV tax on eligible dividends received from non-connected corporations	(amount 1J in part 1)	·····	<u></u>	
Amount 4C from Schedule 43	· · · · · · · · · · · · · · · · · // · · ·		<u> </u>	
Part IV tax payable on eligible dividends received from non-connecte		H <b>minus</b> amount 2I	, if negative	
enter "0")		••••//		:
enter at amount M on page 7 of the T2 return)				
Part 3 – Taxable dividends paid in the tax year that o	qualify for a dividence	l refund ——		
•				
If your corporation's tax year-end is different than that of the connected one tax year of the recipient corporation. If so, use a separate line to provide the control of the recipient corporation.				
L	M	N	0	Р
Name of connected recipient corporation	Business Number	Tax year-end of connected	Taxable dividends paid to connected	Eligible dividends
		recipient	corporations	included in
		corporation in		column O
		which the dividends in		
		uividends in		
		column O		
		column O were received		
400	410	were received	430	440
400  Corporation of the town of Orangeville	410 10698 6151 RC0001	were received YYYYMMDD	<b>430</b> 425,979	440
		were received YYYYMMDD 420		440
1 Corporation of the town of Orangeville		were received YYYYMMDD 420		440

┌ Part 3 – Taxable dividends paid in the tax year that qualify for a dividend refund (continued)	
Total taxable dividends paid in the tax year to other than connected corporations	24,792
Eligible dividends included in line 450	
Total taxable dividends paid in the tax year that qualify for a dividend refund (total of column O plus line 450)	450,771
Total eligible dividends paid in the tax year (total of column P <b>plus</b> line 455)	<u> </u>
Total non-eligible taxable dividends paid in the tax year (line 460 <b>minus</b> line 465)	450,771
Complete this part to determine the following amounts in order to calculate the dividend refund.	
Line 465 <b>multiplied</b> by 38 1 / 3 %	3A
(enter at amount AA on page 7 of the T2 return)	
Line 470 <b>multiplied</b> by 38 1 / 3 %	172,796 <sub>3E</sub>
(enter at amount DD on page 7 of the T2 return)	
Part 4 – Total dividends paid in the tax year  Complete this part if the total taxable dividends paid in the tax year that qualify for a dividend refund (line 460) is different from the total dividends paid in the tax year.	
Total taxable dividends paid in the tax year for the purposes of a dividend refund (from above)	450,771
Other dividends paid in the tax year (total of 510 to 540)	
Total dividends paid in the tax year	450,771
Dividends paid out of capital dividend account	
Capital gains dividends	
Dividends paid on shares described in subsection 129(1.2)	
Subtotal (total of lines 510 to;540)	4A

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Total taxable dividends paid in the tax year that qualify for a dividend refund (Line 500 minus amount 4A)

450,771<sub>4B</sub>

# Canada Revenue Agency

Agence du revenu du Canada

## Tax Calculation Supplementary - Corporations

Schedule 5

Corporation's name	Business Number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2020-12-31

- Use this schedule if, during the tax year, your corporation:
  - had a permanent establishment in more than one jurisdiction (corporations that have no taxable income should only complete columns A, B, and D in Part 1)
  - is claiming provincial or territorial tax credits or rebates (see Part 2), or
  - has to pay taxes, other than income tax, for Newfoundland and Labrador, or Ontario (see Part 2).
- All legislative references are to the Income Tax Regulations.
- For more information, see the T2 Corporation Income Tax Guide.
- For the regulation number to be entered in field 100 of Part 1, see the chart below.

− Part 1 – Alloc 100	ation of ta	xable income ———		Enter the regulation that appli	on (402 to 412)	
				Enter the regulation that appli		
A Jurisdictic Tick yes if your co had a perma establishment jurisdiction during th	orporation nent in the	<b>B</b> Total salaries and wages paid in jurisdiction	C (B x taxable income) / G	Gross revenue attributable to jurisdiction	E (D x taxable income) / H	F Allocation of taxable income (C + E) x 1/2** (where either G or H is nil, do not multiply by 1/2)
Newfoundland and Labrador	<b>003</b> Yes	103		143		
Newfoundland and Labrador Offshore	Yes	104		144		
Prince Edward Island	<b>005</b> Yes	105		145		
Nova Scotia	<b>007</b> Yes	107		147		
Nova Scotia Offshore	008 Yes	108		148		
New Brunswick	Yes	109		149		
Quebec	Yes	111		151		
Ontario	Yes	113		153		
Manitoba	Yes	115		155		
Saskatchewan	Yes	117		157		
Alberta	Yes	119		159		
British Columbia	Yes	121		161		
Yukon	Yes	123		163		
Northwest Territories	Yes	125	7	165		
Nunavut	<b>026</b> Yes	126		166		
Outside Canada	<b>027</b> Yes	127		167		
Total		129 G		169 H		

<sup>\*</sup> Permanent establishment is defined in subsection 400(2)

## Notes:

- 1. After determining the allocation of taxable income, you have to calculate the corporation's provincial or territorial tax payable. For more information on how to calculate the tax for each province or territory, see the instructions for Schedule 5 in the T2 Corporation Income Tax Guide.
- 2. If your corporation has provincial or territorial tax payable, complete Part 2.
- 3. If your corporation is a member of a partnership and the partnership had a permanent establishment in a jurisdiction, select the jurisdiction in Column A and include your proportionate share of the partnership's salaries and wages and gross revenue in columns B and D, respectively.

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<sup>\*\*</sup> For corporations other than those described under section 402, use the appropriate calculation described in the Regulations to allocate taxable income.

	Income eligible for small business deduction	Provincial or territorial allocation of taxable income	Provincial or territorial tax payable before credits		
701,228	3	701,228	80,641		
Intario hasic incor	ne tax (from Schedule	500)		270	80,641
inturio busio incon	ne tax (nom concadio				30/011
Intario small busines	ss deduction (from Sch	edule 500)	Subtotal (line 270		80,641
	tax debits (from Scheo	,			
Recapture of Ontai	rio research and develo	pment tax credit (from S	Schedule 508) Subtotal (line 27		
Sunna - Oustania taur (au		FD)			
	mount 5A <b>plus</b> amount	- /			; ···\·
Ontario tax credit fo Ontario foreign tax	credit (from Schedule 2	rocessing (from Schedu		406	
	ntributions tax credit (fr				<u></u>
		Ontario non-refundable	le tax credits (total of li	nes 404 to 415)	<u> </u>
			Subtotal (amou	nt 5C <b>minus</b> amount 5D)	(if negative, enter "0")
ntario research and	l development tax credit	(from Schedule 508)			416
		e Ontario corporate minir ninus line 416) (if negat		tario community food pro	gram 
)ntario corporate mir	nimum tax credit (from	Schedule 510)			418
•	ood program donation to	,	m Schedule 2		
			<u> </u>	negative, enter "0")	
ntario corporate inc	come tax payable (amou	nt 5F <b>minus</b> the total of	<u> </u>	negative, enter "0")	
entario corporate inc Ontario corporate r	come tax payable (amou	nt 5F <b>minus</b> the total of	lines 418 and 420) (if	negative, enter "0")	······
Ontario corporate inc Ontario corporate r	come tax payable (amou	ent 5F <b>minus</b> the total of	f lines 418 and 420) (if	<b>278</b>	······································
Ontario corporate inc Ontario corporate r Ontario special add	ome tax payable (amou minimum tax (from Scho ditional tax on life insura	ent 5F <b>minus</b> the total of	F lines 418 and 420) (if  Schedule 512)  Subtotal (line 27	278 280	<u> </u>
Ontario corporate inc Ontario corporate r Ontario special add	ome tax payable (amou minimum tax (from Scho ditional tax on life insura	edule 510) ance corporations (from tax credits (amount 5G)	F lines 418 and 420) (if  Schedule 512)  Subtotal (line 27	278 280 8 plus line 280)	<u> </u>
Ontario corporate inc Ontario corporate r Ontario special add otal Ontario tax paya Ontario qualifying e	come tax payable (amoun minimum tax (from Schoditional tax on life insurable before refundable	edule 510)	F lines 418 and 420) (if  Schedule 512)  Subtotal (line 27	278 280 8 plus line 280)	<u> </u>
Ontario corporate inco Ontario corporate r Ontario special addo otal Ontario tax paya Ontario qualifying e Ontario co-operativ	come tax payable (amoun minimum tax (from Schoditional tax on life insurable before refundable environmental trust tax of	ant 5F <b>minus</b> the total of edule 510)	F lines 418 and 420) (if  Schedule 512)  Subtotal (line 27	278	<u> </u>
Ontario corporate inco Ontario corporate r Ontario special add  Total Ontario tax paya Ontario qualifying e Ontario co-operativ Ontario apprentices Ontario computer a	come tax payable (amount inimum tax (from Scholitional tax on life insurable before refundable environmental trust tax of e education tax credit (ship training tax credit (animation and special e	ant 5F minus the total of edule 510)	Schedule 512) Subtotal (line 27	278	<u> </u>
Ontario corporate inco Ontario corporate r Ontario special add otal Ontario tax paya Ontario qualifying e Ontario co-operativ Ontario apprentices Ontario computer a Ontario film and tel	ninimum tax (from Schoditional tax on life insurable before refundable environmental trust tax over education tax credit (ship training tax credit (animation and special elevision tax credit (from	ant 5F minus the total of edule 510)	Schedule 512) Subtotal (line 27	278 280 280 38 plus line 280) 450 452 454 456 458	<u> </u>
Ontario corporate inco Ontario corporate r Ontario special add otal Ontario tax paya Ontario qualifying e Ontario co-operativ Ontario apprentices Ontario computer a Ontario film and tel Ontario production	minimum tax (from Schoditional tax on life insural able before refundable environmental trust tax on the education tax credit (ship training tax credit (animation and special elevision tax credit (from services tax credit (from services tax credit (from services tax credit (from	ant 5F minus the total of edule 510)  ance corporations (from tax credits (amount 56)  credit  from Schedule 550)  ffects tax credit (from Schedule 556)  Schedule 556)  m Schedule 558)	Schedule 512) Subtotal (line 27	278	<b>&gt;</b>
Ontario corporate inco Ontario corporate r Ontario special add otal Ontario tax paya Ontario qualifying e Ontario co-operativ Ontario apprentices Ontario computer a Ontario film and tel Ontario production Ontario interactive	minimum tax (from Scheditional tax on life insurable before refundable environmental trust tax or e education tax credit (ship training tax credit (from services tax credit (from services tax credit (frod digital media tax credit	ant 5F minus the total of edule 510)	Schedule 512) Subtotal (line 27	278 280 38 plus line 280) 450 452 454 456 458 460 462	<b></b>
ntario corporate inco Ontario corporate r Ontario special add otal Ontario tax paya Ontario qualifying e Ontario co-operativ Ontario apprentices Ontario computer a Ontario film and tel Ontario production Ontario interactive Ontario book publis	minimum tax (from Schoditional tax on life insurable before refundable environmental trust tax or e education tax credit (ship training tax credit (from services tax credit (from services tax credit (from digital media tax credit (from shing tax credit	ant 5F minus the total of edule 510)	Schedule 512) Subtotal (line 27	278 280 38 plus line 280) 450 452 454 456 458 460 462 466	<b> &gt;</b>
Ontario corporate inco Ontario corporate r Ontario special ado  otal Ontario tax payo Ontario qualifying e Ontario co-operativ Ontario apprentices Ontario computer a Ontario film and tel Ontario production Ontario interactive Ontario book publis Ontario innovation	minimum tax (from Schoditional tax on life insurable before refundable environmental trust tax or e education tax credit (ship training tax credit (from services tax credit (from digital media tax credit (shing tax credit (from Schedus tax credit	tax credits (amount 5G) credit from Schedule 550) from Schedule 552) ffects tax credit (from Schedule 556) m Schedule 558) fform Schedule 558) (from Schedule 560) chedule 564) chedule 564)	Schedule 512) Subtotal (line 27  plus amount 5H)  chedule 554)	278	<b>&gt;</b>
ontario corporate inco Ontario corporate r Ontario special ado otal Ontario tax paya Ontario qualifying e Ontario co-operativ Ontario apprentices Ontario computer a Ontario film and tel Ontario production Ontario interactive Ontario book publis Ontario innovation Ontario innovation Ontario business-r	minimum tax (from Schoditional tax on life insurable before refundable environmental trust tax over education tax credit (ship training tax credit (from services tax credit (from services tax credit (from Schodit	tax credits (amount 5G) credit from Schedule 550) from Schedule 552) ffects tax credit (from Schedule 556) m Schedule 558) ffrom Schedule 560) chedule 564) chedule 566) chedule 566) chedule 566) chedule 566)	Schedule 512) Subtotal (line 27  Subtotal (line 27  Subtotal (line 27)  Chedule 554)	278	<u> </u>
Ontario corporate inco Ontario corporate r Ontario special add otal Ontario tax paya Ontario qualifying e Ontario co-operativ Ontario apprentices Ontario computer a Ontario film and tel Ontario production Ontario interactive Ontario book publis Ontario innovation Ontario business-r	minimum tax (from Schoditional tax on life insurable before refundable environmental trust tax over education tax credit (ship training tax credit (from services tax credit (from services tax credit (from Schodit	tax credits (amount 5G) credit from Schedule 550) ffects tax credit (from Schedule 556) m Schedule 558) fferon Schedule 560) chedule 564) ffor Schedule 560) chedule 566) chedule 566) chedule 566) chedule 566) chedule 566)	Schedule 512) Subtotal (line 27  Subtotal (line 27  Subtotal (line 27)  Chedule 554)	278 280 280 38 plus line 280) 450 452 454 456 458 460 462 466 468 470 472	<u> </u>
Ontario corporate inco Ontario corporate r Ontario special add otal Ontario tax paya Ontario qualifying e Ontario co-operativ Ontario apprentices Ontario computer a Ontario film and tel Ontario production Ontario interactive Ontario book publis Ontario innovation Ontario business-r Ontario regional op	minimum tax (from Schoditional tax on life insurable before refundable environmental trust tax over education tax credit (ship training tax credit (from services tax credit (from services tax credit (from Stax credit (from Schodit (from Sch	tax credits (amount 5G) credit from Schedule 550) from Schedule 552) ffects tax credit (from Schedule 558) from Schedule 558) from Schedule 560) chedule 564) chedule 566) chedule 566) dit (from Schedule 568) datax credit (from Schedule 568) chedule 568)	Schedule 512) Subtotal (line 27  Polus amount 5H)  Chedule 554)  Chedule 554)  Chedule 554)	278 280 280 38 plus line 280) 450 452 454 456 458 460 462 466 468 470 472	3,000
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Ontario corporate inco Ontario corporate r Ontario special add  otal Ontario tax paya Ontario qualifying e Ontario co-operativ Ontario apprentices Ontario computer a Ontario film and tel Ontario production Ontario interactive Ontario book publis Ontario innovation Ontario business-r Ontario business-r Ontario regional op	minimum tax (from Schoditional tax on life insural able before refundable environmental trust tax over education tax credit (ship training tax credit (from services tax credit (from services tax credit (from Stax credit (from Schodit (from	tax credits (amount 5G) from Schedule 550) from Schedule 552) ffects tax credit (from Schedule 558) ffrom Schedule 558) ffrom Schedule 560) chedule 564) from Schedule 560) chedule 566) chedule 568 c	Schedule 512) Subtotal (line 27  Subtotal (line 27	278 280 280 38 plus line 280) 450 452 454 456 458 460 462 466 468 470 472	3,000
Ontario corporate incomporate incomporate incomporate incomporate incomporate incomporate incomporation of the composition of t	minimum tax (from Schoditional tax on life insurable before refundable environmental trust tax or e education tax credit (ship training tax credit (from services tax credit (from services tax credit (from Schodit	ant 5F minus the total of edule 510)	Schedule 512) Subtotal (line 27  plus amount 5H)  chedule 554)  e 570) le tax credits (total of linus amount 5J)  5.	278 280 38 plus line 280) 39 plus line 280) 450 452 454 456 458 460 462 466 468 470 472 mes 450 to 472)	3,000
Ontario corporate incomporate incomporate incomporate incomporate incomporate incomporate incomporation of the comporation of the comporation of the composition of t	minimum tax (from Schoditional tax on life insural able before refundable environmental trust tax over education tax credit (ship training tax credit (from services tax credit (from services tax credit (from Schodit (from Scho	tax credits (amount 5G) from Schedule 550) from Schedule 552) ffects tax credit (from Schedule 558) ffrom Schedule 558) ffrom Schedule 560) chedule 564) from Schedule 560) chedule 566) chedule 568 c	Schedule 512) Subtotal (line 27  Subtotal (line 27  Subtotal (line 27  Subtotal (line 27)	278 280 38 plus line 280) 39 plus line 280) 450 452 454 456 458 460 462 466 468 470 472 mes 450 to 472)	3,000

# Canada Revenue Agency

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# **Summary of Dispositions of Capital Property**

Corporation's name	Business number	Tax year-end Year Month Dav
Orangeville Hydro Limited	86463 9562 RC0002	2020-12-31

- Use this schedule if your corporation disposed of (actual or deemed) capital property or claimed an allowable business investment loss (ABIL), or both, in the tax year.
- All legislative references are to the federal Income Tax Act.
- Also use this schedule to make a designation under paragraph 111(4)(e) if control of the corporation has been acquired by a person or a group of persons.
- For more information, see the section called "Schedule 6, Summary of Dispositions of Capital Property" in the T2 Corporation Income Tax Guide.
- If you need more space, attach additional schedules.

Designation under paragraph 111(4)(e)			
Are any dispositions shown on this schedule related to deemed dispositions designated under paragraph 111(4)(e)?	050	Yes	No X
If <b>yes</b> , attach a statement specifying which properties such a designation applies to.	\		

In the various sections of this form:

- The abbreviation FS (for foreign source) is used to indicate the capital gain or loss arising from foreign property,
- The abbreviation PA (for passive asset) is used to indicate the capital gain or loss arising from the disposition of an asset other than an active asset of the corporation.

Number	2 Name of corporation	3 Class of	4 Date of	<b>5</b> Proceeds of	6 Adjusted	<b>7</b> Outlays and	8 Gain (or loss)	A
of shares	in which the shares are held	shares	acquisition YYYYMMDD	disposition	cost base	expenses from disposition	(column 5 <b>minus</b> columns 6 and 7)	
100	105	106	110	120	130	140	150	FS I
			Totals					

Municipal address of real estate  1 = Address 1  2 = Address 2  3 = City  4 = Province, Country, Postal Code and Zip Code or Foreign Postal Code	Date of acquisition	Proceeds of disposition	4 Adjusted cost base	5 Outlays and expenses from disposition	Gain (or loss) (column 3 minus columns 4 and 5)	A
200	210	220	230	240	250	FS PA
Land as per Q 101		91,580	4,473		87,107	
	Totals	91,580	4,473		87,107	В

1	2	3	4 Data of	5 Draggada of	6	7 Outleve and	8	
Face value of bonds	Maturity date YYYYMMDD	Name of bond issuer	Date of acquisition YYYYMMDD	Proceeds of disposition	Adjusted cost base	Outlays and expenses from disposition	Gain (or loss) (column 5 <b>minus</b> columns 6 and 7)	
300	305	307	310	320	330	340	350	FS
			Totals					

Part 4 – Other properties (Do not include losses on depreciable property	Part 4 - (	Other pror	perties (Do no	ot include losse	s on depreciable	property) -
--	------------	------------	----------------	------------------	------------------	-------------

1 Description of other property	2 Date of acquisition YYYYMMDD	3 Proceeds of disposition	4 Adjusted cost base	5 Outlays and expenses from disposition	Gain (or loss) (column 3 minus columns 4 and 5)	Α
400	410	420	430	440	450	FS PA
Note	Totals					D

Other property includes capital debts, debts in respect of the disposition of a personal-use property per subsection 50(2), and amounts that arise from foreign

## Part 5 – Personal-use property (Do not include listed personal property)

1 Description of personal-use property	Date of acquisition YYYYMMDD	3 Proceeds of disposition	4 Adjusted cost base	5 Outlays and expenses from disposition	6 Gain only (column 3 minus columns 4 and 5; if negative, enter	A
500	510	520	530	540	"0") <b>550</b>	FS PA
Note	Totals					E

### Note

You cannot deduct losses on dispositions of personal-use property (other than listed personal property or a debt that is a personal-use property)

## Part 6 – Listed personal property —

1	2	3	4	5	6	Α
Description of listed personal property	Date of acquisition YYYYMMDD	Proceeds of disposition	Adjusted cost base	Outlays and expenses from disposition	Gain (or loss)* (column 3 <b>minus</b> columns 4 and 5)	
600	610	620	630	640	650	FS PA
	Totals					

Unapplied listed personal property losses from other years (amount from tipe 530 of Schedule 4,

Net gains (or losses) from the disposition of listed personal property (total of column 6 minus line 655)

Net listed personal property losses can only be applied against listed personal property gains.

\* Do not include gains arising on the disposition of certain certified cultural property to a designated cultural institution. See subparagraph 39(1)(a)(i.1) for more information.

## Part 7 - Property qualifying for and resulting in an allowable business investment loss -

	1	<b>/</b> 2	3	4	5	6	7	Α
Nam	ne of small business corporation	Shares, enter 1; debt, enter 2	Date of acquisition	Proceeds of disposition	Adjusted cost base	Outlays and expenses from disposition	Loss only (column 4 <b>minus</b> columns 5 and 6)	
	900	905	910	920	930	940	950	FS PA
			Totals					

Allowable business investment losses (ABILs) ...... Total of Column 7 Enter amount G on line 406 of Schedule 1, Net Income (Loss) for Income Tax Purposes.

Note

Properties listed in Part 7 should **not** be included in any other parts of this schedule.

x 50.0000 % =

Part 8 – Capital gains or losses	
Total of amounts A to F (do <b>not</b> include amount F if it is a loss)	<u>87,107</u> н
Capital gains dividend received in the year	FS PA
Capital gains reserve opening balance (from Part 1 of Schedule 13, Continuity of Reserves)	
Subtotal (amount H <b>plus</b> total of lines 875 and 880)	87,107 I
Capital gains reserve closing balance (from Part 1 of Schedule 13, Continuity of Reserves)	67,107_1
Capital gains or losses, excluding ABILs (amount I minus line 885)	87,107
Part 9 – Taxable capital gains and total capital losses	
Capital gains or losses, excluding ABILs (amount from line 890 in Part 8)	87,107 J
Deduct the following amounts included in amount J, that are subject to the zero inclusion rate:  Note	
When a taxpayer is entitled to an advantage in respect of a donation, the zero inclusion rate is restricted to only part of the taxpayer's capital gain on disposition of the property. See section 38.2 for more information.	
Gain on the donation to a qualified donee of a share, debt obligation, or right listed on a designated stock exchange and other securities under paragraphs 38(a.1)(i) and (iii)	FS PA
Gain on the donation to a qualified donee of ecologically sensitive land under subsection 38(a.2)*	FS PA
Exempt portion of the gain on the donation of securities arising from the exchange of a partnership interest under paragraph 38(a.3)	FS PA
Subtotal (amount J minus amount K)	87,107 L
Deemed capital gain from the donation of property included in a flow-through share class of property to a qualified donee under subsection 40(12):  Exemption threshold at time of disposition	
Exemption threshold at time of disposition	
The total of all capital gains from the disposition of the actual property	
Line 897 or line 898, whichever is less	FS PA
Taxable capital gains under section 34.2 (line 275 of Schedule 73, Income Inclusion Summary for Corporations that are Members of	
Partnerships)	
Subtotal (total of amounts L and M <b>plus</b> line 899)	87,107 N
Allowable capital losses under section 34.2 (line 285 of Schedule 73, Income Inclusion Summary for Corporations that are Members of	
Partnerships) x 2 = 901	
Total capital gains or losses (amount N minus line 901)	87,107 O
Taxable capital gains or total capital losses	
Total capital losses (amount O, if amount O is negative; if amount O is positive, enter "0")  Enter amount P on line 210 of Schedule 4.	P
Taxable capital gains (if amount O is positive, enter amount O87,107 multiplied by 50.0000 %;	
if amount O is negative, enter "0")  Enter amount Q on line 113 of Schedule 1.	43,554 Q
* Do <b>not</b> include gains on donations of ecologically sensitive land to a private foundation.	

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# Aggregate Investment Income and Income Eligible for the Small Business Deduction

Corporation's name	Business number	Tax year-end
Orangeville Hydro Limited	86463 9562 RC0002	Year Month Day 2020-12-31

- Use this schedule if you are a Canadian-controlled private corporation (CCPC) to calculate:
  - your aggregate investment income and foreign investment income, as defined in subsection 129(4), to determine the refundable portion of Part I tax, and your adjusted aggregate investment income, as defined in subsection 125(7), for the purpose of the business limit reduction
  - your specified partnership income, as defined in subsection 125(7), if you are a member (or designated member) of one or more partnerships, and
  - your income from an active business carried on in Canada eligible for the small business deduction including any specified corporate income
    as defined in subsection 125(7)
- Use this schedule if another CCPC is making an assignment of business limit under subsection 125(3.2) to you.
- Use this schedule if you are a corporation that is a member of a partnership to assign **specified partnership business limit** to a **designated member** under subsection 125(8).

Note: If you are a corporation that is not a CCPC, only complete Table 1 (columns A1, B1, C1, G1, H1 and J1) and Table 3 to make this assignment.

- The adjusted aggregate investment income, for the purpose of the business limit reduction, also applies to a tax year of a corporation that begins before 2019 and ends after 2018 under the following circumstances:
  - the corporation's preceding tax year was, because of a transaction or event or a series of transactions or events, shorter than it would have been in the absence of that transaction, event or series, and
  - one of the reasons for the transaction, event or series was to defer the application of subsections 125(5.1), (5.2) and (7) to the corporation
- All legislative references are to the Income Tax Act.
- For more information, see Small Business Deduction and Refundable Portion of Part I Tax in Guide 14012, 72 Corporation Income Tax Guide.
- See the notes at the end of the form.

□ Part 1 – Aggregate investment income
Aggregate investment income is all world source income.
Eligible portion of taxable capital gains for the year 43,554
Eligible portion of allowable capital losses for the year (including allowable business investment losses)
Net capital losses of previous years claimed on line 332 on the T2 return
Subtotal (line 012 <b>plus</b> line 022)
Line 002 <b>minus</b> amount A (if negative, enter "0") 43,554 B
Total income from property (include income from a specified investment business carried on in Canada other than income from a source outside Canada)
Exempt income
Amounts received from Agrilnvest Fund No. 2 that were included in computing the corporation's income for the year
Taxable dividends deductible (total of column F on Schedule 3 minus related expenses)
Business income from an interest in a trust that is considered property income under paragraph 108(5)(a) . 072
Subtotal (add lines 042, 052, 062 and 072)  C
Subtotal (line 032 minus amount C) D
Amount B <b>plus</b> amount D 43,554 E
Total losses from property (include losses from a specified investment business carried on in Canada other than a loss from a source outside Canada)
Amount E <b>minus</b> line 082 (if negative, enter "0") (enter on line 440 of the T2 return)

┌ Part 2 – Adjusted aggregate investment income ────	
Eligible portion of taxable capital gains for the year (other than taxable capital gains from the disposition of an active asset note 13 )	
Eligible portion of allowable capital losses for the year (including allowable business investment losses) (other than allowable capital losses from the disposition of an active asset note 13)	
Subtotal (line 705 <b>minus</b> line 710) (if negative, enter "0")	F
Total income from property note 14	
Exempt income	
Amounts received from Agrilnvest Fund No. 2 that were included in computing the corporation's income for the year	
Dividends from connected corporations	
Business income from an interest in a trust that is considered property income under paragraph 108(5)(a)	
Subtotal ( <b>add</b> lines 720, 725, 730 and 735)	
Subtotal (line 715 <b>minus</b> amount G)	Н
Amount F plus amount H	
Total losses from property note 14 740	
Amount, if any, deducted under subsection 91(4) in computing the corporation's income for the year	
Adjusted aggregate investment income (amount I minus line 740, plus line 741) (if negative, enter "0")	
If this is your first tax year starting after 2018, complete the following portion.	
Eligible portion of taxable capital gains for each tax year that ended in the preceding calendar year (other than taxable capital gains from the disposition of an active asset note 13)	2A
Eligible portion of allowable capital losses for each tax year that ended in the preceding calendar year (including allowable business investment losses)(other than allowable capital losses from the disposition of an active asset note 13)	2B
Subtotal (amount 2A minus amount 2B) (if negative, enter "0")	2C
Total income from property for each tax year that ended in the preceding calendar year note 14 .	
Exempt income for each tax year that ended in the preceding calendar year 2E	
Amounts received from Agrilnvest Fund No. 2 that were included in computing the corporation's income for each tax year that ended in the preceding calendar year	
Dividends from connected corporations for each tax year that ended in the preceding calendar year	
Business income from an interest in a trust that is considered property income under paragraph 108(5)(a) for each tax year that ended in the preceding calendar year	
Subtotal (add amounts 2E, 2F, 2G and 2H)	
Subtotal (amount 2D minus amount 2I)	2J
Amount 2C plus amount 2J	2K
Total losses from property for each tax year that ended in the preceding calendar year note 14  Amount, if any, deducted under subsection 91(4) in computing the corporation's income for each tax year that ended in the	2L
preceding calendar year	
Adjusted aggregate investment income (amount 2K minus amount 2L, plus line 742) (if negative, enter "0")	
(enter the total of line 744 and the adjusted aggregate investment income of all associated corporations on line 417 of the T2 return)	

□ Part 3 – Foreign investment income	
Foreign investment income is all income from sources <b>outside Canada</b> .	
Eligible portion of taxable capital gains for the year	
Eligible portion of allowable capital losses for the year (including allowable business investment losses)	
Subtotal (line 001 <b>minus</b> line 009) (if negative, enter "0")	J
Total income from property from a source <b>outside Canada</b> (net of related expenses) <b>019</b>	
Exempt income	
Taxable dividends deductible (total of column F on Schedule 3 minus related expenses) 049	
Business income from an interest in a trust that is considered property income under paragraph 108(5)(a) . 059	
Subtotal ( <b>add</b> lines 029, 049, and 059)     K	
Subtotal (line 019 <b>minus</b> amount K) ►	L
Amount J <b>plus</b> amount L	M
Total losses from property from a source <b>outside Canada</b>	
Amount M minus line 069 (if negative, enter "0") (enter on line 445 of the T2 return)	

− Part 3A – Canadian and foreign investment income and ad	justed aggregate in	vestment income o	alculation ———
	A Canadian investment income	B Foreign investment income	C Adjusted aggregate investment income*
Eligible portion of the taxable capital gains for the year before taking into		income	mvestment meome
account the capital gains reserves (federal) of Schedule 13*	43,554		1.1
Eligible portion of capital gains reserves (addition/deduction)*· **			1.2
Taxable capital gains under section 34.2 (line 275 on Schedule 73)**			1.3
Fligible portion of the taxable capital gains for the year			
(add amounts 1.1, 1.2, and 1.3)	43,554		1
Eligible portion of allowable capital losses for the year (including allowable business investment losses)*			2.1
Net capital losses of previous years (line 332 on the T2 return)			2.2
Allowable capital losses under section 34.2 (line 285 of Schedule 73)**			2.3
Allowable capital losses for the year (add amounts 2.1, 2.2 and 2.3)			2
Amount 1 <b>minus</b> amount 2 (if negative, enter "0")			3
Taxable dividends			4.1
Rental property income (under regulation 1100(11))			4.2
Other property income*		<u> </u>	4.3
Property income under section 34.2 (line 280 of Schedule 73)**		<u> </u>	4.4
Total property income (add amounts 4.1, 4.2, 4.3 and 4.4)		)	4
E-marking and			F.4
Exempt income			5.1
computing the corporation's income for the year			5.2
Taxable dividends deductible (total of column F on Schedule 3 minus related expenses)*			5.3
Business income from an interest in a trust that is considered property income under paragraph 108(5)(a)			5.4
Add amounts 5.1, 5.2, 5.3 and 5.4			5
Amount 4 minus amount 5			6
Amount 3 plus amount 6	43,554		
,	>		·
Rental property losses (under regulation 1100(11))			8.1
Dividend losses			8.2
Other property losses*  Property losses under section 34.2			8.3
(line 280 of Schedule 73)**  Total property losses (add amounts 8.1, 8.2, 8.3 and 8.4)			8.4
Amount 7 <b>minus</b> amount 8 (if negative, enter "0")  Amount, if any, deducted under subsection 91(4) in computing the	43,554		9
corporation's income for the year			10
Amount 7 <b>minus</b> amount 8 <b>plus</b> amount 10 (if negative, enter "0")			11

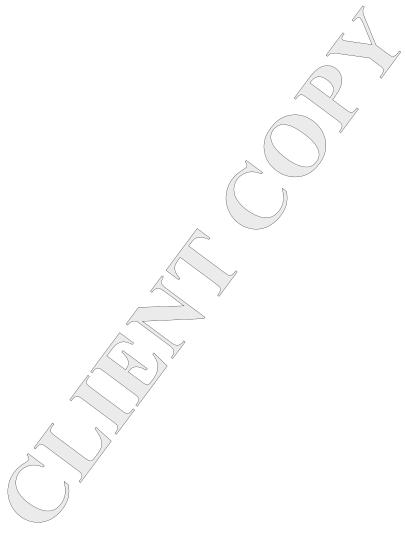
- \* To calculate the adjusted aggregate investment income under column C:
  - On lines 1.1, 1.2 and 2.1, only capital gains and losses resulting from the disposition of property other than an active asset (as defined under subsection 125(7) ITA) are to be taken into account.
  - On line 4.3, include amounts in respect of a life insurance policy that are included in computing the corporation's income for the year (even if those
    amounts are not included in the calculation of the corporation's investment income in column A and B) as well as the income from a specified foreign
    investment business.
  - On line 5.3, only the dividends received from a connected corporation should be included.
  - On line 8.3, include the loss from a specified foreign investment business.

For more information on the calculation of the adjusted aggregate investment income, consult notes 13 and 14 at the end of this form as well as the Help (F1).

\*\*When an amount is entered on these lines in column B, it reduces the corresponding amount in column A. For more information, consult the Help (F1).

Net taxable dividends	Canadian	Foreign	Total	
Taxable dividends deducted per Schedule 3				
Less: Expenses related to such dividends				
Total expenses				
Net taxable dividends				

<sup>\*</sup> Column A – Enter an "X" if the expense is related to a dividend received from a connected corporation.



### ¬ Part 4 – Specified partnership income Table 1 - Specified partnership income Α1 1A Is the corporation Partnership name Partnership's a designated member account number of the partnership? 200 Yes No В1 C1 D1 1D 2D **E1** F1 Corporation's Corporation's income Total income Income of the Prorated amounts Expenses Adjustments the corporation (loss) of share of corporation from calculated under (column 1D minus (loss) in respect of section 34.2 the partnership note 2 partnership amount in providing (directly incurred to column 2D) earn partnership from an column B1 or indirectly) active services or property income (add columns C1, business to the partnership D1 and E1) 310 311 315 300 320 Total 350 G1 H1 11 J1 K1 L1 М1 Specified Prorated business Number of Specified Specified Column F1 minus Lesser of limit notes 2 and 3 days in the partnership partnership partnership column K1 (if negative, columns F1 and partnership's business limit business limit business limit enter "0") K1 (if column F1 is negative, enter "0") fiscal period (column C1 ÷ assigned to you assigned by you amount (column H1 plus column B1) × (from H2 in Table 2) from F3 in Table 3) note 6 [\$ 500 000 × column I1 minus (column G1 ÷ 365)] column J1) (if column C1 is negative, enter "0") 325 330 335 336 340 Total 385 360 Corporation's losses for the year from an active business carried on in Canada 370 (other than as a member of a partnership) – enter as a positive amount Specified partnership loss of the corporation for the year - enter as a positive amount 380 (total of all negative amounts in column F1) Subtotal (line 370 plus line 380) 390 Amount at line 385 or amount N, whichever is less Specified partnership income (line 360 plus line 390), 400 (enter at amount R in Part 5)

## ¬ Part 4 – Specified partnership income (continued) –

Tables 2 and 3 are used to make an assignment of **specified partnership business limit** under subsection 125(8). A person that is a member of a partnership can make an assignment of **specified partnership business limit** under subsection 125(8) to a **designated member**.

If you are a CCPC that is a designated member and receiving specified partnership business limit from a person that is a member of the partnership complete

able 2 – A member is a	ssigning to yo	ou specified	partnership bu	usiness limi	t under sub	section 125(8	) ———			
	A2			2A				B2		
F	Partnership nam	name Partnership's Name of the member account number						er		
	405							406		
C2	D2	2	E2			F2	G	2	H2	
Business number of the member (if applicable)	Social ins number mem (if applid	of the ber cable)	Trust ac number o memb (if applic	of the per able)	the (yyy	ear start of member rymmdd)	Tax yea the me (yyyym	ember amdd)	Specified partnership business limit assigned to you by the member note 7	
410	41	1	412	2		415	41	6	420	
							<del>\</del>			
able 3 – You are assign	ing to a desig	gnated mem	ber (CCPC) sp	ecified partr	nership bus	iness limit un	der subsectio	125(8)		
F	3 <i>i</i> Partne			N 60	B3 e designated m					
	425			account	number			426		
C3			D3		7	E3			F3	
Business number the designated member	of		Tax year start of the designated member (yyyymmdd)			Tax year-end of the designated member (yyyymmdd)	nated limit ass per desi		d partnership business ssigned by you to the signated member note 8	
430			435			436			440	
art 5 – Partnership poration's income from ac										
ucting related expenses) -							nersnip (aiter			
cified partnership loss (fro	om line 380 in	Part 4)	V					· · · · · _		
						Subtotal (a	amount O <b>plus</b>	amount P) _		
cified partnership income	(from line 400	in Part 4)								

<ul> <li>Specified corporate income and assign</li> </ul>	ment under subsection 12	5(3.2)	
		/	
nount DD on line 400 of the T2 return - if negative, enter "0"	)		
`	/ /	\.\	<u>662,749</u> DD
I corporate income (from line 625 in Part 7)			cc
·	· <del>·</del>	\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\	ВВ
( / ( / ( / ( ) ( ) ) )	_		AA
eferred to in clause 125(1)(a)(i)(C)		4	
nip income allocated to your corporation under subsection 9	6(1.1) <u>530</u> _		
nip income not eligible for the small business deduction (line	e 450 in Part 5) <u></u> _		Z
unt (amount U <b>minus</b> amount X)			<u>662,749</u> Y
Subtotal (add line 500, a	amount V, amount W and line 520) $_{\pm}$	43,554	43,554 x
Subtotal (amount e1 <b>plus</b> amount e2) note 9	<b>▶</b> 520		
come after deducting related expenses note 9	e2		
note 9	e1		
· · · · · · · · · · · · · · · · · · ·	2 and 082 <sup>note 9</sup> in Part 1)		W
. •	<del>-</del>	43,554	V
ousiness income after deducting related expenses note 9	<u>500</u> _		
	-	706,303	<b>→</b> 706,303 U
e business investment loss from line 406 of Schedule 1		·	Т
J		706,303	S
	ne for income tax purposes from line 300 of the T2 return business investment loss from line 406 of Schedule 1  Susiness income after deducting related expenses note 9 capital gains from line 113 of Schedule 1  erty income (line 032 note 10 minus the total of lines 042, 052 services business income after deducting related note 9  ome after deducting related expenses note 9  Subtotal (amount e1 plus amount e2) note 9  Subtotal (amount e1 plus amount e2) note 9  Subtotal (amount U minus amount X)  int (amount U minus amount X)  int income not eligible for the small business deduction (lines per line) income allocated to your corporation under subsection 9 eferred to in clause 125(1)(a)(i)(C)  eferred to in clause 125(1)(a)(i)(B) (from line 615 in Part 7)  Subtotal (add amount Z, corporate income (from line 625 in Part 7)	Subtotal (amount S plus amount T) =  susiness income after deducting related expenses note 9  sapital gains from line 113 of Schedule 1  erty income (line 032 note 10 minus the total of lines 042, 052 and 082 note 9 in Part 1)  services business income after deducting related  note 9  e1  ome after deducting related expenses note 9  Subtotal (amount e1 plus amount e2) note 9  Subtotal (amount W and line 520) =  ant (amount U minus amount X)  nip income not eligible for the small business deduction (line 450 in Part 5)  afterred to in clause 125(1)(a)(i)(C)  eferred to in clause 125(1)(a)(i)(B) (from line 615 in Part 7)  Subtotal (add amount Z, line 530, line 540 and amount AA)	substance for income tax purposes from line 300 of the T2 return  T06,303  Subtotal (amount S plus amount T)  Subtotal (amount S plus amount T)  Subtotal (amount S plus amount T)  T06,303  Subtotal (amount S plus amount T)  Subtotal (amount S plus amount T)  T06,303  Subtotal (amount S plus amount T)  Subtotal (amount S plus amount T)  T06,303  Subtotal (amount S plus amount T)  Subtotal (amount S plus amount T)  Subtotal (amount S plus amount T)  T06,303  Subtotal (amount S plus amount T)  T06,303  43,554  Subtotal (amount S plus amount V, amount W and line 520)  43,554  Subtotal (amount U minus amount W and line 520)  Subtotal (amount U minus amount V, amount W and line 520)  Subtotal (amount U minus amount V, amount W and line 520)  Subtotal (amount U minus amount V, amount W and line 520)  Subtotal (amount U minus amount V, amount W and line 520)  Subtotal (amount U minus amount V, amount W and line 520)  Subtotal (amount U minus amount V, amount W and line 520)  Subtotal (amount U minus amount V, amount W and line 520)  Subtotal (amount U minus amount V, amount W and line 520)  Subtotal (amount U minus amount V, amount W and line 520)  Subtotal (amount U minus amount V, amount W and line 520)  Subtotal (amount U minus amount V, amount W and line 520)  Subtotal (amount V, amount V, amount W and line 520)  Subtotal (amount V, amount V, amount W and line 520)  Subtotal (amount V, amount V, amount W and line 520)  Subtotal (amount V, amount V, amount W and line 520)  Subtotal (amount V, amount V, amount W and line 520)  Subtotal (amount V, amount V, amount W and l

GG
d under clause Business limit assigned <b>from</b>
ceived from the the corporation identified in
dentified in column EE note 12
note 11
620
Total <b>625</b>
2

See the privacy statement on your return.

### Notes

Note 1 Do not include expenses that were deducted in computing the income of the corporation in column D1.

In general, amounts included under subsections 34.2(2) and 34.2(3) or claimed under subsection 34.2(4) are deemed to have the **same character** and be in the **same proportions** as the partnership income they relate to. For example, if a corporation receives \$100,000 of partnership income for the partnership's fiscal period ending in its tax year, and that income is made up of \$40,000 of active business income, \$30,000 of income from property, and \$30,000 as a taxable capital gain, the corporation's adjusted stub period accrual (ASPA) in respect of the partnership would be 40% active business income, 30% property income, and 30% taxable capital gains. Add or deduct only the portion of the following amounts that are characterized as **active business income** in accordance with subsection 34.2(5):

### Add:

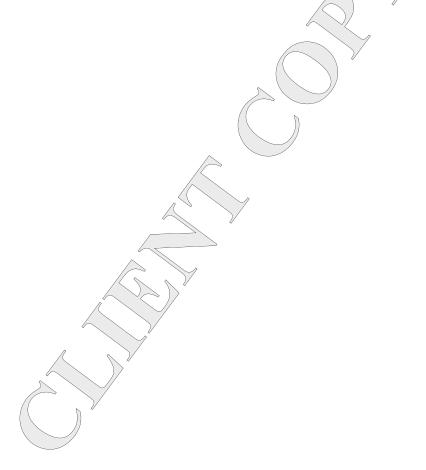
- the ASPA under subsection 34.2(2) (column 4 of Schedule 73)
- the income inclusion for a new corporate member of a partnership under subsection 34.2(3) (column 6 of Schedule 73)
- the previous-year transitional reserve under subsection 34.2(12) (column 12 of Schedule 73)

### Deduct:

- the previous-year ASPA under subsection 34.2(4) (column 5 of Schedule 73)
- the previous-year income inclusion for a new corporate member of a partnership under subsection 34.2(4) (column 7 of Schedule 73)
- Note 2 When a partnership carries on more than one business, one of which generates income and another of which realizes a loss, the loss is **not** netted against the partnership's income when calculating the prorated business limit (column H1). Enter on line 380 the total of all losses from column F1.
- Note 3 If you are a designated member of the partnership, enter "0".
- **Note 4** You must enter "0" **if** the partnership provides services or property to either:
  - (A) a private corporation (directly or indirectly in any manner whatever) in the year, if:
    - you (or one of your shareholders) or a person that does **not** deal at arm's length with you (or one of your shareholders) holds a direct or indirect interest in the private corporation, and
    - it is not the case that all or substantially all of the partnership's income for the year from an active pusiness is from providing services or property to
      - persons (other than the private corporation) that deal at arm's length with the partnership and each person that holds a direct or indirect interest in the partnership, or
    - partnerships with which the partnership deals at arm's length, other than a partnership in which a person that does not deal at arm's length with you holds a direct or indirect interest, or
  - (B) a particular partnership (directly or indirectly in any manner whatever) in the year it
    - you (or one of your shareholders) do **not** deal at arm's length with the particular partnership or a person that holds a direct or indirect interest in the particular partnership, and
    - it is not the case that all or substantially all of the partnership's income for the year from an active business is from providing services or property to
      - persons that deal at arm's length with the partnership and each person that holds a direct or indirect interest in the partnership, or
      - partnerships (other than the particular partnership) with which the partnership deals at arm's length, other than a partnership in which a person that does not deal at arm's length with you holds a direct or indirect interest.
- Note 5 If you are a CCPC that is a designated member receiving an assignment of specified partnership business limit, complete Table 2 to determine the amounts to enter in Table 1 column I1.
- Note 6 If you are a corporation that is a member of the partnership and you are assigning specified partnership business limit, complete Table 3 to determine the amounts to enter in Table 1 column J1.
- Note 7 Add the amounts in column H2 that are for the same partnership and enter it in Table 1 column I1, in the row of the applicable partnership.
- Note 8 Add the amounts in column F3 that are for the same partnership and enter it in Table 1 column J1, in the row of the applicable partnership. This amount cannot be higher than the amount of prorated business limit you would otherwise be entitled to in Table 1 column H1 for that partnership.
- Note 9 If negative, enter amount in brackets, and add instead of subtracting.
- Note 10 Net of related expenses.
- Note 11 This amount is [as defined in subsection 125(7) specified/corporate income (a)(i)] the total of all amounts, each of which is your income from an active business for the year from providing services or property to a private corporation (directly or indirectly, in any manner whatever) if
  - (A) at any time in the year, you (or one of your shareholders) or a person that does **not** deal at arm's length with you (or one of your shareholders) holds a direct or indirect interest in the private corporation, and
  - (B) it is not the case that all or substantially all of your income for the year from an active business is from providing services or property to
    - (I) persons (other than the private corporation) with which you deal at arm's length, or
    - (II) partnerships with which you deal at arm's length, other than a partnership in which a person that does **not** deal at arm's length with you holds a direct or indirect interest.
  - Do **not** include specified farming or fishing income. If the conditions described in subsection 125(10) are met, do not include income from an associated corporation.
- Note 12 The amount of business limit that a CCPC can assign to you cannot be greater than the amount in column FF that is from providing services or property directly to that CCPC. If there is an amount included in column FF that is deductible by that CCPC in respect of the amount of its income referred to in clause 125(1)(a)(i)(A) or (B) for its tax year, you need to deduct it from column FF for the purpose of determining the amount that can be assigned to you.

### Notes (continued)

- Note 13 Active asset, of a particular corporation at any time, means property that is:
  - (A) used at that time principally in an active business carried on primarily in Canada by the particular corporation or by a Canadian-controlled private corporation that is related to the particular corporation,
  - (B) a share of the capital stock of another corporation if, at that time,
    - the other corporation is connected with the particular corporation (within the meaning assigned by subsection 186(4) on the assumption that the other corporation is at that time a payer corporation within the meaning of that subsection), and
    - the share would be a qualified small business corporation share (as defined in subsection 110.6(1)) if:
      - the references in that definition to an "individual" were references to the particular corporation, and
      - that definition were read without reference to "the individual's spouse or common-law partner", or
  - (C) an interest in a partnership, if:
    - at that time, the fair market value of the particular corporation's interest in the partnership is equal to or greater than 10% of the total fair market value of all interests in the partnership,
    - throughout the 24-month period ending before that time, more than 50% of the fair market value of the property of the partnership was attributable to property described in this paragraph or in paragraph (A) or (B), and
    - at that time, all or substantially all of the fair market value of the property of the partnership was attributable to property described in this paragraph or in paragraph (A) or (B).
- Note 14 Income or loss from property of a particular corporation, for the purposes of calculating the corporation's adjusted aggregate investment income, includes income or loss from a specified investment business, as well as all amounts in respect of a life insurance policy that are included in computing the corporation's income for the year (even if those amounts were not included in the computation of the corporation's aggregate investment income in Part 1).



Schedule 8

Canada Revenue Agence du revenu du Canada

# **Capital Cost Allowance (CCA)**

Corporation's name	Business number	Tax year-end
		Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2020-12-31

For more information, see the section called "Capital Cost Allowance" in the T2 Corporation Income Tax Guide.

Is the corporation electing under Regulation 1101(5g)?	101	Yes	No X
is the corporation electing under Negaration 110 (39):		. 00	110 71

Γ	1		2	3	4	5	6	7	8	9
	Class number *	Description	Undepreciated capital cost (UCC) at the beginning of	Cost of acquisitions during the year (new property must	Cost of acquisitions from column 3 that are accelerated	Adjustments and transfers	Amount from column 5 that is assistance received	Amount from column 5 that is repaid during the	Proceeds of dispositions	UCC (column 2 <b>plus</b> column 3 <b>plus</b> or
	See note 1		the year	be available for use)  See note 2	investment incentive properties (AIIP) or zero-emission	See note 4	or receivable during the year for a property,	year for a property, subsequent to its disposition	See note 7	minus column 5 minus column 8)
					vehicle (ZEV) See note 3		subsequent to its disposition	See note 6		See note 6
	200		201	203	225	205	221	222	207	
1.	1	Buildings	7,989,426						0	7,989,426
2.	8	Equipment	127,401	3,769	3,769				0	131,170
3.	10	Trucks	284,247	181,741	181,741				25,000	440,988
4.	45	Computer equipment	13						0	13
5.	47	Electric Distribution Equipment	9,803,573	1,404,434	1,404,434	28,511			25,000	11,211,518
6.	50	Computer equipment	11,572	44,717	44,717				0	56,289
7.	43.2	Solar Generation	219						0	219
8.	14.1		115,140						0	115,140
9.	1b		5,690						0	5,690
10.	1b	2018 Addition	94,783	25,149	25,149				0	119,932
11.	95	CIP	29,360	15,625	15,625	-28,513			0	16,472
12.	12			21,059	21,059				0	21,059
		Totals	18,461,424	1,696,494	1,696,494	-2			50,000	20,107,916

	1		10	11	12	13	14	15	16	17	18
n	Class number * See note 1	Description	Proceeds of disposition available to reduce the UCC of AllP and ZEV (column 8 plus column 6 minus column 7 plus column 7 (if negative, enter "0")	Net capital cost additions of AIIP and ZEV acquired during the year (column 4 minus column 10) (if negative, enter "0")	UCC adjustment for AIIP and ZEV acquired during the year (column 11 multiplied by the relevant factor) See note 9	UCC adjustment for property acquired during the year other than AIIP and ZEV (0.5 multiplied by the result of column 3 minus column 4 minus column 6 plus column 7 minus column 8) (if negative, enter "0")	CCA rate % See note 11	Recapture of CCA See note 12	Terminal loss See note 13	CCA (for declining balance method, the result of column 9 plus column 12 minus column 13, multiplied by column 14 or a lower amount)  See note 14	UCC at the end of the year (column 9 minus column 17)
	200					224	212	213	215	217	220
1.	1	Buildings					4	0	0	319,577	7,669,849
2.	8	Equipment		3,769	1,885		20	0	0	26,611	104,559
3	10	Trucks	25,000	156,741	78,371		30	0	0	155,808	285,180
4.	45	Computer equipment					45	0	0	6	7
5	47	Electric Distribution Equipment	25,000	1,379,434	689,717		8	0	0	952,099	10,259,419
6	50	Computer equipment		44,717	22,359		55	0	0	43,256	13,033
7	43.2	Solar Generation					50	\ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \	0	110	109
8	14.1						5	)/ o	0	8,038	107,102
9	1b					(	6	0	0	341	5,349
0	1b	2018 Addition		25,149	12,575		6	0	0	7,950	111,982
1.	95	CIP		15,625	7,813		<u>//o</u>	0	0		16,472
2.	12			21,059			100	0	0	21,059	
		Totals	50,000	1,646,494	812,720					1,534,855	18,573,061

Enter the total of column 15 on line 107 of Schedule 1. Enter the total of column 16 on line 404 of Schedule 1. Enter the total of column 17 on line 403 of Schedule 1.

- Note 1. If a class number has not been provided in Schedule II of the Income Tax Regulations for a particular class of property, use the subsection provided in Regulation 1101. Class numbers followed by a letter indicate the basic rate of the class taking into account the additional deduction allowed. Class 1a: 4% + 6% = 10% (class 1 to 10%), class 1b: 4% + 2% = 6% (class 1 to 6%).
- Note 2. 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 of property in the class that are not subject to the 50% rule. See Income Tax Folio S3-F4-C1, General Discussion of Capital Cost Allowance, for exceptions to the 50% rule.
- Note 3. An AIIP is a property (other than ZEV) that you acquired after November 20, 2018 and became available for use before 2028. ZEV is, subject to certain exceptions, a new motor vehicle included in Class 54 or 55 that you acquired after March 18, 2019 and became available for use before 2028. The Government proposes to create Class 56 for zero-emission automotive equipment and vehicles that currently do not benefit from the accelerated rate provided by Classes 54 and 55. Class 56 would apply to eligible zero-emission automotive equipment and vehicles that are acquired after March 1, 2020, and became available for use before 2028. Columns 4, 10, 11, 12 and 13 also apply for additions of class 56 property. See the T2 Corporation Income Tax Guide for more information.
- Note 4. Enter in column 5, "Adjustments and transfers", amounts that increase or reduce the undepreciated capital cost (column 9). Items that increase the undepreciated capital cost include amounts transferred under section 85, or transferred on amalgamation or winding-up of a subsidiary. Items that reduce the undepreciated capital cost (show amounts that reduce the undepreciated capital cost in brackets) include government assistance received or entitled to be received in the year, or a reduction of capital cost after the application of section 80. See the T2 Corporation Income Tax Guide for other examples of adjustments and transfers to include in column 5.

  Also include the UCC of each property acquired in a non-arm's length transaction (other than by virtue of a right referred to in paragraph 251(5)(b) of the Act) if the property was a depreciable property
  - Also include the UCC of each property acquired in a non-arm's length transaction (other than by virtue of a right referred to in paragraph 251(5)(b) of the Act) if the property was a depreciable property continuously owned by the transferor for at least 364 days before the end of your tax year.
- Note 5. Include all amounts of assistance you received (or were entitled to receive) after the disposition of a depreciable property that would have decreased the capital cost of the property by virtue of paragraph 13(7.1)(f) if received before the disposition.
- Note 6. Include all amounts you have repaid during the year with respect to any legally required repayment, made after the disposition of a corresponding property, of:
  - assistance that would have otherwise increased the capital cost of the property under paragraph 13(7.1)(d) and
  - an inducement, assistance or any other amount contemplated in paragraph 12(1)(x) received, that otherwise would have increased the capital cost of the property under paragraph 13(7.4)(b)
    Also include the UCC of each property of a prescribed class acquired in the course of a corporate reorganization described under paragraph 55(3)(b) of the Act (also known as "butterfly reorganization") or in a non-arm's length transaction (other than by virtue of a right referred to in paragraph 251(5)(b) of the Act) if the property was a depreciable property acquired by the transferor less than 364 days before the end of your tax year.
- Note 7. For each property disposed of during the year, deduct from the proceeds of disposition any outlays and expenses to the extent that they were made or incurred for the purpose of making the disposition(s). The amount reported in respect of the property cannot exceed the property's capital cost, unless that property is a timber resource property as defined in subsection 13(21). The proceeds of disposition of a ZEV that has been included in Class 54 and that is subject to the \$55,000 (plus sales taxes) capital cost limit will be adjusted based on a factor equal to the capital cost limit of \$55,000 (plus sales taxes) as a proportion of the actual cost of the vehicle.
- Note 8. If the amount in column 5 reduces the undepreciated capital cost (i.e. it is shown in brackets), you must subtract it for the purposes of the calculation. Otherwise, add the amount in column 5 for the purposes of the calculation.
- Note 9. The relevant factors for property of a class in Schedule II, that is AllP or included in Classes 54 to 56, available for use before 2024 are:
  - 2 1/3 for property in Classes 43.1, 54 and 56
  - 1 1/2 for property in Class 55
  - \_ 1 for property in Classes 43.2 and 53
  - 0 for property in Classes 12, 13, 14, and 15, as well as properties that are Canadian vessels included in paragraph 1100(1)(v) of the Regulations (see note 14 for additional information) and
  - 0.5 for all other property that is AIIP
- Note 10. The UCC adjustment for property acquired during the year other than AllP and ZEV (formerly known as the half-year rule or 50% rule) does not apply to certain property (including AllP). For special rules and exceptions, see Income Tax Folio S3-F4-C1, General Discussion of Capital Cost Allowance.
- Note 11. Enter a rate only if you are using the declining balance method. For any other method (for example the straight-line method, where calculations are always based on the cost of acquisitions), enter N/A. Then enter the amount you are claiming in column 17.
- Note 12. If the amount in column 9 is negative, you have a recapture of CCA. If applicable, enter the negative amount from column 9 in column 15 as a positive. The recapture rules do not apply to passenger vehicles in Class 10.1.
- Note 13. If no property is left in the class at the end of the tax year and there is still a positive amount in the column 9, you have a terminal loss. If applicable, enter the positive amount from column 9 in column 16. The terminal loss rules do not apply to:
  - passenger vehicles in Class 10.1
  - property in Class 14.1, unless you have ceased carrying on the business to which it relates or
  - limited-period franchises, concessions, or licences in Class 14 if, at the time of acquisition, the property was a former property of the transferor or any similar property attributable to the same fixed place of business, and you had jointly elected with the transferor to have the replacement property rules apply
- Note 14. If the tax year is shorter than 365 days, prorate the CCA claim. Some classes of property do not have to be prorated. See the T2 Corporation Income Tax Guide for more information. For property in class 10.1 disposed of during the year, deduct a maximum of 50% of the regular CCA deduction if you owned the property at the beginning of the tax year. For AllP listed below, the maximum first year allowance you can claim is determined as follows:
  - Class 13: the lesser of 150% of the amount calculated in Schedule 1 of the Regulations and the UCC at the end of the tax year (before any CCA deduction)
  - Class 14: the lesser of 150% of the allocation for the year of the capital cost of the property apportioned over the remaining life of the property (at the time the cost was incurred) and the UCC at the end of the tax year (before any CCA deduction)
  - Class 15: the lesser of 150% of an amount computed on the basis of a rate per cord, board foot or cubic metre cut in the tax year and the UCC at the end of the tax year (before any CCA deduction)
  - Canadian vessels described under paragraph 1100(1)(v) of the Regulations: the lesser of 50% of the capital cost of the property and the UCC at the end of the tax year (before any CCA deduction)
  - Class 41.2: use a 25% CCA rate. The additional allowance under paragraph 1100(1)(y.2)(for single mine properties) and 1100(1)(ya.2)(for multiple mine properties) of the Regulations is not eligible for the accelerated investment incentive. The additional allowance in respect of natural gas liquefaction under paragraph 1100(1)(yb) of the Regulations is eligible for the accelerated investment incentive.

The AllP also apply to property (other than a timber resource property) that is a timber limit or a right to cut timber from a limit as well as to industrial mineral mine or a right to remove minerals from an industrial mineral mine. See the Income Tax Regulations for more detail.

T2 SCH 8 (20)

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Agence du revenu du Canada

**SCHEDULE 9** 

## **RELATED AND ASSOCIATED CORPORATIONS**

Name of corporation	Business Number	Tax year end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2020-12-31

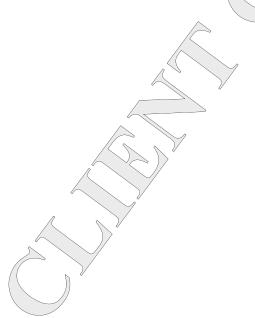
- Complete this schedule if the corporation is related to or associated with at least one other corporation.
- For more information, see the T2 Corporation Income Tax Guide.

	Name	Country of resi- dence (other than Canada)	Business number (see note 1)	Relation-ship code (see note 2)	Number of common shares you own	% of common shares you own	Number of preferred shares you own	% of preferred shares you own	Book value of capital stock
	100	200	300	400	500	550	600	650	700
1.	Corporation of the Town of Orange		10698 6151 RC0001	1					
2.	Corporation of the Township of Eas		NR	1		1			
3.	Orangeville Hydro Services Inc.		89454 8015 RC0001	3		<i></i>	<u> </u>		
4.	Orangville Railway Development Co		86433 3166 RC0001	3					

Note 1: Enter "NR" if the corporation is not registered or does not have a business number.

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

T2 SCH 9 (11) Canadä



# Continuity of financial statement reserves (not deductible)

		—— Financial stat	tement reserves (	not deductible) —		
	Description	Balance at the beginning of the year	Transfer on an amalgamation or the wind-up of a subsidiary	Add	Deduct	Balance at the end of the year
1	Allowance for doubtful accts	42,000		46,000	42,000	46,000
2	Employee Future Benefits	337,688		346,292	337,688	346,292
3						
	Reserves from Part 2 of Schedule 13			A		
	Totals	379,688		392 <b>,</b> 2 <del>92</del>	379,688	392,292

The total opening balance plus the total transfers should be entered on line 414 of Schedule 1 as a deduction. The total closing balance should be entered on line 126 of Schedule 1 as an addition.

# Agreement Among Associated Canadian-Controlled Private Corporations to Allocate the Business Limit

- For use by a Canadian-controlled private corporation (CCPC) to identify all associated corporations and to assign a percentage for each associated corporation. This percentage will be used to allocate the business limit for the small business deduction. Information from this schedule will also be used to determine the date the balance of tax is due and to calculate the reduction to the business limit.
- An associated CCPC that has more than one tax year ending in a calendar year must file an agreement for each tax year ending in that calendar year.
- Column 1: Enter the legal name of each of the corporations in the associated group, including those deemed to be associated under subsection 256(2) of the Income Tax Act.
- Column 2: Provide the business number for each corporation (if a corporation is not registered, enter "NR").
- Column 3: Enter the association code from the list below that applies to each corporation:
  - 1 Associated for purposes of allocating the business limit (unless association code 5 applies)
  - 2 CCPC that is a **third corporation** as referred to in subsection 256(2) and has filed Schedule 28, Election not to be Associated Through a Third Corporation
  - 3 Non-CCPC that is a third corporation
  - 4 Associated non-CCPC
  - 5 Associated CCPC to which association code 1 does not apply because a third corporation has filed Schedule 28
- **Column 4:** Enter the business limit for the year of each corporation in the associated group. Enter "0" if the corporation has association code 2, 3 or 4 in column 3 (except if the corporation is a cooperative or a credit union eligible for the SBD and it has association code 4).
- Column 5: Assign a percentage to allocate the business limit to each corporation that has association code in column 3. The total of all percentages in column 5 cannot exceed 100%.
- **Column 6:** Enter the business limit allocated to each corporation by multiplying the amount in column 4 by the percentage in column 5. Add all business limits allocated in column 6 and enter the total at line A.

Ensure that the total at line A does not exceed \$500,000.

A III	posting the business limit	//				
- All	ocating the business limit ——————					Year Month Day
Date t	iled (do not use this area)		/.		. 025	
Enter	the calendar year the agreement applies to				. 050	Year 2020
	an amended agreement for the above calendar year that in reement previously filed by any of the associated corporation				. 075	Yes X No
	1	2	3	4	5	6
	Name of associated corporations  100	Business number of associated corporations	Association code	Business limit for the year before the allocation \$	Percentage of the business limit %	Business limit allocated* \$
1	Orangeville Hydro Limited	86463 9562 RC0002	1	500,000	100.0000	500,000
2	Corporation of the Town of Orangeville	10698 6151 RC0001	1	500,000		
3	Corporation of the Township of East Luther Gra	NR	1	500,000		
4	Orangeville Hydro Services Inc.	89454 8015 RC0001	1	500,000		
5	Orangville Railway Development Corporation	86433 3166 RC0001	1	500,000		
				Total	100,0000	500,000

## Business limit reduction under subsection 125(5.1) of the Act

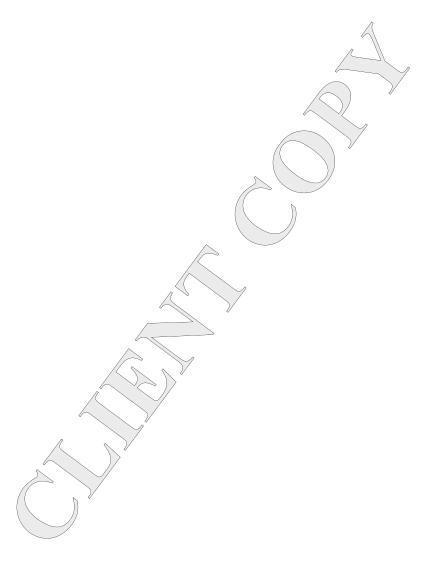
The business limit reduction is calculated in the small business deduction area of the T2 return. One of the factors used in this calculation is the "large corporation amount" at line 415 of the T2 return. The amount at line 415 is determined using the formula 0.225% x (C - \$10,000,000). Another factor is the "adjusted aggregate investment income" from lines 744 and 745 of Schedule 7, Aggregate Investment Income and Income Eligible for the Small Business Deduction. Details of these formulas and variable C are in subsection 125(5.1) of the Act.

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

### Special rules for business limit

Special rules apply under subsection 125(5) if a CCPC has more than one tax year ending in the same calendar year and it is associated in more than one of those tax years with another CCPC that has a tax year ending in that calendar year. The business limit for the second or later tax year will be equal to the lesser of: the business limit determined for the first tax year ending in the calendar year or the business limit determined for the second or later tax year ending in the same calendar year.

T2 SCH 23 E (19) Canadä



# **Investment Tax Credit - Corporations**

# - General information

- Use this schedule:
  - to calculate an investment tax credit (ITC) earned during the tax year
  - to claim a deduction against Part I tax payable
  - to claim a refund of credit earned during the current tax year
  - to claim a carryforward of credit from previous tax years
  - to transfer a credit following an amalgamation or the wind-up of a subsidiary, as described under subsections 87(1) and 88(1)
  - to request a credit carryback to one or more previous years
  - if you are subject to a recapture of ITC
  - if you are claiming:
    - the Ontario Research and Development Tax Credit
    - the Ontario Innovation Tax Credit
- Unless otherwise stated, all legislative references are to the Income Tax Act and the Income Tax Regulations.
- The ITC is eligible for a three-year carryback (if not deductible in the year earned). It is also eligible for a twenty-year carryforward.
- Investments or expenditures, described in subsection 127(9) and Regulation Part XLVI, that currently earn an ITC are.
  - qualified property and qualified resource property (Parts 4 to 7 of this schedule)
  - qualified scientific research and experimental development (SR&ED) expenditures (Parts 8 to 17). File Form T661, Scientific Research and Experimental Development (SR&ED) Expenditures Claim
  - pre-production mining expenditures (Part 18)
    - You can no longer claim the ITC for the pre-production mining expenditures. Only unused credits that have not expired can be carried forward
      for up to 20 tax years following the tax year in which you made the investment.
  - apprenticeship job creation expenditures (Parts 19 to 21)
  - child care spaces expenditures (Parts 22 to 26)
    - Expenditures related to child care spaces incurred after March 21, 2017 no longer qualify for the 1TC. However, if you entered into a written agreement before March 22, 2017, eligible expenditures incurred before 2020 remain eligible for the credit.
- File this schedule with the T2 Corporation Income Tax Return. If you need more space, attach additional schedules.
- For more information on ITCs, see "Investment Tax Credit" in Guide T4012, T2 Corporation Income Tax Guide and read Information Circular IC78-4, Investment Tax Credit Rates, and its related Special Release.
- For more information on SR&ED, see guide T4088, Scientific Research and Experimental Development (SR&ED) Expenditures Claim Guide to Form T661.

### **Detailed information**

- For the purpose of this schedule, **investment** means the capital cost of the property (excluding amounts added by an election under section 21), determined without reference to subsections 13(7.1) and 13(7.4), minus the amount of any government or non-government assistance that the corporation has received, is entitled to receive, or can reasonably be expected to receive for that property at the time it files the income tax return for the year in which the property was acquired.
- An ITC deducted in a tax year for a depreciable property, other than a depreciable property deductible under paragraph 37(1)(b), reduces both the capital cost of that property and the undepreciated capital cost of that class in the next tax year. An ITC for SR&ED deducted or refunded in a tax year will reduce the balance in the pool of deductible SR&ED expenditures and the adjusted cost base (ACB) of an interest in a partnership in the next tax year. An ITC from pre-production mining expenditures deducted in a tax year reduces the balance in the pool of deductible cumulative Canadian exploration expenses in the next tax year.
- Property acquired has to be available for use before a claim for an ITC can be made. See subsections 127(11.2) and 248(19) for more information.
- Expenditures for SR&ED qualifying for an ITC must be identified by the claimant on Form T661 and Schedule 31 no later than 12 months after the claimant's income tax return is due for the tax year in which it incurred the expenditures.
- Expenditures for apprenticeship or child care space for an ITC must be identified by the claimant on Schedule 31 no later than 12 months after the claimant's income tax return is due for the tax year in which it incurred the expenditures or capital costs.
- Partnership allocations Subsection 127(8) provides for the allocation of the amount that may reasonably be considered to be a partner's share of the ITCs of the partnership at the end of the fiscal period of the partnership. An allocation of ITCs is generally considered to be the partner's reasonable share of the ITCs if it is made in the same proportion in which the partners have agreed to share any income or loss and if section 103 is not applicable for the agreement to share any income or loss. Special rules apply to specified members of a partnership and limited partners. For more information, see Guide T4068, Guide for the Partnership Information Return (T5013 Forms).
- For tax purposes, Canada includes the **exclusive economic zone of Canada** as defined in the Oceans Act (which generally consists of an area of the sea that is within 200 nautical miles from the Canadian coastline), including the airspace, seabed and subsoil of that zone.
- For the purpose of this schedule, the expression **Atlantic Canada** includes the Gaspé Peninsula and the provinces of Newfoundland and Labrador, Prince Edward Island, Nova Scotia, and New Brunswick, as well as their respective offshore regions (prescribed in Regulation 4609).



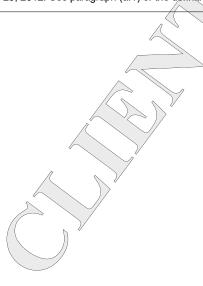
### Detailed information (continued)

- For the purpose of this schedule, **qualified property** means property in Atlantic Canada that is used primarily for manufacturing and processing, farming or fishing, logging, storing grain, or harvesting peat. Property in Atlantic Canada that is used primarily for oil and gas, and mining activities is considered qualified property only if acquired by the taxpayer **before** March 29, 2012, unless transitional measures were granted\*. Qualified property includes new buildings and new machinery and equipment (prescribed in Regulation 4600), and new energy generation and conservation property (prescribed in Regulation 4600). Qualified property can also be used primarily to produce or process electrical energy or steam in a prescribed area (as described in Regulation 4610). See the definition of **qualified property** in subsection 127(9) for more information.
- For the purpose of this schedule, **qualified resource property** means property in Atlantic Canada that is used primarily for oil and gas, and mining activities, if acquired by the taxpayer **after** March 28, 2012, and **before** January 1, 2016. Qualified resource property includes new buildings and new machinery and equipment (prescribed in Regulation 4600). See the definition of **qualified resource property** in subsection 127(9) for more information.

- Part 1 - Investments	. expenditures.	and	percentages -

Investments	- <b>I</b>	ecified entage
Qualified property acquired primarily for use in Atlantic Canada		10 %
Qualified resource property acquired primarily for use in Atlantic Canada and acquired	:	
- after March 28, 2012, and before 2014		10 %
- after 2013 and before 2016		5 %
- after 2015*		0 %
Expenditures  If you are a Canadian-controlled private corporation (CCPC), this percentage may appl claim of the SR&ED qualified expenditure pool that does not exceed your expenditure I		35 %
Note: If your current year's qualified expenditures are more than your expenditure li the excess is eligible for an ITC calculated at the 15% rate.	imit (see Part 10),	
If you are a corporation that is not a CCPC and have incurred qualified expenditures for	or SR&ED in any area in Canada	15 %
If you paid salary and wages to apprentices in the first 24 months of their apprenticesh	nip contract for employment	10 %
If you incurred expenditures after March 18, 2007, and before March 22, 2017 (or before March 22, 2017) for the creation of licensed child care spaces for the children of your or the control of the control of the children		25 %

A transitional relief rate of 10% may apply to property acquired after 2013 and before 2017, if the property is acquired under a written agreement entered into before March 29, 2012, or the property is acquired as part of a **phase** of a project where the construction or the engineering and design work for the construction started before March 29, 2012. See paragraph (a.1) of the definition of **specified percentage** in subsection 127(9) for more information.



Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2020-12-31

Corporation o name	Buoincee number	i ak your ond
		Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2020-12-31
- Part 2 - Determination of a qualifying corneration		

For the purpose of a refundable ITC, a qualifying corporation is defined under subsection 127.1(2). The corporation has to be a CCPC and its taxable income (before any loss carrybacks) for its previous tax year cannot be more than its qualifying income limit for the particular tax year. If the corporation is associated with any other corporations during the tax year, the total of the taxable incomes of the corporation and the associated corporations (before any loss carrybacks), for their last tax year ending in the previous calendar year, cannot be more than their qualifying income limit for the particular tax year.

Note: A CCPC considered associated with another corporation under subsection 256(1) will be considered not associated for the calculation of a refundable ITC if both of the following conditions are met:

- one corporation is associated with another corporation only because one or more persons own shares of the capital stock of both corporations
- one of the corporations has at least one shareholder who is not common to both corporations

If you are a qualifying corporation, you will earn a 100% refund on your share of any ITCs earned at the 35% rate on qualified expenditures for SR&ED, up to the allocated expenditure limit.

Some CCPCs that are not qualifying corporations may also earn a 100% refund on their share of any ITCs earned at the 35% rate on qualified expenditures for SR&ED, up to the allocated expenditure limit. The expenditure limit can be determined in Part 10.

The 100% refund will not be available to a corporation that is an excluded corporation as defined under subsection 127.1(2). A corporation is an excluded corporation if, at any time during the year, it is a corporation that is either controlled by (directly or indirectly, in any manner whatever) or is related to one of the following:

- a) one or more persons exempt from Part I tax under section 149
- b) Her Majesty in right of a province, a Canadian municipality, or any other public authority
- c) any combination of persons referred to in a) or b) above

Is the corporation a qualifying corporation?

- Part 3 – Corporations in the farming industry				
Complete this area if the corporation is making SR&ED contribution	//			
Is the corporation claiming a contribution in the current year to an whose goal is to finance SR&ED work (for example, check-off du	J ,	//	<b>102</b> 1	Yes 2 No X
If <b>yes</b> , complete Schedule 125, Income Statement Information, to	o identify the type of farming industr	y the corporation is inv	olved in.	
Contributions to agricultural organizations for SR&ED* Enter on line 350 of Part 8.		x 80 %	<sub>6</sub> = 103	
* Enter only contributions not already included on Form T661.				

# **Qualified Property and Qualified Resource Property**

# - Part 4 – Eligible investments for qualified property and qualified resource property from the current tax year

Capital cost allowance class number	Description of investment	Date available for use	Location used in Atlantic Canada (province)	Amount of investment
105	110	115	120	125
	Total of investments for	qualified property and qua	lified resource property	

and qualified r	resource property					
ITC at the end of the previous tax	year					B1
Credit deemed as a remittance of	co-op corporations		<b>210</b>		_	
Credit expired			215		_	
		Subtotal (line	e 210 <b>plus</b> line 215)		<b>_</b>	C1
ITC at the beginning of the tax ye	ar (amount B1 <b>minus</b> amount C1)				220	
Credit transferred on an amalgam	nation or the wind-up of a subsidiary		230		_	
ITC from repayment of assistance	e		235		_	
Qualified property; and qualified r acquired after March 28, 2012, ar January 1, 2014* (applicable part amount A1 in Part 4)	nd before	x	10 % = <b>240</b>	I	_	
Qualified resource property acqui	red after			$\triangle$		
December 31, 2013, and before a (applicable part from amount A1 i	January 1, 2016 n Part 4)	x	5 % = <b>242</b>		_	
Credit allocated from a partnershi	p		250		_	
		Subtotal (total	of lines 230 to 250)		<b>-</b>	D1
Total credit available (line 220 <b>plu</b>	us amount D1)				- 	E1
Credit deducted from Part I tax					_	
Credit carried back to previous ye	ears (amount H1 in Part 6)		( \ \		_ a	
Credit transferred to offset Part V	II tax liability		280		_	
	Subtotal (total	of line 260, an	mount a, and line 280	0)	<b>_</b>	F1
Credit balance before refund (am	ount E1 <b>minus</b> amount F1)				- 	G1
Refund of credit claimed on inves	tments from qualified property and qu	alified resourc	e property (from Par	t 7)	310	
	nents from qualified property and q	ualified reso	urce property		320	
* Include investments acquired a	fter 2013 and before 2017 that are elig	gible for transit	tional relief.			
- Dart 6 Paguast for as	rryback of credit from inve	otmonto in	auglified pro-	norty and avalified	l roccuroo proj	norty.
- Fait 6 - Request for ca		sunents in	i qualified prop	Derty and quanned	rresource prop	Jeity —
1ot provious toy year	Year Month Day			. Credit to be applied	901	
1st previous tax year 2nd previous tax year		,		<ul><li>Credit to be applied</li><li>Credit to be applied</li></ul>	902	
3rd previous tax year		<i>y</i>		Credit to be applied     Credit to be applied	903	
ord provious tax year	il.			Total of lines 901		H1
				Enter at amount a in	Part 5.	
	for qualifying corporations	on invest	ments from qu	alified property —		
Current-year ITCs (total of lines 2	240, 242, and 250 in Part 5)					I1
Credit balance before refund (from						
,	I1 or J1, whichever is less)					° 1
`	,					K1
Enter amount K1 or a lesser amo	unt on line 310 in Part 5 (also enter on	iline 780 of th	e 12 return if you do	not claim an SR&ED ITC	; retund).	

# SR&ED

┌ Part 8 – Qualified SR&ED expenditures ────────────────────────────────────	
Current expenditures (from line 559 on Form T661)	
Contributions to agricultural organizations for SR&ED	
Government assistance, non-government assistance, or contract payment	
Subtotal	
x 80 %	
Contributions to agricultural organizations for SR&ED for the federal ITC (this amount is updated to line 103 of Part 3. For more details, consult the Help.)*	
Qualified SR&ED expenditures (line 559 on Form T661 plus line 103 in Part 3)* > 350	_
Repayments made in the year (from line 560 on Form T661)	_
Total qualified SR&ED expenditures (line 350 plus line 370)	_
* If you are claiming only contributions made to agricultural organizations for SR&ED, line 350 should equal line 103 in Part 3. Do not file Form T661.	
Part 9 – Components of the SR&ED expenditure limit calculation	
Part 9 only applies if you are a CCPC.	
Note: A CCPC considered associated with another corporation under subsection 256(1) will be considered not associated for the calculation of an SR&ED expenditure limit if both of the following apply:	
• one corporation is associated with another corporation solely because one or more persons own shares of the capital stock of the corporation	
one of the corporations has at least one shareholder who is not common to both corporations	
Is the corporation associated with another CCPC for the purpose of calculating the SR&ED expenditure limit?	X
If you answered <b>no</b> to the question on line 385 or if you are not associated with any other corporations, complete lines 390 and 398.  If you answered <b>yes</b> , complete Schedule 49, Agreement Among Associated Canadian-Controlled Private Corporations to Allocate the Expenditure Limit, to determine the amounts for associated corporations.	
Enter your taxable income for the previous tax year* (prior to any loss carrybacks applied)	397
Enter your taxable capital employed in Canada for the previous tax year minus \$10 million. If this amount is nil or negative, enter "0".  If this amount is over \$40 million, enter \$40 million	<u>174</u>
* If the tax year referred to on line 390 is less than 51 weeks, <b>multiply</b> the taxable income by the following result: 365 <b>divided</b> by the number of days in that tax year.	
┌ Part 10 – SR&ED expenditure limit for a CCPC	
For a stand-alone (not associated) corporation \$ 8,000,00	0
Taxable income for the previous tax year (line 390 in Part/9) or \$500,000, whichever is more 500,000 × 10 = 5,000,000	
Excess (\$8,000,000 minus amount A2; if negative, enter "0")	
\$ 40,000,000 <b>minus</b> line 398 in Part 9 /	_
Amount b <b>divided</b> by \$ 40,000,000	34 C2
For tax years ending before March 19, 2019 Amount B2 multiplied by amount C2	D2
Amount B2 multiplied by amount G2	= "
For tax years ending after March 18, 2019  3,000,000 multiplied by amount C2	<u>20</u> E2
Expenditure limit for the stand-alone corporation (amount D2 or amount E2, whichever applies)*  1,910,52	
For an associated corporation:	_
If associated, the allocation of the SR&ED expenditure limit, as provided on Schedule 49*	G2
If your tax year is less than 51 weeks, calculate the amount of the expenditure limit as follows:  Amount F2 or G2  X  Number of days in the tax year  366 =	H2
365	= ''
Your SR&ED expenditure limit for the year (enter amount F2, G2, or H2, whichever applies)	<u>20</u>
* Amount F2 or G2 cannot be more than \$3,000,000.	

- Part 11 - investment tax credits on SR&ED expen	altures —				
Qualified SR&ED expenditures (from line 350 in Part 8) or the expenditure limit (from line 410 in Part 10), whichever is less* .	420		x 35 %	=	12
Line 350 <b>minus</b> line 410 (if negative, enter "0")	430		x 15 %	=	J2
If a corporation makes a repayment of any government or non-governm amount of qualified expenditures for ITC purposes, the amount of the re			educed the		
Repayments (amount from line 370 in Part 8)					
Enter the amount of the repayment on the line that corresponds to the a	appropriate rate.				
Repayment of assistance that reduced a qualifying expenditure for a CCPC**	x	35 % =	c		
Repayment of assistance made after September 16, 2016 that reduced a qualifying expenditure incurred before 2015	x	20 % =	d		
Repayment of assistance made after September 16, 2016 that reduced a qualifying expenditure incurred after 2014	x	15 % =	e		
	Subtotal (total of a	mounts c to e)	<u> </u>		K2
Current-year SR&ED ITC (total of amounts I2 to K2; enter on line 540	in Part 12)				L2
* For corporations that are not CCPCs, enter "0" for amount I2.			) //		
** If you were a Canadian-controlled private corporation (CCPC), this expenditure pool that did not exceed your expenditure limit at the tim to investment tax credit. See subsection 127(10.1) for details abora appropriate.	ne. This percentage in	cludes the rate under	subsection 127(10.1)	, Additions	
− Part 12 – Current-year credit and account balance	s – ITC from SF	&ED expenditu	ıres —		
ITC at the end of the previous tax year	/(	n			M2
,		510		•	IVIZ
Credit deemed as a remittance of co-op corporations		510			
Credit expired					
	Subtotal (line 510 p	lus line 515)			N2
ITC at the beginning of the tax year (amount M2 <b>minus</b> amount N2)	· · · · · · · · · · · · · · · · · · ·		52	<u> </u>	
Credit transferred on an amalgamation or the wind-up of a subsidiary		530			
Total current-year credit (from amount L2 in Part 11)		540			
Credit allocated from a partnership	\	550			
	Subtotal (total of lines	530 to 550)	<b>&gt;</b>		02
Total credit available (line 520 <b>plus</b> amount O2)					P2
Credit deducted from Part I tax		560			
Credit carried back to previous years (amount \$2 in Part 13)		· · · · · · · · · · ·	f		
Credit transferred to offset Part VII tax liability		580			
Subtotal (total of	of line 560, amount f, a	and line 580)	<b>&gt;</b>		Q2
Credit balance before refund (amount P2 minus amount Q2)			<del></del>		R2
Refund of credit claimed on SR&ED expenditures (from Part 14 or 15,	whichever applies)		61	 0	

ITC closing balance on SR&ED (amount R2 minus line 610)

620

	Year Month Day		
1st previous tax year		Credit to be applied 911	
2nd previous tax year		Credit to be applied 912	
3rd previous tax year		Total of lines 911 to 913  Enter at amount f in Part 12.	S2
− Part 14 – Refund of I	TC for qualifying corpora	ations – SR&ED	
Complete this part only if you	are a qualifying corporation as dete	rmined on line 101 in Part 2.	
Is the corporation an excluded	I corporation as defined under subs	ection 127.1(2)? 650 1 Yes	2 No <b>X</b>
Current-year ITC (lines 540 pl	<b>lus</b> 550 in Part 12 <b>minus</b> amount k	(2 in Part 11)	
Refundable credits (amount g	or amount R2 in Part 12, whicheve	er is less)*	T2
Amount T2 or amount I2 in Pa	art 11, whichever is less	······	U2
Net amount (amount T2 minu	s amount U2; if negative, enter "0")	)	V2
Amount V2 multiplied by	40 %	<u> </u>	W2
Amount U2			X2
Refund of ITC (amount W2 p	<b>olus</b> amount X2 – enter this, or a les	sser amount, on line 610 in Part 12)	Y2
Enter the total of line 310 in Pa	art 5 and line 610 in Part 12 on line	780 of the T2 return.	
* If you are also an excluded of your refund of ITC for amou		on 127.1(2), this amount must be multiplied by 40%. Claim this, or a lesser amount, as	
– Part 15 – Refund of I	TC for CCPCs that are no	ot qualifying or excluded corporations – SR&ED	
Complete this part only if you	are a CCPC that is not a qualifying	or excluded corporation as determined on line 101 in Part 2.	
Credit balance before refund (	(amount R2 in Part 12)		Z2
Refund of ITC (amount Z2 or	amount I2 in Part 11, whichever is	less)	AA2
Enter amount AA2 or a lesse	r amount on line 610 in Part 12 and	t also on line 780 of the T2 return	

## Recapture - SR&ED

### Part 16 − Recapture of ITC for corporations and partnerships − SR&ED

You will have a recapture of ITC in a year when all of the following conditions are met:

- you acquired a particular property in the current year or in any of the 20 previous tax years, and the credit was earned in a tax year ending after 1997 and did not expire before 2008
- you claimed the cost of the property as a qualified expenditure for SR&ED on Form T661
- the cost of the property was included in calculating your ITC or was the subject of an agreement made under subsection 127(13) to transfer qualified expenditures
- you disposed of the property or converted it to commercial use after February 23, 1998. This condition is also met if you disposed of or converted to commercial use a property that incorporates the particular property previously referred to

#### Note:

The recapture **does not apply** if you disposed of the property to a non-arm's-length purchaser who intended to use it all or substantially all for SR&ED. When the non-arm's-length purchaser later sells or converts the property to commercial use, the recapture rules will apply to the purchaser based on the historical ITC rate of the original user.

You will report a recapture on the T2 return for the year in which you disposed of the property or converted it to commercial use. In the following tax year, add the amount of the ITC recapture to the SR&ED expenditure pool.

If you have more than one disposition for calculations 1 and 2, complete the columns for each disposition for which a recapture applies, using the calculation formats below.

#### - Calculation 1 - If you meet all of the above conditions Amount of ITC you originally calculated Amount calculated using ITC rate Amount from column 700 or 710, for the property you acquired, or the at the date of acquisition whichever is less original user's ITC where you acquired the (or the original user's date of acquisition) property from a non-arm's length party, as on either the proceeds of disposition described in the note above (if sold in an arm's length transaction) or the fair market value of the property (in any other case) 700 710 Subtotal **A3** Enter at amount C3 in Part 17.

	T				
A Rate that the transferee used in determining its ITC for qualified	B Proceeds of disposition of the property if you dispose of it to an	Amount, if any, already provided for in Calculation 1	<b>D</b> Amount determined by the formula	E ITC earned by the transferee for the qualified expenditures	F Amount from column D or E, whichever is less
expenditures under a subsection 127(13) agreement	arm's length person; or, in any other case, enter the fair market value of the property at conversion or disposition	(This allows for the situation where only part of the cost of a property is transferred under a subsection 127(13) agreement.)	(A x B) – C	that were transferred	
720	730	740		750	

# Part 16 - Recapture of ITC for corporations and partnerships - SR&ED (continued) -

ITC closing balance from pre-production mining expenditures (amount C4 minus line 885)

_	Cal	Cu	lati	n	3	
_	Cal		au	OH		١

As a member of the partnership, you will report your share of the SR&ED ITC of the partnership after the SR&ED ITC has been reduced by the amount of the recapture. If this amount is a positive amount, you will report it on line 550 in Part 12. However, if the partnership does not have enough ITC otherwise available to offset the recapture, then the amount by which reductions to ITC exceed additions (the excess) will be determined and reported on line 760.

Corporate partner's share of the excess of SR&ED ITC Enter at amount E3 in Part 17.

Part 17 – Total recapture of SR&ED investment tax credit	
Recaptured ITC from calculation 1, amount A3 in Part 16	C3
Recaptured ITC from calculation 2, amount B3 in Part 16	D3
Recaptured ITC from calculation 3, line 760 in Part 16	E3
Total recapture of SR&ED investment tax credit (total of amounts C3 to E3)  Enter at amount A8 in Part 27.	F3
Pre-Production Mining  - Part 18 – Account balances – ITC from pre-production mining expenditures	
	A4
Credit deemed as a remittance of co-op corporations	
Credit expired	
Subtotal (line 841 <b>plus</b> line 845)	<b>—</b> B4
ITC at the beginning of the tax year (amount A4 <b>minus</b> amount B4)	350
Credit transferred on an amalgamation or the wind-up of a subsidiary	360
Total credit available (line 850 <b>plus</b> line 860)	C4
Amount of unused credit carried forward from previous years and applied to reduce Part I tax payable in the current year 8	885

890

# **Apprenticeship Job Creation**

Paı	rt 19 – Total current-vear	credit – ITC from apprenticeshi	p iob creation ex	penditures ——			
f you vho v	are a related person as defined und vill be claiming the apprenticeship jo	der subsection 251(2), has it been agreed in ob creation tax credit for this tax year for eac ne) appears below? (If not, you cannot claim	writing that you are the h apprentice whose col	e only employer ntract number	<b>611</b> 1	I Yes 2 No	
ınder		hs of the apprenticeship, enter the apprentic ed to certify or license individuals in the trad- me of the eligible apprentice.					
	A Contract number (SIN or name of apprentice)	B Name of eligible trade	C Eligible salary a wages*	D Column C >	(	E Lesser of column D or	
	601	602	603	604		\$ 2,000 <b>605</b>	
1.	SYS089443	Power Technician	82	,761 / 8	3,276	2,000	
		1		year credit (total of colur Enter on line 640 in Pa	nn E)	2,000	A5
* O	ther than qualified expenditure incu	rred, and net of any other government or nor	a-government assistance			iiblo ealary	
		ures are defined under subsection 127(9).	i-government assistant	e received of 10 be received	ived. Liig	Jible Salai y	
Dai	rt 20 — Current-vear credit	and account balances – ITC fro	om approprieses	in job creation or	nondi	turos ———	
	-			np job creation ex	rpenui	tures	
	t the end of the previous tax year				• • • –		B5
Credi	t deemed as a remittance of co-op of	corporations		)			
Credi	t expired after 20 tax years		615	<u>/</u>			
		Subtotal (lin	e 612 <b>plus</b> line 615) <sub>=</sub>		<b>_</b>		C5
TC a	t the beginning of the tax year (amo	ount B5 <b>minus</b> amount C5)			625		
Credi	t transferred on an amalgamation or	the wind-up of a subsidiary	§				
TC fr	rom repayment of assistance		635				
Γotal	current-vear credit (amount A5 in P	Part 19)	640	2,000			
	t allocated from a partnership .		655	,			
Jicai	t allocated from a partitionally	Subtotal (total	I of lines 630 to 655)	2,000		2,000	D.F.
			01 IIIIes 030 to 033) =	2,000	_	·	
Fotal	credit available (line 625 <b>plus</b> amou	ınt D5)			• • •	2,000	E5
Credi	t deducted from Part I tax		660	2,000			
Credi	t carried back to previous years (am	nount G5 in Part 21)			h		
		Subtotal (line	660 <b>plus</b> amount h)	2,000	<b>-</b>	2,000	F5
TC c	losing balance from apprentices	hip job creation expenditures (amount E	5 <b>minus</b> amount F5)		690		
Paı	rt 21 – Request for carryb	ack of credit from apprenticesh	ip job creation e	xpenditures ——			
	Yea	ar Month Day					
lst pr	revious tax year			Credit to be applied	931		
	revious tax year			Credit to be applied	932		
Brd pi	revious tax year			Credit to be applied  Total of lines 931 to	933		0.5
				Enter at amount h in Pa			G5

# **Child Care Spaces**

# Part 22 − Eligible child care spaces expenditures -

Enter the eligible expenditures that you incurred after March 18, 2007, and before March 22, 2017,\* to create licensed child care spaces for the children of the employees and, potentially, for other children. You cannot be carrying on a child care services business. The eligible expenditures include:

- the cost of depreciable property (other than specified property)
- the specified child care start-up expenditures

Properties should be acquired and expenditures should be incurred only to create new child care spaces at a licensed child care facility.

	- Cost of depreciable prop	perty from the current tax year —				
	Capital cost allowance class number	Description of investment	Date available for use	Amount of investment		
	665	675	685	695		
1.						
Total cost of depreciable property from the current tax year (total of column 695)  Specified child care start-up expenditures from the current tax year  715  705						
Total	gross eligible expenditures fo	or child care spaces (line 715 <b>plus</b> line 705)		A6		
		rants, subsidies, rebates, and forgivable loans) or reimbursements that the led to receive in respect of the amounts referred to in amount A6	725			
Excess (amount A6 minus line 725) (if negative, enter "0")						
Repayments by the corporation of government and non-government assistance						
Total	eligible expenditures for o	child care spaces (amount B6 plus line 735)	745			
* If	you entered into a written agr	reement before March 22, 2017, eligible expenditures incurred before 2020 wi	Il remain eligible for the cre	edit.		

Part 23 - Current-year credit - ITC	from child care space	es expenditures
-------------------------------------	-----------------------	-----------------

The credit is equal to 25% of eligible child care spaces expenditures incurred	to a maximum of \$10,000 per child care space created in a licensed child
care facility.	
· · · · · · · · · · · · · · · · · · ·	

Eligible expenditures (from line 745 in Part 22)		^	25 % =	
Number of child care spaces	755	x \$	10,000 =	D6

ITC from child care spaces expenditures (amount C6 or D6, whichever is less)



ITC at the end of the previous	s tax year			F6
Credit deemed as a remittand	ce of co-op corporations			
Credit expired after 20 tax ye	ars			
	Sul	btotal (line 765 <b>plus</b> line 770)	<b>&gt;</b>	G6
ITC at the beginning of the ta	x year (amount F6 <b>minus</b> amount G6)		775	
Credit transferred on an ama	lgamation or the wind-up of a subsidiary			
Total current-year credit (am	ount E6 in Part 23)	780		
Credit allocated from a partne				
·	Subt	total (total of lines 777 to 782)	<u> </u>	Н6
Total credit available (line 77		· · · · · · · · · · · · · · · · · · ·		16
Credit deducted from Part I to	•			
		, \\	. :	
Credit carried back to previou	, , , , , , , , , , , , , , , , , , ,			
	Sub	ototal (line 785 <b>plus</b> amount i)	<u> </u>	J6
ITC closing balance from o	child care spaces expenditures (amount 16 m	iinus amount J6)	790	
– Part 25 – Request fo	or carryback of credit from child c	are snace expenditures		
Ture 20 Request R		are space experiences		
4.4	Year Month Day 2019-12-31		applied 941	
1st previous tax year				
2nd previous tax year	2016-12-31			
3rd previous tax year	2017-12-31	Credit to be a	lines 941 to 943	K6
			ount i in Part 24.	

# Recapture - Child Care Spaces

- Part 26 – Recapture of ITC for corporations and partnerships – Child care spaces ————————————————————————————————————
The ITC will be recovered against the taxpayer's tax otherwise payable under Part I of the Act if, at any time within 60 months of the day on which the taxpayer acquired the property, one of the following situations takes place:
• the new child care space is no longer available
• property that was an eligible expenditure for the child care space is
<ul> <li>disposed of or leased to a lessee</li> </ul>
- converted to another use
If the property disposed of is a child care space, the amount that can reasonably be considered to have been included in the original ITC (paragraph 127(27.12)(a))
In the case of eligible expenditures (paragraph 127(27.12)(b)), the lesser of:
The amount that can reasonably be considered to have been included in the original ITC 795
25% of either the proceeds of disposition (if sold in an arm's length transaction) or the fair market value (in any other case) of the property
Amount from line 795 or line 797, whichever is less
□ Partnerships ────────────────────────────────────
As a member of the partnership, you will report your share of the child care spaces ITC of the partnership after the child care spaces ITC has been reduced by the amount of the recapture. If this amount is a positive amount, you will report it on line 782 in Part 24. However, if the partnership does not have enough ITC otherwise available to offset the recapture, then the amount by which reductions to ITC exceed additions (the excess) will be determined and reported on line 799 below.  Corporate partner's share of the excess of ITC
Total recapture of child care spaces investment tax credit (total of line 792, amount A7, and line 799)
Enter at amount B8 in Part 27.
Summary of Investment Tax Credits
Part 27 – Total recapture of investment tax credit
Recaptured SR&ED ITC (amount F3 in Part 17)
Recaptured child care spaces ITC (amount B7 in Part 26)
Total recapture of investment tax credit (amount A8 plus amount B8)  Enter on line 602 of the T2 return.
Part 28 – Total ITC deducted from Part I tax
ITC from investments in qualified property deducted from Part I tax (line 260 in Part 5)
ITC from SR&ED expenditures deducted from Part Lax (line 560 in Part 12)
ITC from pre-production mining expenditures deducted from Part I tax (line 885 in Part 18)
ITC from apprenticeship job creation expenditures deducted from Part I tax (line 660 in Part 20)
ITC from child care space expenditures deducted from Part I tax (line 785 in Part 24)
Total ITC deducted from Part I tax (total of amounts D8 to H8)

# **Summary of Investment Tax Credit Carryovers**

CCA class number 97	Apprenticeship j	ob creation ITC			
Current year					
	Addition	Applied	Claimed	Carried back	ITC end
CI	urrent year (A)	current year (B)	as a refund (C)	(D)	of year (A-B-C-D)
	2,000	2,000	(0)	(5)	(A-D-C-D)
	2,000	2,000			
rior years		ITC hasinning	A divertments	Annlind	ITC end
axation year		ITC beginning of year	Adjustments	Applied current year	of year
		(E)	(F)	(G)	(E-F-G)
2019-12-31					
2018-12-31	<del></del> -				
2017-12-31	<del></del>				
2016-12-31	<del></del>				
2015-12-31				2	
2014-12-31					
2013-12-31					
2012-12-31				)	
2011-12-31					
2010-12-31				7	
2009-12-31				/	
2009 12 01					
	Total		7		
	. 0				
+C+D+G				Total ITC utilized	2,000

<sup>\*</sup> The **ITC end of year** includes the amount of ITC expired from the 10<sup>st</sup> preceding year if it is before January 1, 1998, or the amount ITC expired from the 20<sup>th</sup> preceding year if it is after December 31, 1997. Note that this credit expires at the end of the tax year and any expired credit will be posted to line 215, 515, 615, 770 or 845, as applicable, in Schedule 31 the following year.

Schedule 33

# Taxable Capital Employed in Canada – Large Corporations

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2020-12-31

- Use this schedule in determining if the total taxable capital employed in Canada of the corporation (other than a financial institution or an insurance corporation) and its related corporations is greater than \$10,000,000.
- If the total taxable capital employed in Canada of the corporation and its related corporations is greater than \$10,000,000, file a completed Schedule 33 with your T2 Corporation Income Tax Return no later than six months from the end of the tax year.
- Unless otherwise noted, all legislative references are to the Income Tax Act and the Income Tax Regulations.
- Subsection 181(1) defines the terms financial institution, long-term debt, and reserves.
- Subsection 181(3) provides the basis to determine the carrying value of a corporation's assets or any other amount under Part I.3 for its capital, investment allowance, taxable capital, or taxable capital employed in Canada, or for a partnership in which it has an interest.
- If the corporation was a non-resident of Canada throughout the year and carried on a business through a permanent establishment in Canada, go to Part 4,
   Taxable capital employed in Canada.

Part 1 – Capital
Add the following year-end amounts:
Reserves that have not been deducted in calculating income for the year under Part I 392,292
Capital stock (or members' contributions if incorporated without share capital) 8,290,714
Retained earnings
Contributed surplus
Any other surpluses
Deferred unrealized foreign exchange gains
All loans and advances to the corporation
All indebtedness of the corporation represented by bonds, debentures, notes, mortgages, hypothecary claims, bankers' acceptances, or similar obligations
Any dividends declared but not paid by the corporation before the end of the year
All other indebtedness of the corporation (other than any indebtedness for a lease) that has been outstanding for more than 365 days before the end of the year
The total of all amounts, each of which is the amount, if any, in respect of a partnership in which the corporation held a membership interest at the end of the year, either directly or indirectly through another partnership (see note below)
Subtotal ( <b>add</b> lines 101 to 112)25,729,410 ▶25,729,410 A

### Note:

Line 112 is determined by the formula (A – B) x C/D (as per paragraph 1812(3)(g)) where:

- A is the total of all amounts that would be determined for lines 101, 107, 108, 109, and 111 in respect of the partnership for its last fiscal period that ends at or before the end of the year if
  - a) those lines applied to partnerships in the same manner that they apply to corporations, and
  - b) those amounts were computed without reference to amounts owing by the partnership
    - (i) to any corporation that held a membership interest in the partnership either directly or indirectly through another partnership, or
    - (ii) to any partnership in which a corporation described in subparagraph (i) held a membership interest either directly or indirectly through another partnership.
- B is the partnership's deferred unrealized foreign exchange losses at the end of the period,
- C is the share of the partnership's income or loss for the period to which the corporation is entitled either directly or indirectly through another partnership, and
- D is the partnership's income or loss for the period.

	86463 9562 RC0002
Part 1 – Capital (continued)	
Subtotal A (from page 1) _	25,729,410 A
<b>Deduct</b> the following amounts:	
Deferred tax debit balance at the end of the year	
Any deficit deducted in calculating its shareholders' equity (including, for this purpose, the amount of any provision for the redemption of preferred shares) at the end of the year	
To the extent that the amount may reasonably be regarded as being included in any of lines 101 to 112 above for the year, any amount deducted under subsection 135(1) in calculating income under Part I for the year.	
Deferred unrealized foreign exchange losses at the end of the year	
Subtotal ( <b>add</b> lines 121 to 124)	B
Capital for the year (amount A minus amount B) (if negative, enter "0")	25,729,410
Part 2 – Investment allowance	
Add the carrying value at the end of the year of the following assets of the corporation:	
A share of another corporation	
A loan or advance to another corporation (other than a financial institution)	
A bond, debenture, note, mortgage, hypothecary claim, or similar obligation of another corporation (other than a financial institution)	137,598
Long-term debt of a financial institution	
A dividend payable on a share of the capital stock of another corporation	
A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim or similar obligation of, a partnership each member of which was, throughout the year, another corporation (other than a financial institution) that was not exempt from tax under this Part (otherwise than because of paragraph 181.1(3)(d)), or another partnership described in paragraph 181.2(4)(d.1)	
An interest in a partnership (see note 2 below)	
Investment allowance for the year (add lines 401 to 407)	137,598
Notes:	
<ol> <li>Lines 401 to 405 should not include the carrying value of a share of the capital stock of, a dividend payable by, or indebtedness of a corpor exempt from tax under Part I.3 (other than a non-resident corporation that at no time in the year carried on business in Canada through a prestablishment).</li> </ol>	ation that is ermanent
2. Where the corporation has an interest in a partnership held either directly or indirectly through another partnership, refer to subsection 181 additional rules regarding the carrying value of an interest in a partnership.	.2(5) for
3. Where a trust is used as a conduit for loaning money from a corporation to another related corporation (other than a financial institution), the considered to have been made directly from the lending corporation to the borrowing corporation. Refer to subsection 181.2(6) for special rapply.	e loan will be ules that may
Part 3 – Taxable capital	
Capital for the year (line 190)	25,729,410 c
Deduct: Investment allowance for the year (line 490)	137,598 D
Taxable capital for the year (amount C minus amount D) (if negative, enter "0")	25,591,812

CORDODATE TAYODED / TAYODED	DEC COCTÉTÉS	CEOF	VEDCTON 2021 V/1 /	^

Part	4 – Tax	able ca			in Canad								
			T	o be con	pleted by a	corporation tha	at was resider	nt in Canada a	at any ti	ime in the yea	r		
	capital for (line 500)		25,591	,812 x	Taxable inco in Ca Taxable	anada 610	0	701,228 = 701,228	Ta emp	axable capital loyed in Cana	da 690 _	:	25,591,812
Notes:	2. When	re a corpor ve a taxabl	ation's taxa e income fo	able incom or that yea	culating the and the for a tax years of \$1,000.	mount of taxable ar is "0," it shall, 601 should be co	for the purpos	d in Canada. es of the above			ed		
			То			orporation that values through					ear		
						end of the year of ing the year throu					701		
Deduct	the follow	ing amoun	ts:										
paragra	phs 181.2	(3)(c) to (f)	] that may	reasonabl		ndebtedness des d as relating to a l ada	,		I	4			
describ year, in	ed in subs	ection 181. e of carryin	.2(4) of the g on any b	corporati	on that it used uring the year	end of year of an d in the year, or h r through a perma	eld in the anent	712					
corpora persona	tion that is al or movab	a ship or a ble property	aircraft the / used or h	corporation	n operated in corporation ir	end of year of an i international traf n carrying on any (see note below)	ffic, or business			7			
					To	otal deductions (	add lines 711	712, and 713)			▶_		E
Taxabl	e capital e	employed	in Canada	ı (line 701	minus amou	unt E) (if negative	e, enter "0")		<i>.</i>		790		
Note:						ooration is resider craft in internation							he
- Part	5 – Cal	culation	for pur	poses	of the sma	all business	deduction	1 —					
			_	-		//							
i nis pa	ırt is appii	icable to c	corporatio	ns that a	e not associ	iated in the curr	rem year, but	were associa	itea in i	the prior year	•		
Taxable	capital en	nployed in	Canada (a	mount from	n line 690)						· · · · · _		F
Deduct	: .					/	· · · · · · · · ·				· · · · · · <u> </u>		10,000,000 G
							Excess (amo	ount F <b>minus</b> a	mount (	G) (if negative,	enter "0") _		H
Calcula	tion for p	urposes o	of the sma	II busine:	ss deduction	(amount H x 0.2	225%) .				=		I
Enter th	is amount	at line 415	of the T2	return.	_								

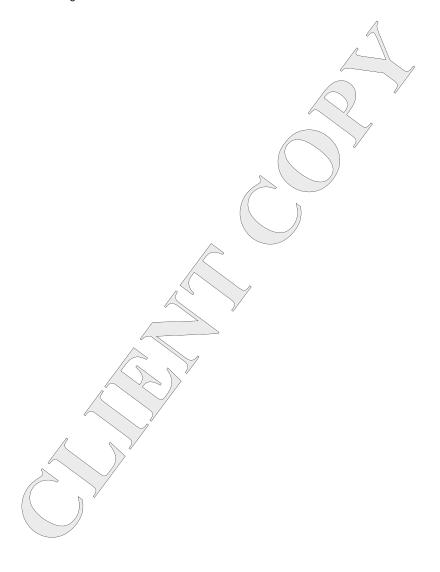
# **Attached Schedule with Total**

Part 1 – All loans and advances to the corporation

Title Part 1 – All loans and advances to the corporation

	Operator	
Description	(Note)	Amount
Current portion of long-term debt		610,889 00
Long-term debt		12,807,891 00
	Total	13,418,780 00

**Note**: The calculations are performed one at a time, from the first to the last line, and not according to the priority rules of the operations. For example, the formula 1+2\*3 will not result in the same thing as the formula 1+3\*2.



Schedule 50

# **Shareholder Information**

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2020-12-31

- All private corporations must complete this schedule for any shareholder who holds 10% or more of the corporation's common and/or preferred shares.
- Provide only one number (business number, partnership account number, social insurance number or trust number) per shareholder.

	Name of shareholder (after name, indicate in brackets if the shareholder is a corporation, partnership, individual, or trust)	Business number or partnership account number (9 digits, 2 letters, and 4 digits. If not registered, enter "NR")	Social insurance number (9 digits)	Trust number (T followed by 8 digits)	Percentage common shares	Percentage preferred shares
1	The Corporation of the Town of Orangeville	106986151RC0001	<u> </u>	\	94.500	
2	The Corporation of the Township of East Luther Grand	NR	/	7/	5.500	
3	The corporation of the formiship of East Eather Grand	TWX	_	7	3.300	
4				<i>\</i>		
5						
6						
7						
8						
9		~ (				
10						



Schedule 55

Part III.1 Tax on Excessive Eligible Dividend	Desigr	nations	
Corporation's name	Busir	ness number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463	9562 RC0002	2020-12-31
• Every corporation resident in Canada that pays a taxable dividend (other than a capital gains dividend within the meaning assigned by subsection 130.1(4) or 131(1)) in the tax year must file this schedule.	n	Do not	use this area
<ul> <li>Canadian-controlled private corporations (CCPC) and deposit insurance corporations (DIC) must complete Part 1 of this schedule. All other corporations must complete Part 2.</li> </ul>			
• Every corporation that has paid an eligible dividend must also file Schedule 53, General Rate Income Pool Calculation, or Schedule 54, Low Rate Income Pool (LRIP) Calculation, whichever is applicable.	(GRIP)		
• File the schedules with your T2 Corporation Income Tax Return no later than six months from the end of the tax year.	ie		
All legislative references are to the Income Tax Act and the Income Tax Regulations.			
<ul> <li>Subsection 89(1) defines the terms eligible dividend, excessive eligible dividend designation, general and low rate income pool.</li> </ul>	al rate inco	me pool,	
<ul> <li>The calculations in Part 1 and Part 2 do not apply if the excessive eligible dividend designation arises from paragraph (c) of the definition of excessive eligible dividend designation in subsection 89(1). This paragrap dividend is paid to artificially maintain or increase the GRIP or to artificially maintain or decrease the LRIP</li> </ul>	the applicate the applies w	hen an eligible	
- Part 1 – Canadian-controlled private corporations and deposit insurance cor	poration	s ———	
Taxable dividends paid in the tax year <b>not included</b> in Schedule 3			
Taxable dividends paid in the tax year <b>included</b> in Schedule 3	450	),771	
Total taxable dividends paid in the tax year	450	<u>),771</u>	
Total eligible dividends paid in the tax year			
GRIP at the end of the tax year (line 590 on Schedule 53) (if negative, enter "0")		160	8,608,986
Excessive eligible dividend designation (line 150 minus line 160)			A
Excessive eligible dividend designations elected under subsection 185.1(2) to be treated as ordinary dividend	s*	180	
Subtot	al (amount A	A <b>minus</b> line 180)	B
Part III.1 tax on excessive eligible dividend designations - CCPC or DIC (amount B multiplied by	20 %	6) 190	
Enter the amount from line 190 on line 710 of the T2 return.			
- Part 2 - Other corporations			
Taxable dividends paid in the tax year <b>not included</b> in Schedule 3			
Taxable dividends paid in the tax year <b>included</b> in Schedule 3			
Total taxable dividends paid in the tax year			
Total excessive eligible dividend designations in the tax year (amount A of Schedule 54)			C
Excessive eligible dividend designations elected under subsection 185.1(2) to be treated as ordinary dividend	s*	280	
Subtota	al (amount (	C minus line 280)	D
Part III.1 tax on excessive eligible dividend designations – Other corporations (amount D multiplied b	)V	20 %) . <b>290</b>	

Enter the amount from line 290 on line 710 of the T2 return.

<sup>\*</sup> You can elect to treat all or part of your excessive eligible dividend designation as a separate taxable dividend in order to eliminate or reduce the Part III.1 tax otherwise payable. You must file the election on or before the day that is 90 days after the day the notice of assessment for Part III.1 tax was sent. We will accept an election before the assessment of the tax.

# **Request for Capital Dividend Account Balance Verification**

- If you are a private corporation, use this schedule to summarize the components making up your capital dividend account (CDA) balance as of the date entered on line 003.
- Mail one completed copy of this schedule, separately from any other return to: Prince Edward Island Tax Centre
   275 Pope Road
   Summerside PE C1N 6A2
- All legislative references are to the current version of the Income Tax Act, unless otherwise stated. Since CDA balance components can span several years,
  the current references in the Act may not apply to older components of your CDA balance. In these cases, see the version of the Act that applies in that
  particular year.
- For specific details about calculating the CDA balance, see the applicable legislation in the Act.
- All references to paragraphs in subsection 89(1) of the Act are under the definition of capital dividend account.
- If you are paying out a capital dividend from your CDA, you must file Form T2054, Election for a Capital Dividend under Subsection 83(2). Attach a copy of this completed form. Note that if a capital dividend paid out under this election exceeds the balance of the CDA at the time the dividend becomes payable, you may have to pay Part III tax on the excessive dividends (see section 184 of the Act).

Part 1 – Identification ————————————————————————————————————	4		
i art i – identinication			
Corporation's name		Business number	00
Orangeville Hydro Limited		86463 9562 RC00	02
Address		Postal code	
400 C Line Station A Box 400 Orangeville ON CA	7	L9W2Z7	
Name of contact person			
Suzanne Presseault			
Mailing address (complete only if different from address above)		Telephone number (519) 942-8000	Extension
Capital dividend account balance as of		Year Month 2020-12-3	- 1
Please check "yes" for <b>only one</b> of the following two questions:  Is this a balance verification request? Check yes only if this request does not relate to (if <b>Yes</b> , then the date on line 003 should be the last tax year-end, included in the CDA		Yes No	o 🗌
Is this request related to the requirements of subsection 89(1) for Form T2054? (if <b>Yes</b> , then the date on line 003 should be the earlier of the date the dividend became the dividend was paid)	⊋ payable, or the first day on which any part of	Yes No	<b>X</b> 005

– Part 2 – CDA components (except for eligible capital property) Footnote 1 and Footnote 2 -

1	2	3	4	5	6	7
Tax year-end or relevant date (yyyymmdd) Footnote 3	The non-taxable portion of capital gains (including the non-taxable portion of capital gains from a trust after September 15, 2016) and non-deductible portion of capital losses per paragraph 89(1)(a) Footnote 4	Capital dividends received per paragraph 89(1)(b) Footnote 5	Net proceeds of a life insurance policy per paragraph 89(1)(d)	Non-taxable portion of capital gains from a trust before September 16, 2016 per paragraph 89(1)(f) Footnote 6	Capital dividends from a trust per paragraph 89(1)(g) Footnote 6	Capital dividends payable per subsection 83(2)
2017-12-31	58,221					
2020-12-31	43,554					
Totals	101,775					

#### Footnote 1

For eligible capital property, see parts 3 and 5.

#### Footnote 2

If you were a private corporation under non-resident control that became Canadian controlled as per subsection 89(1.1), or were a tax-exempt corporation that became taxable as per subsection 89(1.2), the CDA balance may be reduced to nil immediately before the dates referred to in those provisions.

#### Footnote 3

Include as many tax years as required. Start your list with the tax year that began after the corporation last became a private corporation and that ended after 1971. End your list on the CDA balance date shown on line 003. If you are completing this schedule before your tax year-end, enter the relevant date of the activity. When Form T2054 has been completed, the program assumes that the relevant date of the activity to indicate in the last field of column 1 in Part 2 is the first of the following dates: the day immediately preceding the date on which the dividend becomes payable, or the first day immediately preceding the date on which any part of the dividend was paid. If this is not the case, enter the correct relevant date of the activity, using an override.

#### Footnote 4

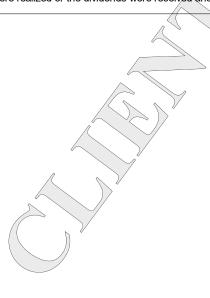
Along with applicable losses, include the non-deductible portion of a business investment loss here. Show losses as a negative.

#### Footnote 5

May be adjusted by an excessive dividend election under subsection 184(3). Exclude a dividend that subsection 83(2.1) applies to.

#### Footnote 6

The amounts that can be added to the CDA of the corporation in a particular tax year, in respect of amounts received by the corporation, from a trust and that are attributable to capital gains realized by the trust or to dividends received and distributed by a trust, can only be determined after the end of the taxation year of the trust in which the capital gains were realized or the dividends were received and distributed by it.



Part 3 – CDA components – Eligible capital property (ECP)

Record in these tables the most common amounts included in the eligible capital property (ECP) component of the CDA. This information is not meant to replace the calculation at line 5B.1 in Part 5.

# Section A: CDA components - List of ECP acquisitions and dispositions

(for tax years ending before February 28, 2000)

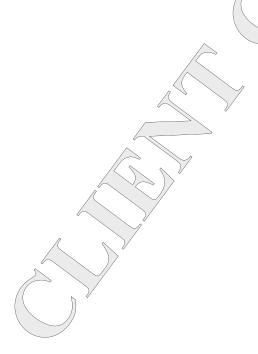
	1	2	3	4
	Tax year-end (yyyymmdd)	Cost of eligible capital property acquired	Proceeds of sale (less outlays and expenses not otherwise deductible) from the disposition of all eligible capital property	Non-taxable portion of ECP sales
1.				

### Total

## Section B: CDA components - List of ECP dispositions

(for tax years ending after February 27, 2000 and before January 1, 2017)

	1	2	3	4	5
	Tax year-end (yyyymmdd)	Cost of eligible capital property acquired	Proceeds of sale (less outlays and expenses not otherwise deductible) from the disposition of all eligible capital property	Appropriate portion of the amount deducted as a bad debt per subsection 20(4.2) or as an allowable capital loss per subsection 20(4.3)	Non-taxable portion of ECP sales
1.					
				Total	//



#### Part 4 – Additional information

For each capital dividend received, as recorded in column 3 in Part 2, give the name and business number of the corporation that paid the capital dividend and the date the dividend became payable.

	1	2	3
	Corporation's name	Business number	Date the dividend became payable (yyyymmdd)
1.			

Part 5 – CDA balance	
Include the non-taxable portion of capital gains (including the non-taxable portion of capital gains from a trust after September 15, 2016) and the non-deductible portion of capital losses (total of column 2 in Part 2; if negative enter "0")	<u>101,775</u> 5A
Capital dividends received (total of column 3 in Part 2)	5B
Eligible capital property for taxation years ending before January 1, 2017  (as calculated per former paragraphs 89(1)(c), (c.1) and (c.2); if negative, enter "0")	5B.1
Life insurance proceeds (total of column 4 in Part 2; if negative, enter "0")	5C
Life insurance CDA Footnote 7	5C.1
Non-taxable portion of capital gains from a trust before September 16, 2016 (total of column 5 in Part 2)	5D
Capital dividends from a trust (total of column 6 in Part 2)	5E
Amounts from predecessor and subsidiary corporations Footnote 8	5E.1
Subtotal (add amounts 5A to 5E and lines 5B.1, 5C.1 and 5E.1)	
Capital dividends that previously became payable (total of column 7 in Part 2)	5G
CDA balance (amount 5F minus amount 5G, if negative, write "0")	101,775

#### Footnote 7

Include the balance of the corporation's life insurance CDA immediately before May 24, 1985, in accordance with paragraph 89(1)(e). For more information, see paragraph 1.61 and 1.62 of Income Tax Folio S3-F2-C1, Capital Dividends

### Footnote 8

For amalgamations and wind-ups **before** July 14, 1990, calculate the CDA balance of each predecessor or subsidiary corporation separately. Then add these CDA balances to the CDA of the successor or parent corporation. Do not carry forward negative amounts, since these are considered to be nil.

- For amalgamations and wind-ups **after** July 13, 1990, carry over the amounts of all the CDA components of each predecessor or subsidiary corporation into the calculation of the CDA components of the company resulting from the merger or of the parent company. A negative balance in a component of a CDA of a predecessor or subsidiary corporation must be included in the CDA of the company resulting from the merger or of the parent corporation. Include a separate CDA calculation on a separate schedule for each predecessor or subsidiary corporation.
- For amalgamations, see paragraph 87(2)(z.1). For wind-ups, see paragraph 88(1)(e.2).

# Privacy statement

Personal information is collected for the purposes of the administration or enforcement of the Income Tax Act and related programs and activities including administering tax, benefits, audit, compliance, and collection. The information collected may be used or disclosed for purposes of other federal acts that provide for the imposition and collection of a tax or duty. It may also be disclosed to other federal, provincial, territorial, or foreign government institutions to the extent authorized by law. Failure to provide this information may result in interest payable, penalties, or other actions. Under the Privacy Act, individuals have a right of protection, access to and correction of their personal information, or to file a complaint with the Privacy Commissioner of Canada regarding the handling of their personal information. Refer to Personal Information Bank CRA PPU 047 on Info Source at canada.ca/cra-info-source.



# **Ontario Corporation Tax Calculation**

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2020-12-31

- Use this schedule if your corporation had a **permanent establishment** (as defined in section 400 of the federal Income Tax Regulations) in Ontario at any time in the tax year and had Ontario taxable income in the year.
- Legislative references are to the federal Income Tax Act and Income Tax Regulations.
- This schedule is a worksheet only and is not required to be filed with your T2 Corporation Income Tax Return.

┌ Part 1 – Ontario basic inc	come tax —			
Ontario taxable income Note 1			· · · · · · · · · · · · · · · · · · ·	701,228 1A
Ontario basic rate of tax for the year			ą <u></u>	<b>11.5</b> % 1B
Ontario basic income tax (amount	1A <b>multiplied</b> by amount 1B) Note 2		.\\ <u></u>	80,641 1C
	ermanent establishment only in Ontario, enter t le income allocated to Ontario from column F ir		3 of the T2 return.	
basic income tax, or Ontar	ermanent establishment in more than one juriso io corporate minimum tax or Ontario special ad Tax Calculation Supplementary – Corporations	ditional tax on life insurance corpora	ations payable, enter amount 1C	
– Part 2 – Ontario small hu	siness deduction (OSBD)			
	, ,			
Complete this part if your corporation	n claimed the federal small business deduction	under subsection 125(1).		
			662,749 <sub>2A</sub>	
			701,228 2B	
Line 410 of the T2 return		<u>500,000</u> 2C		
Line 415 of the T2 return	32,685 20			
Amount	2C Amount 2D			
5	500,000 ×32,685 = _	1,452,667 2E		
	11,250			
		2F		
,	unt 2C <b>minus</b> amount 2E <b>minus</b> amount 2F)	P	2G	
Amount 2A, 2B or 2G whichever				2H
Ontario domestic factor (ODF):	Taxable income for Ontario Note 3	<u>'</u>		1.00000 21
	Taxable income for all provinces Note 4	701,228		
Amount 2H <b>multiplied</b> by amou		····· <u>—</u>		
Ontario taxable income (amount	. \ //	· · · · · · · · · · · · · · · · · · ·		
Ontario small business income (amo	ount 2J or 2K, whichever is less)	· · · · · · · · · · · · · · · · · · ·	<b>&gt;</b>	2L
Ontario small business deduction	n for the year			
Amount 2L	Number of days in the tax year x before January 1, 2020	x 8 % =	2M	
Amount 2L	Number of days in the tax year 36	<del></del>	ZIVI	
	Number of days in the tax year			
Amount 2L		8.3 % =	2N	
	Number of days in the tax year 36		_	200
Ontario small business deduction for Enter amount 20 on line 402 of Sch	,			20
Note 3 Enter amount 1A.	oudio o.			
	the offshore jurisdictions for Nova Scotia and	Newfoundland and Lahrador		
115to 4 molados tilo torritorios aria	and on one junealousing for Nova occita and	TTOTT GUILLING GITG LADIAGOI.		

			2020-12-31		Orangeville Hydro Limited 86463 9562 RC0002
- Part 3 – Ontario adjusted	sm	all business income ——			
Complete this part if your corporation manufacturing and processing or the			oration through	hout the tax year and is claiming the Ontario t	ax credit for
Ontario adjusted small business i	ncor	ne (amount 1A or 2H, whichever is t	the least)		3A
Enter amount 3A at amount 4B in Pa and Processing, whichever applies.	art 4 c	of this schedule or at amount 2E in F	art 2 of Sche	edule 502, Ontario Tax Credit for Manufacturir	ng
- Part 4 - Credit union tax	redi	uction —			
Complete this part and Schedule 17,	Cred	lit Union Deductions, if the corporati	ion was a cre	dit union throughout the tax year.	
Amount 3C of Schedule 17					_4A
Ontario adjusted small business inco	ome (	amount 3A)			_4B
		Subtotal (amount 4A minus	amount 4B, i	f negative, enter "0")	<b>▶</b> 4C
Amount 4C	_ x	Number of days in the tax year before January 1, 2020	x	8 % =	_4D
A.,	х	Number of days in the tax year  Number of days in the tax year after December 31, 2019	366 ×	8.3%	45
Amount 4C	_ ^	Number of days in the tax year	366	0.3-70	<sub>-</sub> 4E
		To	otal (amount	4D plus amount 4E)	<b>▶</b> 4F
Ontario domestic factor (amount 2I)				(	1.00000_4G
Ontario credit union tax reduction	<b>ı</b> (am	ount 4F <b>multiplied</b> by amount 4G)			4H
Enter amount 4H on line 410 of Scho	•	• • •			

# **Ontario Corporate Minimum Tax**

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2020-12-31

- File this schedule if the corporation is subject to Ontario corporate minimum tax (CMT). CMT is levied under section 55 of the *Taxation Act, 2007* (Ontario), referred to as the "Ontario Act".
- Complete Part 1 to determine if the corporation is subject to CMT for the tax year.
- A corporation not subject to CMT in the tax year is still required to file this schedule if it is deducting a CMT credit, has a CMT credit carryforward,
  or has a CMT loss carryforward or a current year CMT loss.
- A corporation that has Ontario special additional tax on life insurance corporations (SAT) payable in the tax year must complete Part 4 of this schedule even if it is not subject to CMT for the tax year.
- A corporation is exempt from CMT if, throughout the tax year, it was one of the following:
  - 1) a corporation exempt from income tax under section 149 of the federal *Income Tax Act*;
  - 2) a mortgage investment corporation under subsection 130.1(6) of the federal Act;
  - 3) a deposit insurance corporation under subsection 137.1(5) of the federal Act;
  - 4) a congregation or business agency to which section 143 of the federal Act applies;
  - 5) an investment corporation as referred to in subsection 130(3) of the federal Act; or
  - 6) a mutual fund corporation under subsection 131(8) of the federal Act.
- File this schedule with the T2 Corporation Income Tax Return.

Part 1 – Determination of CMT applicability  Total assets of the corporation at the end of the tax year *	2,686
Total assets of the corporation at the end of the tay year *	2,686
Total assets of the corporation at the city of the tax year	
Share of total assets from partnership(s) and joint venture(s) *	
Total assets of associated corporations (amount from line 450 on Schedule 511)	),001
Total assets (total of lines 112 to 116)	<u>2,687</u>
Total revenue of the corporation for the tax year **	5,543
Share of total revenue from partnership(s) and joint venture(s) **	
Total revenue of associated corporations (amount from line 550 on Schedule 511)	),000
Total revenue (total of lines 142 to 146)	5,543

# The corporation is subject to CMT if:

- for tax years ending before July 1, 2010, the total assets at the end of the year of the corporation or the associated group of corporations are more than \$5,000,000, or the total revenue for the year of the corporation or the associated group of corporations is more than \$10,000,000.
- for tax years ending after June 30, 2010, the total assets at the end of the year of the corporation or the associated group of corporations are equal to or more than \$50,000,000, and the total revenue for the year of the corporation or the associated group of corporations is equal to or more than \$100,000,000.

If the corporation is not subject to CMT, do not complete the remaining parts unless the corporation is deducting a CMT credit, or has a CMT credit carryforward, a CMT loss carryforward, a current year CMT loss, or SAT payable in the year.

### \* Rules for total assets

- Report total assets according to generally accepted accounting principles, adjusted so that consolidation and equity methods are not used.
- Do not include unrealized gains and losses on assets and foreign currency gains and losses on assets that are included in net income for accounting purposes but not in income for corporate income tax purposes.
- The amount on line 114 is determined at the end of the last fiscal period of the partnership or joint venture that ends in the tax year of the corporation. Add the proportionate share of the assets of the partnership(s) and joint venture(s), and deduct the recorded asset(s) for the investment in partnerships and joint ventures.
- A corporation's share in a partnership or joint venture is determined under paragraph 54(5)(b) of the Ontario Act and, if the partnership or joint venture had no income or loss, is calculated as if the partnership's or joint venture's income were \$1 million. For a corporation with an indirect interest in a partnership or joint venture, determine the corporation's share according to paragraph 54(5)(c) of the Ontario Act.

### \*\* Rules for total revenue

- Report total revenue in accordance with generally accepted accounting principles, adjusted so that consolidation and equity methods are not used.
- If the tax year is less than 51 weeks, multiply the total revenue of the corporation or the partnership, whichever applies, by 365 and divide by the number of days in the tax year.
- The amount on line 144 is determined for the partnership or joint venture fiscal period that ends in the tax year of the corporation. If the partnership or joint venture has 2 or more fiscal periods ending in the filing corporation's tax year, **multiply** the sum of the total revenue for each of the fiscal periods by 365 and **divide** by the total number of days in all the fiscal periods.
- A corporation's share in a partnership or joint venture is determined under paragraph 54(5)(b) of the Ontario Act and, if the partnership or joint venture had no income or loss, is calculated as if the partnership's or joint venture's income were \$1 million. For a corporation with an indirect interest in a partnership or joint venture, determine the corporation's share according to paragraph 54(5)(c) of the Ontario Act.



- Part 2 - Adjusted net income/loss for CMT purposes			
Net income/loss per financial statements *		210	1,086,517
Add (to the extent reflected in income/loss):			
Provision for current income taxes/cost of current income taxes	220		
Provision for deferred income taxes (debits)/cost of future income taxes	<mark>222</mark>	144,285	
Equity losses from corporations	<mark>224</mark>		
Financial statement loss from partnerships and joint ventures	226		
Dividends deducted on financial statements (subsection 57(2) of the Ontario Act), excluding dividends paid by credit unions under subsection 137(4.1) of the federal Act	230		
Other additions (see note below):			
Share of adjusted net income of partnerships and joint ventures ** $ \  \   \dots \dots \dots $	228		
Total patronage dividends received, not already included in net income/loss $\ldots\ldots$	232		
281	282		
283	284		
	Subtotal	144,285	144,285 A
<b>Deduct</b> (to the extent reflected in income/loss):			
Provision for recovery of current income taxes/benefit of current income taxes	320	102,388	
Provision for deferred income taxes (credits)/benefit of future income taxes	322		
Equity income from corporations	324		
Financial statement income from partnerships and joint ventures	326		
Dividends deductible under section 112, section 113, or subsection 138(6) of the federal	al Act 330		
Dividends not taxable under section 83 of the federal Act (from Schedule 3)	332		
Gain on donation of listed security or ecological gift	340	7	
Accounting gain on transfer of property to a corporation under section 85 or 85.1 of the federal Act ***	342	\	
Accounting gain on transfer of property to/from a partnership under section 85 or 97 of the federal Act ****	344		
Accounting gain on disposition of property under subsection 13(4), subsection 14(6), or section 44 of the federal Act *****	346		
Accounting gain on a windup under subsection 88(1) of the federal Act or an amalgamation under section 87 of the federal Act	348		
Other deductions (see note below):			
Share of adjusted net loss of partnerships and joint ventures **	328		
Tax payable on dividends under subsection 191.1(1) of the federal Act <b>multiplied</b> by 3 Interest deducted/deductible under paragraph 20(1)(c) or (d) of the federal Act; not already included in net income/loss	334		
Patronage dividends paid (from Schedule 16) not already included in net income/loss	338		
381 Tax Movement in regulatory account	382	144,285	
383 Tax Reclassification	384	298,777	
385	386	230,777	
387	388		
389	390		
	Subtotal	545,450 ▶	545,450 <sub>B</sub>
Adjusted net income/loss for CMT nurnoses (line 210 nlus amount A minus amount R)	<del></del>	490	685,352

Adjusted net income/loss for CMT purposes (line 210 **plus** amount A **minus** amount B)

If the amount on line 490 is positive and the corporation is subject to CMT as determined in Part 1, enter the amount on line 515 in Part 3.

If the amount on line 490 is negative, enter the amount on line 760 in Part 7 (enter as a positive amount).

# Note

In accordance with Ontario Regulation 37/09, when calculating net income for CMT purposes, accounting income should be adjusted to:

- exclude unrealized gains and losses due to mark-to-market changes or foreign currency changes on specified mark-to-market property (assets only);
- include realized gains and losses on the disposition of specified mark-to-market property not already included in the accounting income, if the
  property is not a capital property or is a capital property disposed in the year or in a previous tax year ended after March 22, 2007.

"Specified mark-to-market property" is defined in subsection 54(1) of the Ontario Act.

These rules also apply to partnerships. A corporate partner's share of a partnership's adjusted income flows through on a proportionate basis to the corporate partner.

### \* Rules for net income/loss

Banks must report net income/loss as per the report accepted by the Superintendent of Financial Institutions under the federal Bank Act, adjusted so consolidation and equity methods are not used.

### − Part 2 – Calculation of adjusted net income/loss for CMT purposes (continued)

- Life insurance corporations must report net income/loss as per the report accepted by the federal Superintendent of Financial Institutions or equivalent provincial insurance regulator, before SAT and adjusted so consolidation and equity methods are not used. If the life insurance corporation is resident in Canada and carries on business in and outside of Canada, multiply the net income/loss by the ratio of the Canadian reserve liabilities divided by the total reserve liability. The reserve liabilities are calculated in accordance with Regulation 2405(3) of the federal Act.
- Other corporations must report net income/loss in accordance with generally accepted accounting principles, except that consolidation and equity methods must not be used. When the equity method has been used for accounting purposes, equity losses and equity income are removed from book income/loss on lines 224 and 324 respectively.
- Corporations, other than insurance corporations, should report net income from line 9999 of the GIFI (Schedule 125) on line 210.
- \*\* The share of the adjusted net income of a partnership or joint venture is calculated as if the partnership or joint venture were a corporation and the tax year of the partnership or joint venture were its fiscal period. For a corporation with an indirect interest in a partnership through one or more partnerships, determine the corporation's share according to clause 54(5)(c) of the Ontario Act.
- \*\*\* A joint election will be considered made under subsection 60(1) of the Ontario Act if there is an entry on line 342, and an election has been made for transfer of property to a corporation under subsection 85(1) of the federal Act.
- \*\*\*\* A joint election will be considered made under subsection 60(2) of the Ontario Act if there is an entry on line 344, and an election has been made under subsection 85(2) or 97(2) of the federal Act.
- \*\*\*\*\* A joint election will be considered made under subsection 61(1) of the Ontario Act if there is an entry on line 346, and an election has been made under subsection 13(4) or 14(6) and/or section 44 of the federal Act.

For more information on how to complete this part, see the T2 Corporation - Income Tax Guide.

┌ Part 3 – CMT payable ─────	
	605.353
Adjusted net income for CMT purposes (line 490 in Part 2, if positive)	685,352
Deduct:	
CMT loss available (amount R from Part 7)	
Minus: Adjustment for an acquisition of control *	
Adjusted CMT loss available	c
Net income subject to CMT calculation (if negative, enter "0")	685,352
Amount from Number of days in the tax	
line 520 685,352 ×year before July 1, 2010	x
Number of days 3in the tax year	66
Amount from Number of days in the tax	
line 520 685,352 _xyear after June 30, 20103	66 x 2.7 % = 18,505 2
	66
in the tax year	
Subtotal (amount 1 plus amount 2)	
Gross CMT: amount on line 3 above x OAF **	<i>y</i>
Deduct:	· —
Foreign tax credit for CMT purposes ***	
CMT after foreign tax credit deduction (line 540 minus line 550) (if negative, er	nter "0")
Deduct:	
Ontario corporate income tax payable before CMT credit (amount F6 from Sche	edule 5) 80,641
	<u></u> E
Enter amount E on line 278 of Schedule 5, Tax Calculation Supplementary – C	Corporations, and complete Part 4.
* Enter the portion of CMT loss available that exceeds the adjusted net inco	me for the tax year from carrying on a business before the acquisition of
control. See subsection 58(3) of the Ontario Act.	
*** Enter "0" on line 550 for life insurance corporations as they are not eligible of amount J for the province of Ontario from Part 9 of Schedule 21 on line	
** Calculation of the Ontario allocation factor (OAF):	
If the provincial or territorial jurisdiction entered on line 750 of the T2 return is	"Ontario," enter "1" on line F.
If the provincial or territorial jurisdiction entered on line 750 of the T2 return is	
Ontario taxable income **** =	
Taxable income *****	
	<u>1.00000</u> F
**** Enter the amount allocated to Ontario from column F in Part 1 of Schedule taxable income were \$1,000.	5. If the taxable income is nil, calculate the amount in column F as if the
***** Enter the taxable income amount from line 360 or amount 7 of the T2 return	rn, whichever applies. If the taxable income is nil, enter "1,000"

CMT credit carryforward at the end of the previous tax year *	G	
Deduct:		
CMT credit expired *		
CMT credit carryforward at the beginning of the current tax year * (see note below)	<b>&gt;</b> 620	
Add:		
CMT credit carryforward balances transferred on an amalgamation or the windup of a subsidiary (see note below)	650	
CMT credit available for the tax year (amount on line 620 <b>plus</b> amount on line 650)	· · · · · · · · · · · · · · · · · · ·	Н
Deduct:		
CMT credit deducted in the current tax year (amount P from Part 5)		!
·	ount H <b>minus</b> amount I)	J
Add:  Net CMT payable (amount E from Part 3)		
SAT payable (amount 0 from Part 6 of Schedule 512)		
Subtotal		к
		\
CMT credit carryforward at the end of the tax year (amount J <b>plus</b> amount K)		L
* For the first harmonized T2 return filed with a tax year that includes days in 2009:	<u> </u>	
- do not enter an amount on line G or line 600;		
- for line 620, enter the amount from line 2336 of Ontario CT23 Schedule 101, Corporate Minimum Tax (CA	MT), for the last tax year that e	ended in 2008.
For other tax years, enter on line G the amount from line 670 of Schedule 510 from the previous tax year.	$\searrow$	
Note: If you entered an amount on line 620 or line 650, complete Part 6.	/	
Note: If you entered an amount on line 620 or line 650, complete Part 6.	/	
Note: If you entered an amount on line 620 or line 650, complete Part 6.  Part 5 – Calculation of CMT credit deducted from Ontario corporate income tax p	ayable ————	
Part 5 – Calculation of CMT credit deducted from Ontario corporate income tax p	ayable —	M
Part 5 – Calculation of CMT credit deducted from Ontario corporate income tax p  CMT credit available for the tax year (amount H from Part 4)	····· <u>-</u>	M
− Part 5 – Calculation of CMT credit deducted from Ontario corporate income tax p	ayable	M
Part 5 – Calculation of CMT credit deducted from Ontario corporate income tax p  CMT credit available for the tax year (amount H from Part 4)  Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5)  For a corporation that is not a life insurance corporation:	····· <u>-</u>	M
Part 5 – Calculation of CMT credit deducted from Ontario corporate income tax p  CMT credit available for the tax year (amount H from Part 4)  Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5)	····· <u>-</u>	M
Part 5 – Calculation of CMT credit deducted from Ontario corporate income tax p  CMT credit available for the tax year (amount H from Part 4)  Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5)  For a corporation that is not a life insurance corporation:  CMT after foreign tax credit deduction (amount D from Part 3)  18,505  2	····· <u>-</u>	M
Part 5 – Calculation of CMT credit deducted from Ontario corporate income tax p  CMT credit available for the tax year (amount H from Part 4)  Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5)  For a corporation that is not a life insurance corporation:  CMT after foreign tax credit deduction (amount D from Part 3)  For a life insurance corporation:	····· <u>-</u>	M
Part 5 – Calculation of CMT credit deducted from Ontario corporate income tax p  CMT credit available for the tax year (amount H from Part 4)  Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5)  For a corporation that is not a life insurance corporation:  CMT after foreign tax credit deduction (amount D from Part 3)  For a life insurance corporation:  Gross CMT (line 540 from Part 3)  3	····· <u>-</u>	M
Part 5 – Calculation of CMT credit deducted from Ontario corporate income tax p  CMT credit available for the tax year (amount H from Part 4)  Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5)  For a corporation that is not a life insurance corporation:  CMT after foreign tax credit deduction (amount D from Part 3)  For a life insurance corporation:  Gross CMT (line 540 from Part 3)  Gross SAT (line 460 from Part 6 of Schedule 512)  4	····· <u>-</u>	M
Part 5 – Calculation of CMT credit deducted from Ontario corporate income tax p  CMT credit available for the tax year (amount H from Part 4)  Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5)  For a corporation that is not a life insurance corporation:  CMT after foreign tax credit deduction (amount D from Part 3)  For a life insurance corporation:  Gross CMT (line 540 from Part 3)  Gross SAT (line 460 from Part 6 of Schedule 512)  The greater of amounts 3 and 4	80,641 1	M
Part 5 – Calculation of CMT credit deducted from Ontario corporate income tax p  CMT credit available for the tax year (amount H from Part 4)  Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5)  For a corporation that is not a life insurance corporation:  CMT after foreign tax credit deduction (amount D from Part 3)  For a life insurance corporation:  Gross CMT (line 540 from Part 3)  Gross SAT (line 460 from Part 6 of Schedule 512)  The greater of amounts 3 and 4  Deduct: line 2 or line 5, whichever applies:	80,641 1 18,505 6	
Part 5 – Calculation of CMT credit deducted from Ontario corporate income tax p  CMT credit available for the tax year (amount H from Part 4)  Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5)  For a corporation that is not a life insurance corporation:  CMT after foreign tax credit deduction (amount D from Part 3)  For a life insurance corporation:  Gross CMT (line 540 from Part 3)  Gross SAT (line 460 from Part 6 of Schedule 512)  The greater of amounts 3 and 4	80,641 1 18,505 6 62,136 ►	62,136 <sub>N</sub>
Part 5 – Calculation of CMT credit deducted from Ontario corporate income tax p  CMT credit available for the tax year (amount H from Part 4)  Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5)  For a corporation that is not a life insurance corporation:  CMT after foreign tax credit deduction (amount D from Part 3)  For a life insurance corporation:  Gross CMT (line 540 from Part 3)  Gross SAT (line 460 from Part 6 of Schedule 512)  The greater of amounts 3 and 4  Deduct: line 2 or line 5, whichever applies:	80,641 1 18,505 6	
Part 5 – Calculation of CMT credit deducted from Ontario corporate income tax p  CMT credit available for the tax year (amount H from Part 4)  Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5)  For a corporation that is not a life insurance corporation:  CMT after foreign tax credit deduction (amount D from Part 3)  For a life insurance corporation:  Gross CMT (line 540 from Part 3)  Gross SAT (line 460 from Part 6 of Schedule 512)  The greater of amounts 3 and 4   Deduct: line 2 or line 5, whichever applies:  Subtotal (if negative, enter "0")  Deduct:	80,641 1 18,505 6 62,136 ►	
Part 5 – Calculation of CMT credit deducted from Ontario corporate income tax p  CMT credit available for the tax year (amount H from Part 4)  Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5)  For a corporation that is not a life insurance corporation:  CMT after foreign tax credit deduction (amount D from Part 3)  For a life insurance corporation:  Gross CMT (line 540 from Part 3)  Gross SAT (line 460 from Part 6 of Schedule 512)  The greater of amounts 3 and 4  Deduct: line 2 or line 5, whichever applies:  Subtotal (if negative, enter "0")  Deduct:  Total refundable tax credits excluding Ontario qualifying environmental trust tax credit	80,641 1  18,505 6 62,136 ► 80,641	
Part 5 – Calculation of CMT credit deducted from Ontario corporate income tax p  CMT credit available for the tax year (amount H from Part 4)  Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5)  For a corporation that is not a life insurance corporation:  CMT after foreign tax credit deduction (amount D from Part 3)  For a life insurance corporation:  Gross CMT (line 540 from Part 3)  Gross SAT (line 460 from Part 6 of Schedule 512)  The greater of amounts 3 and 4   Deduct: line 2 or line 5, whichever applies:  Subtotal (if negative, enter "0")  Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5)  Deduct:  Total refundable tax credits excluding Ontario qualifying environmental trust tax credit (amount J6 minus line 450 from Schedule 5)	80,641 1  18,505 6 62,136 ► 80,641  3,000	62,136 <sub>N</sub>
Part 5 – Calculation of CMT credit deducted from Ontario corporate income tax p  CMT credit available for the tax year (amount H from Part 4)  Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5)  For a corporation that is not a life insurance corporation:  CMT after foreign tax credit deduction (amount D from Part 3)  For a life insurance corporation:  Gross CMT (line 540 from Part 3)  Gross SAT (line 460 from Part 6 of Schedule 512)  The greater of amounts 3 and 4  Deduct: line 2 or line 5, whichever applies:  Subtotal (if negative, enter "0")  Deduct:  Total refundable tax credits excluding Ontario qualifying environmental trust tax credit	80,641 1  18,505 6 62,136 ► 80,641	
Part 5 – Calculation of CMT credit deducted from Ontario corporate income tax p  CMT credit available for the tax year (amount H from Part 4)  Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5)  For a corporation that is not a life insurance corporation:  CMT after foreign tax credit deduction (amount D from Part 3)  For a life insurance corporation:  Gross CMT (line 540 from Part 3)  Gross SAT (line 460 from Part 6 of Schedule 512)  The greater of amounts 3 and 4   Deduct: line 2 or line 5, whichever applies:  Subtotal (if negative, enter "0")  Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5)  Deduct:  Total refundable tax credits excluding Ontario qualifying environmental trust tax credit (amount J6 minus line 450 from Schedule 5)	80,641 1  18,505 6 62,136 ► 80,641  3,000 77,641 ►	62,136 <sub>N</sub>
Part 5 – Calculation of CMT credit deducted from Ontario corporate income tax p  CMT credit available for the tax year (amount H from Part 4)  Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5)  For a corporation that is not a life insurance corporation:  CMT after foreign tax credit deduction (amount D from Part 3)  For a life insurance corporation:  Gross CMT (line 540 from Part 3)  Gross SAT (line 460 from Part 6 of Schedule 512)  The greater of amounts 3 and 4  Deduct: line 2 or line 5, whichever applies: Subtotal (if negative, enter "0")  Deduct:  Total refundable tax credits excluding Ontario qualifying environmental trust tax credit (amount J6 minus line 450 from Schedule 5)  Subtotal (if negative, enter "0")	80,641 1  18,505 6 62,136 ► 80,641  3,000 77,641 ►	62,136 <sub>N</sub>
Part 5 – Calculation of CMT credit deducted from Ontario corporate income tax p  CMT credit available for the tax year (amount H from Part 4)  Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5)  For a corporation that is not a life insurance corporation:  CMT after foreign tax credit deduction (amount D from Part 3)  For a life insurance corporation:  Gross CMT (line 540 from Part 3)  Gross SAT (line 460 from Part 6 of Schedule 512)  The greater of amounts 3 and 4  Deduct: line 2 or line 5, whichever applies:  Subtotal (if negative, enter "0")  Deduct:  Total refundable tax credits excluding Ontario qualifying environmental trust tax credit (amount J6 minus line 450 from Schedule 5)  Subtotal (if negative, enter "0")  CMT credit deducted in the current tax year (least of amounts M, N, and O)	18,505 6 62,136  80,641  3,000 77,641	62,136 N 77,641 O

# Part 6 – Analysis of CMT credit available for carryforward by year of origin -

Complete this part if:

- the tax year includes January 1, 2009; or
- the previous tax year-end is deemed to be December 31, 2008, under subsection 249(3) of the federal Act.

Year of origin	CMT credit balance *
10th previous tax year	680
9th previous tax year	681
8th previous tax year	682
7th previous tax year	683
6th previous tax year	684
5th previous tax year	685
4th previous tax year	686
3rd previous tax year	687
2nd previous tax year	688
1st previous tax year	689
Total **	

n

- \* CMT credit that was earned (by the corporation, predecessors of the corporation, and subsidiaries wound up into the corporation) in each of the previous 10 tax years and has not been deducted.
- \*\* Must equal the total of the amounts entered on lines 620 and 650 in Part 4.

– Pa	rt 7 – Calculation of CMT loss carryforward	
СМТ	loss carryforward at the end of the previous tax year *	
Ded	uct:	
СМТ	loss expired *	
СМТ	loss carryforward at the beginning of the tax year * (see note below)	_
Add		
СМТ	loss transferred on an amalgamation under section 87 of the federal Act ** (see note below)	_
	loss available (line 720 <b>plus</b> line 750)	_ R
Ded		
СМТ	loss deducted against adjusted net income for the tax year (lesser of line 490 (if positive) and line C in Part 3)	_
	Subtotal (if negative, enter "0")	_ s
Add		
Adju	sted net loss for CMT purposes (amount from line 490 in Part 2, if <b>negative</b> ) (enter as a positive amount)	_
СМТ	loss carryforward balance at the end of the tax year (amount S <b>plus</b> line 760)	= <sup>T</sup>
*	For the first harmonized T2 return filed with a tax year that includes days in 2009:	
	− do not enter an amount on line Q or line 700;	
	- for line 720, enter the amount from line 2214 of Ontario CT23 Schedule 101, Corporate Minimum Tax (CMT), for the last tax year that ended in 2008.	
	For other tax years, enter on line Q the amount from line 770 of Schedule 510 from the previous tax year.	
	Do not include an amount from a predecessor corporation if it was controlled at any time before the amalgamation by any of the other predecessor corporations.	
	Note: If you entered an amount on line 720 or line 750, complete Part 8.	

# Part 8 – Analysis of CMT loss available for carryforward by year of origin -

Complete this part if:

- the tax year includes January 1, 2009; or
- the previous tax year-end is deemed to be December 31, 2008, under subsection 249(3) of the federal Act.

Year of origin	Balance earned in a tax year ending before March 23, 2007 *	Balance earned in a tax year ending after March 22, 2007 **
10th previous tax year	810	820
9th previous tax year	811	821
8th previous tax year	812	822
7th previous tax year	813	823
6th previous tax year	814	824
5th previous tax year	815	825
4th previous tax year	816	826
3rd previous tax year	817	827
2nd previous tax year	818	828
1st previous tax year		829
Total ***		

<sup>\*</sup> Adjusted net loss for CMT purposes that was earned (by the corporation, by subsidiaries wound up into or amalgamated with the corporation before March 22, 2007, and by other predecessors of the corporation) in each of the previous 10 tax years that ended before March 23, 2007, and has not been deducted.

<sup>\*\*\*</sup> The total of these two columns must equal the total of the amounts entered on lines 720 and 750.



<sup>\*\*</sup> Adjusted net loss for CMT purposes that was earned (by the corporation and its predecessors, but not by a subsidiary predecessor) in each of the previous 20 tax years that ended after March 22, 2007, and has not been deducted.

**SCHEDULE 511** 

# ONTARIO CORPORATE MINIMUM TAX – TOTAL ASSETS AND REVENUE FOR ASSOCIATED CORPORATIONS

Name of corporation	Business Number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2020-12-31

- For use by corporations to report the total assets and total revenue of all the Canadian or foreign corporations with which the filing corporation was associated at any time during the tax year. These amounts are required to determine if the filing corporation is subject to corporate minimum tax.
- Total assets and total revenue include the associated corporation's share of any partnership(s)/joint venture(s) total assets and total revenue.
- · Attach additional schedules if more space is required.
- File this schedule with the T2 Corporation Income Tax Return.

	Names of associated corporations	Business number (Canadian corporation only) (see Note 1)	Total assets* (see Note 2)	Total revenue** (see Note 2)
	200	300	400	500
1	Corporation of the Town of Orangeville	10698 6151 RC0001	50,000,000	100,000,000
2	Corporation of the Township of East Luther Grand	NR	0	0
3	Orangeville Hydro Services Inc.	89454 8015 RC0001	1	0
4	Orangville Railway Development Corporation	86433 3166 RC0001	0	0
		Total	50,000,001	100,000,000

Enter the total assets from line 450 on line 116 in Part 1 of Schedule 510, Ontario Corporate Minimum Tax. Enter the total revenue from line 550 on line 146 in Part 1 of Schedule 510.

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

Note 2: If the associated corporation does not have a tax year that ends in the filing corporation's current tax year but was associated with the filing corporation in the previous tax year of the filing corporation, enter the total revenue and total assets from the tax year of the associated corporation that ends in the previous tax year of the filing corporation.

# \* Rules for total assets

- Report total assets in accordance with generally accepted accounting principles, adjusted so that consolidation and equity methods are not used.
- Include the associated corporation's share of the total assets of partnership(s) and joint venture(s) but exclude the recorded asset(s) for the
  investment in partnerships and joint ventures.
- Exclude unrealized gains and losses on assets that are included in net income for accounting purposes but not in income for corporate income tax purposes.

### \*\* Rules for total revenue

- Report total revenue in accordance with generally accepted accounting principles, adjusted so that consolidation and equity methods are not used.
- If the associated corporation has 2 or more tax years ending in the filing corporation's tax year, multiply the sum of the total revenue for each of those tax years by 365 and divide by the total number of days in all of those tax years.
- If the associated corporation's tax year is less than 5/2 weeks and is the only tax year of the associated corporation that ends in the filing corporation's tax year, multiply the associated corporation's tax year.
- Include the associated corporation's share of the total revenue of partnerships and joint ventures.
- If the partnership or joint venture has 2 or more fiscal periods ending in the associated corporation's tax year, multiply the sum of the total revenue for each of the fiscal periods by 365 and divide by the total number of days in all the fiscal periods.

T2 SCH 511 Canadä

Agence du revenu du Canada **SCHEDULE 550** 

#### ONTARIO CO-OPERATIVE EDUCATION TAX CREDIT

Name of corporation	Business Number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2020-12-31

- Use this schedule to claim an Ontario co-operative education tax credit (CETC) under section 88 of the Taxation Act, 2007 (Ontario).
- The CETC is a refundable tax credit that is equal to an eligible percentage (10% to 30%) of the eligible expenditures incurred by a corporation for a qualifying work placement. The maximum credit amount is \$1,000 for each qualifying work placement ending before March 27, 2009, and \$3,000 for each qualifying work placement beginning after March 26, 2009. For a qualifying work placement that straddles March 26, 2009, the maximum credit amount is prorated.
- Eligible expenditures are salaries and wages (including taxable benefits) paid or payable to a student in a qualifying work placement, or fees paid or payable to an employment agency for services performed by the student in a qualifying work placement. These expenditures must be paid on account of employment or services, as applicable, at a permanent establishment of the corporation in Ontario. Expenditures for a work placement (WP) are not eligible expenditures if they are greater than the amounts that would be paid to an arm's length employee.
- A WP must meet all of the following conditions to be a qualifying work placement:
  - the student performs employment duties for a corporation under a qualifying co-operative education program (QCER);
  - the WP has been developed or approved by an eligible educational institution as a suitable learning situation;
  - the terms of the WP require the student to engage in productive work;
  - the WP is for a period of at least 10 consecutive weeks or, in the case of an internship program, not less than 8 consecutive months and not more than 16 consecutive months;
  - the student is paid for the work performed in the WP;
  - the corporation is required to supervise and evaluate the job performance of the student in the WP;
  - the institution monitors the student's performance in the WP; and
  - the institution has certified the WP as a qualifying work placement.
- Make sure you keep a copy of the letter of certification from the Ontario eligible educational institution containing the name of the student, the employer, the institution, the term of the WP, and the name/discipline of the QCEP to support the claim. Do not submit the letter of certification with the T2 Corporation Income Tax Return.
- File this schedule with the T2 Corporation Income Tax Return.

Part 1 - Corporate Information	
110 Name of person to contact for more information	120 Telephone number including area code
Suzanne Presseault	(519) 942-8000
Is the claim filed for a CETC earned through a partnership?*  If you answered <b>yes</b> to the question at line 150, what is the name of the partnership?	
Enter the percentage of the partnership's CETC allocated to the corporation      When a corporate member of a partnership is claiming an amount for eligible expenditu partnership as if the partnership were a corporation. Each corporate partner, other than the partner's share of the partnership's CETC. The allocated amounts can not exceed the partner of the pa	a limited partner, should file a separate Schedule 550 to claim

Part 2 – Eligibility ————————————————————————————————————		
	74	
1. Did the corporation have a permanent establishment in Ontario in the tax year?	1 Yes X	2 No
2. Was the corporation exempt from tax under Part III of the <i>Taxation Act</i> , 2007 (Ontario)?	1 Yes	2 No <b>X</b>
If you answered <b>no</b> to question 1 or <b>yes</b> to question 2, then the corporation is <b>not eligible</b> for the CETC.		

Corporation's salaries and wages paid in the previous tax year  $\ensuremath{^{\star}}$ 

300

For eligible expenditures incurred before March 27, 2009:

- If line 300 is \$400,000 or less, enter 15% on line 310.
- If line 300 is \$600,000 or more, enter 10% on line 310.
- If line 300 is more than \$400,000 and less than \$600,000, enter the percentage on line 310 using the following formula:

#### Eligible percentage for determining the eligible amount

**310** 10.000 %

For eligible expenditures incurred after March 26, 2009:

- If line 300 is \$400,000 or less, enter 30% on line 312.
- If line 300 is \$600,000 or more, enter 25% on line 312.
- If line 300 is more than \$400,000 and less than \$600,000, enter the percentage on line 312 using the following formula:

#### Eligible percentage for determining the eligible amount

25.000 %

#### - Part 4 - Calculation of the Ontario co-operative education tax credit

Complete a separate entry for each student for each qualifying work placement that ended in the corporation's tax year. If a qualifying work placement would otherwise exceed four consecutive months, divide the WP into periods of four consecutive months and enter each full period of four consecutive months as a separate WP. If the WP does not divide equally into four-month periods and if the period that is less than 4 months is 10 or more consecutive weeks, then enter that period as a separate WP. If that period is less than 10 consecutive weeks, then include it with the WP for the last period of 4 consecutive months. Consecutive WPs with two or more associated corporations are deemed to be with only one corporation, as designated by the corporations.

		A Name of university, college, or other eligible educational institution	Name of co-operative edu	qualifying
		400	40	15
1.	Conestoga College		Power Technician	
2.				
		, i		
		Name of student	D Start date of WP (see note 1 below)	<b>E</b> End date of WP (see note 2 below)
		410	430	435
1.	Haydn Shantz		2020-01-13	2020-05-08
2.				

Note 1: When the WP has been divided into separate periods because it exceeds four consecutive months, enter the start date for the separate WP.

Note 2: When the WP has been divided into separate periods because it exceeds four consecutive months, enter the end date for the separate WP.

<sup>\*</sup> If this is the first tax year of an amalgamated corporation and subsection 88(9) of the *Taxation Act, 2007* (Ontario) applies, enter the salaries and wages paid in the previous tax year by the predecessor corporations.

#### $_{ extsf{ iny Part 4}}$ – Calculation of the Ontario co-operative education tax credit (continued) -

	F1		F2		X	Y
	ele expenditures before March 27, 2009 see note 1 below)	Eligible percentage before March 27, 2009 (from line 310 in Part 3)	Eligible expenditures after March 26, 2009 (see note 1 below)	Eligible percentage after March 26, 2009 (from line 310a in Part 3)	Number of consecutive weeks of the WP completed by the student before March 27, 2009 (see note 3 below)	Total number of consecutive weeks of the student's WP (see note 3 below)
1.		10.000 %	14,165	25.000 %		17
2.		10.000 %	·	25.000 %		

	G Eligible amount (eligible expenditures multiplied by eligible percentage)	H Maximum CETC per WP (see note 3 below)	I CETC on eligible expenditures (column G or H, whichever is less)	J CETC on repayment of government assistance (see note 4 below)	K CETC for each WP (column I or column J)
	(see note 2 below) 460	462	470	480	490
1.	3,541	3,000	3,000		3,000
2.	,	,	,		,

Ontario co-operative education tax credit (total of amounts in column K) 500 3,000 L

or, if the corporation answered **yes** at line 150 in Part 1, determine the partner's share of amount L∕

x percentage on line 170 in Part 1 М Amount L

Enter amount L or M, whichever applies, on line 452 of Schedule 5, Tax Calculation Supplementary - Corporations. If you are filing more than one Schedule 550, add the amounts from line L or M, whichever applies, on all the schedules and enter the total amount on line 452 of Schedule 5.

- Note 1: Reduce eligible expenditures by all government assistance, as defined under subsection 88(21) of the Taxation Act, 2007 (Ontario), that the corporation has received, is entitled to receive, or may reasonably expect to receive, for the eligible expenditures, on or before the filing due date of the T2 Corporation Income Tax Return for the tax year.
- Note 2: Calculate the eligible amount (Column G) using the following formula:

Column G = (column F1 x percentage on line 310) + (column F2 x percentage on line 312)

Note 3: If the WP ends before March 27, 2009, the maximum credit amount for the WP is \$1,000. If the WP begins after March 26, 2009, the maximum credit amount for the WP is \$3,000.

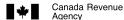
If the WP begins before March 27, 2009, and ends after March 26, 2009, calculate the maximum credit amount using the following formula:

 $(\$1,000 \times X/Y) + [\$3,000 \times (Y - X)/Y]$ 

where "X" is the number of consecutive weeks of the WP completed by the student before March 27, 2009,

and "Y" is the total number of consecutive weeks of the student's WP.

Note 4: When claiming a CETC for repayment of government assistance, complete a separate entry for each repayment and complete columns A to E and J and K with the details for the previous year WP in which the government assistance was received. Include the amount of government assistance repaid in the tax year multiplied by the eligible percentage for the tax year in which the government assistance was received, to the extent that the government assistance reduced the CETC in that tax year.



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#### Information Return for Corporations Filing Electronically

- Do not send this form to the Canada Revenue Agency (CRA) unless we ask for it. We will not keep or return this form.
- Complete this return for every initial and amended T2 Corporation Income Tax Return electronically filed with the CRA on your behalf.
- By completing Part 2 and signing Part 3, you acknowledge that, under the Income Tax Act, you have to keep all records used to prepare your T2 Corporation Income Tax Return, and provide this information to us on request.
- Part 4 must be completed by either you or the electronic transmitter of your T2 Corporation Income Tax Return.
- · Give the signed original of this return to the transmitter and keep a copy in your own records for six years.
- We are responsible for ensuring the confidentiality of your electronically filed tax information only after we have accepted your return.

┌ Part 1 – Identi	ification ————				
Corporation's name				Business number	
Orangeville Hydr				86463 9562 RC0002	
Tax	Year Month Day	Tax	Year Month Day		
year start	2020-01-01	year-end	2020-12-31	Is this an amended return?	Yes X No
Get your CRA mail	electronically delivered in	My Business Accou	nt at canada.ca/my-cra-bus	iness-account (optional)	
Email address:					
notices and other co	rrespondence eligible for elect	ronic delivery will no long the control of the cont	onger be printed and mailed. <sup>-</sup> e attention. They will be presu	ifications from the CRA. I understand The CRA will notify the corporation at t amed to have been received on the dat	his email address
– Part 2 – Decla	ration ———			*	
	mounts, if applicable, from the	e T2 return for the tax	year noted above:		
	s for income tax purposes fron inancial Information (GIFI) (lir		I statements, or	· )	706,303
Part I tax payable (	(line 700)		//	· · · · · · · · · · · · · · · · · · ·	
Part III.1 tax payab	ole (line 710)			· · · · · · · · · · · · · · · · · · ·	
Part IV tax payable	e (line 712)			/	
Part IV.1 tax payat	ole (line 716)		,		
Part VI tax payable	e (line 720)		/		
Part VI.1 tax payat	ole (line 724)		/		
Part XIV tax payab	le (line 728)		,		
Net provincial and	territorial tax payable (line 760	))	/-\		
- Dort 2 Cortif	ication and authoriza	tion			
Fait 3 - Ceitii	ication and authoriza	liioii —			
I, Long		Amy		CFO	
, <u> </u>	Last name		First name	Position, of	fice, or rank
am an authorized sid	uning officer of the corporation	I certify that I have e	varnined the T2 Corporation I	ncome Tax Return, including accompa	nving schedules
and statements, and I also certify that the	that the information given on	the T2 return and this	1183 Corp information return	is, to the best of my knowledge, corre us tax year except as specifically	ct and complete.
the information origin	nally filed in response to any e	ctronically file the T2 ( rors Canada Revenue	Corporation Income Tax Retule Agency identifies. This auth	rn identified in Part 1. The transmitter orization expires when the Minister of	can also modify National Revenue
accepts the electroni	ic return as filed.	\//	/		
2021/06/29		Amy	Long		519) 942-8000
Date (yyyy/mm/dd)		Signature of an author	rized signing officer of the corpo	ration	Telephone number
⊢Part 4 – Trans	smitter identification -				
The following transm	nitter has electronically filed the	e tax return of the corp	oration identified in Part 1.		
KPMG LLP				G1829	
	Name of pers	son or firm		Electronic filer nu	mber
	· · · · · · · · · · · · · · · · · · ·				

#### Privacy statement

Personal information is collected for the purposes of the administration or enforcement of the Income Tax Act and related programs and activities including administering tax, benefits, audit, compliance, and collection. The information collected may be used or disclosed for purposes of other federal acts that provide for the imposition and collection of a tax or duty. It may also be disclosed to other federal, provincial, territorial, or foreign government institutions to the extent authorized by law. Failure to provide this information may result in interest payable, penalties, or other actions. Under the Privacy Act, individuals have a right of protection, access to and correction of their personal information, or to file a complaint with the Privacy Commissioner of Canada regarding the handling of their personal information. Refer to Personal Information Bank CRA PPU 047 and CRA PPU 211 on Info Source at canada.ca/cra-info-source.



### \*

Canada Revenue Agence du revenu du Canada

### **T2 Corporation Income Tax Return**

200

#### **EXEMPT FROM TAX**

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

All legislative references on this return are to the federal Income Tax Act and Income Tax Regulations. This return may contain changes that had not yet become law at the time of publication.

Send one completed copy of this return, including schedules and the General Index of Financial Information (GIFI), to your tax centre. You have to file the return within six months after the end of the corporation's tax year.

For more information see **<u>canada.ca/taxes</u>** or Guide T4012, T2 Corporation – Income Tax Guide.

055	Do not use this area

- Identification ————————————————————————————————————	
Business number (BN) 001 86463 9562 RC0002	
Corporation's name	To which tax year does this return apply?
002 Orangeville Hydro Limited	Tax year start Tax year-end
	Year Month Day Year Month Day
Address of head office Has this address changed since the last	060 2020-01-01 061 2020-12-31
time we were notified?	Has there been an acquisition of control
If <b>yes</b> , complete lines 011 to 018.	resulting in the application of
<b>011</b> 400 C Line	subsection 249(4) since the tax year start on line 060? 063 Yes No X
012 Station A Box 400	
City Province, territory, or state	If yes, provide the date control was acquired
Orangeville 016 ON	
Country (other than Canada) Postal or ZIP code	Is the date on line 061 a deemed
017 CA 018 L9W 2Z7	tax year-énd according/to subsection 249(3.1)?
Mailing address (if different from head office address)	
Has this address changed since the last time we were notified?	Is the corporation a professional corporation that is a member of
time we were notified?	a partnership?
021 c/o	Is this the first year of filing after:
022	Incorporation?
023	Amalgamation?
City Province, territory, or state	If <b>yes</b> , complete lines 030 to 038 and attach Schedule 24.
025	
Country (other than Canada)  Postal or ZIP code	Has there been a wind-up of a subsidiary under section 88 during the
027	current tax year?
Location of books and records (if different from head office address)	If <b>yes</b> , complete and attach Schedule 24.
Has this address changed since the	Is this the final tax year
last time we were notified? 030 Yes No	before amalgamation? 076 Yes No X
If <b>yes</b> , complete lines 031 to 038.	Is this the final return up to
031 400 C Line	dissolution?
032 Station A Box 400	If an election was made under
City Province, territory, or state	section 261, state the functional currency used
035 Orangeville 036 ON	
Country (other than Canada) Postal or ZIP code	Is the corporation a resident of Canada?
037 CA 038 L9W-2Z7	If <b>no</b> , give the country of residence on line 081 and complete and attach Schedule 97.
O Towns of company tion of the and of the towns on tion on the	
1040 Type of corporation at the end of the tax year (tick one)	081
X 1 Canadian-controlled private corporation (CCPC)	Is the non-resident corporation
2 Other private corporation	claiming an exemption under an income tax treaty?
3 Public corporation	If yes, complete and attach Schedule 91.
4 Corporation controlled by a public corporation	If the corporation is exempt from tax under section 149, tick one of
	the following boxes:
Solver corporation (specify)	085 1 Exempt under paragraph 149(1)(e) or (I)
	2 Exempt under paragraph 149(1)(j)
If the type of corporation changed during the tay year provide the effective Year Month Day	X 4 Exempt under other paragraphs of section 149
the tax year, provide the effective date of the change	[]
date of the origing	
Do not use the	
095	898

- Attachments	
Financial statement information: Use GIFI schedules 100, 125, and 141.  Schedules – Answer the following questions. For each yes response, attach the schedule to the T2 return, unless otherwise instructed.  Yes	Schedule
Is the corporation related to any other corporations?	9
Is the corporation an associated CCPC?	23
Is the corporation an associated CCPC that is claiming the expenditure limit?	49
Does the corporation have any non-resident shareholders who own voting shares?	19
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	11
If you answered <b>yes</b> 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?	44
visito di il di dagoni di il di dagoni di il di dagoni di il di di di dagoni	14
Has the corporation paid any royalties, management fees, or other similar payments to residents of Canada?	
The second secon	15 T5004
Is the corporation claiming a loss or deduction from a tax shelter?  Is the corporation a member of a partnership for which a partnership account number has been assigned?  166  167	T5004
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 (without reference to section 94)?	22
Did the corporation own any shares in one or more foreign affiliates in the tax year?	25
Has the corporation made any payments to non-residents of Canada under subsections 202(1) and/or 105(1) of the Income Tax Regulations?	29
Did the corporation have a total amount over CAN\$1 million of reportable transactions with non-arm's length non-residents?	T106
For private corporations: Does the corporation have any shareholders who own 10% or more of the corporation's	
common and/or preferred shares? 173 X Has the corporation made payments to, or received amounts from, a retirement compensation plan arrangement during the year? 172	50
Does the corporation earn income from one or more Internet web pages or websites?	88
Is the net income/loss shown on the financial statements different from the net income/loss for income tax purposes?	1
Has the corporation made any charitable donations; gifts of cultural or ecological property; or gifts of medicine?	2
Has the corporation received any dividends or paid any taxable dividends for purposes of the dividend refund?	3
Is the corporation claiming any type of losses?	4
Is the corporation claiming any type or losses:  Is the corporation claiming a provincial or territorial tax credit or does it have a permanent establishment in more than one jurisdiction?	5
Has the corporation realized any capital gains or incurred any capital losses during the tax year?	6
i) Is the corporation a CCPC and reporting a) income or loss from property (other than dividends deductible on line 320 of the T2 return), b) income from a partnership, c) income from a foreign business, d) income from a personal services business, e) income referred to in clause 125(1)(a)(i)(C) or 125(1)(a)(i)(B), f) aggregate investment income as defined in subsection 129(4), or g) an amount assigned to it under subsection 125(3.2) or 125(8); or ii) Is the corporation a member of a partnership and assigning its specified partnership business limit to a designated member under subsection 125(8)?	7
Does the corporation have any property that is eligible for capital cost allowance?	8
Does the corporation have any resource-related deductions?	12
is the corporation claiming deductible reserves?	13
Is the corporation claiming a patronage dividend deduction?	16
Is the corporation a credit union claiming a deduction for allocations in proportion to borrowing or a provincial credit union tax reduction? 217	17
Is the corporation an investment corporation or a mutual fund corporation?	18
Is the corporation carrying on business in Canada as a non-resident corporation?	20
Is the corporation claiming any federal, provincial, or territorial foreign tax credits, or any federal logging tax credits?	21
Does the corporation have any Canadian manufacturing and processing profits?	27
Is the corporation claiming an investment tax credit?	31
Is the corporation claiming any scientific research and experimental development (SR&ED) expenditures?	T661
Is the total taxable capital employed in Canada of the corporation and its related corporations over \$10,000,000?	33/34/35
Is the total taxable capital employed in Canada of the corporation and its associated corporations over \$10,000,000?	
Is the corporation subject to gross Part VI tax on capital of financial institutions?	38
Is the corporation claiming a Part I tax credit?	42
Is the corporation subject to Part IV.1 tax on dividends received on taxable preferred shares or Part VI.1 tax on dividends paid?	43
Is the corporation agreeing to a transfer of the liability for Part VI.1 tax?	45
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?	39
Is the corporation claiming a Canadian film or video production tax credit?	T1131
Is the corporation claiming a film or video production services tax credit?	T1177
Is the corporation claiming a Canadian journalism labour tax credit?	58
Is the corporation subject to Part XIII.1 tax? (Show your calculations on a sheet that you identify as Schedule 92.)	92

Attachments (continued) Yes Schedule
Did the corporation have any foreign affiliates in the tax year?
Did the corporation own or hold specified foreign property where the total cost amount of all such property, at any time in the year, was
more than CAN\$100,000?
Did the corporation transfer or loan property to a non-resident trust?
Did the corporation receive a distribution from or was it indebted to a non-resident trust in the year?
Has the corporation entered into an agreement to allocate assistance for SR&ED carried out in Canada?
Has the corporation entered into an agreement to transfer qualified expenditures incurred in respect of SR&ED contracts?
Has the corporation entered into an agreement with other associated corporations for salary or wages of specified employees for SR&ED?
Did the corporation pay taxable dividends (other than capital gains dividends) in the tax year?
Has the corporation made an election under subsection 89(11) not to be a CCPC?
Has the corporation revoked any previous election made under subsection 89(11)?
Did the corporation (CCPC or deposit insurance corporation (DIC)) pay eligible dividends, or did its
general rate income pool (GRIP) change in the tax year?
Did the corporation (other than a CCPC or DIC) pay eligible dividends, or did its low rate income pool (LRIP) change in the tax year? 269 54
Additional information —
Did the corporation use the International Financial Reporting Standards (IFRS) when it prepared its financial statements?
Is the corporation inactive?
What is the corporation's main
revenue-generating business activity? 221122 Electric Power Distribution
Specify the principal products mined, manufactured,  284 Hydro distribution  285 100.000 %
sold, constructed, or services provided, giving the
approximate percentage of the total revenue that each
Did the corporation immigrate to Canada during the tax year? No X
Did the corporation emigrate from Canada during the tax year?
Do you want to be considered as a quarterly instalment remitter if you are eligible?
If the corporation was eligible to remit instalments on a quarterly basis for part of the tax year, provide the date the corporation ceased to be eligible  Year Month Day  Year Month Day
If the corporation's major business activity is construction, did you have any subcontractors during the tax year? 295 Yes
Taxable income —
Net income or (loss) for income tax purposes from Schedule 1, financial statements, or GIFI
Deduct:
Charitable donations from Schedule 2
Cultural gifts from Schedule 2
Ecological gifts from Schedule 2
Gifts of medicine made before March 22, 2017, from Schedule 2
Taxable dividends deductible under section 112 or 113, or subsection 138(6) from Schedule 3
Net capital losses of previous tax years from Schedule 4
Farm losses of previous tax years from Schedule 4
Taxable capital gains or taxable dividends allocated from
a central credit union
Prospector's and grubstaker's shares
Employer deduction for non-qualified securities under an employee stock options
agreement a 5 0.75 N
Subtotal
Subtotal (amount A <b>minus</b> amount B) (if negative, enter "0") 701,228 C Section 110.5 additions or subparagraph 115(1)(a)(vii) additions
Taxable income (amount C plus amount D)         360         701,228
Taxable income for the year from a personal services business
* This amount is equal to 3.5 times the Part VI.1 tax payable at line 724 on page 9.

- Small business of	deduction ——							
Canadian-controlled p	rivate corporations (	CCPCs) throughout t	he tax year					
Income eligible for the sr	nall business deductio	n from Schedule 7				400	662,749	
Taxable income from line	e 360 on page 3, <b>minu</b>	s 100/28 ( 3.57143 )	) of the amount on	line 632*	on page 8,			
minus 4 times the am		page 8, and <b>minus</b> any	amount that, bec	ause of				
federal law, is exempt fro	om Part I tax					405		_ E
Business limit (see notes	s 1 and 2 below)					410	500,000	_ C
Notes:								
		5 500,000 on line 410 of days in the tax year <b>d</b>			on's tax year is less than 51 e result on line 410.			
2. For associated CCPC	Cs, use Schedule 23 to	o calculate the amount t	to be entered on lir	ne 410.				
Business limit reduction	on							
	iness limit reduction	1						
•			22.605				4 452 667	
Amount C	500,000 ×			) =		• • • • • • • • • • • • • • • • • • • •	1,452,667	_ E
			11,250					
	siness limit reduction				, \\			
Adjusted aggregate in	nvestment income from	n Schedule 7**** .	417		50,000	=		_ F
Amount C	500,000 ×	Amount F		=				G
	100,000							•
				The	greater of amount E and amount	G <b>422</b>	1,452,667	_ H
Reduced business limit (	amount C <b>minus</b> amo	ount H) (if negative, ente	er "0")	Ì		426		I
Business limit the CCPC	•	, , ,	,			·		 J
Reduced business limi	· ·	, , ,	,			428		. k
Small business deduct					x 19 %	· ·		٠.
Enter amount from line 4			icast	$\overline{}$	15 %			=
Litter amount nom line 4	oo at amount o on pag	ge 0.		(				
					out reference to the refundable to	ax on the CCPC	;'s	
	,	it reference to the corpo				dustions under	continu 100 1	
	_	s income tax credit ded	uctible on line 636	without re	eference to the corporation tax re	ductions under	Section 123.4.	
*** Large corporation							F:	
		nada for the <b>prior</b> year <b>i</b>			is tax years, the amount to be en 5%.	tered on line 41	5 IS:	
,			/ / /	/*	associated in the previous tax y	ear, the amoun	t to be	
	,			•	inus \$10,000,000) x 0.225%.			
•		urrent tax year, see Sch	-					
					corporations for each tax year the on's first tax year that starts after			
reported at line 74	4 of the corresponding	g Schedule 7. Otherwise	e, this amount is tl	ne total of	all amounts reported at line 745	of the correspo	nding	
Schedule 7 of the	corporation for each to	ax year that ended in the	e preceding calend	dar year.				
Specified corporate inc	come and assignmer	nt under subsection 1	25(3.2)					
	L1		L		M		N	
	me of corporation rece		Business numb	er of	Income paid under		s limit assigned to	
ir	ncome and assigned a	mount	the corporation		clause 125(1)(a)(i)(B) to the corporation identified in		ation identified in olumn L <sup>4</sup>	
	5		receiving th assigned amo		column L 3		JIUIIIII L	
		~ \/	490		500		505	
			490		300		303	
1		_//				<del></del>		
Notes:				Tota	al <b>510</b>	Total <b>515</b>		
	efined in subsection 12	25(7) specified corpor	ate income (a)(i)]	the total of	of all amounts each of which is in	ncome (other th	an	
specified farming or f	ishing income of the c	orporation for the year)	from an active bus	siness of t	the corporation for the year from			
		(directly or indirectly, in	•	,	ot deal at arm's length with the co	ornoration (or a	ne of its	
		rest in the private corpor		io does no	or dear ar arms length with the co	πρυιαιιυπ (Ur Ol	IC OI IIS	
,				r from an	active business is from the provi	ision of service	s or	

- (I) persons (other than the private corporation) with which the corporation deals at arm's length, or
- (II) partnerships with which the corporation deals at arm's length, other than a partnership in which a person that does not deal at arm's length with the corporation holds a direct or indirect interest.
- 4. The amount of the business limit you assign to a CCPC cannot be greater than the amount determined by the formula A B, where A is the amount of income referred to in column M in respect of that CCPC and B is the portion of the amount described in A that is deductible by you in respect of the amount of income referred to in clauses 125(1)(a)(i)(A) or (B) for the year. The amount on line 515 cannot be greater than the amount on line 426.

property to

Canadian-controlled private corporations throughout the tax year		
Taxable income from line 360 on page 3	· · · · · · · · · · · · · · · · · · ·	A
Lesser of amounts 9B and 9H from Part 9 of Schedule 27		
Amount 13K from Part 13 of Schedule 27	C	
Personal services business income	D	
Amount from line 400, 405, 410, or 428 on page 4, whichever is the least	E	
Aggregate investment income from line 440 on page 6*	43,554 F	
Subtotal (add amounts B to F)	43,554	43,554 G
Amount A <b>minus</b> amount G (if negative, enter "0")	<u></u>	н
General tax reduction for Canadian-controlled private corporations – Amount H multiplied by $13~\%$ . Enter amount I on line 638 on page 8.	<u>—</u>	I
* Except for a corporation that is, throughout the year, a cooperative corporation (within the meaning assigned by s	subsection 136(2)) or a credit u	union.
- General tax reduction	$\triangle$	
Do not complete this area if you are a Canadian-controlled private corporation, an investment corporation a mutual fund corporation, or any corporation with taxable income that is not subject to the corporation to	,	orporation,
Taxable income from line 360 on page 3		J
Lesser of amounts 9B and 9H from Part 9 of Schedule 27	K	
Amount 13K from Part 13 of Schedule 27	<u> </u>	
Personal services business income	M	
Subtotal (add amounts K to M)	<b>&gt;</b>	N
Amount J minus amount N (if negative, enter "0")		0
General tax reduction – Amount O multiplied by 13 %	· · · · · · · · · · · · · · · · · · ·	Р
Enter amount P on line 639 on page 8.		

 Refundable portion of Part I tax – Canadian-controlled private corporations throughout the tax year Aggregate investment income 43,554 × 30 2 / 3 % = .................. 13,357 A from Schedule 7 . . . . . . . . . . . Foreign non-business income tax credit from line 632 on page 8 . . . . . . . . . \_ Foreign investment income 445 x 8 % = C from Schedule 7 ...... Subtotal (amount B minus amount C) (if negative, enter "0") 13,357 E Amount A **minus** amount D (if negative, enter "0") Taxable income from line 360 on page 3 Amount from line 400, 405, 410, or 428 on page 4, whichever is the least ..... G Foreign nonbusiness income tax credit from line 632 on x 75 / 29 = page 8 .... Foreign business income tax credit from line 636 on page 8 Subtotal (add amounts G to I) \_\_\_ 701,228 30 2 / 3 % = \_\_ Subtotal (amount F minus amount J) Part I tax payable minus investment tax credit refund (line 700 minus line 780 from page 9)/ 450 Refundable portion of Part I tax – Amount E, L, or M, whichever is the least Ν



┌ Refundable dividend tax on hand ──────────────────────────	
Refundable dividend tax on hand (RDTOH) at the end of the previous tax year 460	
Dividend refund for the previous tax year	
Net RDTOH transferred on an amalgamation or the wind-up of a subsidiary	
Subtotal (line 460 <b>minus</b> line 465 <b>plus</b> line 480)	A
General rate income pool (GRIP) at the end of the previous tax year (from line 100 of Schedule 53)	В
Total eligible dividends paid in the previous tax year (from line 300 of Schedule 53)	С
Total excessive eligible dividend designation in the previous tax year (from line 310 of Schedule 53)	D
Subtotal (amount C minus amount D) (if negative, enter "0")	▶ E
Net GRIP at the end of the previous tax year (amount B <b>minus</b> amount E) (if negative, enter "0") GRIP transferred on an amalgamation or the wind-up of a subsidiary	F
(total of lines 230 and 240 of Schedule 53)	G ▶ H
Amount H multiplied by 38 1 / 3 %	I
Eligible refundable dividend tax on hand (ERDTOH) at the end of the previous tax year (for the first tax year starting after 2018,	
amount A or I, whichever is less, otherwise, use line 530 of the preceding tax year)	<b>520</b> J
Non-eligible refundable dividend tax on hand (NERDTOH) at the end of the previous tax year (for the first tax year starting after	
2018, amount A <b>minus</b> amount I, otherwise, use line 545 of the preceding tax year) (if negative, enter "0")	<b>535</b> K
Part IV tax payable on taxable dividends from connected corporations (amount 2G from Schedule 3)	1
Part IV tax payable on eligible dividends from non-connected corporations (amount 2J from Schedule 3)	M
Subtotal (amount L <b>plus</b> amount M)	▶ N
	<b>525</b>
, , , , , , , , , , , , , , , , , , , ,	<b>570</b>
Refundable portion of Part I tax (from line 450 on page 6)	Q
	R
Part IV tax allocated to ERDTOH (amount N)	S
Part IV tax reduction due to Part IV.1 tax payable (amount 4D of Schedule 43)	T
Subtotal (amount R minus total of amounts S and T)	▶ U
	540 V
J , , , ,	575 W
38 1/3% of the total losses applied against Part IV tax (amount 2D from Schedule 3)	X
Part IV tax payable allocated to NERDTOH, net of losses claimed (amount U minus amount X) (if negative enter "0")	Υ
Part IV tax payable allocated to ERDTOH, net of losses claimed (amount N minus the amount, if any, by which amount X	545
exceeds amount U) (if negative, enter "0")	Z
ERDTOH at the end of the tax year (total of amounts J, O, and 2 minus amount P) (if negative, enter "0")	
Dividend refund	
38 1/3% of total eligible dividends paid in the tax year (amount 3A from Schedule 3)	AA
ERDTOH balance at the end of the tax year (line 530)	· · · · · · · · · · · · · · · · · · ·
Eligible dividend refund (amount AA or BB, whichever is less)	CC
38 1/3% of total non-eligible taxable dividends paid in the tax year (amount 3B from Schedule 3)	<u>172,796</u> DD
NERDTOH balance at the end of the tax year (line 545)	EE
Non-eligible dividend refund (amount DD or EE, whichever is less)	<u></u> FF
Amount DD <b>minus</b> amount EE (if negative, enter "0")	
Amount BB <b>minus</b> amount CC (if negative, enter "0")	НН
Additional non-eligible dividend refund (amount GG or HH, whichever is less)	
Dividend refund – Amount CC plus amount FF plus amount II	<u></u> JJ
Enter amount JJ on line 784 on page 9.	

Part I tax —	_
Base amount Part I tax – Taxable income (from line 360 on page 3) <b>multiplied</b> by 38 %	Α
Additional tax on personal services business income (section 123.5)	
Taxable income from a personal services business	В
Recapture of investment tax credit from Schedule 31	С
Calculation for the refundable tax on the Canadian-controlled private corporation's (CCPC) investment income (if it was a CCPC throughout the tax year)	
Aggregate investment income from line 440 on page 6  Taxable income from line 360 on page 3  Deduct:  Amount from line 400, 405, 410, or 428 on page 4, whichever	
is the least F	
Net amount (amount E minus amount F)	
Refundable tax on CCPC's investment income – 10 2 / 3 % of whichever is less: amount D or amount G	H I
Deduct:	
Small business deduction from line 430 on page 4	
Federal tax abatement	
Manufacturing and processing profits deduction from Schedule 27	
Investment corporation deduction	
Taxed capital gains 624	
Federal foreign non-business income tax credit from Schedule 21	
Federal foreign business income tax credit from Schedule 21	
General tax reduction for CCPCs from amount I on page 5	
General tax reduction from amount P on page 5	
Federal logging tax credit from Schedule 21	
Eligible Canadian bank deduction under section 125.21	
Federal qualifying environmental trust tax credit	
Investment tax credit from Schedule 31 Subtotal Subtotal	K
Part I tax payable – Amount I minus amount K	L
Enter amount L on line 700 on page 9.	

#### Privacy statement -

Personal information (including the SIN) is collected for the purposes of the administration or enforcement of the Income Tax Act and related programs and activities including administering tax, benefits, audit, compliance, and collection. The information collected may be used or disclosed for purposes of other federal acts that provide for the imposition and collection of a tax or duty. It may also be disclosed to other federal, provincial, territorial, or foreign government institutions to the extent authorized by law. Failure to provide this information may result in interest payable, penalties, or other actions. Under the Privacy Act, individuals have a right of protection, access to and correction of their personal information, or to file a complaint with the Privacy Commissioner of Canada regarding the handling of their personal information. Refer to Personal Information Bank CRA PPU 047 on Info Source at canada.ca/cra-info-source.

− Summary of tax and credits −−−−−−−−−−−−−−−−−−−−−−−−−−−−−−−−−−−−	
Part I tax payable from amount L on page 8	700
Part III.1 tax payable from Schedule 55	-/A
Part IV tax payable from Schedule 3	-/A
Part IV.1 tax payable from Schedule 43	
Part VI tax payable from Schedule 38	
Part VI.1 tax payable from Schedule 43	
Part XIII.1 tax payable from Schedule 92	
Part XIV tax payable from Schedule 20	
Add provincial or territorial tax:	Total federal tax
Provincial or territorial jurisdiction	
Net provincial or territorial tax payable (except Quebec and Alberta)	
	Total tax payable 770 A
Deduct other credits:	700
Investment tax credit refund from Schedule 31	
Dividend refund from amount JJ on page 7	
Federal capital gains refund from Schedule 18	
Federal qualifying environmental trust tax credit refund	
Canadian film or video production tax credit (Form T1131)  Film or video production services tax credit (Form T1177)	
Film or video production services tax credit (Form T1177)  Canadian journalism labour tax credit from Schedule 58	798
Tax withheld at source	800
Total payments on which tax has been withheld	
Provincial and territorial capital gains refund from Schedule 18	808
Provincial and territorial refundable tax credits from Schedule 5	812
Tax instalments paid	840
Total cr	edits <b>890 &gt;</b> B
	/ <del>_</del>
Refund code 894 Refund	Balance (amount A <b>minus</b> amount B)
Refund code 894 Refund	Balance (amount A <b>minus</b> amount B)  If the result is negative, you have a <b>refund</b> .  If the result is positive, you have a <b>balance owing</b> .
Refund code 894 Refund Pirect deposit request	Balance (amount A <b>minus</b> amount B)  If the result is negative, you have a <b>refund</b> .  If the result is positive, you have a <b>balance owing</b> .  Enter the amount on whichever line applies.
Refund code 894 Refund  Direct deposit request  To have the corporation's refund deposited directly into the corporation's bank account at a financial institution in Canada, or to change banking information you	Balance (amount A <b>minus</b> amount B)  If the result is negative, you have a <b>refund</b> .  If the result is positive, you have a <b>balance owing</b> .
Refund code 894 Refund  Direct deposit request To have the corporation's refund deposited directly into the corporation's bank account at a financial institution in Canada, or to change banking information you already gave us, complete the information below:	Balance (amount A <b>minus</b> amount B)  If the result is negative, you have a <b>refund</b> .  If the result is positive, you have a <b>balance owing</b> .  Enter the amount on whichever line applies.  Generally, we do not charge or refund a difference
Refund code  Refund  Direct deposit request  To have the corporation's refund deposited directly into the corporation's bank account at a financial institution in Canada, or to change banking information you already gave us, complete the information below:  Start  Change information  910	Balance (amount A <b>minus</b> amount B)  If the result is negative, you have a <b>refund</b> .  If the result is positive, you have a <b>balance owing</b> .  Enter the amount on whichever line applies.  Generally, we do not charge or refund a difference of \$2 or less.  Balance owing
Refund code  Refund  Direct deposit request  To have the corporation's refund deposited directly into the corporation's bank account at a financial institution in Canada, or to change banking information you already gave us, complete the information below:  Start  Change information  Branch number	Balance (amount A <b>minus</b> amount B)  If the result is negative, you have a <b>refund</b> .  If the result is positive, you have a <b>balance owing</b> .  Enter the amount on whichever line applies.  Generally, we do not charge or refund a difference of \$2 or less.
Refund code  Refund  Direct deposit request  To have the corporation's refund deposited directly into the corporation's bank account at a financial institution in Canada, or to change banking information you already gave us, complete the information below:  Start  Change information  910	Balance (amount A minus amount B)  If the result is negative, you have a refund.  If the result is positive, you have a balance owing.  Enter the amount on whichever line applies.  Generally, we do not charge or refund a difference of \$2 or less.  Balance owing  For information on how to make your payment, go to
Refund code    Refund   Refund	Balance (amount A minus amount B)  If the result is negative, you have a refund.  If the result is positive, you have a balance owing.  Enter the amount on whichever line applies.  Generally, we do not charge or refund a difference of \$2 or less.  Balance owing  For information on how to make your payment, go to
Refund code    Refund   Refund	Balance (amount A minus amount B)  If the result is negative, you have a refund. If the result is positive, you have a balance owing. Enter the amount on whichever line applies. Generally, we do not charge or refund a difference of \$2 or less.  Balance owing  For information on how to make your payment, go to canada.ca/payments.
Refund code    Refund   Refund	Balance (amount A minus amount B)  If the result is negative, you have a refund. If the result is positive, you have a balance owing. Enter the amount on whichever line applies. Generally, we do not charge or refund a difference of \$2 or less. Balance owing  For information on how to make your payment, go to canada.ca/payments.
Refund code    Refund   Refund	Balance (amount A minus amount B)  If the result is negative, you have a refund. If the result is positive, you have a balance owing. Enter the amount on whichever line applies. Generally, we do not charge or refund a difference of \$2 or less.  Balance owing  For information on how to make your payment, go to canada.ca/payments.
Refund code    Refund	Balance (amount A minus amount B)  If the result is negative, you have a refund. If the result is positive, you have a balance owing. Enter the amount on whichever line applies. Generally, we do not charge or refund a difference of \$2 or less. Balance owing  For information on how to make your payment, go to canada.ca/payments.  896 Yes No X 920 G1829
Refund code    Refund   Refund	Balance (amount A minus amount B)  If the result is negative, you have a refund. If the result is positive, you have a balance owing. Enter the amount on whichever line applies. Generally, we do not charge or refund a difference of \$2 or less. Balance owing
Refund code    Refund   Refund	Balance (amount A minus amount B)  If the result is negative, you have a refund. If the result is positive, you have a balance owing. Enter the amount on whichever line applies. Generally, we do not charge or refund a difference of \$2 or less.  Balance owing  For information on how to make your payment, go to canada.ca/payments.  896 Yes No X  920 G1829
Refund code    Refund	Balance (amount A minus amount B)  If the result is negative, you have a refund. If the result is positive, you have a balance owing. Enter the amount on whichever line applies. Generally, we do not charge or refund a difference of \$2 or less.  Balance owing
Refund code    Refund	Balance (amount A minus amount B)  If the result is negative, you have a refund. If the result is positive, you have a balance owing. Enter the amount on whichever line applies. Generally, we do not charge or refund a difference of \$2 or less. Balance owing
Refund code    Refund	Balance (amount A minus amount B)  If the result is negative, you have a refund.  If the result is positive, you have a balance owing. Enter the amount on whichever line applies.  Generally, we do not charge or refund a difference of \$2 or less.  Balance owing  For information on how to make your payment, go to canada.ca/payments.  896 Yes No X  920 G1829  Information provided by the taxpayer.  Position, office, or rank adding accompanying schedules and statements, and that certify that the method of calculating income for this tax tattached to this return.
Refund code    Refund   Refund	Balance (amount A minus amount B)  If the result is negative, you have a refund. If the result is positive, you have a balance owing. Enter the amount on whichever line applies. Generally, we do not charge or refund a difference of \$2 or less.  Balance owing  For information on how to make your payment, go to canada.ca/payments.  896 Yes No X  920 G1829  INFORMATION PROVIDED BY THE TAXPAYER.  Position, office, or rank adding accompanying schedules and statements, and that certify that the method of calculating income for this tax t attached to this return.
Direct deposit request  To have the corporation's refund deposited directly into the corporation's bank account at a financial institution in Canada, or to change banking information you already gave us, complete the information below:  Start Change information  Institution number  If the corporation is a Canadian-controlled private corporation throughout the tax year, does it qualify for the one-month extension of the date the balance of tax is due?  If this return was prepared by a tax preparer for a fee, provide their EFILE number  PREPARED SOLELY FOR INCOME TAX PURPOSES WITHOUT AUDIT OR REVIEW FROM Certification  I, 950 Long  Last name  am an authorized signing officer of the corporation. I certify that I have examined this return, incluthe information given on this return is, to the best of my knowledge, correct and complete. I also depend on the previous tax year except as specifically disclosed in a statement specifically disclosed in a statement specifically disclosed in a statement of the authorized signing officer of the corporation. Signature of the authorized signing officer of the corporation of the authorized signing officer of the corporation.	Balance (amount A minus amount B)  If the result is negative, you have a refund. If the result is positive, you have a balance owing. Enter the amount on whichever line applies. Generally, we do not charge or refund a difference of \$2 or less. Balance owing
Direct deposit request  To have the corporation's refund deposited directly into the corporation's bank account at a financial institution in Canada, or to change banking information you already gave us, complete the information below:  Start Change information  Start Change information  Branch number  Institution number  Account number  If the corporation is a Canadian-controlled private corporation throughout the tax year, does it qualify for the one-month extension of the date the balance of tax is due?  If this return was prepared by a tax preparer for a fee, provide their EFILE number  PREPARED SOLELY FOR INCOME TAX PURPOSES WITHOUT AUDIT OR REVIEW FROM Certification  I, 950 Long  Last name  am an authorized signing officer of the corporation. I certify that I have examined this return, incluthe information given on this return is, to the best of my knowledge, correct and complete. I also of year is consistent with that of the previous tax year except as specifically disclosed in a statement of the authorized signing officer of the corporation. Is the contact person the same as the authorized signing officer? If no, complete the information is the contact person the same as the authorized signing officer? If no, complete the information is the contact person the same as the authorized signing officer? If no, complete the information is a contact person the same as the authorized signing officer? If no, complete the information is a contact person the same as the authorized signing officer? If no, complete the information is a contact person the same as the authorized signing officer? If no, complete the information is a contact person the same as the authorized signing officer? If no, complete the information is a contact person the same as the authorized signing officer? If no, complete the information is a contact person the same as the authorized signing officer? If no, complete the information is a contact person the same as the authorized signing officer? If no, complete the information is a contact p	Balance (amount A minus amount B)  If the result is negative, you have a refund. If the result is positive, you have a balance owing. Enter the amount on whichever line applies. Generally, we do not charge or refund a difference of \$2 or less. Balance owing
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Agence du revenu du Canada **SCHEDULE 100** 

Form identifier 100

#### **GENERAL INDEX OF FINANCIAL INFORMATION - GIFI**

1 Offit Identifier 100				
Corporation's name		Business number	Tax year end Year Month Day	
Orangeville Hydro Limited		86463 9562 RC0002	2020-12-31	

#### **Balance sheet information**

Account	Description	GIFI	Current year	Prior year
Assets -				
	Total current assets	1599 +	8,634,373	8,003,172
	_ Total tangible capital assets	2008 +	27,369,942	25,630,183
	Total accumulated amortization of tangible capital assets	2009 –	5,800,763	4,921,97
	Total intangible capital assets	2178 +	543,892	542,258
	Total accumulated amortization of intangible capital assets	<b>2179</b> – 4	326,700	315,48
	Total long-term assets	2589 /t	3,881,942	2,719,283
	* Assets held in trust	<b>2590</b> +	7	
	_ Total assets (mandatory field)	2599	34,302,686	31,657,443
Liabilities	S		>	
	_ Total current liabilities	3139 🔭	6,114,988	4,625,919
	_ Total long-term liabilities	3450 +	16,221,960	15,701,53
	_* Subordinated debt	3460 +		
	_* Amounts held in trust	3470 +		
	_ Total liabilities (mandatory field)	3499 =	22,336,948	20,327,45
Sharehol	der equity			
	Total shareholder equity (mandatory field)	3620 +	11,965,738	11,329,992
	_ Total liabilities and shareholder equity	3640 = _	34,302,686	31,657,443
Retained	earnings			
·······································	Retained earnings/deficit – end (mandatory field)	3849 =	3,627,624	2,991,878

<sup>\*</sup> Generic item

PREPARED SOLELY FOR INCOME TAX PURPOSES WITHOUT AUDIT OR REVIEW FROM INFORMATION PROVIDED BY THE TAXPAYER.

Canada Revenue Agency

Agence du revenu du Canada

**SCHEDULE 125** 

#### **GENERAL INDEX OF FINANCIAL INFORMATION - GIFI** Form identifier 125

Torri destano 120		
Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited 86	86463 9562 RC0002	2020-12-31

#### Income statement information

Description	GIFI
Operating name	0001 0002 0003 01

Account	Description	GIFI 4	Current year	Prior year
Income s	tatement information			
	Total sales of goods and services	8089 +	38,812,698	34,839,317
	Cost of sales	8518 -	34,271,041	30,112,525
	Gross profit/loss	8519 = _	4,541,657	4,726,792
	Cost of sales	8518 +	34,271,041	30,112,525
	Total operating expenses	9367 +	4,652,333	4,866,524
	Total expenses (mandatory field)	9368 = _	38,923,374	34,979,049
	Total revenue (mandatory field)	8299 +	39,106,543	35,161,30
	Total expenses (mandatory field)	9368 -	38,923,374	34,979,049
	Net non-farming income	9369 = _	183,169	182,252
	Total farm expenses (mandatory field)  Net farm income  Net income/loss before taxes and extraordinary items	9898 9899 = _ 9970 = _	183,169	182,252
	_ Total – other comprehensive income	9998 = _		
Extraord	inary items and income (linked to Schedule 140)			
	_ Extraordinary item(s)	9975 -		
	Legal settlements	9976 –		
	Unrealized gains/losses	9980 +		
	_ Unusual items()	9985	-945,245	-822,535
	_ Current income taxes	9990	-102,388	-169,755
	_ Future (deferred) income tax provision	9995 – _	144,285	273,000
	_ Total – Other comprehensive income	9998 + _		
	Net income/loss after taxes and extraordinary items (mandatory field)	9999 =	1,086,517	901,54

 ${\tt PREPARED SOLELY FOR INCOME\ TAX\ PURPOSES\ WITHOUT\ AUDIT\ OR\ REVIEW\ FROM\ INFORMATION\ PROVIDED\ BY\ THE\ TAXPAYER.}$ 

Agence du revenu du Canada

#### **Notes Checklist**

Corporation's name	Business number	Tax Year End Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2020-12-31

- Parts 1, 2, and 3 of this schedule must be completed from the perspective of the person (referred to in these parts as the **accountant**) who prepared or reported on the financial statements. If the person preparing the tax return is not the accountant referred to above, they must still complete Parts 1, 2, 3, and 4, as applicable.
- For more information, see Guide RC4088, General Index of Financial Information (GIFI) and T4012, T2 Corporation Income Tax Guide.
- Complete this schedule and include it with your T2 return along with the other GIFI schedules.

□ Part 1 – Information on the accountant who prepared or reported on the financial statements	
Does the accountant have a professional designation?	No
Is the accountant connected* with the corporation?	No X
Note If the accountant does not have a professional designation or is connected to the corporation, you do not have to complete Parts 2 and 3 of this schedule. However, you do have to complete Part 4, as applicable.	
* A person connected with a corporation can be: (i) a shareholder of the corporation who owns more than 10% of the common shares; (ii) a director, an officer, or an employee of the corporation; or (iii) a person not dealing at arm's length with the corporation.	
□ Part 2 – Type of involvement with the financial statements	
Choose the option that represents the highest level of involvement of the accountant:	198
Completed an auditor's report	1 <b>X</b>
Completed a review engagement report	2
Conducted a compilation engagement	3
¬ Part 3 − Reservations	
If you selected option 1 or 2 under Type of involvement with the financial statements above, answer the following question:  Has the accountant expressed a reservation?  Ogg Yes	No X
Part 4 – Other information	
If you have a professional designation and are not the accountant associated with the financial statements in Part 1 above, choose one of the following options:	110
Prepared the tax return (financial statements prepared by client)	1 X
Prepared the tax return and the financial information contained therein (financial statements have not been prepared)	2
Were notes to the financial statements prepared? 101 Yes X	No 🗌
If <b>yes</b> , complete lines 104 to 107 below:	
Are subsequent events mentioned in the notes?	No
Is re-evaluation of asset information mentioned in the notes?	No X
Is contingent liability information mentioned in the notes?	No X
Is information regarding commitments mentioned in the notes?	No No
Does the corporation have investments in joint venture(s) or partnership(s)?	No X

┌ Part 4 – Other information (continued) ────────────────────────────────────					
Impairment and fair value changes					
In any of the following assets, was an amount recognized in net incorresult of an impairment loss in the tax year, a reversal of an impairment change in fair value during the tax year?		tax`year,́ or a	200 Yes	No X	
If <b>yes</b> , enter the amount recognized:	In net income Increase (decrease)	In OCI Increase (decrease)			
Property, plant, and equipment	0	211	_		
Intangible assets	5	216	_		
Investment property 22	0				
Biological assets	5				
Financial instruments	0	231	=		
Other 23	5	236	_		
Financial instruments		$\langle \langle \rangle \rangle$			
Did the corporation derecognize any financial instrument(s) during the	e tax year (other than trade recei	vables)?	250 Yes	No X	
Did the corporation apply hedge accounting during the tax year?			255 Yes	No X	
Did the corporation discontinue hedge accounting during the tax year	?		260 Yes	No X	
Adjustments to opening equity					
Was an amount included in the opening balance of retained earnings recognize a change in accounting policy, or to adopt a new accounting	, , ,		<b>265</b> Yes	No X	
If <b>yes</b> , you have to maintain a separate reconciliation.	5				

# General Index of Financial Information Notes to the financial statements

ORANGEVILLE HYDRO LIMITED

Notes to Financial Statements

Year ended December 31, 2020

1. Reporting entity

Orangeville Hydro Limited (the "Corporation") is a rate regulated, municipally owned hydro

distribution company incorporated under the laws of Ontario, Canada. The address of the

Corporation's registered office is 400 C Line, Orangeville, Ontario.

The Corporation delivers electricity and related energy services to residential and commercial

customers in the Town of Orangeville and Town of Grand Valley. The

Corporation is owned by the Town of Orangeville and Town of Grand Valley.

The financial statements are for the Corporation as at and for the year ended December 31, 2020.

- 2. Basis of presentation
- (a) Statement of compliance

The Corporation's financial statements have been prepared in accordance with InternationalFinancial Reporting Standards ("IFRS").

The financial statements were approved by the Board of Directors on April 15, 2021.(b) Basis of measurement

These financial statements have been prepared on the historical cost basis, unless otherwisestated.

(c) Functional and presentation currency

These financial statements are presented in Canadian dollars, which is the Corporation's functional currency.

(d) Use of estimates and judgments

The preparation of financial statements in conformity with IFRS requires management to make

judgments, estimates and assumptions that affect the application of accounting policies and

the reported amounts of assets, liabilities, income and expenses and disclosure of contingent

assets and liabilities. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis.

Revisions to

accounting estimates are recognized in the year in which the estimates are revised and in anyfuture years affected.

Information about assumptions and estimation uncertainties that have a significant risk of

resulting in material adjustment is included in the following notes:

- (i) Note 3(b) measurement of unbilled revenue
- (ii) Notes 5, 6 estimation of useful lives of its property, plant and equipment and intangible assets
- (iii) Note 8 recognition and measurement of regulatory balances
- (iv) Note 11 measurement of defined benefit obligations: key actuarial assumptions
- (v) Note 17 recognition and measurement of provisions and contingencies
- (e) Rate regulation

The Corporation is regulated by the Ontario Energy Board ("OEB"), under the authority granted

by the Ontario Energy Board Act, 1998. Among other things, the OEB has the power and

responsibility to approve or set rates for the transmission and distribution of electricity, providing  $% \left( 1\right) =\left( 1\right) +\left( 1\right) +\left($ 

continued rate protection for electricity consumers in Ontario, and ensuring

# General Index of Financial Information Notes to the financial statements

that transmission and distribution companies fulfill obligations to connect and service customers. The OEB may also prescribe license requirements and conditions of service to local distribution companies ("LDCs"), such as the Corporation, which may include, among other things, record keeping, regulatory accounting principles, separation of accounts for distinct businesses, and filing andprocess requirements for rate setting purposes. Rate setting Distribution revenue For the distribution revenue included in sale of energy, the Corporationfiles a "Cost of Service" ("COS") rate application with the OEB every five years where rates are determined through a review of the forecasted annual amount of operating and capital expenditures, shareholder's equity required to support the Corporation's business. The Corporation estimates electricity usage and the costs to service each customer class to determine the appropriate rates to be charged to each customer class. The COS application is reviewed by the OEB and interveners and rates are approved based upon this review, including anyrevisions resulting from that review. In the intervening years an Incentive Rate Mechanism application ("IRM") is filed. An IRM application results in a formulaic adjustment to distribution rates that were set under the last COS application. The previous year's rates are adjusted for the annual change in the Gross Domestic Product Implicit Price Inflator for Final Domestic Demand ("GDP IPI-FDD") net of a productivity factor and a "stretch factor" determined by the relative efficiency of an electricitydistributor. As a licensed distributor, the Corporation is responsible for billing customers for electricity generated by third parties and the related costs of providing electricity service, such as transmission services and other services provided by third parties. The Corporation is required, pursuant to regulation, to remit such amounts to these third parties, irrespective of whether the Corporation ultimately collects these amounts from customers. The Corporation last filed a COS application in October 2013 for rates effective May 1, 2014 to April 30, 2019. The Corporation received approval for a deferral of a COS application for 2020 rates. The GDP IPI-FDD for 2020 is 2.00%, the Corporation's productivity factor is nil% and the stretch factor is 0.15%, resulting in a net adjustment of 1.85% to the previous year's rates. Electricity rates The OEB sets electricity prices for low-volume consumers twice each year

estimate of how much it will cost to supply the province with electricity for

# General Index of Financial Information Notes to the financial statements

the next year. All

remaining consumers pay the market price for electricity. The Corporation is billed for the  $\cos t$ 

of the electricity that its customers use and passes this cost on to the customer at cost without mark-up.

3. Significant accounting policies

The accounting policies set out below have been applied consistently in all years presented in thesefinancial statements.

(a) Financial instruments

At initial recognition, the Corporation measures its financial assets at fair value plus, in the case

of a financial asset not at fair value through profit or loss, transaction costs that are directly

attributable to the acquisition of the financial asset. Transaction costs of financial assets carried

at fair value through profit or loss are expensed in profit or loss. Subsequent measurement of the financial asset depends on the classification determined on

initial recognition. Financial assets are classified as either amortized cost, fair value through

other comprehensive income or fair value through profit or loss, depending on its business

model for managing the financial assets and the contractual cash flow characteristics of the

financial assets. Financial assets are not reclassified subsequent to their initial recognition,

unless the Corporation changes its business model for managing financial assets. Financial liabilities are initially measured at fair value, net of transaction costs incurred. They

are subsequently carried at amortized cost using the effective interest rate method; any

difference between the proceeds (net of transaction costs) and the redemption value is recognized as an adjustment to interest expense over the period of

borrowings. The Corporation has not entered into derivative instruments. Hedge accounting has not been used in the preparation of these financial statements.

Cash equivalents include short-term investments with maturities of three months or less whenpurchased.

(b) Revenue recognition

Sale and distribution of electricity

The performance obligations for the sale and distribution of electricity are recognized over time

using an output method to measure the satisfaction of the performance obligation. The value  $\ensuremath{\mathsf{val}}$ 

of the electricity services transferred to the customer is determined on the basis of cyclical

meter readings plus estimated customer usage since the last meter reading date to the end of

the year and represents the amount that the Corporation has the right to bill. Revenue includes

the cost of electricity supplied, distribution, and any other regulatory charges. The related costof power is recorded on the basis of power used. For customer billings related to electricity generated by third parties and the related costs of

providing electricity service, such as transmission services and other

# General Index of Financial Information Notes to the financial statements

services provided by third

parties, the Corporation has determined that it is acting as a principal for these electricity

charges and, therefore, has presented electricity revenue on a gross basis.

Customer billings for debt retirement charges are recorded on a net basis as the Corporationis acting as an agent for this billing stream.

Capital contributions

Developers are required to contribute towards the capital cost of construction of distribution  ${\ }$ 

assets in order to provide ongoing service. The developer is not a customer and therefore the  $\hfill \hfill$ 

contributions are scoped out of IFRS 15 Revenue from Contracts with Customers. Cash

contributions, received from developers are recorded as deferred revenue. When an asset

other than cash is received as a capital contribution, the asset is initially recognized at its fair

value, with a corresponding amount recognized as deferred revenue. The deferred revenue,

which represents the Corporation's obligation to continue to provide the customers access to

the supply of electricity, is amortized to income on a straight-line basis over the useful life of the related asset.

Certain customers are also required to contribute towards the capital cost of construction of

distribution assets in order to provide ongoing service. These contributions fall within the scope

of IFRS 15 Revenue from Contracts with Customers. The contributions are received to obtain

a connection to the distribution system in order receive ongoing access to electricity. The

Corporation has concluded that the performance obligation is the supply of electricity over the

life of the relationship with the customer which is satisfied over time as the customer receives

and consumes the electricity. Revenue is recognized on a straight-line basis over the usefullife of the related asset.

Other revenue

Revenue earned from the provision of services is recognized as the service is rendered.

Government grants and the related performance incentive payments under CDM programs are

recognized as revenue in the year when there is reasonable assurance that the programconditions have been satisfied and the payment will be received.

(c) Inventory

Inventory, the majority of which is consumed by the Corporation in the provision of its services,

is valued at the lower of cost and net realizable value, with cost being determined on an  $\ensuremath{\mathsf{N}}$ 

average cost basis, and includes expenditures incurred in acquiring the materials and supplies  $\ \ \,$ 

and other costs incurred in bringing them to their existing location and condition.(d) Property, plant and equipment  $\frac{1}{2}$ 

Items of property, plant and equipment ("PP&E") used in rate-regulated activities and acquired  $\,$ 

prior to January 1, 2015 are measured at the deemed cost (carrying value as

# General Index of Financial Information Notes to the financial statements

elected under

IFRS 1) established on the transition date, less accumulated depreciation.

All other items of

PP&E are measured at cost, or, where the item is contributed by customers, its fair value, lessaccumulated depreciation.

Cost includes expenditures that are directly attributable to the acquisition of the asset. The  $\,$ 

cost of self-constructed assets includes contracted services, materials and transportation  ${\bf r}$ 

costs, direct labour, overhead costs, borrowing costs and any other costs directly attributable

to bringing the asset to a working condition for its intended use.

Borrowing costs on qualifying assets are capitalized as part of the cost of the asset based upon

the weighted average cost of debt incurred on the Corporation's porrowings. Qualifying assets

are considered to be those that take in excess of 12 months to construct.

When parts of an item of PP&E have different useful lives, they are accounted for as separateitems (major components) of PP&E.

When items of PP&E are retired or otherwise disposed of, a gain or loss on disposal is

determined by comparing the proceeds from disposal, if any, with the carrying amount of theitem and is included in profit or loss.

Major spare parts and standby equipment are recognized as items of PP&E.

The cost of replacing a part of an item of PP&E is recognized in the net book value of the item

if it is probable that the future economic benefits embodied within the part will flow to the

Corporation and its cost can be measured reliably. In this event, the replaced part of PP&E is

written off, and the related gain or loss is included in profit or loss. The costs of the day-to-day

servicing of PP&E are recognized in profit or loss as incurred.

The need to estimate the decommissioning costs at the end of the useful lives of certain assets

is reviewed periodically. The Corporation has concluded it does not have any legal or constructive obligation to remove PP&E.

Depreciation is calculated to write off the cost of items of PP&E using the straight-line method

over their estimated useful lives, and is generally recognized in profit or loss. Depreciation

methods, useful lives, and residual values are reviewed at each reporting date and adjustedprospectively if appropriate. Land is not depreciated.

Construction-in-progress assets are not

depreciated until the project is complete and the asset is available for use. The estimated useful lives are as follows:

Asset Years

Buildings 20-60 years

Distribution equipment 15-60 years

Vehicles 8-15 years

Other tools and equipment 10-60 years

Computer equipment 5 years

(e) Intangible assets

Intangible assets used in rate-regulated activities and acquired prior to

January 1, 2015 are

measured at deemed cost (carrying value as elected under IFRS 1) established

# General Index of Financial Information Notes to the financial statements

on the

transition date, less accumulated amortization. All other intangible assets are measured atcost.

Computer software that is acquired or developed by the Corporation after January 1, 2015,

including software that is not integral to the functionality of equipment purchased which has

finite useful lives, is measured at cost less accumulated amortization.

These include payments made for easements, right of access and right of use over land for

which the Corporation does not hold title. Land rights are measured at cost Management

has determined that land rights have an indefinite life. Land rights are tested for impairment

when events or circumstances indicate their carrying amount exceeds their fair value. As at

December 31, 2020, management has not identified any events or circumstances indicatingthat land rights are impaired.

Amortization is recognized in profit or loss on a straight-line basis over the estimated useful

lives of intangible assets from the date that they are available for use.

Amortization

methods and useful lives of all intangible assets are reviewed at each reporting date and

adjusted prospectively if appropriate. The estimated useful lives are: Asset Years

Computer software 5 years

- (f) Impairment
- (i) Financial assets measured at amortized cost;
- A loss allowance for expected credit losses on financial assets measured at amortized cost
- is recognized at the reporting date. The loss allowance is measured at an amount equal to the lifetime expected credit losses for the asset.
- (ii) Non-financial assets:

The carrying amounts of the corporation's non-financial assets, other than materials and

supplies and deferred tax assets, are reviewed at each reporting date to determine whether

there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For the purpose of impairment testing, assets are grouped together into the smallest group

of assets that generates cash inflows from continuing use that are largely independent of

the cash inflows of other assets or groups of assets (the "cash-generating unit" or "CGU").

The recoverable amount of an asset or CGU is the greater of its value in use and its fair

value less costs to sell. In assessing value in use, the estimated future cash flows are

discounted to their present value using a pre-tax discount rate that reflects current market

assessments of the time value of money and the risks specific to the asset. An impairment loss is recognized if the carrying amount of an asset or its

# General Index of Financial Information Notes to the financial statements

CGU exceeds its

estimated recoverable amount. Impairment losses are recognized in profit or loss.

An impairment loss is reversed only to the extent that the asset's carrying amount does not

exceed the carrying amount that would have been determined, net of

depreciation oramortization, if no impairment loss had been recognized.

(g) Customer deposits

Customer deposits represent cash deposits from electricity distribution customers and retailers

to guarantee the payment of energy bills. Interest is paid on customer deposits.

Deposits are refundable to customers who demonstrate an acceptable fevel of credit risk as

determined by the Corporation in accordance with policies set out by the OEB or upontermination of their electricity distribution service.

(h) Provisions

A provision is recognized if, as a result of a past event, the Corporation has a present legal or

constructive obligation that can be estimated reliably, and it is probable that an outflow of

economic benefits will be required to settle the obligation. Provisions are determined by

discounting the expected future cash flows at a pre-tax rate that reflects current market

assessments of the time value of money and the risks specific to the liability.

(i) Regulatory balances

Regulatory deferral account debit balances represent costs incurred in excess of amounts

billed to the customer at OEB approved rates. Regulatory deferral account credit balances

represent amounts billed to the customer at EB approved rates in excess of costs incurredby the Corporation.

Regulatory deferral account debit balances are recognized if it is probable that future billings

in an amount at least equal to the deferred cost will result from inclusion of that cost in allowable

costs for rate-making purposes. The offsetting amount is recognized in net movement in

regulatory balances in profit of loss or OCI. When the customer is billed at rates approved by

the OEB for the recovery of the deferred costs, the customer billings are recognized in revenue.

The regulatory deferral debit balance is reduced by the amount of these customer billings with

the offset to net movement in regulatory balances in profit or loss or OCI. The probability of recovery of the regulatory deferral debit account balances is assessed

annually based upon the likelihood that the OEB will approve the change in rates to recover

the balance. The assessment of likelihood of recovery is based upon previous decisions made  $\,$ 

by the OEB for similar circumstances, policies or guidelines issued by the OEB, etc. Any  $\,$ 

resulting impairment loss is recognized in profit or loss in the year

# General Index of Financial Information Notes to the financial statements

incurred.

When the Corporation is required to refund amounts to ratepayers in the future, the Corporation

recognizes a regulatory deferral account credit balance. The offsetting amount is recognized

in net movement in regulatory balances in profit or loss or OCI. The amounts returned to the  $\ensuremath{\text{c}}$ 

customers are recognized as a reduction of revenue. The regulatory deferral credit balance is

reduced by the amount of these customer repayments with the offset to net movement inregulatory balances in profit or loss or OCI.

- (j) Post-employment benefits
- (i) Pension plan

The Corporation provides a pension plan for all its full-time employees through Ontario

Municipal Employees Retirement System ("OMERS"). OMERS is a multi-employer pension plan which operates as the Ontario Municipal Employees Retirement Fund ("the

Fund"), and provides pensions for employees of Ontario municipalities, local boards and

public utilities. The Fund is a contributory defined benefit pension plan, which is financed

by equal contributions from participating employers and employees, and by the investmentearnings of the Fund. To the extent that the Fund finds itself in an

under-funded position,

additional contribution rates may be assessed to participating employers and members

OMERS is a defined benefit plan. However, as OMERS does not segregate its pensionasset and liability information by individual employers, there is insufficient information

available to enable the Corporation to directly account for the plan.

Consequently, the plan

has been accounted for as a defined contribution plan. The Corporation is not responsible for any other contractual obligations other than the contributions.

Obligations for

contributions to defined contribution pension plans are recognized as an employee benefit expense in profit or loss when they are due.

(ii) Post-employment benefits, other than pension

The Corporation provides some of its retired employees with life insurance and medicalbenefits beyond those provided by government sponsored plans.

The obligations for these post-employment benefit plans are actuarially determined by

applying the projected unit credit method and reflect management's best estimate of certain

underlying assumptions. Remeasurements of the net defined benefit obligations, including

recognized immediately in other comprehensive income. When the benefits of a plan are  $% \left( 1\right) =\left( 1\right) +\left( 1$ 

improved, the portion of the increased benefit relating to past service by employees isrecognized immediately in profit or loss.

(k) Leased assets

At inception of a contract, the Corporation assesses whether a contract is,

# General Index of Financial Information Notes to the financial statements

or contains, a lease.

A contract is, or contains, a lease if the contract conveys the right to control the use of an

identified asset for a period of time in exchange for consideration. To assess whether a

contract conveys the right to control the use of an identified asset, the Corporation assesseswhether:

- (i) The contract involves the use of an identified asset;
- (ii) The Corporation has the right to obtain substantially all of the economic benefits from useof the asset throughout the period of use; and/
- (ii) The Corporation has the right to direct the use of the asset. The Corporation has this right

when it has the decision-making rights that are most relevant to changing how and for what

purpose the asset is used is predetermined, the Corporation has the right to direct the useof the asset if either:

- a) The Corporation has the right to operate the asset; or
- b) The Corporation designed the asset in a way that predetermines how and for whatpurposes it will be used.

Short-term leases and low value assets

The Corporation has elected not to recognize right-of-use assets and lease liabilities for shortterm

leases that have a lease term of 12 months or less and leases of low-value

Corporation recognizes the lease payments associated with these leases as an expense on astraight-line basis over the lease term.

(1) Finance income and finance costs

Finance income is recognized as it accrues in profit or loss, using the effective interest method. Finance income comprises interest earned on cash. Finance costs comprise interest expense on porrowings and net interest expense on postemployment

benefits. Finance costs are recognized in profit or loss unless they are capitalized as part of the cost of qualifying assets.

(m) Income taxes

The income tax expense comprises current and deferred tax. Income tax expense isrecognized in profit or loss except to the extent that it relates to items recognized directly inequity, in which case, it is recognized in equity. The Corporation is currently exempt from taxes under the Income Tax Act

(Canada) and the

Ontario Corporations Tax Act (collectively the "Tax Acts"). Under the Electricity Act, 1998, the

Corporation makes payments in lieu of corporate taxes to the Ontario Electricity Financial

Corporation ("OEFC"). These payments are calculated in accordance with the rules for  $% \left( 1\right) =\left( 1\right) \left( 1\right) +\left( 1\right) \left( 1\right) \left( 1\right) +\left( 1\right) \left( 1\right) \left$ 

computing taxable income and taxable capital and other relevant amounts contained in the  $\ensuremath{\mathsf{Tax}}$ 

Acts as modified by the Electricity Act, 1998, and related regulations. Prior to October 1, 2001,

the Corporation was not subject to income or capital taxes. Payments in lieu of taxes are referred to as income taxes.

Current tax comprises the expected tax payable or receivable on the taxable income or loss  $% \left( 1\right) =\left( 1\right) +\left( 1\right)$ 

for the year, using tax rates enacted or substantively enacted at the reporting date, and anyadjustment to tax payable in respect of previous years. Deferred tax is recognized in respect of temporary differences between the

tax basis of assets and liabilities and their carrying amounts for accounting purposes. Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted, at thereporting date. 4. Accounts receivable 2020 2019 Trade customer accounts receivable \$ 4,023,520 \$ 4,192,219 Other receivables 717,999 56,955 Provision uncollectible accounts (46,000) (42,000) \$ 4,695,519 \$ 4,207,174 5. Property, plant and equipment Land and Distribution Other fixed Construction buildings equipment assets -in-Progress Total Cost or deemed cost Balance at January 1, 2020 \$ 2,092,617 \$ 22,023,107 \$1,513,612 \$ 847 \$ 25,630,183Additions 25,149 1,644,413 230,227 15,625 1,915,414 Transfers - - - -Disposals/retirements (4,473) (95,274) (75,908)/ (175,655)Balance at December 31, 2020 \$ 2,113,293 \$ 23,672,246 \$1,667,931 \$ 16,472 \$ 27,369,942 Balance at January 1, 2019 \$ 2,057,089 \$ 20,913,704 \$1,458,004 \$ 29,358 \$24,460,155Additions 35,528 1,145,853 86,581 - 1,267,962 Transfers - 28,511 - (28,511) -Disposals/retirements - (66,961) (30,973) - (97,934) Balance at December 31, 2019 \$ 2,092,617 \$ 22,023,107 \$1,513,612 \$ 847 \$ 25,630,183Accumulated depreciation Balance at January 1, 2020 \$ 475,139 \$ 3,752,437 \$ 694,396 \$ - \$ 4,921,972 Depreciation 83,677 741,455 142,193 \( \) 967,325 Disposals - (24,074) (64,460) / (88,534) Balance at December 31, 2020 \$ 558,816 \$ 4,469,818 \$ 772,129 \$ - \$ 5,800,763 Balance at January 1, 2019 \$ 393,046 \$ 3,065,782 \$ 576,939 \$ - \$ 4,035,767 Depreciation 82,093 715,632 145,847 - 943,572 Disposals - (28,977) (28,390) - (57,367) Balance at December 31, 2019 \$ 475,139 \$ 3,752,437 \$ 694,396 \$ - \$ 4,921,972 Carrying amounts At December 31, 2020 \$ 1,554,477 \$ 19,102,428 \$ 895,802 \$ 16,472 \$ 21,569,179 At December 31, 2019 \$ 1,617,478 \$ 18,270,670 \$ 819,216 \$ 847 \$ 20,708,211 6. Intangible assets Computer Land software rights Total Cost or deemed cost Balance at January 1, 2020 \$ 406,540 \$ 135,718 \$ 542,258 Additions 21,059 4,089 25,148 Disposals (23,514) - (23,514) Balance at December 31, 2020 \$ 404,085 \$ 139,807 \$ 543,892 Balance at January 1, 2019 \$ 361,561 \$ 113,118 \$ 474,679 Additions 49,156 22,600 71,756 Disposals (4,177) - (4,177)Balance at December 31, 2019 \$ 406,540 \$ 135,718 \$ 542,258

```
Accumulated amortization
Balance at January 1, 2020 $ 315,481 $ - $ 315,481
Amortization 29,488 - 29,488
Disposal (18,269) - (18,269)
Balance at December 31, 2020 $ 326,700 $ - $ 326,700
Balance at January 1, 2019 $ 279,053 $ - $ 279,053
Amortization 38,302 - 38,302
Disposals (1,874) - (1,874)
Balance at December 31, 2019 $ 315,481 $ - $ 315,481
Carrying amounts
At December 31, 2020 $ 77,385 $ 139,807 $ 217,192
At December 31, 2019 $ 91,059 $ 135,718 $ 226,777
7. Income tax expense
Current tax expense (recovery)
2020 2019
Current tax recovery $ (102,388) $ (169,755)
Deferred tax expense 144,285 273,000
Income tax expense $ 41,897 $ 103,245
Reconciliation of effective tax rate:
2020 2019
Income before taxes $ 183,169 $ 182,252
Statutory income tax rates 26.5% 26.5%
Expected tax provision on income at statutory rates 48,540 48,297
Increase (decrease) in income taxes resulting from
Permanent differences (11,376) 400
Other 4,733 54,548
Income tax expense $ 41,897 $ 103,245
Significant components of the Corporation's deferred tax balances
2020 2019
Deferred tax assets (liabilities):
Property, plant and equipment $ (244,000) $
                                            (97,000)
Post-employment benefits 91,715 89,000
Other 12,000 12,000
$ (140,285) $ 4,000
8. Regulatory balances
Reconciliation of the carrying amount for each class of regulatory balances
Remaining
recovery/
January 1, Recovery/ December 31, reversal
Regulatory deferral account debit balances 2020 Additions reversal 2020 years
Retail settlement variances $ 2/498,035 $1,349,925 $(617,548) $3,230,412 1
Regulatory transition to IFRS 162,985 2,018 - 165,003 -
Regulatory variances disposition 39,590 217,659 - 257,249 -
Deferred income tax (4,000) 144,285 - 140,285 -
Other 14,673 74,320 - 88,993 1
$ 2,711,283 $1,788,207 $(617,548) $3,881,942
Remaining
recovery/
January 1, Recovery/ December 31, reversal
Regulatory deferral account debit balances 2019 Additions reversal 2019 years
Retail settlement variances $ 1,416,379 $1,081,656 $ - $2,498,035 1
Regulatory transition to IFRS 159,686 3,299 - 162,985 -
Regulatory variances disposition 68,070 (28,480) - 39,590 -
Deferred income tax (277,000) 273,000 - (4,000) -
Other 199,430 311 (185,068) 14,673 1
$ 1,566,565 $1,329,786 $(185,068) $2,711,283
```

```
January 1, Recovery/ December 31, Remaining
Regulatory deferral account credit balances 2020 Additions reversal 2020 years
Retail settlement variances $ 369,893 $ 136,112 $ (303,536) $ 202,469 1
Change in asset useful lives 20,102 (9) - 20,093 -
Other 166,038 94,074 - 260,112 1
$ 556,033 $ 230,177 $ (303,536) $ 482,674
January 1, Recovery/ December 31, Remaining
Regulatory deferral account credit balances 2019 Additions reversal 2019 years
Retail settlement variances $ 300,256 $ 69,637 $ - $ 369,893 1
Change in asset useful lives 71,316 (51,214) - 20,102 2
Other 60,402 105,636 - 166,038 1
$ 431,974 $ 124,059 $ - $ 556,033
The regulatory balances are recovered or settled through rates approved by
the OEB which are
determined using estimates of future consumption of electricity by its
customers. Future
consumption is impacted by various factors including the economy and weather.
The Corporation
has received approval from the OEB to establish its regulatory balances.
Settlement of the Group 1 deferral accounts is done on an annual basis
through application to the
OEB. An application has been approved by the OEB to recover $275,060 for the
Group 1 deferral
accounts for the 2020 rate application. The Corporation received approval for
deferral of a COS
application for 2020 rates, and is completing an IRM application for 2021
rates. The OEB requires
the Corporation to estimate its income taxes when it files a COS application
to set its rates. As a
result, the Corporation has recognized a regulatory deferral account for the
amount of deferred
taxes that will ultimately be recovered from paid back to its customers. This
balance will fluctuateas the Corporation's deferred tax balance fluctuates.
Regulatory balances attract interest at OEB prescribed rates, which are based
on Bankers'
Acceptances three-month rate plus a spread of 25 basis points. In 2020, the
rate ranged from 0.57% to 2.18%.
9. Accounts payable and accrued liab/lities
2020 2019
Accounts payable - energy purchases $ 2,633,131 $ 1,467,517
Water and sewer charges payable 903,876 1,025,115
Other 1,453,604 1,228,538
$ 4,990,611 $ 3,721,170
10. Long-term debt
2020 2019
TD Bank term loan payable, interest at 3.38%,
payable in monthly instalments, due 2022 $ 2,752,028 $ 3,118,740
TD Bank term loan payable, interest at 3.54%,
payable in monthly instalments, due 2024 3,490,086 3,584,767
TD Bank term loan payable, interest at 3.40%,
interest only payments, due 2022 2,500,000 2,500,000
TD Bank term loan payable, interest at 3.60%,
payable in monthly instalments, due 2027 1,797,107 1,852,560
TD Bank term loan payable, interest at 4.20%,
payable in monthly instalments, due 2029 1,905,751 1,953,750
TD Bank term loan payable, interest at 2.58%,
```

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payable in monthly instalments, due 2025 973,808 -13,418,780 13,009,817 Less current portion of long-term debt 610,889 564,845 \$ 12,807,891 \$ 12,444,972 The TD Bank term loans holds as security a general security agreement representing a first charge on all assets and undertakings of the Corporation and assignment of general liability insurance forthe Corporation. The agreement with respect to the TD Bank term loans contain certain covenants regarding (i) leverage, (ii) liquidity, (iii) change in status of business, (iv) change in ownership, and (v) limitationson additional debt and encumbrance of assets. The agreement with TD Bank also contains financial covenants that require the Corporation to maintain a maximum debt to capital ratio of 0.60 to 1 and a minimum debt service coverage ratio of 1.20x to be tested and calculated on a quarterly basis. The Corporation is in compliance withthese covenants as at December 31, 2020. Principal repayments for the next five years and thereafter are as follows: 2021 \$ 610,889 2022 5,115,492 2023 251,914 2024 3,335,197 2025 986,195 Thereafter 3,119,093 \$ 13,418,780 11. Post-employment benefits (a) OMERS pension plan The Corporation provides a pension plan for its employees through OMERS. The plan is a multi-employer, contributory defined pension plan with equal contributions by the employer and its employees. In 2020, the Corporation made employer contributions of \$192,886 to OMERS (2019 - \$192,810), of which has been recognized in profit or loss. The Corporation estimates that a contribution of \$181,491 to OMERS will be made during the next fiscal year. As at December 31, 2020, OMERS had approximately 500,000 members, of whom 19 arecurrent employees of the Corporation, The most recently available OMERS annual report is for the year ended December 31, 2020, which reported that the plan was 97% funded, with an unfunded liability of \$3.2 billion. This unfunded liability is likely to result in future payments byparticipating employers and members. (b) Post-employment benefits other than pension The Corporation pays certain medical and life insurance benefits on behalf of some of its retired employees. The Corporation recognizes these post-employment benefits in the year in which employees' services were rendered. The Corporation is recovering its post-employment benefits in rates based on the expense and remeasurements recognized for post-employmentbenefit Reconciliation of the obligation 2020 2019 Defined benefit obligation, beginning of year \$ 337,688 \$ 329,084 Included in profit or loss Current service cost 12,557 11,449 Interest cost 13,219 12,849 25,776 24,298 Included in OCI

Actuarial losses arising from:

363,464 353,382

changes in financial assumptions - -

```
Benefits paid (17,172) (15,694)
Defined benefit obligation, end of year $ 346,292 $ 337,688
Actuarial assumptions 2020 2019
Discount (interest) rate 4.00% 4.00%
Salary levels 3.00% 3.00%
Medical costs 4.20% 4.00%
Dental costs 4.50% 4.00%
(b) Post-employment benefits other than pension (continued)
A 1% increase in the assumed discount rate would result in the defined
benefit obligation decreasing by $45,100. A 1% decrease in the assumed
discount rate would result in the defined benefit obligation increasing by
$59,700.
12. Contributions in aid of construction
2020 2019
Contributions in aid of construction, beginning of year $ 1,859,325
1,838,423
Contributions in aid of construction received 239,979 115,021
Contributions in aid of construction recognized as distribution revenue
(59,205) (94,119)
Contributions in aid of construction, end of year $ 2,040,099 $ 1,859,325
13. Share capital
2020 2019
Authorized:
Unlimited number of common shares
1,000 common shares $ 8,290,714 $ 8,290,714
14. Revenues
2020 2019
Collection and other service charges $ 46,180 $ 115,185
Water and sewer billing services 11,583 23,955
Rent 109,913 101,301
Gain (loss) on disposals 49,214 (38,418)
Other 63,964 61,362
Total other revenue $ 280,854 $ 263,385
In the following table, sale of energy and distribution revenue is
disaggregated by type of customer.2020 2019
Residential $ 17,783,192 $ 13,803,021
Commercial 20,686,145 20,71%,482
Other 343,361 324,814
$ 38,812,698 $ 34,839,317
15. Employee salaries and benefits
2020 2019
Salaries, wages and benefits $ 1,974,111 $ 1,940,378
CPP and EI remittances 72,154 68,197
Contributions to OMERS 192,886 192,810
$ 2,239,151 $ 2,201,385
16. Finance income and costs
2020 2019
Finance income
Interest income on bank deposits $ 12,991 $ 58,599
Finance costs
Interest expense on long-term debt (460,312) (473,798)
Interest expense on customer deposits (9,901) (17,197)
(470,213) (490,995)
Net finance costs recognized in profit or loss $ (457,222) $ (432,396)
17. Commitments and contingencies
```

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Cornerstone Hydro Electric Concepts (CHEC)

CHEC is an association of sixteen LDCs modelled after a co-operative to share resources and proficiencies (see note 18). The Corporation may terminate its membership at any time upon the following terms:

- (a) giving written notice 60 days in advance of termination; and
- (b) by making a prepayment in full of the balance of its contract service costs to CHEC. The amount of prepayment cost shall be the total cost which the Corporation would have paid over the three year term of the agreement less amounts already paid by it to the date of the termination. The current three year term for CHEC commitment goes to December 31, 2023. The prepayment cost of termination is a settlement of the Corporation's obligation under the agreement by reason of termination of its membership before the expire of the term. The amount is liquidated damages and not a penalty for early termination and is intended to leave the remaining members in the same position as if the Corporation had not terminated the agreement, As at December 31, 2020, the obligation to CHEC includes the 2021 to 2023 membership dues ofapproximately \$46,000 per year, \$138,000 total. Utility Collaborative Services Inc. (UCS) The Corporation has the right to redeem its shares in UCS (see note 18) by retraction upon thefollowing terms: (a) notice of such retraction shall be given 120 days prior to the effective date; and
- (b) a redemption fee shall be paid equal to the previous three years' worth of average purchases from UCS for services or products; or in alternative to paying such fees, the Corporation may elect in writing to provide three years' written notice of the retraction, provided that the Corporation continues to receive services at the same or greater average volume as thosereceived at the time the notice was given General Liability Insurance The Corporation is a member of the Municipal Electric Association Reciprocal Insurance Exchange (MEARIE). MEARIE is a pooling of public liability insurance risks of many of the LDCs in Ontario.
- All members of the pool are subjected to assessment for losses experienced by the pool for the years in which they were members, on a pro-rata basis based on the total of their respective service revenues. As at December 31, 2020, no assessments have been made.
- 18. Related party transactions
- (a) Parents and ultimate controlling party

The common shares of Orangeville Hydro Limited are owned by the Town of Orangeville and Town of Grand Valley, the ultimate parents.

(b) Outstanding balances with related parties

2020 2019

Town of Orangeville - receivable \$ 149,403 \$ 151,530

Town of Grand Valley - receivable 14,875 2,304

Town of Orangeville - payable (875,650) (994,349)

Town of Grand Valley - payable (28,226) (31,936)

\$ (739,598) \$ (872,451)

(c) Transactions with ultimate parents

The Corporation provides water and sewage billing and collection services to the customers of the Town of Orangeville and Town of Grand Valley, as well as supplying street light energy and street lighting maintenance services to the Town of Orangeville and Town of Grand Valley.

Revenue includes \$492,661 (2019 - \$417,621) from the Town of Orangeville and \$25,506(2019 - \$22,416) from the Town of Grand Valley for these services. The Corporation also delivers electricity to the Town of Orangeville and Town of Grand Valley throughout the year for the electricity needs of the Townships and its related organizations. Electricity delivery charges are at prices and under terms approved by the OEB. The Corporation also provides

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additional services to the Townships, including streetlight maintenance services, sentinel lights and water and waste water billing and customer careservices.

(d) Transactions with related parties

The Corporation paid \$52,609 (2019 - \$73,725) in fees to Cornerstone Hydro Electric Concepts Association Inc. (CHEC). CHEC is an association of sixteen electricity distribution utilities modeled after a cooperative to share resources and proficiencies. The Corporation owns 100 common shares, at a cost of \$100, in Utility Collaborative Services Inc. (UCS) which represents a 10% interest. At the time of purchase, due to the immaterial amount, the investment was expensed. The Corporation paid \$207,566 (2019 - \$159,696) in fees to UCS. UCS offers standards-based back office services and the collaboration allows leverage in the reduction of costs for items such as information technology hosting and softwarelicensing.

(e) Key management personnel

The key management personnel of the Corporation have been defined as members of its board of directors and executive management team members. The compensation paid during theyear is \$554,334 (2019 - \$514,110).

19. Financial instruments and risk management

Fair value disclosure

The carrying values of cash, accounts receivable, unbilled revenue, due from/to related parties and accounts payable and accrued liabilities approximate fair value because of the short maturity of these instruments. The carrying value of the customer deposits approximates fair value because the amounts are payable on demand.

The fair value of the TD Bank long-term debt at December 31, 2020 is \$6,942,693. The fair value is calculated based on the present value of future principal and interest cash flows, discounted at the current rate of interest at the reporting date. The interest rate used to calculate fair value atDecember 31, 2020 ranged from 0.46% to 1.43%.

Financial risks

The Corporation understands the risks inherent in its business and defines them broadly as anything that could impact its ability to achieve its strategic objectives. The Corporation's exposure to a variety of risks such as credit risk, interest rate risk, and liquidity risk, as well as relatedmitigation strategies are discussed below.

(a) Credit risk

Financial assets carry credit risk that a counterparty will fail to discharge an obligation which could result in a financial loss. Financial assets held by the Corporation, such as accounts receivable, expose it to credit risk. The Corporation earns its revenue from a broad base of customers located in the Town of Orangeville and Town of Grand Valley. The carrying amount of accounts receivable is reduced through the use of an allowance for impairment and the amount of the related impairment loss is recognized in profit or loss. Subsequent recoveries of receivables previously provisioned are credited to profit or loss. The balance of the allowance for impairment at December 31, 2020 is \$46,000 (2019 - \$42,000). An impairment loss of \$37,389 (2019 - \$51,922) was recognized during the year. The Corporation's credit risk associated with accounts receivable is primarily related to payments from distribution customers. At December 31, 2020, approximately \$78,016 (2019 - \$43,586) is considered 60 days past due. The Corporation has over 12,000 customers, the majority of whom are residential. Credit risk is managed through collection of security deposits from customers in accordance with directions provided by the OEB and through credit insurance. As at December 31, 2020, the Corporation holds security

deposits in the amount of \$629,719 (2019 - \$724,514) which also includes

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deposits received from developers.

#### (b) Market risk

Market risks primarily refer to the risk of loss resulting from changes in commodity prices, foreign exchange rates, and interest rates. The Corporation currently does not have any material commodity or foreign exchange risk. The Corporation is exposed to fluctuations in interest rates as the regulated rate of return for the Corporation's distribution business is derived using a complex formulaic approach which is in part based on the forecast for long-term Government of Canada bond yields. This rate of return is approved by the OEB as part of theapproval of distribution rates. A 1% increase in the interest rate at December 31, 2020 would have increased interest expense on the long-term debt by \$137,012 (2019 - \$132,603), assuming all other variables remain constant. A 1% decrease in the interest rate would have an equal but opposite effect.

#### (c) Liquidity risk

The Corporation monitors its liquidity risk to ensure access to sufficient funds to meet operational and investing requirements. The Corporation's objective is to ensure that sufficient liquidity is on hand to meet obligations as they fall due while minimizing interest exposure. The Corporation has access to a \$3,500,000 credit facility and monitors cash balances daily to ensure that a sufficient level of liquidity is on hand to meet financial commitments as they become due. As at December 31, 2020, the Corporation has \$2,293,740 available on thiscredit facility. The Corporation also has a facility for \$1,206,260 (the "LC" facility) for the purpose of issuing letters of credit mainly to support the prudential requirements of the IESO, of which \$nil hasbeen drawn and posted with the IESO (2019 - \$nil). The majority of accounts payable, as reported on the statement of financial position, are duewithin 30 days.

#### (d) Capital disclosures

The main objectives of the Corporation, when managing capital, are to ensure ongoing access to funding to maintain and improve the electricity distribution system, compliance with covenants related to its credit facilities, prudent management of its capital structure with regard for recoveries of financing charges permitted by the OEB on its regulated electricity distribution business, and to deliver the appropriate financial returns. The Corporation's definition of capital includes equity and long-term debt. As at December 31, 2020, equity amounts to \$11,965,738 (2019 - \$11,329,992) and long-term debt amounts to \$13,418,780 (2019 - \$12,444,972).

On March 11, 2020, the World Health Organization declared the Coronavirus (COVID-19) outbreak a pandemic. This has resulted in significant financial, market and societal impacts in Canada andaround the world.

During the year, the Corporation has experienced the following in relation to the pandemic:- Mandatory working from home requirements for those able to do so The situation is evolving and the ultimate duration and magnitude of the impact on the economy is not known at this time. The outbreak has not had any material impacts on the operation of the Corporation to date, and management does not expect any material impacts given the nature and scope of the business, and management will continue to actively monitor the situation.21. Comparatives Certain comparative information has been reclassified to conform with the financial statementpresentation adopted in the current year.

### \*

Canada Revenue Agency Agence du revenu du Canada

### Net Income (Loss) for Income Tax Purposes

Schedule 1

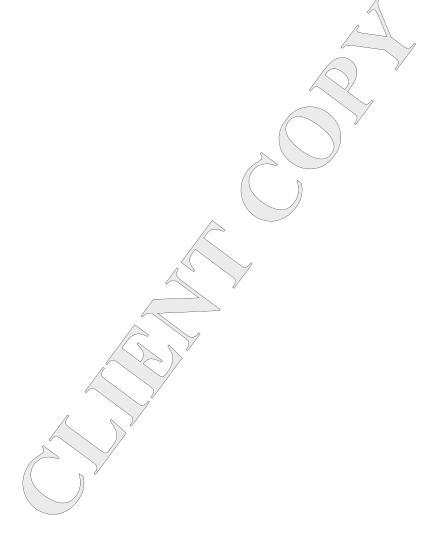
Corporation's name	Business number Tax year-end Year Month Dav	
Orangeville Hydro Limited	86463 9562 RC0002	2020-12-31

- Use this schedule to reconcile the corporation's net income (loss) as reported on the financial statements and its net income (loss) for tax purposes. For more information, see the T2 Corporation Income Tax Guide.
- All legislative references are to the Income Tax Act.

Net income (loss) after taxes and extraordinary items from line 99	99 of Schedule 125		1,086,517 A
Add:			
Provision for income taxes – current		-102,388	
Provision for income taxes – deferred		144,285	
Amortization of tangible assets		996,813	
Charitable donations and gifts from Schedule 2		5,075	
Taxable capital gains from Schedule 6		43,554	
Non-deductible meals and entertainment expenses		625	
Reserves from financial statements – balance at the end of the y	year 126	392,292	
	Subtotal of additions	1,480,256 ►	1,480,256
Other additions:			
Miscellaneous other additions:			
1	2		
Description	Amount		
605	295		
1 Inducement under 12(1)(x) ITA	8,000		
2 Paragraph 12(1)(x) - Contributed capital	239,979		
3 Paragraph 12(1)(a) - Customer Deposits	629,719		
4 Tax grouped with change in regulatory	298,777		
Total of co		1,176,475	
	Subtotal of other additions 199	1,176,475	1,176,475
	Total additions 500	2,656,731	2,656,731
Amount A <b>plus</b> line 500	<u> </u>	· · · · · · · · -	3,743,248
Deduct:			
Gain on disposal of assets per financial statements	401	49,214	
Capital cost allowance from Schedule 8	403	1,534,855	
Reserves from financial statements – balance at the beginning of	of the year	379,688	
	Subtotal of deductions	<u>1,963,757</u> ►	1,963,757
Other deductions:			
Miscellaneous other deductions:			
1	2		
Description	Amount		
705	395		
1 Amortization of contributed capital	59,205		
2 Subsection 13(7.4) election	239,979		
Paragraph 20(1)(m) - Customer Deposits	629,719		
4 Tax movement in reg account	144,285		
<b>Total</b> of c	solumn 2 1,073,188 ► 396	1,073,188	

Subtotal of other deducti  Total deducti		1,073,188 E 3,036,945
<b>Net income (loss) for income tax purposes</b> (amount B <b>minus</b> line 510)	 	706,303 C

T2 SCH 1 E (19) Canadä



## **Attached Schedule with Total**

Line 395 - Amount

Title Line 395 – Amount

Explanatory note

For FS presentation, grouped \$198,124 of tax expense as a reduction to regulatory movement.

Description  Movement in note 7 of FS for deferred tax balance	Operator (Note)	Amount 144,285 00
	+	,
	Total	144,285 00

**Note**: The calculations are performed one at a time, from the first to the last line, and not according to the priority rules of the operations. For example, the formula 1+2\*3 will not result in the same thing as the formula 1+3\*2.

# **Attached Schedule with Total**

Line 295 - Amount

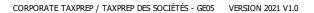
T:41 -	Line 295 – Amount		
ritte	LINE 293 - AINOUNG		

Explanatory note

As per balance sheet

Description	Operator (Note)	Amount
Short term customer deposit		225,000 00
Long-term Portion of Customer Deposit	+	404,719 00
	+	
	Total	629,719 00

Note: The calculations are performed one at a time, from the first to the last line, and not according to the priority rules of the operations. For example, the formula 1+2\*3 will not result in the same thing as the formula 1+3\*2.



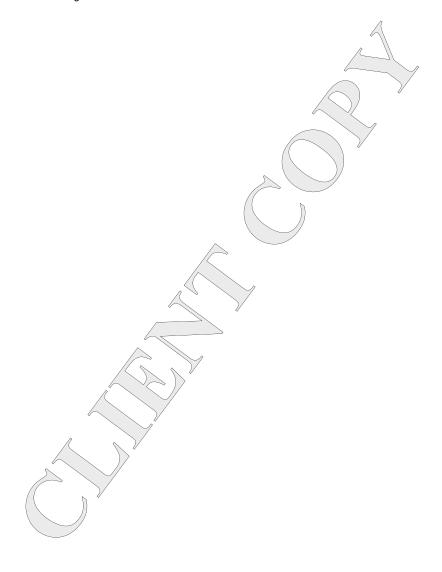
# **Attached Schedule with Total**

Line 395 - Amount

Title Line 395 – Amount

	Operator	
Description	(Note)	Amount
Short term customer deposit		225,000 00
Long-term Portion of Customer Deposit		404,719 00
	Total	629,719 00

**Note**: The calculations are performed one at a time, from the first to the last line, and not according to the priority rules of the operations. For example, the formula 1+2\*3 will not result in the same thing as the formula 1+3\*2.



## **Inducement**

This form is used to calculate inducements that a corporation must add to its income under paragraph 12(1)(x) ITA. If an amount reduces the capital cost of a property, this amount will be indicated in Part "Tax credits whose amount should reduce the capital cost of property."

If you want to transfer an amount to Schedule 1 and include it in the corporation's income for tax purposes, select the corresponding check box in column A. You can also select the option **Select this check box to add all the amounts to income calculated in Schedule 1** to transfer all the amounts to Schedule 1. In either case, the column A check box will be selected for that amount and it will therefore be updated to Schedule 1.

### Tax credits whose amount should be added to income

Fede	eral eral	
Α		
X	Investment tax credit from apprenticeship job creation expenditures	2,000
	Investment tax credit from child care spaces expenditures	
	Canadian film or video production tax credit*	
	* Please verify if the credit amount relates to depreciable property.  For more information, consult the Help (F1).	
	Film or video production services tax credit*	
	* Please verify if the credit amount relates to depreciable property.  For more information, consult the Help (F1).	
	Investment tax credit claimed on contributions made to SR&ED farming organizations	
	Canadian journalism labour tax credit	
	Canada emergency wage subsidy (CEWS), Canada emergency rent subsidy (CERS) and other taxable amounts from COVID-19 programs*	
	* The amount entered in this field is transferred to the <b>Miscellaneous other additions</b> section of Schedule 1 on the line of column 295 associated with line 4, <b>Taxable amounts from COVID-19 programs</b> , of column 605.	
Onta A	irio	
	Portion of the Ontario research and development tax credit that relates to the prescribed proxy amount (PPA) and portion of the Ontario investment tax credit that relates to contributions made to SR&ED farming organizations	
X	Ontario co-operative education tax credit	6,000
X	Ontario apprenticeship training tax credit	
	Ontario computer animation and special effects tax credit*	
	* Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Ontario film and television tax credit*	
	* Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Ontario production services tax credit*	
	* Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Ontario interactive digital media tax credit*	
	* Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Ontario book publishing tax credit	
X	Portion of the Ontario innovation tax credit that relates to the prescribed proxy amount (PPA) and portion of the Ontario investment tax credit that relates to contributions made to SR&ED farming organizations	
	Ontario business-research institute tax credit	
$\Box$	Ontario community food program donation tax credit for farmers	

Tax credits whose amount should reduce the capital cost of property

Agence du revenu du Canada

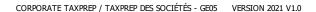
#### Schedule 2

### **Charitable Donations and Gifts**

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2020-12-31

- For use by corporations to claim any of the following:
  - the eligible amount of charitable donations to qualified donees
  - the Ontario, Nova Scotia, and British Columbia food donation tax credits for farmers
  - the eligible amount of gifts of certified cultural property
  - the eligible amount of gifts of certified ecologically sensitive land or
  - the additional deduction for gifts of medicine made before March 22, 2017
- All legislative references are to the federal Income Tax Act, unless stated otherwise.
- The eligible amount of a gift is the amount by which the fair market value of the gifted property exceeds the amount of an advantage, if any, for the gift.
- The donations and gifts can be carried forward for 5 years except for gifts of certified ecologically sensitive land made after February 10, 2014, which can be carried forward for 10 years.
- Use this schedule to show a transfer of unused amounts from previous years following an amalgamation or the wind-up of a subsidiary as described under subsections 87(1) and 88(1).
- Subsection 110.1(1.2) provides as follows:
  - Where a particular corporation has undergone an acquisition of control, for tax years that end on or after the acquisition of control, no corporation can claim a deduction for a gift made by the particular corporation to a qualified donee before the acquisition of control.
  - If a particular corporation makes a gift to a qualified donee pursuant to an arrangement under which both the gift and the acquisition of control is
    expected, no corporation can claim a deduction for the gift unless the person acquiring control of the particular corporation is the qualified donee.
- An eligible medical gift made before March 22, 2017, to a qualifying organization for activities outside of Canada may be eligible for an additional deduction. Calculate the additional deduction in Part 5.
- File this schedule with your T2 Corporation Income Tax Return.
- For more information, see the T2 Corporation Income Tax Guide.

┌ Part 1 – Charitable donations ────		
Charity/Recipient		Amount (\$100 or more only)
Various donation slips		5,075
	s	ubtotal 5,075
	Add: Total donations of less than \$10	0 each
	Total donations in current to	ax year5,075



Part 1 – Charitable donations			
	Federal	Québec	Alberta
Charitable donations at the end of the previous tax year	1A		
Charitable donations expired after five tax years*			
Total charitable donations made in the current year	5,075	5,075	5,075
Subtotal (line 250 <b>plus</b> line 210)	5,075 <sub>1B</sub>	5,075	5,075
Subtotal (line 240 <b>plus</b> amoun <u>t 1B)</u>	<b>5,075</b> 1C_	5,075	5,075
Adjustment for an acquisition of control			
Total charitable donations available (amount 1C <b>minus</b> line 255)	<b>5,075</b> 1D_	5,075	5,075
Amount applied in the current year against taxable income (cannot be more than amount 2H in Part 2)	5,075	5,075	5,075
(enter this amount on line 311 of the T2 return)	/	_ \\	
Charitable donations closing balance (amount 1D minus line 260)			
The amount of qualifying donations for the Ontario community food program donation tax credit for farmers included in the amount on line 260 (for donations made after December 31, 2013)			
Ontario community food program donation tax credit for farmers (amount on line 262 <b>multiplied</b> by 25 %)			
Enter amount 1 on line 420 of Schedule 5, Tax Calculation Supplementary – Corporation is less: the Ontario income tax otherwise payable or amount 1. For more information, see			whichever
The amount of qualifying donations for the Nova Scotia food bank tax credit for farmers included in the amount on line 260 (for donations made after December 31, 2015)			
Nova Scotia food bank tax credit for farmers (amount on line 263 multiplied by 25 %)	2		
Enter amount 2 on line 570 of Schedule 5, Tax Calculation Supplementary – Corporation is less: the Nova Scotia income tax otherwise payable or amount 2. For more information	ons. The maximum you can on, see section 50A of the N	claim in the current year is ova Scotia Income Tax Act	whichever
The amount of qualifying gifts for the British Columbia farmers' food donation tax credit included in the amount on line 260 (for donations made after February 16, 2016, and before January 1, 2024)	<u></u>		
British Columbia farmers' food donation tax credit (amount on line 265 <b>multiplied</b> by 25 %)	3		
Enter amount 3 on line 683 of Schedule 5, Tax Calculation Supplementary — Corporation is less: the British Columbia income tax otherwise payable or amount 3. For more information of the control of the			

<sup>\*</sup> For federal and Alberta tax purposes, donations and gifts expire after five tax years. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, expire after five tax years, otherwise, donations and gifts expire after twenty tax years.

Year of origin:			Federal	Québec	Alberta
1 <sup>st</sup> prior year		2019-12-31	i odoral	Quebbe	7 iiborta
-nd .		2018-12-31			
		2017-12-31		<del></del>	
3 <sup>rd</sup> prior year		2016-12-31			
4 <sup>th</sup> prior year		2015-12-31			
5 <sup>th</sup> prior year		2014-12-31			
6 <sup>th</sup> prior year*					
7 <sup>th</sup> prior year		2013-12-31			
8 <sup>th</sup> prior year		2012-12-31			
9 <sup>th</sup> prior year		2011-12-31			
10 <sup>th</sup> prior year		2010-12-31			
11 <sup>th</sup> prior year		2009-12-31			
12 <sup>th</sup> prior year					
13 <sup>th</sup> prior year					
14 <sup>th</sup> prior year					
15 <sup>th</sup> prior year					
16 <sup>th</sup> prior year					
17 <sup>th</sup> prior year					
18 <sup>th</sup> prior year					
19 <sup>th</sup> prior year					
20 <sup>th</sup> prior year				<u> </u>	
21 <sup>st</sup> prior year*			· `		
Total (to line A)				\ <del>-</del>	
donations and gifts made	x purposes, donations and gifts inc in a tax year that ended before Mar ire automatically in the current tax y	ch 24, 2006, that are i	ncluded on line 6th prior y	ear and donations and gifts that are	included
	allowable deduction for a	haritable donat	ions		
Part 2 – Maximum		mantable denat			
				· · · · · · · · · · · · · · · · · · ·	<b>529,727</b> 2
Net income for tax purpose: Taxable capital gains arising Taxable capital gain in resp	s Note 1 <b>multiplied</b> by 75 % . g in respect of gifts of capital proper ect of a disposition of a non-qualifyi	rty included in Part 1 N	ote 2		<u>529,727</u> 2
Net income for tax purposes  Taxable capital gains arising	s Note 1 multiplied by 75 %. g in respect of gifts of capital proper ect of a disposition of a non-qualifyi	rty included in Part 1 N	<u></u>		<u>529,727</u> 2
Net income for tax purpose: Taxable capital gains arising Taxable capital gain in resp under subsection 40(1.01) The amount of the recaptu	g in respect of gifts of capital proper ect of a disposition of a non-qualifyi	rty included in Part 1 N	ote 2		<u>529,727</u> 2
Net income for tax purposes Taxable capital gains arising Taxable capital gain in resp under subsection 40(1.01) The amount of the recaptu allowance in respect of ch Proceeds of disposition, Ie	g in respect of gifts of capital proper ect of a disposition of a non-qualifyi	rty included in Part 1 N ng security	ote 2		<u>529,727</u> 2
Net income for tax purposes Taxable capital gains arising Taxable capital gain in resp under subsection 40(1.01) The amount of the recaptu allowance in respect of ch Proceeds of disposition, Ic outlays and expenses Note	g in respect of gifts of capital proper ect of a disposition of a non-qualifyi	rty included in Part 1 Nng security	ote 2		<u>529,727</u> 2
Net income for tax purposes Taxable capital gains arising Taxable capital gain in resp under subsection 40(1.01) The amount of the recaptu allowance in respect of ch Proceeds of disposition, Ic outlays and expenses Note Capital cost Note 2 Amount 2B or 2C, whicher	g in respect of gifts of capital proper ect of a disposition of a non-qualifyi	rty included in Part 1 ng security  230  2B  2C	ote 2		<u>529,727</u> 2
Net income for tax purposes Taxable capital gains arising Taxable capital gain in resp under subsection 40(1.01) The amount of the recaptu allowance in respect of ch Proceeds of disposition, Ic outlays and expenses Note Capital cost Note 2 Amount 2B or 2C, whicher	g in respect of gifts of capital proper ect of a disposition of a non-qualifyi	rty included in Part 1 N ng security  230  2B  2C  235	ote 2		<u>529,727</u> 2
Net income for tax purposes Taxable capital gains arising Taxable capital gain in resp under subsection 40(1.01) The amount of the recaptu allowance in respect of ch Proceeds of disposition, Ie outlays and expenses Note Capital cost Note 2	g in respect of gifts of capital proper ect of a disposition of a non-qualifyi	rty included in Part 1 N ng security  230  2B  2C  235	225 227 227 225, 227, and amount 2D	2D 2E	
Net income for tax purposes Taxable capital gains arising Taxable capital gain in resp under subsection 40(1.01) The amount of the recaptu allowance in respect of ch Proceeds of disposition, Ic outlays and expenses Note Capital cost Note 2 Amount 2B or 2C, whicher	g in respect of gifts of capital proper ect of a disposition of a non-qualifyi	rty included in Part 1 N ng security  230  2B  2C  235	225, 227, and amount 2D Amo	2D )2E unt 2E <b>multiplied</b> by 25 %	2
Net income for tax purposes Taxable capital gains arising Taxable capital gain in resp under subsection 40(1.01) The amount of the recaptu allowance in respect of ch Proceeds of disposition, Ie outlays and expenses Note Capital cost Note 2 Amount 2B or 2C, whiche Amount on line 230 or 235,	g in respect of gifts of capital proper ect of a disposition of a non-qualifying or capital cost aritable donations sesses whichever is less	rty included in Part 1 Nng security  230  2B  2C  235  Subtotal (add lines	225, 227, and amount 2D Amo Subtotal	2D )2E unt 2E <b>multiplied</b> by 25 % (amount 2A <b>plus</b> amount 2F)	2 
Net income for tax purposes Taxable capital gains arising Taxable capital gain in resp under subsection 40(1.01) The amount of the recaptu allowance in respect of ch Proceeds of disposition, Ic outlays and expenses Note Capital cost Note 2 Amount 2B or 2C, whiches Amount on line 230 or 235,  Maximum allowable dedu (enter amount 1D from Part	g in respect of gifts of capital proper ect of a disposition of a non-qualifying or capital cost aritable donations asses whichever is less whichever is less around for charitable donations as a subsection 137(2) states that this a	rty included in Part 1 Nng security  230  2B  2C  235  Subtotal (add lines a	225, 227, and amount 2D Amo Subtotal r is the least)	2D )2E unt 2E <b>multiplied</b> by 25 % (amount 2A <b>plus</b> amount 2F)	

Part 3 – Gifts		Federal	Québec	Alberta
ifts of certified cu	ıltural property at the end of the previous tax year		3A	
	ultural property expired after five tax years* 439		<u></u>	_
Sifts of certified cu	ultural property at the beginning			_
f the current tax y	ear (amount 3A <b>minus</b> line 439)			
	Iltural property transferred on an amalgamation subsidiary			
•	ed cultural property in the current year			_
•	nt on line 112 of Schedule 1)			_
noidae tillo amodi	Subtotal (line 450 <b>plus</b> line 410)		3B	
	Subtotal (line 440 <b>plus</b> amount 3B)			
Adjustment for an	acquisition of control			
•	the current year against taxable income			
	on line 313 of the T2 return)			
<b></b>	Subtotal (line 455 <b>plus</b> line 460)		3D	
		·		_
	ultural property closing balance amount 3D)			
amount 3C <b>minus</b>	, — — — — — — — — — — — — — — — — — — —		_	= ======
ended before Ma	Alberta tax purposes, donations and gifts expire after five tax years. Farch 24, 2006, expire after five tax years; otherwise, donations and gifted forward – Gifts of certified cultural property	ifts expire after twenty t	ax years.	·
Amount carr	rch 24, 2006, expire after five tax years; otherwise, donations and gi	ifts expire after twenty t	Québec	Alberta
ended before Ma  Amount carr  'ear of origin:	rch 24, 2006, expire after five tax years; otherwise, donations and gi	ifts expire after twenty t	ax years.	
Amount carr  /ear of origin:  st prior year	rich 24, 2006, expire after five tax years; otherwise, donations and given forward – Gifts of certified cultural property	ifts expire after twenty t	ax years.	
Amount carr  Year of origin:  st prior year  prior year  rd prior year  rd prior year	rich 24, 2006, expire after five tax years; otherwise, donations and given forward – Gifts of certified cultural property	ifts expire after twenty t	ax years.	
Amount carr  Year of origin:  St prior year  prior year  prior year  prior year  prior year  prior year	2019-12-31	ifts expire after twenty t	ax years.	
Amount carr  Year of origin:  st prior year  ond prior year  ord prior year  th prior year  th prior year  th prior year	2019-12-31	ifts expire after twenty t	ax years.	
Amount carr  /ear of origin:  st prior year  ond prior year  th prior year	2019-12-31	ifts expire after twenty t	ax years.	
ended before Ma  Amount carr  'ear of origin:  st prior year  rd prior year  th prior year	2019-12-31	ifts expire after twenty t	ax years.	
Amount carr  (ear of origin:  st prior year  ord prior year  th prior year	2019-12-31	ifts expire after twenty t	ax years.	
Amount carr  Year of origin:  St prior year  And prior year  Ard prior year	2019-12-31	ifts expire after twenty t	ax years.	
ended before Ma  Amount carr  Year of origin:  St prior year  ord prior year  th prior year  oth prior year  oth prior year  oth prior year  oth prior year	2019-12-31	ifts expire after twenty t	ax years.	
Amount carr  Year of origin:  st prior year  rd prior year  th prior year  1th prior year	2019-12-31	ifts expire after twenty t	ax years.	
Amount carr  Year of origin:  st prior year  rd prior year  th prior year  2th prior year  2th prior year	2019-12-31	ifts expire after twenty t	ax years.	
ended before Ma  Amount carr  fear of origin:  st prior year  rd prior year  rd prior year  th prior year  2th prior year  2th prior year  3th prior year  3th prior year  3th prior year	2019-12-31	ifts expire after twenty t	ax years.	
ended before Ma  Amount carr  fear of origin:  st prior year  nd prior year  th prior year  2th prior year  2th prior year  3th prior year  4th prior year  4th prior year	2019-12-31	ifts expire after twenty t	ax years.	
ended before Ma  Amount carr  Year of origin:  St prior year  And prior year	2019-12-31	ifts expire after twenty t	ax years.	
Amount carr  Year of origin:  st prior year  rd prior year  th prior year  2th prior year  2th prior year  4th prior year  5th prior year  5th prior year  6th prior year	2019-12-31	ifts expire after twenty t	ax years.	
Amount carr  Year of origin:  st prior year  and prior year  th prior year  2th prior year  2th prior year  4th prior year  2th prior year  5th prior year  4th prior year  4th prior year  4th prior year  7th prior year	2019-12-31	ifts expire after twenty t	ax years.	
ended before Ma  Amount carr  Year of origin:  Ist prior year  Ind prior year	2019-12-31	ifts expire after twenty t	ax years.	
ended before Ma  Amount carr  (ear of origin:  st prior year prior prior year prior year prior year  sth prior year prior year  sth prior year	2019-12-31	ifts expire after twenty t	ax years.	
ended before Ma  Amount carr  Year of origin:  st prior year  rd prior year  rd prior year  th prior year  sth prior year  th prior year  th prior year  th prior year  th prior year  2th prior year  5th prior year  5th prior year  7th prior year  4th prior year  5th prior year  4th prior year  5th prior year  4th prior year  5th prior year  5th prior year  8th prior year	2019-12-31	ifts expire after twenty t	ax years.	

<sup>\*</sup> For federal and Alberta tax purposes, donations and gifts included on line 6<sup>th</sup> prior year expire automatically in the current tax year. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, that are included on line 6<sup>th</sup> prior year and donations and gifts that are included on line 21<sup>st</sup> prior year expire automatically in the current tax year.

Part 4 – Gifts of certified ecologically sensitive land			
<b>,</b>	Federal	Québec	Alberta
Gifts of certified ecologically sensitive land at the end of the previous tax year Gifts of certified ecologically sensitive land expired after		4A	_
5 tax years, or after 10 tax years for gifts made after February 10, 2014*		_	_
Gifts of certified ecologically sensitive land at the beginning of the current tax year (amount 4A <b>minus</b> line 539)		_	_
Gifts of certified ecologically sensitive land transferred on an amalgamation or the wind-up of a subsidiary			_
Total current-year gifts of certified ecologically sensitive land 520			_
include this amount on line 112 of Schedule 1)			
Subtotal (line 550 <b>plus</b> line 520) _		4B	
Subtotal (line 540 <b>plus</b> amount 4B) _		4C	
Adjustment for an acquisition of control  Amount applied in the current year against taxable income (enter this amount on line 314 of the T2 return)  555  560			_
Subtotal (line 555 <b>plus</b> line 560)		4D	_
· · · · · ·			_
Gifts of certified ecologically sensitive land closing balance (amount 4C <b>minus</b> amount 4D)			
* For federal and Alberta tax purposes, donations and gifts made before February 11, expire after ten tax years. For Québec tax purposes, donations and gifts made durin otherwise, donation and gifts expire after twenty tax years.			

#### Amounts carried forward - Gifts of certified ecologically sensitive land Amount of carried forward gifts made on or after February 11, 2014, in the tax year including this date Federal Alberta Québec Year of origin: 2019-12-31 1st prior year 2<sup>nd</sup> prior year 2018-12-31 2017-12-31 3rd prior year 4th prior year 2016-12-31 5<sup>th</sup> prior year 2015-12-31 2014-12-31 6th prior year\* 7<sup>th</sup> prior year 2013-12-31 2012-12-31 8<sup>th</sup> prior year **/2011-12-31**/ 9th prior year 10<sup>th</sup> prior year 2010-12-31 2009-12-31 11th prior year\* 12th prior year 13th prior year 14<sup>th</sup> prior year 15<sup>th</sup> prior year 16th prior year 17th prior year 18<sup>th</sup> prior year 19<sup>th</sup> prior year 20th prior year 21st prior year Total

The field "Amount of carried forward gifts made on or after February 11, 2014, in the tax year including this date" is used to distinguish the portion of the gifts made in the tax year straddling February 11, 2014, that expires after ten tax years, from the portion that expires in the current tax year.

For Québec tax purposes, donations and gifts made during a tax year that ended before March 24, 2006, that are included on line 6<sup>th</sup> prior year and gifts that are included on line 21<sup>st</sup> prior year expire automatically in the current tax year.

<sup>\*</sup> For federal and Alberta tax purposes, donations and gifts made before February 11, 2014, that are included on line 6<sup>th</sup> prior year and gifts that are included on line 11<sup>th</sup> prior year expire automatically in the current year.

Part 5 - Additional deduction	for gifts of medicine	Fodoral	Ouábas	Alborto
additional deduction for gifts of medicine at	the and of the provious tay year	Federal 5A	Québec	Alberta
dditional deduction for gifts of medicine ex		5A		
dditional deduction for gifts of medicine al Irrent tax year (amount 5A <b>minus</b> line 639	the beginning of the			
lditional deduction for gifts of medicine minsferred on an amalgamation or the wind				
lditional deduction for gifts of medicine m	ade before March 22, 2017:			
Proceeds of disposition				
	` ,			
Amount 5B <b>multiplied</b> by 50 %		5C		
Eligible amount of gifts				
	deduction for gifts		Λ	
Federal	of medicine made		$\sim$	
,	before March 22, = 2017 610	/		
x ( b	<del></del>	—— <i>(</i>	<u> </u>	
• •	Additional		,	
	deduction for gifts of medicine made			
Québec	before March 22,	, \	$\searrow$	
x ( <u>b</u>	= 2017			
<b>\</b> c	Additional		,	
	deduction for gifts			
Alberta	of medicine made before March 22,			
x ( <u>b</u>	= 2017			
nere:	-			
is the <b>lesser</b> of line 601 and amount 5C				
is the eligible amount of gifts (line 600)				
is the proceeds of disposition (line 602)		$\searrow$		
	Out to 1 (fine OFO at 10 (fine)	50		
	Subtotal (line 650 <b>plus</b> line 610)	5D		
	Subtotal (line 640 <b>plus</b> amount 5D)	5E		
djustment for an acquisition of control	655			
nount applied in the current year against	//			
nter this amount on line 315 of the T2 ret			_	
	' / /			
	Subtotal (line 655 <b>plus</b> line 660)	5F		
dditional deduction for gifts of medicine cl mount 5E <b>minus</b> amount 5F)				
For federal and Alberta tax purposes, dor ended before March 19, 2007, expire after	nations and gifts expire after five tax years. For five tax years, otherwise, donations and gift	or Québec tax purposes, do	onations and gifts made ars	in a tax year that

Year of origin:			Federal	Québec	Alberta
1 <sup>st</sup> prior year		2019-12-31			
2 <sup>nd</sup> prior year		2018-12-31			
B <sup>rd</sup> prior year		2017-12-31			
1 <sup>th</sup> prior year		2016-12-31			
5 <sup>th</sup> prior year		2015-12-31			
6 <sup>th</sup> prior year*		2014-12-31			
7 <sup>th</sup> prior year		2013-12-31			
8 <sup>th</sup> prior year		2012-12-31			
9 <sup>th</sup> prior year		2011-12-31			
10 <sup>th</sup> prior year		2010-12-31			
11 <sup>th</sup> prior year		2009-12-31			
12 <sup>th</sup> prior year					
13 <sup>th</sup> prior year					
14 <sup>th</sup> prior year					
15 <sup>th</sup> prior year					
16 <sup>th</sup> prior year					
17 <sup>th</sup> prior year					
18 <sup>th</sup> prior year			//	\ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \	
19 <sup>th</sup> prior year				<u> </u>	
20 <sup>th</sup> prior year			_		
21 <sup>st</sup> prior year*					
Total					
donations and line 21 <sup>st</sup> prior	nd Alberta tax purposes, donations and gifts including gifts made in a tax year that ended before Marc year expire automatically in the current tax year.	uded on line 6 <sup>th</sup> prior y th 19, 2007, that are in	rear expire automatically ncluded on line 6th prior	in the current tax year. For Québ year and donations and gifts that	ec tax purposes, are included on
- Québec -	Gifts of musical instruments ——				
Gifts of musica	I instruments at the end of the previous tax year				
	of musical instruments expired after twenty tax ye	ears/	·		
Gifts of musica	I instruments at the beginning of the tax year	/	<u> </u>		
Add:			$\nearrow$		
	al instruments transferred on an amalgamation o	or the wind-up of a sul	osidiary		
Total current-y	year gifts of musical instruments	, <del></del> .			
				Subtotal (line D <b>plus</b> line E) =	
Deduct: Adiust	ment for an acquisition of control //				
•	usical instruments available				
-					
Deduct: Amou	nt applied against taxable income (enter this amo	ount on line 255 of for	m CO-17)	<u> </u>	
Gifts of musica	I instruments closing balance			<u> </u>	

$_{ extstyle \cap}$ Amounts car	ried forward – Gifts of musical instruments		
Year of origin:			Québec
1 <sup>st</sup> prior year		2019-12-31	
2 <sup>nd</sup> prior year		2018-12-31	
3 <sup>rd</sup> prior year		2017-12-31	
4 <sup>th</sup> prior year		2016-12-31	
5 <sup>th</sup> prior year		2015-12-31	
6 <sup>th</sup> prior year*		2014-12-31	
7 <sup>th</sup> prior year		2013-12-31	
8 <sup>th</sup> prior year		2012-12-31	
9 <sup>th</sup> prior year		2011-12-31	
10 <sup>th</sup> prior year	<del>-</del>	2010-12-31	
11 <sup>th</sup> prior year		2009-12-31	
12 <sup>th</sup> prior year			
13 <sup>th</sup> prior year			
14 <sup>th</sup> prior year			
15 <sup>th</sup> prior year	· · · · · · · · · · · · · · · · · · ·		
16 <sup>th</sup> prior year			
17 <sup>th</sup> prior year		<u> </u>	
18 <sup>th</sup> prior year		<u>/</u>	
19 <sup>th</sup> prior year			
20 <sup>th</sup> prior year			
21st prior year*			
Total		=	
* These gifts expire	ed in the current year.		

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Canadä<sup>†</sup>

Schedule 3

# Dividends Received, Taxable Dividends Paid, and Part IV Tax Calculation

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2020-12-31

2020-12-31

- · Corporations must use this schedule to report:
  - non-taxable dividends under section 83
  - deductible dividends under subsection 138(6)
  - taxable dividends deductible from income under section 112, subsection 113(2) and paragraphs 113(1)(a), (a.1), (b) or (d)
  - taxable dividends paid in the tax year that qualify for a dividend refund (see page 3)
- All legislative references are to the federal Income Tax Act.
- The calculations in this schedule apply only to private or subject corporations.
- A payer corporation is connected with a recipient corporation at any time in a tax year, if at that time the recipient corporation meets either of the following
  conditions:
  - it controls the payer corporation, other than because of a right referred to in paragraph 251(5)(b)
  - it owns more than 10% of the issued share capital (with full voting rights), and shares that have a fair market value of more than 10% of the fair market value of all shares of the payer corporation
- If you need more space, continue on a separate schedule.
- File this schedule with your T2 Corporation Income Tax Return.
- Column A1 Enter "X" if dividends were received from a foreign source.
  - Column F1 Enter the code that applies to the deductible taxable dividend.

## Part 1 – Dividends received in the tax year

- Do **not** include dividends received from foreign non-affiliates.
- Complete columns B, C, D, H, I, I.1 and L only if the payer corporation is connected.

#### Important instructions to follow if the payer corporation is connected

- If your corporation's tax year-end is different than that of the connected payer corporation, dividends could have been received from more than one
  tax year of the payer corporation. If so, use a separate line to provide the information according to each tax year of the payer corporation.
- When completing columns J, K and L use the special calculations provided in the notes.

				T T	
A	A <sub>1</sub>	<b>№</b> В Т	С	D	E
Name of payer corporation	$-1/\langle$	Enter 1	Business Number	Tax year-end of the	Non-taxable
(from which the corporation received the dividend)		if payer	of connected	payer corporation in	dividends under
		corporation	corporation	which the sections	section 83
$\wedge$		is	,	112/113 and	
		connected		subsection 138(6)	
	14			dividends in column F	
	_	+ 1		were paid	
				YYYYMMDD	
	1				
200	V .	205	210	220	230
		2			
		Total of colu	<b>mn E</b> (enter amount on	line 402 of Schedule 1)	

⊢ Pa	art 1 – Dividends received i	n the tax year (continu	ed) ————		
	Taxable div deductible from income unde 112, subsections 11: and paragraphs (a.1),(b), or	m taxable r section 3(2) and 138(6), s 113(1)(a),	F1	G Eligible dividends included in column F	H Total taxable dividends paid by <b>connected</b> payer corporation (for tax year in column D)
	240	I		242	250
1					
		I.1	J	K	1
	Dividend refund of the <b>connected</b> payer corporation (for tax year in column D) <sup>note 2</sup>	Dividend refund of the <b>connected</b> payer corporation from its eligible refundable dividend tax on hand (ERDTOH) (for tax year in column D) notes 2 and 5	Part IV tax for eligible dividends. Dividends (from column G) multiplied by 38 1/3% <sup>note 3</sup>	Part IV tax before deductions. Dividends (from column F) multiplied by 38.4/3%note 4	Part IV tax before deductions on taxable dividends received from connected corporations notes 2 and 5
	260		265	275	280
1					
			Total of column L (er	nter amount on line 2E in Part 2)	
Tav	able dividends received from connecte	ed cornorations (total amounts fr	om column F with code 1 in col	lumn B)	1
	able dividends received from non-conr	' '		\ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \	· ·' 1
				mount on line 320 of the T2 retu	rn)1
	ble dividends received from connected ble dividends received from non-conn				1 1
(tota	IV tax before deductions on taxable d al amounts from column K with code 1 IV tax before deductions on taxable d	in column B)ividends received from non-con	nected corporations	1F	
(lola	al amounts from column K with code 2	,	ototal (amount 1F plus amount	1G 1G)	1
	IV tax on eligible dividends received f	rom connected corporations (to	al amounts from column J		
	code 1 in column B)	rom non-connected cornorations		11	
				1J	
		// .	ibtotal (amount 11 plus amount		
	IV tax before deductions on taxable d		)> ''	,	1
8	f taxable dividends are received, enter subject corporation as defined in subs subsection 138(6) dividends.	the amount in column F, but if ection 186(3)), enter "0" in column	the corporation is not subject to mn J or column K whichever on	Part IV tax (such as a public co le applies. Life insurers are not s	rporation other than a ubject to Part IV tax on
t	f the connected payer corporation's ta o estimate the payer's dividend refund dividend refund from its eligible refund	I when you calculate the corpora	ation's Part IV tax payable. For		
l	For eligible dividends received from co		·	•	•
4 F	For taxable dividends received from <b>c</b> o	nnected corporations, Part IV	tax on dividends is equal to: col	umn I <b>divided</b> by column H <b>mu</b> l	tiplied by column F.
(	For taxable dividends received from <b>c</b> o of amounts CC and II of the connected refund to the connected payer corpora	payer corporation (on page 7 c	of the T2 return)) divided by co	lumn H multiplied by column F.	

Part IV tax on dividends received before deductions (amount 1H in part 1)			2A	
Part IV.I tax payable on dividends subject to Part IV tax (from line 360 of So				
Subt	total (amount 2A <b>minus</b> line i	320)	<b>-</b>	
Current-year non-capital loss claimed to reduce Part IV tax		330		
Non-capital losses from previous years claimed to reduce Part IV tax		335		
,		340		
Farm losses from previous years claimed to reduce Part IV tax		345		
Total losses applied against Par	rt IV tax (total of lines 330 to	345)	2C	
Amount 2C multiplied by 38 1 / 3 %				
Part IV tax payable (amount 2B minus amount 2D, if negative enter "0")			360	
enter amount on line 712 of the T2 return)				
If your tax year begins after 2018, complete the following part to determine fundable dividend tax on hand (ERDTOH) at the end of the tax year.	ine the required amount of Pa	art IV taxes payable	in order to calculate the	e eligible
Part IV tax before deductions on taxable dividends received from connected		(0)		:
Amount 4A from Schedule 43			<u> </u>	:
Part IV tax payable on taxable dividends received from connected co enter "0")				2
/enter at amount L on page 7 of the T2 return)			· //····· <del></del>	
f your tax year begins after 2018, complete the following part to determi	ing the required amount of D	art IV tayes payable	in order to coloulate the	o oligiblo
refundable dividend tax on hand (ERDTOH) at the end of the tax year.	me the required amount of Fa	art iv taxes payable	in order to calculate the	e eligible
Part IV tax on eligible dividends received from non-connected corporations	(amount 1J in part 1)	·····	<u></u>	
Amount 4C from Schedule 43	· · · · · · · · · · · · · · · · // · · ·		<u> </u>	
Part IV tax payable on eligible dividends received from non-connecte		H <b>minus</b> amount 2I	, if negative	
enter "0")		••••///		:
enter at amount M on page 7 of the T2 return)				
Part 3 – Taxable dividends paid in the tax year that o	qualify for a dividence	l refund ——		
•				
If your corporation's tax year-end is different than that of the connected one tax year of the recipient corporation. If so, use a separate line to provide the control of the recipient corporation.				
L	M	N	0	Р
Name of connected recipient corporation	Business Number	Tax year-end of connected	Taxable dividends paid to connected	Eligible dividends
		recipient	corporations	included in
		corporation in		column O
		which the dividends in		
		uividends in		
		column O		
		column O were received		
400	410	were received	430	440
1 Corporation of the town of Orangeville	410 10698 6151 RC0001	were received YYYYMMDD	<b>430</b> 425,979	440
		were received YYYYMMDD 420		440
1 Corporation of the town of Orangeville		were received YYYYMMDD 420		440

┌ Part 3 – Taxable dividends paid in the tax year that qualify for a dividend refund (continued)	
Total taxable dividends paid in the tax year to other than connected corporations	24,792
Eligible dividends included in line 450	
Total taxable dividends paid in the tax year that qualify for a dividend refund (total of column O plus line 450)	450,771
Total eligible dividends paid in the tax year (total of column P <b>plus</b> line 455)	<u> </u>
Total non-eligible taxable dividends paid in the tax year (line 460 <b>minus</b> line 465)	450,771
Complete this part to determine the following amounts in order to calculate the dividend refund.	
Line 465 <b>multiplied</b> by 38 1 / 3 %	3A
(enter at amount AA on page 7 of the T2 return)	
Line 470 multiplied by 38 1 / 3 %	172,796 <sub>3E</sub>
(enter at amount DD on page 7 of the T2 return)	
Part 4 – Total dividends paid in the tax year  Complete this part if the total taxable dividends paid in the tax year that qualify for a dividend refund (line 460) is different from the total dividends paid in the tax year.	
Total taxable dividends paid in the tax year for the purposes of a dividend refund (from above)	450,771
Other dividends paid in the tax year (total of 510 to 540)	
Total dividends paid in the tax year	450,771
Dividends paid out of capital dividend account	
Capital gains dividends	
Dividends paid on shares described in subsection 129(1.2)	
Subtotal (total of lines 510 to;540)	4A

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Total taxable dividends paid in the tax year that qualify for a dividend refund (Line 500 minus amount 4A)

450,771<sub>4B</sub>

# Canada Revenue Agency

Agence du revenu du Canada

## Tax Calculation Supplementary - Corporations

Schedule 5

Corporation's name	Business Number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2020-12-31

- Use this schedule if, during the tax year, your corporation:
  - had a permanent establishment in more than one jurisdiction (corporations that have no taxable income should only complete columns A, B, and D in Part 1)
  - is claiming provincial or territorial tax credits or rebates (see Part 2), or
  - has to pay taxes, other than income tax, for Newfoundland and Labrador, or Ontario (see Part 2).
- All legislative references are to the Income Tax Regulations.
- For more information, see the T2 Corporation Income Tax Guide.
- For the regulation number to be entered in field 100 of Part 1, see the chart below.

− Part 1 – Alloc 100	ation of ta	xable income ———		Enter the regulation that appli	on (402 to 412)		
				Enter the regulation that applies (402 to 413)			
A Jurisdictic Tick yes if your co had a perma establishment jurisdiction during th	orporation nent in the	<b>B</b> Total salaries and wages paid in jurisdiction	C (B x taxable income) / G	Gross revenue attributable to jurisdiction	E (D x taxable income) / H	F Allocation of taxable income (C + E) x 1/2** (where either G or H is nil, do not multiply by 1/2)	
Newfoundland and Labrador	<b>003</b> Yes	103		143			
Newfoundland and Labrador Offshore	Yes	104		144			
Prince Edward Island	<b>005</b> Yes	105		145			
Nova Scotia	<b>007</b> Yes	107		147			
Nova Scotia Offshore	008 Yes	108		148			
New Brunswick	Yes	109		149			
Quebec	Yes	111		151			
Ontario	Yes	113		153			
Manitoba	Yes	115		155			
Saskatchewan	Yes	117		157			
Alberta	Yes	119		159			
British Columbia	Yes	121		161			
Yukon	Yes	123		163			
Northwest Territories	Yes	125	7	165			
Nunavut	<b>026</b> Yes	126		166			
Outside Canada	<b>027</b> Yes	127		167			
Total		129 G		169 H			

<sup>\*</sup> Permanent establishment is defined in subsection 400(2)

#### Notes:

- 1. After determining the allocation of taxable income, you have to calculate the corporation's provincial or territorial tax payable. For more information on how to calculate the tax for each province or territory, see the instructions for Schedule 5 in the T2 Corporation Income Tax Guide.
- 2. If your corporation has provincial or territorial tax payable, complete Part 2.
- 3. If your corporation is a member of a partnership and the partnership had a permanent establishment in a jurisdiction, select the jurisdiction in Column A and include your proportionate share of the partnership's salaries and wages and gross revenue in columns B and D, respectively.

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<sup>\*\*</sup> For corporations other than those described under section 402, use the appropriate calculation described in the Regulations to allocate taxable income.

Ontario basic income tax (from Schedule 500)  Ontario small business deduction (from Schedule 500)  Subtotal (fine 270 minus line 402)  Faceapture of Ontario transitional tax debits (from Schedule 508)  Recapture of Ontario tersearch and development tax credit (from Schedule 508)  Subtotal (fine 270 minus line 402)  Faceapture of Ontario tersearch and development tax credit (from Schedule 508)  Subtotal (fine 270 minus line 402)  Faceapture of Ontario tersearch and development tax credit (from Schedule 508)  Subtotal (fine 270 plus line 277)  SB  Gross Ontario tax credit (from Schedule 504)  Ontario to resource tax credit (from Schedule 504)  Ontario to resource tax credit (from Schedule 504)  Ontario to resource tax credit (from Schedule 505)  Ontario to resource tax credit (from Schedule 505)  Ontario to positical contributions tax credit (from Schedule 505)  Ontario to positical contributions tax credit (from Schedule 505)  Ontario compositie income tax payable before Ontario to contributions tax credit (from Schedule 505)  Ontario corporate innoveme tax payable before Ontario to control eniminum tax credit from Schedule 506)  Ontario corporate innimum tax credit (from Schedule 506)  Ontario corporate innimum tax credit (from Schedule 510)  Ontario corporate innimum tax credit (from Schedule 510)  Ontario corporate minimum tax (redit (from Schedule 510)  Ontario corporate minimum ta	Total taxable income	Income eligible for small business deduction	Provincial or territorial allocation of taxable income	Provincial or territorial tax payable before credits				
Subtotal (line 270 minus line 402)	Ontario basic incon	ne tax (from Schedule	500)		270	J		
Ontario transitional tax debits (from Schedule 506) Recapture of Ontario tesearch and development tax credit (from Schedule 508) Subtotal (fine 276 plus line 277)  Ontario tescurce tax credit (from Schedule 504) Ontario test credit from Schedule 504) Ontario test union tax reduction (from Schedule 505) Ontario foreith tax credit (from Schedule 505) Ontario credit union tax reduction (from Schedule 505) Ontario comporate income tax payable before Ontario corporate minimum tax credit (from Schedule 508) Ontario corporate income tax payable before Ontario corporate minimum tax credit (from Schedule 508) Ontario corporate income tax payable before Ontario corporate minimum tax credit (from Schedule 508) Ontario corporate income tax payable before Ontario corporate minimum tax credit (from Schedule 508) Ontario corporate minimum tax credit (from Schedule 508) Ontario corporate income tax payable (amount 5F minus the 1416) (if regalive, enter "0")  Total Ontario corporate minimum tax (from Schedule 510) Ontario ontario tax payable before refundable tax credit (from Schedule 510) Ontario ontario tax payable before refundable tax credit (from Schedule 510) Ontario ontario tax payable before refundable tax credit (from Schedule 510) Ontario ontario ontario tax payable or refundable tax credit (from Schedule 560) Ontario interactive digital media tax credit (from Schedule 5	Ontario small busines	ss deduction (from Sch	edule 500)		402	<u> </u>		
Recapture of Ontario research and development tax credit (from Schedule 508) 58  Gross Ontario tax (amount 5A plus amount 5B) 50  Ontario resource tax credit (from Schedule 504) 406  Ontario tax credit for manufacturing and processing (from Schedule 502) 406  Ontario tax credit for Schedule 510) 403  Ontario potitical contributions tax credit (from Schedule 500) 410  Ontario potitical contributions tax credit (from Schedule 525) 50  Ontario potitical contributions tax credit (from Schedule 525) 50  Ontario corporate income tax payable before Ontario corporate minimum tax credit for farmers (amount 5C minus since 416) (if negative, enter "0") 55  Ontario corporate income tax payable before Ontario corporate minimum tax credit for farmers (amount 5C minus since 416) (if negative, enter "0") 56  Ontario corporate income tax payable before Ontario corporate minimum tax credit for farmers (amount 5C minus since 416) (if negative, enter "0") 56  Ontario corporate income tax payable (amount 5F minus the total of lines 418 and 420) (if negative, enter "0") 56  Ontario corporate income tax payable (amount 5F minus the total of lines 418 and 420) (if negative, enter "0") 56  Ontario corporate income tax payable (amount 5F minus the total of lines 418 and 420) (if negative, enter "0") 56  Ontario corporate income tax payable (amount 5F minus the total of lines 418 and 420) (if negative, enter "0") 56  Ontario corporate income tax payable (amount 5F minus the total of lines 418 and 420) (if negative, enter "0") 56  Ontario corporate income tax payable (amount 5F minus the total of lines 418 and 420) (if negative, enter "0") 56  Ontario corporate income tax payable (amount 5F minus the total of lines 418 and 420) (if negative, enter "0") 56  Ontario corporate income tax payable (amount 5F minus the total of lines 418 and 420) (if negative, enter "0") 56  Ontario ocoparate income tax payable (amount 5F minus the total of lines 418 and 420) (if negative, enter "0") 56  Ontario ocoparate income tax payable (amount 5F minus the				Subtotal (line 270	minus line 402)		<b> ▶</b>	5A
Subtotal (line 276 plus line 277)    Society	Ontario transitional	tax debits (from Sched	lule 506)		276			
Gross Ontario tax (amount 5A plus amount 5B) 5C Ontario resource tax credit (from Schedule 504) 403 Ontario tax credit for manufacturing and processing (from Schedule 502) 403 Ontario tax credit for manufacturing and processing (from Schedule 502) 403 Ontario credit union tax reduction (from Schedule 500) 415 Ontario political contributions tax credit (from Schedule 500) 415 Ontario political contributions tax credit (from Schedule 525) Ontario political contributions tax credit (from Schedule 508) 5D Subtotal (amount 5C minus amount 5D) (if negative, enter "0") 5E Ontario corporate income tax payable before Ontario corporate minimum tax credit and Origano community food program donation tax credit for farmers (amount 5E minus in et 416) (if negative, enter "0") 5F Ontario corporate minimum tax credit (from Schedule 510) 418 Ontario comporate minimum tax credit (from Schedule 510) 418 Ontario comporate minimum tax (from Schedule 510) 57 Ontario corporate minimum tax (from Schedule 550) 57 Ontario apprenticeship training tax credit (from Schedule 550) 57 Ontario apprenticeship training tax credit (from Schedule 550) 57 Ontario interactive digital media tax credit (from Schedule 550) 57 Ontario interactive digital media tax credit (from Schedule 560) 57 Ontario interactive digital media tax credit (from Schedule 560) 57 Ontario interactive digital media tax credit (from Schedule 560) 57 Ontario interactive digital media tax credit (from Schedule 560) 57 Ontario interactive digital media tax cr	Recapture of Ontar	io research and develo	pment tax credit (from	,		J		
Ontario resource tax credit (from Schedule 504) Ontario foxerigit for manufacturing and processing (from Schedule 502) Ontario foxerigit tax credit (from Schedule 21) Ontario foxerigit tax credit (from Schedule 500) Ontario political contributions tax credit (from Schedule 500) Ontario political contributions tax credit (from Schedule 505) Ontario political contributions tax credit (from Schedule 508) Ontario corporate income tax payable before Ontario corporate minimum tax credit and Ontario corporate minimum tax credit (from Schedule 508) Ontario corporate income tax payable before Ontario corporate minimum tax credit and Ontario community food program donation tax credit for farmers (from Schedule 510) Ontario community food program donation tax credit (from Schedule 510) Ontario community food program donation tax credit for farmers (from Schedule 2) Ontario comporate minimum tax credit (from Schedule 510) Ontario corporate minimum tax (from Schedule 510) Ontario tax payable before refundable tax credits (from Schedule 512) Subtotal (fine 278 plus line 280)  5H  Total Ontario tax payable before refundable tax credits (from Schedule 550) Ontario poperative education tax credit (from Schedule 550) Ontario poperative education tax credit (from Schedule 550) Ontario production services tax credit (from Schedule 560) Ontario tax payable or refundable tax credit (from Schedule 560) Ontario tax payable or refundable tax credit (from Schedule 560) Ontario tax payable or refundable tax credit (from Schedule 560) Ontario tax payable or refundable ta				Subtotal (line 2	76 <b>plus</b> line 277)		^	5B
Ontario tax credit for manufacturing and processing (from Schedule 502) 406 Ontario foreign tax credit (from Schedule 21) 410 Ontario political contributions tax credit (from Schedule 500) 410 Ontario political contributions tax credit (from Schedule 505) 415 Ontario non-refundable tax credits (total of lines 404 to 415) 50  Subtotal (amount 5C minus amount 5D) (if negative, enter "0") 5E Ontario research and development tax credit (from Schedule 508) 416 Ontario corporate income tax payable before Ontario corporate minimum tax credit for farmers (amount 5E minus line 416) (if negative, enter "0") 5F Ontario corporate income tax payable before Ontario corporate minimum tax credit for farmers (amount 5E minus line 416) (if negative, enter "0") 5F Ontario corporate income tax payable (amount 5F minus the total of lines 418 and 420) (if negative, enter "0") 5G Ontario corporate income tax payable (amount 5F minus the total of lines 418 and 420) (if negative, enter "0") 5G Ontario corporate income tax payable (amount 5F minus the total of lines 418 and 420) (if negative, enter "0") 5G Ontario corporate income tax payable (amount 5F minus the total of lines 418 and 420) (if negative, enter "0") 5G Ontario corporate income tax payable before refundable tax credit (from Schedule 512) 280 Ontario pecial additional tax on life insurance corporations (from Schedule 512) 280  Ontario corporate minimum tax (from Schedule 550) 452 Ontario qualifying environmental trust tax credit (from Schedule 550) 452 Ontario interactive digital media tax credit (from Schedule 550) 452 Ontario interactive digital media tax credit (from Schedule 550) 458 Ontario interactive digital media tax credit (from Schedule 560) 460 Ontario interactive digital media tax credit (from Schedule 560) 462 Ontario interactive digital media tax credit (from Schedule 560) 470 Ontario interactive digital media tax credit (from Schedule 560) 470 Ontario interactive digital media tax credit (from Schedule 560) 460 Ontario interactive digital media tax credit (f	Gross Ontario tax (ar	nount 5A <b>plus</b> amount	5B)					5C
Ontario foreign tax credit (from Schedule 21) Ontario political contributions tax credit (from Schedule 500)  Ontario political contributions tax credit (from Schedule 505)  Ontario political contributions tax credit (from Schedule 508)  Ontario political contributions tax credit (from Schedule 508)  Ontario cesearch and development tax credit (from Schedule 508)  Ontario corporate income tax payable before Ontario corporate minimum tax credit and Ontario community food program donation tax credit for farmers (amount 5E minus line 416) (if negative, enter "0")  Ontario corporate income tax payable tefore Ontario corporate minimum tax credit (from Schedule 510)  Ontario corporate income tax payable (amount 5F minus the total of lines 418 and 420) (if negative, enter "0")  Ontario corporate income tax payable (amount 5F minus the total of lines 418 and 420) (if negative, enter "0")  Ontario corporate income tax payable (amount 5F minus the total of lines 418 and 420) (if negative, enter "0")  Ontario corporate income tax payable (amount 5F minus the total of lines 418 and 420) (if negative, enter "0")  Ontario corporate income tax payable (amount 5F minus the total of lines 418 and 420) (if negative, enter "0")  Ontario corporate income tax payable (amount 5F minus the total of lines 418 and 420) (if negative, enter "0")  Ontario special additional tax on life insurance corporations (from Schedule 512)  Ontario poperative ducation tax credit (from Schedule 550)  Ontario poperative ducation and special effects tax credit (from Schedule 550)  Ontario line and television tax credit (from Schedule 560)  Ontario londo poperative ducation tax credit (from Schedule 560)  Ontario londo poperative ducation tax credit (from Schedule 560)  Ontario londo poperative ducation tax credit (from Schedule 560)  Ontario londo poperative ducation tax credi	Ontario resource ta	x credit (from Schedule	e 504)		404			
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Ontario corporate income tax payable (amount 5F minus the total of lines 418 and 420) (if negative, enter "0")  Ontario corporate minimum tax (from Schedule 510)  Ontario special additional tax on life insurance corporations (from Schedule 512)  Subtotal (line 278 plus line 280)  Subtotal (line		,	,					
Ontario corporate minimum tax (from Schedule 510) Ontario special additional tax on life insurance corporations (from Schedule 512) Subtotat (life 278 plus line 280)  Subtotat (life 278 plus life 280)  Subtotat (life 278 plus				/.			420	
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Subtotal (line 278 plus line 280)    Subtotal (line 278 plus line 280)   SH   Total Ontario tax payable before refundable tax credits (amount 5G plus amount 5H)   51   Ontario qualifying environmental trust tax credit   450	Ontario corporate n	ninimum tax (from Sche	edule 510)		<b>278</b>			
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Ontario co-operative education tax credit (from Schedule 550)	Total Ontario tax paya	able before refundable t	tax credits (amount 5G	plus amount 5H)				5l
Ontario co-operative education tax credit (from Schedule 550)	Ontario qualifying e	environmental trust tax o	credit	<u> </u>	450	i		
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Enter the total net tax payable or refundable tax credits for all provinces and territories on line 255.  Net provincial and territorial tax payable or refundable tax credits	(if a credit, enter amo	unt in brackets) Include	e this amount on line 25	55.				
Enter the total net tax payable or refundable tax credits for all provinces and territories on line 255.  Net provincial and territorial tax payable or refundable tax credits								
	_	payable or refundable	tax credits for all provin	ces and territories on	line 255.			
· · · · · · · · · · · · · · · · · · ·	Net provincial and t	erritorial tax payable	or refundable tax cre	dits			255	
If the amount on line 255 is positive, enter the net provincial and territorial tax payable on line 760 of the T2 return.  If the amount on line 255 is negative, enter the net provincial and territorial refundable tax credits on line 812 of the T2 return.	If the amount on line	255 is positive, enter th	e net provincial and ter	ritorial tax payable on				

## Canada Revenue Agency

e Agence du revenu du Canada

# **Summary of Dispositions of Capital Property**

Corporation's name	Business number	Tax year-end Year Month Dav
Orangeville Hydro Limited	86463 9562 RC0002	2020-12-31

- Use this schedule if your corporation disposed of (actual or deemed) capital property or claimed an allowable business investment loss (ABIL), or both, in the tax year.
- All legislative references are to the federal Income Tax Act.
- Also use this schedule to make a designation under paragraph 111(4)(e) if control of the corporation has been acquired by a person or a group of persons.
- For more information, see the section called "Schedule 6, Summary of Dispositions of Capital Property" in the T2 Corporation Income Tax Guide.
- If you need more space, attach additional schedules.

Designation under paragraph 111(4)(e)			
Are any dispositions shown on this schedule related to deemed dispositions designated under paragraph 111(4)(e)?	050	Yes	No X
If <b>yes</b> , attach a statement specifying which properties such a designation applies to.	\		

In the various sections of this form:

- The abbreviation FS (for foreign source) is used to indicate the capital gain or loss arising from foreign property,
- The abbreviation PA (for passive asset) is used to indicate the capital gain or loss arising from the disposition of an asset other than an active asset of the corporation.

Number	2 Name of corporation	3 Class of	4 Date of	<b>5</b> Proceeds of	6 Adjusted	<b>7</b> Outlays and	8 Gain (or loss)	A
of shares	in which the shares are held	shares	acquisition YYYYMMDD	disposition	cost base	expenses from disposition	(column 5 <b>minus</b> columns 6 and 7)	
100	105	106	110	120	130	140	150	FS I
			Totals					

Municipal address of real estate  1 = Address 1  2 = Address 2  3 = City  4 = Province, Country, Postal Code and Zip Code or Foreign Postal Code	Date of acquisition	Proceeds of disposition	4 Adjusted cost base	5 Outlays and expenses from disposition	Gain (or loss) (column 3 minus columns 4 and 5)	A
200	210	220	230	240	250	FS PA
Land as per Q 101		91,580	4,473		87,107	
	Totals	91,580	4,473		87,107	В

1	2	3	4 Data of	5 Draggada of	6	7 Outleve and	8	
Face value of bonds	Maturity date YYYYMMDD	Name of bond issuer	Date of acquisition YYYYMMDD	Proceeds of disposition	Adjusted cost base	Outlays and expenses from disposition	Gain (or loss) (column 5 <b>minus</b> columns 6 and 7)	
300	305	307	310	320	330	340	350	FS
			Totals					

Part 4 – Other properties (Do not include losses on depreciable property	Part 4 - (	Other pror	perties (Do no	ot include losse	s on depreciable	property) -
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1 Description of other property	2 Date of acquisition YYYYMMDD	3 Proceeds of disposition	4 Adjusted cost base	5 Outlays and expenses from disposition	Gain (or loss) (column 3 minus columns 4 and 5)	Α
400	410	420	430	440	450	FS PA
Note	Totals					D

Other property includes capital debts, debts in respect of the disposition of a personal-use property per subsection 50(2), and amounts that arise from foreign

## Part 5 – Personal-use property (Do not include listed personal property)

1 Description of personal-use property	Date of acquisition YYYYMMDD	3 Proceeds of disposition	4 Adjusted cost base	5 Outlays and expenses from disposition	6 Gain only (column 3 minus columns 4 and 5; if negative, enter	A
500	510	520	530	540	"0") <b>550</b>	FS PA
Note	Totals					E

#### Note

You cannot deduct losses on dispositions of personal-use property (other than listed personal property or a debt that is a personal-use property)

### Part 6 – Listed personal property —

1	2	3	4	5	6	Α
Description of listed personal property	Date of acquisition YYYYMMDD	Proceeds of disposition	Adjusted cost base	Outlays and expenses from disposition	Gain (or loss)* (column 3 <b>minus</b> columns 4 and 5)	
600	610	620	630	640	650	FS PA
	Totals					

Unapplied listed personal property losses from other years (amount from tipe 530 of Schedule 4,

Net gains (or losses) from the disposition of listed personal property (total of column 6 minus line 655)

Net listed personal property losses can only be applied against listed personal property gains.

\* Do not include gains arising on the disposition of certain certified cultural property to a designated cultural institution. See subparagraph 39(1)(a)(i.1) for more information.

## Part 7 - Property qualifying for and resulting in an allowable business investment loss -

	1	<b>/</b> 2	3	4	5	6	7	Α
Nam	ne of small business corporation	Shares, enter 1; debt, enter 2	Date of acquisition	Proceeds of disposition	Adjusted cost base	Outlays and expenses from disposition	Loss only (column 4 <b>minus</b> columns 5 and 6)	
	900	905	910	920	930	940	950	FS PA
			Totals					

Allowable business investment losses (ABILs) ...... Total of Column 7 Enter amount G on line 406 of Schedule 1, Net Income (Loss) for Income Tax Purposes.

Note

Properties listed in Part 7 should **not** be included in any other parts of this schedule.

x 50.0000 % =

Part 8 – Capital gains or losses	
Total of amounts A to F (do <b>not</b> include amount F if it is a loss)	<u>87,107</u> н
Capital gains dividend received in the year	FS PA
Capital gains reserve opening balance (from Part 1 of Schedule 13, Continuity of Reserves)	
Subtotal (amount H <b>plus</b> total of lines 875 and 880)	87,107 I
Capital gains reserve closing balance (from Part 1 of Schedule 13, Continuity of Reserves)	67,107_1
Capital gains or losses, excluding ABILs (amount I minus line 885)	87,107
Part 9 – Taxable capital gains and total capital losses	
Capital gains or losses, excluding ABILs (amount from line 890 in Part 8)	87,107 J
Deduct the following amounts included in amount J, that are subject to the zero inclusion rate:  Note	
When a taxpayer is entitled to an advantage in respect of a donation, the zero inclusion rate is restricted to only part of the taxpayer's capital gain on disposition of the property. See section 38.2 for more information.	
Gain on the donation to a qualified donee of a share, debt obligation, or right listed on a designated stock exchange and other securities under paragraphs 38(a.1)(i) and (iii)	FS PA
Gain on the donation to a qualified donee of ecologically sensitive land under subsection 38(a.2)*	FS PA
Exempt portion of the gain on the donation of securities arising from the exchange of a partnership interest under paragraph 38(a.3)	FS PA
Subtotal (amount J minus amount K)	87,107 L
Deemed capital gain from the donation of property included in a flow-through share class of property to a qualified donee under subsection 40(12):  Exemption threshold at time of disposition	
Exemption threshold at time of disposition	
The total of all capital gains from the disposition of the actual property	
Line 897 or line 898, whichever is less	FS PA
Taxable capital gains under section 34.2 (line 275 of Schedule 73, Income Inclusion Summary for Corporations that are Members of	
Partnerships)	
Subtotal (total of amounts L and M <b>plus</b> line 899)	<u>87,107</u> N
Allowable capital losses under section 34.2 (line 285 of Schedule 73, Income Inclusion Summary for Corporations that are Members of	
Partnerships) x 2 = 901	
Total capital gains or losses (amount N minus line 901)	87,107 O
Taxable capital gains or total capital losses	
Total capital losses (amount O, if amount O is negative; if amount O is positive, enter "0")  Enter amount P on line 210 of Schedule 4.	P
Taxable capital gains (if amount O is positive, enter amount O87,107 multiplied by 50.0000 %;	
if amount O is negative, enter "0")  Enter amount Q on line 113 of Schedule 1.	43,554 Q
* Do <b>not</b> include gains on donations of ecologically sensitive land to a private foundation.	

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# Aggregate Investment Income and Income Eligible for the Small Business Deduction

Corporation's name	Business number	Tax year-end
Orangeville Hydro Limited	86463 9562 RC0002	Year Month Day 2020-12-31

- Use this schedule if you are a Canadian-controlled private corporation (CCPC) to calculate:
  - your aggregate investment income and foreign investment income, as defined in subsection 129(4), to determine the refundable portion of Part I tax, and your adjusted aggregate investment income, as defined in subsection 125(7), for the purpose of the business limit reduction
  - your specified partnership income, as defined in subsection 125(7), if you are a member (or designated member) of one or more partnerships, and
  - your income from an active business carried on in Canada eligible for the small business deduction including any specified corporate income
    as defined in subsection 125(7)
- Use this schedule if another CCPC is making an assignment of business limit under subsection 125(3.2) to you.
- Use this schedule if you are a corporation that is a member of a partnership to assign **specified partnership business limit** to a **designated member** under subsection 125(8).

Note: If you are a corporation that is not a CCPC, only complete Table 1 (columns A1, B1, C1, G1, H1 and J1) and Table 3 to make this assignment.

- The adjusted aggregate investment income, for the purpose of the business limit reduction, also applies to a tax year of a corporation that begins before 2019 and ends after 2018 under the following circumstances:
  - the corporation's preceding tax year was, because of a transaction or event or a series of transactions or events, shorter than it would have been in the absence of that transaction, event or series, and
  - one of the reasons for the transaction, event or series was to defer the application of subsections 125(5.1), (5.2) and (7) to the corporation
- All legislative references are to the Income Tax Act.
- For more information, see Small Business Deduction and Refundable Portion of Part I Tax in Guide 14012, 72 Corporation Income Tax Guide.
- See the notes at the end of the form.

□ Part 1 – Aggregate investment income
Aggregate investment income is all world source income.
Eligible portion of taxable capital gains for the year 43,554
Eligible portion of allowable capital losses for the year (including allowable business investment losses)
Net capital losses of previous years claimed on line 332 on the T2 return
Subtotal (line 012 <b>plus</b> line 022)
Line 002 <b>minus</b> amount A (if negative, enter "0") 43,554 B
Total income from property (include income from a specified investment business carried on in Canada other than income from a source outside Canada)
Exempt income
Amounts received from Agrilnvest Fund No. 2 that were included in computing the corporation's income for the year
Taxable dividends deductible (total of column F on Schedule 3 minus related expenses)
Business income from an interest in a trust that is considered property income under paragraph 108(5)(a) . 072
Subtotal (add lines 042, 052, 062 and 072)  C
Subtotal (line 032 minus amount C) D
Amount B <b>plus</b> amount D 43,554 E
Total losses from property (include losses from a specified investment business carried on in Canada other than a loss from a source outside Canada)
Amount E <b>minus</b> line 082 (if negative, enter "0") (enter on line 440 of the T2 return)

┌ Part 2 – Adjusted aggregate investment income ────	
Eligible portion of taxable capital gains for the year (other than taxable capital gains from the disposition of an active asset note 13 )	
Eligible portion of allowable capital losses for the year (including allowable business investment losses) (other than allowable capital losses from the disposition of an active asset note 13)	
Subtotal (line 705 <b>minus</b> line 710) (if negative, enter "0")	F
Total income from property note 14	
Exempt income	
Amounts received from Agrilnvest Fund No. 2 that were included in computing the corporation's income for the year	
Dividends from connected corporations	
Business income from an interest in a trust that is considered property income under paragraph 108(5)(a)	
Subtotal ( <b>add</b> lines 720, 725, 730 and 735)	
Subtotal (line 715 <b>minus</b> amount G)	Н
Amount F plus amount H	
Total losses from property note 14 740	
Amount, if any, deducted under subsection 91(4) in computing the corporation's income for the year	
Adjusted aggregate investment income (amount I minus line 740, plus line 741) (if negative, enter "0")	
If this is your first tax year starting after 2018, complete the following portion.	
Eligible portion of taxable capital gains for each tax year that ended in the preceding calendar year (other than taxable capital gains from the disposition of an active asset note 13)	2A
Eligible portion of allowable capital losses for each tax year that ended in the preceding calendar year (including allowable business investment losses)(other than allowable capital losses from the disposition of an active asset note 13)	2B
Subtotal (amount 2A minus amount 2B) (if negative, enter "0")	2C
Total income from property for each tax year that ended in the preceding calendar year note 14 .	
Exempt income for each tax year that ended in the preceding calendar year 2E	
Amounts received from Agrilnvest Fund No. 2 that were included in computing the corporation's income for each tax year that ended in the preceding calendar year	
Dividends from connected corporations for each tax year that ended in the preceding calendar year	
Business income from an interest in a trust that is considered property income under paragraph 108(5)(a) for each tax year that ended in the preceding calendar year	
Subtotal (add amounts 2E, 2F, 2G and 2H)	
Subtotal (amount 2D minus amount 2I)	2J
Amount 2C plus amount 2J	2K
Total losses from property for each tax year that ended in the preceding calendar year note 14  Amount, if any, deducted under subsection 91(4) in computing the corporation's income for each tax year that ended in the	2L
preceding calendar year	
Adjusted aggregate investment income (amount 2K minus amount 2L, plus line 742) (if negative, enter "0")	
(enter the total of line 744 and the adjusted aggregate investment income of all associated corporations on line 417 of the T2 return)	

□ Part 3 – Foreign investment income	
Foreign investment income is all income from sources <b>outside Canada</b> .	
Eligible portion of taxable capital gains for the year	
Eligible portion of allowable capital losses for the year (including allowable business investment losses)	
Subtotal (line 001 <b>minus</b> line 009) (if negative, enter "0")	J
Total income from property from a source <b>outside Canada</b> (net of related expenses) <b>019</b>	
Exempt income	
Taxable dividends deductible (total of column F on Schedule 3 minus related expenses) 049	
Business income from an interest in a trust that is considered property income under paragraph 108(5)(a) . <b>059</b>	
Subtotal ( <b>add</b> lines 029, 049, and 059)	
Subtotal (line 019 <b>minus</b> amount K) ►	L
Amount J <b>plus</b> amount L	M
Total losses from property from a source <b>outside Canada</b>	
Amount M minus line 069 (if negative, enter "0") (enter on line 445 of the T2 return)	

− Part 3A – Canadian and foreign investment income and ad	justed aggregate in	vestment income o	alculation ———
	A Canadian investment income	B Foreign investment income	C Adjusted aggregate investment income*
Eligible portion of the taxable capital gains for the year before taking into		income	mvestment meome
account the capital gains reserves (federal) of Schedule 13*	43,554		1.1
Eligible portion of capital gains reserves (addition/deduction)*· **			1.2
Taxable capital gains under section 34.2 (line 275 on Schedule 73)**			1.3
Fligible portion of the taxable capital gains for the year			
(add amounts 1.1, 1.2, and 1.3)	43,554		1
Eligible portion of allowable capital losses for the year (including allowable business investment losses)*			2.1
Net capital losses of previous years (line 332 on the T2 return)			2.2
Allowable capital losses under section 34.2 (line 285 of Schedule 73)**			2.3
Allowable capital losses for the year (add amounts 2.1, 2.2 and 2.3)			2
Amount 1 <b>minus</b> amount 2 (if negative, enter "0")			3
Taxable dividends			4.1
Rental property income (under regulation 1100(11))			4.2
Other property income*		<u> </u>	4.3
Property income under section 34.2 (line 280 of Schedule 73)**		<u> </u>	4.4
Total property income (add amounts 4.1, 4.2, 4.3 and 4.4)		)	4
E-marking and			F.4
Exempt income			5.1
computing the corporation's income for the year			5.2
Taxable dividends deductible (total of column F on Schedule 3 minus related expenses)*			5.3
Business income from an interest in a trust that is considered property income under paragraph 108(5)(a)			5.4
Add amounts 5.1, 5.2, 5.3 and 5.4			5
Amount 4 minus amount 5			6
Amount 3 plus amount 6	43,554		
,	>		·
Rental property losses (under regulation 1100(11))			8.1
Dividend losses			8.2
Other property losses*  Property losses under section 34.2			8.3
(line 280 of Schedule 73)**  Total property losses (add amounts 8.1, 8.2, 8.3 and 8.4)			8.4
Amount 7 <b>minus</b> amount 8 (if negative, enter "0")  Amount, if any, deducted under subsection 91(4) in computing the	43,554		9
corporation's income for the year			10
Amount 7 <b>minus</b> amount 8 <b>plus</b> amount 10 (if negative, enter "0")			11

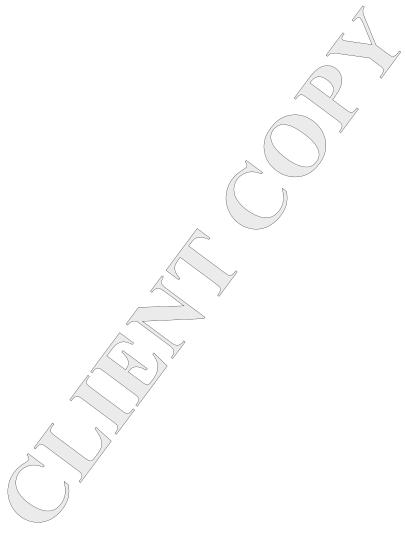
- \* To calculate the adjusted aggregate investment income under column C:
  - On lines 1.1, 1.2 and 2.1, only capital gains and losses resulting from the disposition of property other than an active asset (as defined under subsection 125(7) ITA) are to be taken into account.
  - On line 4.3, include amounts in respect of a life insurance policy that are included in computing the corporation's income for the year (even if those
    amounts are not included in the calculation of the corporation's investment income in column A and B) as well as the income from a specified foreign
    investment business.
  - On line 5.3, only the dividends received from a connected corporation should be included.
  - On line 8.3, include the loss from a specified foreign investment business.

For more information on the calculation of the adjusted aggregate investment income, consult notes 13 and 14 at the end of this form as well as the Help (F1).

\*\*When an amount is entered on these lines in column B, it reduces the corresponding amount in column A. For more information, consult the Help (F1).

Net taxable dividends	Canadian	Foreign	Total	
Taxable dividends deducted per Schedule 3				
Less: Expenses related to such dividends	<b>A</b> *			
Total expenses				
Net taxable dividends				

<sup>\*</sup> Column A – Enter an "X" if the expense is related to a dividend received from a connected corporation.



#### ¬ Part 4 – Specified partnership income Table 1 - Specified partnership income Α1 1A Is the corporation Partnership name Partnership's a designated member account number of the partnership? 200 Yes No В1 C1 D1 1D 2D **E1** F1 Corporation's Corporation's income Total income Income of the Prorated amounts Expenses Adjustments the corporation (loss) of share of corporation from calculated under (column 1D minus (loss) in respect of section 34.2 the partnership note 2 partnership amount in providing (directly incurred to column 2D) earn partnership from an column B1 or indirectly) active services or property income (add columns C1, business to the partnership D1 and E1) 310 311 315 300 320 Total 350 G1 H1 11 J1 K1 L1 М1 Specified Prorated business Number of Specified Specified Column F1 minus Lesser of limit notes 2 and 3 days in the partnership partnership partnership column K1 (if negative, columns F1 and partnership's business limit business limit business limit enter "0") K1 (if column F1 is negative, enter "0") fiscal period (column C1 ÷ assigned to you assigned by you amount (column H1 plus column B1) × (from H2 in Table 2) from F3 in Table 3) note 6 [\$ 500 000 × column I1 minus (column G1 ÷ 365)] column J1) (if column C1 is negative, enter "0") 325 330 335 336 340 Total 385 360 Corporation's losses for the year from an active business carried on in Canada 370 (other than as a member of a partnership) – enter as a positive amount Specified partnership loss of the corporation for the year - enter as a positive amount 380 (total of all negative amounts in column F1) Subtotal (line 370 plus line 380) 390 Amount at line 385 or amount N, whichever is less Specified partnership income (line 360 plus line 390), 400 (enter at amount R in Part 5)

## ¬ Part 4 – Specified partnership income (continued) –

Tables 2 and 3 are used to make an assignment of **specified partnership business limit** under subsection 125(8). A person that is a member of a partnership can make an assignment of **specified partnership business limit** under subsection 125(8) to a **designated member**.

If you are a CCPC that is a designated member and receiving specified partnership business limit from a person that is a member of the partnership complete

able 2 – A member is a	ssigning to yo	ou specified	partnership bu	usiness limi	t under sub	section 125(8	) ———		
	A2			2/				B2	
F	Partnership nam	е		Partne account			Nam	e of the membe	er
	405							406	
C2	D2	2	E2			F2	G	2	H2
Business number of the member (if applicable)	Social ins number mem (if applid	of the ber cable)	Trust ac number o memb (if applic	of the per able)	the (yyy	year start of e member yyymmdd)  Tax year-end of the member (yyyymmdd)		ember amdd)	Specified partnership business limit assigned to you by the member note 7
410	41	1	412	2		415	41	6	420
							<del>\</del>		
able 3 – You are assign	ing to a desig	gnated mem	ber (CCPC) sp	ecified partr	nership bus	iness limit un	der subsectio	125(8)	
	A3 Partnership name			3 <i>i</i> Partne			N 60	B3 e designated m	
	425			account	number			426	
C3			D3		7	E3			F3
Business number the designated member	Business number of Tax yes the designated the de member me		Tax year start of the designated member (yyyymmdd)			Tax year-end of the designated member (yyyymmdd)		limit as	d partnership business ssigned by you to the signated member note 8
430			435			436			440
art 5 – Partnership poration's income from ac									
ucting related expenses) -							nersnip (aiter		
cified partnership loss (fro	om line 380 in	Part 4)	·					· · · · · _	
						Subtotal (a	amount O <b>plus</b>	amount P) _	
cified partnership income	(from line 400	in Part 4)							

<ul> <li>Specified corporate income and assign</li> </ul>	ment under subsection 12	5(3.2)	
		/	
nount DD on line 400 of the T2 return - if negative, enter "0"	)		
`	/ /	\.\	<u>662,749</u> DD
I corporate income (from line 625 in Part 7)			cc
·	· <del>·</del>	\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\	ВВ
( / ( / ( / ( ) ( ) ) )	_		AA
eferred to in clause 125(1)(a)(i)(C)		4	
nip income allocated to your corporation under subsection 9	6(1.1) <u>530</u> _		
nip income not eligible for the small business deduction (line	e 450 in Part 5) <u></u> _		Z
unt (amount U <b>minus</b> amount X)			<u>662,749</u> Y
Subtotal (add line 500, a	amount V, amount W and line 520) $_{\pm}$	43,554	43,554 x
Subtotal (amount e1 <b>plus</b> amount e2) note 9	<b>▶</b> 520		
come after deducting related expenses note 9	e2		
note 9	e1		
· · · · · · · · · · · · · · · · · · ·	2 and 082 <sup>note 9</sup> in Part 1)		W
. •	_	43,554	V
ousiness income after deducting related expenses note 9	<u>500</u> _		
	-	706,303	<b>→</b> 706,303 U
e business investment loss from line 406 of Schedule 1		·	Т
J		706,303	S
	ne for income tax purposes from line 300 of the T2 return business investment loss from line 406 of Schedule 1  Susiness income after deducting related expenses note 9 capital gains from line 113 of Schedule 1  erty income (line 032 note 10 minus the total of lines 042, 052 services business income after deducting related note 9  ome after deducting related expenses note 9  Subtotal (amount e1 plus amount e2) note 9  Subtotal (amount e1 plus amount e2) note 9  Subtotal (amount U minus amount X)  int (amount U minus amount X)  int income not eligible for the small business deduction (lines per line) income allocated to your corporation under subsection 9 eferred to in clause 125(1)(a)(i)(C)  eferred to in clause 125(1)(a)(i)(B) (from line 615 in Part 7)  Subtotal (add amount Z, corporate income (from line 625 in Part 7)	Subtotal (amount S plus amount T) =  susiness income after deducting related expenses note 9  sapital gains from line 113 of Schedule 1  erty income (line 032 note 10 minus the total of lines 042, 052 and 082 note 9 in Part 1)  services business income after deducting related  note 9  e1  ome after deducting related expenses note 9  Subtotal (amount e1 plus amount e2) note 9  Subtotal (amount W and line 520) =  ant (amount U minus amount X)  nip income not eligible for the small business deduction (line 450 in Part 5)  afterred to in clause 125(1)(a)(i)(C)  eferred to in clause 125(1)(a)(i)(B) (from line 615 in Part 7)  Subtotal (add amount Z, line 530, line 540 and amount AA)	substance for income tax purposes from line 300 of the T2 return  T06,303  Subtotal (amount S plus amount T)  Subtotal (amount S plus amount T)  Subtotal (amount S plus amount T)  T06,303  Subtotal (amount S plus amount T)  Subtotal (amount S plus amount T)  T06,303  Subtotal (amount S plus amount T)  Subtotal (amount S plus amount T)  T06,303  Subtotal (aine 113 of Schedule 1  Subtotal (aine 032 note 10 minus the total of lines 042, 052 and 082 note 9 in Part 1)  Services business income after deducting related  services business income after deducting related note 9  Subtotal (amount e1 plus amount e2) note 9  Subtotal (amount V, amount W and line 520)  Subtotal (add line 500, amount V, amount W and line 520)  A13,554  Int (amount U minus amount X)  Int income not eligible for the small business deduction (line 450 in Part 5)  Int income allocated to your corporation under subsection 96(1.1)  Subtotal (add amount Z, line 530, line 540 and amount AA)  Corporate income (from line 625 in Part 7)  Subtotal (add amount Y minus amount BB, plus amount CC)

GG
d under clause Business limit assigned <b>from</b>
ceived from the the corporation identified in
dentified in column EE note 12
note 11
620
Total <b>625</b>
2

See the privacy statement on your return.

#### Notes

Note 1 Do not include expenses that were deducted in computing the income of the corporation in column D1.

In general, amounts included under subsections 34.2(2) and 34.2(3) or claimed under subsection 34.2(4) are deemed to have the **same character** and be in the **same proportions** as the partnership income they relate to. For example, if a corporation receives \$100,000 of partnership income for the partnership's fiscal period ending in its tax year, and that income is made up of \$40,000 of active business income, \$30,000 of income from property, and \$30,000 as a taxable capital gain, the corporation's adjusted stub period accrual (ASPA) in respect of the partnership would be 40% active business income, 30% property income, and 30% taxable capital gains. Add or deduct only the portion of the following amounts that are characterized as **active business income** in accordance with subsection 34.2(5):

#### Add:

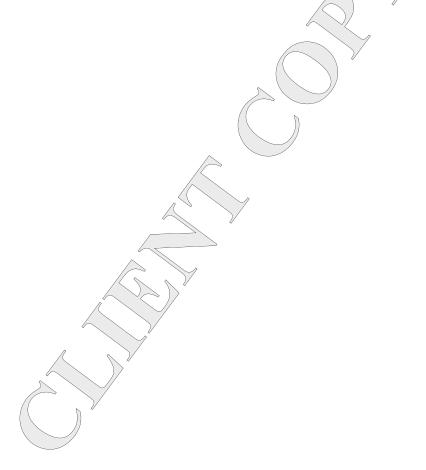
- the ASPA under subsection 34.2(2) (column 4 of Schedule 73)
- the income inclusion for a new corporate member of a partnership under subsection 34.2(3) (column 6 of Schedule 73)
- the previous-year transitional reserve under subsection 34.2(12) (column 12 of Schedule 73)

#### Deduct:

- the previous-year ASPA under subsection 34.2(4) (column 5 of Schedule 73)
- the previous-year income inclusion for a new corporate member of a partnership under subsection 34.2(4) (column 7 of Schedule 73)
- Note 2 When a partnership carries on more than one business, one of which generates income and another of which realizes a loss, the loss is **not** netted against the partnership's income when calculating the prorated business limit (column H1). Enter on line 380 the total of all losses from column F1.
- Note 3 If you are a designated member of the partnership, enter "0".
- **Note 4** You must enter "0" **if** the partnership provides services or property to either:
  - (A) a private corporation (directly or indirectly in any manner whatever) in the year, if:
    - you (or one of your shareholders) or a person that does **not** deal at arm's length with you (or one of your shareholders) holds a direct or indirect interest in the private corporation, and
    - it is not the case that all or substantially all of the partnership's income for the year from an active pusiness is from providing services or property to
      - persons (other than the private corporation) that deal at arm's length with the partnership and each person that holds a direct or indirect interest in the partnership, or
    - partnerships with which the partnership deals at arm's length, other than a partnership in which a person that does not deal at arm's length with you holds a direct or indirect interest, or
  - (B) a particular partnership (directly or indirectly in any manner whatever) in the year it
    - you (or one of your shareholders) do **not** deal at arm's length with the particular partnership or a person that holds a direct or indirect interest in the particular partnership, and
    - it is not the case that all or substantially all of the partnership's income for the year from an active business is from providing services or property to
      - persons that deal at arm's length with the partnership and each person that holds a direct or indirect interest in the partnership, or
      - partnerships (other than the particular partnership) with which the partnership deals at arm's length, other than a partnership in which a person that does not deal at arm's length with you holds a direct or indirect interest.
- Note 5 If you are a CCPC that is a designated member receiving an assignment of specified partnership business limit, complete Table 2 to determine the amounts to enter in Table 1 column I1.
- Note 6 If you are a corporation that is a member of the partnership and you are assigning specified partnership business limit, complete Table 3 to determine the amounts to enter in Table 1 column J1.
- Note 7 Add the amounts in column H2 that are for the same partnership and enter it in Table 1 column I1, in the row of the applicable partnership.
- Note 8 Add the amounts in column F3 that are for the same partnership and enter it in Table 1 column J1, in the row of the applicable partnership. This amount cannot be higher than the amount of prorated business limit you would otherwise be entitled to in Table 1 column H1 for that partnership.
- Note 9 If negative, enter amount in brackets, and add instead of subtracting.
- Note 10 Net of related expenses.
- Note 11 This amount is [as defined in subsection 125(7) specified/corporate income (a)(i)] the total of all amounts, each of which is your income from an active business for the year from providing services or property to a private corporation (directly or indirectly, in any manner whatever) if
  - (A) at any time in the year, you (or one of your shareholders) or a person that does **not** deal at arm's length with you (or one of your shareholders) holds a direct or indirect interest in the private corporation, and
  - (B) it is not the case that all or substantially all of your income for the year from an active business is from providing services or property to
    - (I) persons (other than the private corporation) with which you deal at arm's length, or
    - (II) partnerships with which you deal at arm's length, other than a partnership in which a person that does **not** deal at arm's length with you holds a direct or indirect interest.
  - Do **not** include specified farming or fishing income. If the conditions described in subsection 125(10) are met, do not include income from an associated corporation.
- Note 12 The amount of business limit that a CCPC can assign to you cannot be greater than the amount in column FF that is from providing services or property directly to that CCPC. If there is an amount included in column FF that is deductible by that CCPC in respect of the amount of its income referred to in clause 125(1)(a)(i)(A) or (B) for its tax year, you need to deduct it from column FF for the purpose of determining the amount that can be assigned to you.

#### Notes (continued)

- Note 13 Active asset, of a particular corporation at any time, means property that is:
  - (A) used at that time principally in an active business carried on primarily in Canada by the particular corporation or by a Canadian-controlled private corporation that is related to the particular corporation,
  - (B) a share of the capital stock of another corporation if, at that time,
    - the other corporation is connected with the particular corporation (within the meaning assigned by subsection 186(4) on the assumption that the other corporation is at that time a payer corporation within the meaning of that subsection), and
    - the share would be a qualified small business corporation share (as defined in subsection 110.6(1)) if:
      - the references in that definition to an "individual" were references to the particular corporation, and
      - that definition were read without reference to "the individual's spouse or common-law partner", or
  - (C) an interest in a partnership, if:
    - at that time, the fair market value of the particular corporation's interest in the partnership is equal to or greater than 10% of the total fair market value of all interests in the partnership,
    - throughout the 24-month period ending before that time, more than 50% of the fair market value of the property of the partnership was attributable to property described in this paragraph or in paragraph (A) or (B), and
    - at that time, all or substantially all of the fair market value of the property of the partnership was attributable to property described in this paragraph or in paragraph (A) or (B).
- Note 14 Income or loss from property of a particular corporation, for the purposes of calculating the corporation's adjusted aggregate investment income, includes income or loss from a specified investment business, as well as all amounts in respect of a life insurance policy that are included in computing the corporation's income for the year (even if those amounts were not included in the computation of the corporation's aggregate investment income in Part 1).



Schedule 8

Canada Revenue Agence du revenu du Canada

# **Capital Cost Allowance (CCA)**

Corporation's name	Business number	Tax year-end
		Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2020-12-31

For more information, see the section called "Capital Cost Allowance" in the T2 Corporation Income Tax Guide.

Is the corporation electing under Regulation 1101(5g)?	101	Yes	No X
is the corporation electing under Negaration 110 (39):		. 00	110 71

Γ	1		2	3	4	5	6	7	8	9
	Class number *	Description	Undepreciated capital cost (UCC) at the beginning of	Cost of acquisitions during the year (new property must	Cost of acquisitions from column 3 that are accelerated	Adjustments and transfers	Amount from column 5 that is assistance received	Amount from column 5 that is repaid during the	Proceeds of dispositions	UCC (column 2 <b>plus</b> column 3 <b>plus</b> or
	See note 1		the year	be available for use)  See note 2	investment incentive properties (AIIP) or zero-emission	See note 4	or receivable during the year for a property,	year for a property, subsequent to its disposition	See note 7	minus column 5 minus column 8)
					vehicle (ZEV) See note 3		subsequent to its disposition	See note 6		See note 6
	200		201	203	225	205	221	222	207	
1.	1	Buildings	7,989,426						0	7,989,426
2.	8	Equipment	127,401	3,769	3,769				0	131,170
3.	10	Trucks	284,247	181,741	181,741				25,000	440,988
4.	45	Computer equipment	13						0	13
5.	47	Electric Distribution Equipment	9,803,573	1,404,434	1,404,434	28,511			25,000	11,211,518
6.	50	Computer equipment	11,572	44,717	44,717				0	56,289
7.	43.2	Solar Generation	219						0	219
8.	14.1		115,140						0	115,140
9.	1b		5,690						0	5,690
10.	1b	2018 Addition	94,783	25,149	25,149				0	119,932
11.	95	CIP	29,360	15,625	15,625	-28,513			0	16,472
12.	12			21,059	21,059				0	21,059
		Totals	18,461,424	1,696,494	1,696,494	-2			50,000	20,107,916

	1		10	11	12	13	14	15	16	17	18
n	Class number * See note 1	Description	Proceeds of disposition available to reduce the UCC of AllP and ZEV (column 8 plus column 6 minus column 7 plus column 7 (if negative, enter "0")	Net capital cost additions of AIIP and ZEV acquired during the year (column 4 minus column 10) (if negative, enter "0")	UCC adjustment for AIIP and ZEV acquired during the year (column 11 multiplied by the relevant factor) See note 9	UCC adjustment for property acquired during the year other than AIIP and ZEV (0.5 multiplied by the result of column 3 minus column 4 minus column 6 plus column 7 minus column 8) (if negative, enter "0")	CCA rate % See note 11	Recapture of CCA See note 12	Terminal loss See note 13	CCA (for declining balance method, the result of column 9 plus column 12 minus column 13, multiplied by column 14 or a lower amount)  See note 14	UCC at the end of the year (column 9 minus column 17)
	200					224	212	213	215	217	220
1.	1	Buildings					4	0	0	319,577	7,669,849
2.	8	Equipment		3,769	1,885		20	0	0	26,611	104,559
3	10	Trucks	25,000	156,741	78,371		30	0	0	155,808	285,180
4.	45	Computer equipment					45	0	0	6	7
5	47	Electric Distribution Equipment	25,000	1,379,434	689,717		8	0	0	952,099	10,259,419
6	50	Computer equipment		44,717	22,359		55	0	0	43,256	13,033
7	43.2	Solar Generation					50	\ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \	0	110	109
8	14.1						5	)/ o	0	8,038	107,102
9	1b					(	6	0	0	341	5,349
0	1b	2018 Addition		25,149	12,575		6	0	0	7,950	111,982
1.	95	CIP		15,625	7,813		<u>//o</u>	0	0		16,472
2.	12			21,059			100	0	0	21,059	
		Totals	50,000	1,646,494	812,720					1,534,855	18,573,061

Enter the total of column 15 on line 107 of Schedule 1. Enter the total of column 16 on line 404 of Schedule 1. Enter the total of column 17 on line 403 of Schedule 1.

- Note 1. If a class number has not been provided in Schedule II of the Income Tax Regulations for a particular class of property, use the subsection provided in Regulation 1101. Class numbers followed by a letter indicate the basic rate of the class taking into account the additional deduction allowed. Class 1a: 4% + 6% = 10% (class 1 to 10%), class 1b: 4% + 2% = 6% (class 1 to 6%).
- Note 2. 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 of property in the class that are not subject to the 50% rule. See Income Tax Folio S3-F4-C1, General Discussion of Capital Cost Allowance, for exceptions to the 50% rule.
- Note 3. An AIIP is a property (other than ZEV) that you acquired after November 20, 2018 and became available for use before 2028. ZEV is, subject to certain exceptions, a new motor vehicle included in Class 54 or 55 that you acquired after March 18, 2019 and became available for use before 2028. The Government proposes to create Class 56 for zero-emission automotive equipment and vehicles that currently do not benefit from the accelerated rate provided by Classes 54 and 55. Class 56 would apply to eligible zero-emission automotive equipment and vehicles that are acquired after March 1, 2020, and became available for use before 2028. Columns 4, 10, 11, 12 and 13 also apply for additions of class 56 property. See the T2 Corporation Income Tax Guide for more information.
- Note 4. Enter in column 5, "Adjustments and transfers", amounts that increase or reduce the undepreciated capital cost (column 9). Items that increase the undepreciated capital cost include amounts transferred under section 85, or transferred on amalgamation or winding-up of a subsidiary. Items that reduce the undepreciated capital cost (show amounts that reduce the undepreciated capital cost in brackets) include government assistance received or entitled to be received in the year, or a reduction of capital cost after the application of section 80. See the T2 Corporation Income Tax Guide for other examples of adjustments and transfers to include in column 5.

  Also include the UCC of each property acquired in a non-arm's length transaction (other than by virtue of a right referred to in paragraph 251(5)(b) of the Act) if the property was a depreciable property
  - Also include the UCC of each property acquired in a non-arm's length transaction (other than by virtue of a right referred to in paragraph 251(5)(b) of the Act) if the property was a depreciable property continuously owned by the transferor for at least 364 days before the end of your tax year.
- Note 5. Include all amounts of assistance you received (or were entitled to receive) after the disposition of a depreciable property that would have decreased the capital cost of the property by virtue of paragraph 13(7.1)(f) if received before the disposition.
- Note 6. Include all amounts you have repaid during the year with respect to any legally required repayment, made after the disposition of a corresponding property, of:
  - assistance that would have otherwise increased the capital cost of the property under paragraph 13(7.1)(d) and
  - an inducement, assistance or any other amount contemplated in paragraph 12(1)(x) received, that otherwise would have increased the capital cost of the property under paragraph 13(7.4)(b)
    Also include the UCC of each property of a prescribed class acquired in the course of a corporate reorganization described under paragraph 55(3)(b) of the Act (also known as "butterfly reorganization") or in a non-arm's length transaction (other than by virtue of a right referred to in paragraph 251(5)(b) of the Act) if the property was a depreciable property acquired by the transferor less than 364 days before the end of your tax year.
- Note 7. For each property disposed of during the year, deduct from the proceeds of disposition any outlays and expenses to the extent that they were made or incurred for the purpose of making the disposition(s). The amount reported in respect of the property cannot exceed the property's capital cost, unless that property is a timber resource property as defined in subsection 13(21). The proceeds of disposition of a ZEV that has been included in Class 54 and that is subject to the \$55,000 (plus sales taxes) capital cost limit will be adjusted based on a factor equal to the capital cost limit of \$55,000 (plus sales taxes) as a proportion of the actual cost of the vehicle.
- Note 8. If the amount in column 5 reduces the undepreciated capital cost (i.e. it is shown in brackets), you must subtract it for the purposes of the calculation. Otherwise, add the amount in column 5 for the purposes of the calculation.
- Note 9. The relevant factors for property of a class in Schedule II, that is AllP or included in Classes 54 to 56, available for use before 2024 are:
  - 2 1/3 for property in Classes 43.1, 54 and 56
  - 1 1/2 for property in Class 55
  - \_ 1 for property in Classes 43.2 and 53
  - 0 for property in Classes 12, 13, 14, and 15, as well as properties that are Canadian vessels included in paragraph 1100(1)(v) of the Regulations (see note 14 for additional information) and
  - 0.5 for all other property that is AIIP
- Note 10. The UCC adjustment for property acquired during the year other than AllP and ZEV (formerly known as the half-year rule or 50% rule) does not apply to certain property (including AllP). For special rules and exceptions, see Income Tax Folio S3-F4-C1, General Discussion of Capital Cost Allowance.
- Note 11. Enter a rate only if you are using the declining balance method. For any other method (for example the straight-line method, where calculations are always based on the cost of acquisitions), enter N/A. Then enter the amount you are claiming in column 17.
- Note 12. If the amount in column 9 is negative, you have a recapture of CCA. If applicable, enter the negative amount from column 9 in column 15 as a positive. The recapture rules do not apply to passenger vehicles in Class 10.1.
- Note 13. If no property is left in the class at the end of the tax year and there is still a positive amount in the column 9, you have a terminal loss. If applicable, enter the positive amount from column 9 in column 16. The terminal loss rules do not apply to:
  - passenger vehicles in Class 10.1
  - property in Class 14.1, unless you have ceased carrying on the business to which it relates or
  - limited-period franchises, concessions, or licences in Class 14 if, at the time of acquisition, the property was a former property of the transferor or any similar property attributable to the same fixed place of business, and you had jointly elected with the transferor to have the replacement property rules apply
- Note 14. If the tax year is shorter than 365 days, prorate the CCA claim. Some classes of property do not have to be prorated. See the T2 Corporation Income Tax Guide for more information. For property in class 10.1 disposed of during the year, deduct a maximum of 50% of the regular CCA deduction if you owned the property at the beginning of the tax year. For AllP listed below, the maximum first year allowance you can claim is determined as follows:
  - Class 13: the lesser of 150% of the amount calculated in Schedule 1 of the Regulations and the UCC at the end of the tax year (before any CCA deduction)
  - Class 14: the lesser of 150% of the allocation for the year of the capital cost of the property apportioned over the remaining life of the property (at the time the cost was incurred) and the UCC at the end of the tax year (before any CCA deduction)
  - Class 15: the lesser of 150% of an amount computed on the basis of a rate per cord, board foot or cubic metre cut in the tax year and the UCC at the end of the tax year (before any CCA deduction)
  - Canadian vessels described under paragraph 1100(1)(v) of the Regulations: the lesser of 50% of the capital cost of the property and the UCC at the end of the tax year (before any CCA deduction)
  - Class 41.2: use a 25% CCA rate. The additional allowance under paragraph 1100(1)(y.2)(for single mine properties) and 1100(1)(ya.2)(for multiple mine properties) of the Regulations is not eligible for the accelerated investment incentive. The additional allowance in respect of natural gas liquefaction under paragraph 1100(1)(yb) of the Regulations is eligible for the accelerated investment incentive.

The AllP also apply to property (other than a timber resource property) that is a timber limit or a right to cut timber from a limit as well as to industrial mineral mine or a right to remove minerals from an industrial mineral mine. See the Income Tax Regulations for more detail.

T2 SCH 8 (20)

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Agence du revenu du Canada

**SCHEDULE 9** 

## **RELATED AND ASSOCIATED CORPORATIONS**

Name of corporation	Business Number	Tax year end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2020-12-31

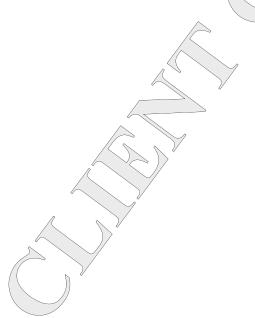
- Complete this schedule if the corporation is related to or associated with at least one other corporation.
- For more information, see the T2 Corporation Income Tax Guide.

	Name	Country of resi- dence (other than Canada)	Business number (see note 1)	Relation-ship code (see note 2)	Number of common shares you own	% of common shares you own	Number of preferred shares you own	% of preferred shares you own	Book value of capital stock
	100	200	300	400	500	550	600	650	700
1.	Corporation of the Town of Orange		10698 6151 RC0001	1					
2.	Corporation of the Township of Eas		NR	1		1			
3.	Orangeville Hydro Services Inc.		89454 8015 RC0001	3		<i></i>	<u> </u>		
4.	Orangville Railway Development Co		86433 3166 RC0001	3					

Note 1: Enter "NR" if the corporation is not registered or does not have a business number.

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

T2 SCH 9 (11) Canadä



# Continuity of financial statement reserves (not deductible)

		—— Financial stat	tement reserves (	not deductible) —		
	Description	Balance at the beginning of the year	Transfer on an amalgamation or the wind-up of a subsidiary	Add	Deduct	Balance at the end of the year
1	Allowance for doubtful accts	42,000		46,000	42,000	46,000
2	Employee Future Benefits	337,688		346,292	337,688	346,292
3						
	Reserves from Part 2 of Schedule 13			A		
	Totals	379,688		392 <b>,</b> 2 <del>92</del>	379,688	392,292

The total opening balance plus the total transfers should be entered on line 414 of Schedule 1 as a deduction. The total closing balance should be entered on line 126 of Schedule 1 as an addition.

# Agreement Among Associated Canadian-Controlled Private Corporations to Allocate the Business Limit

- For use by a Canadian-controlled private corporation (CCPC) to identify all associated corporations and to assign a percentage for each associated corporation. This percentage will be used to allocate the business limit for the small business deduction. Information from this schedule will also be used to determine the date the balance of tax is due and to calculate the reduction to the business limit.
- An associated CCPC that has more than one tax year ending in a calendar year must file an agreement for each tax year ending in that calendar year.
- Column 1: Enter the legal name of each of the corporations in the associated group, including those deemed to be associated under subsection 256(2) of the Income Tax Act.
- Column 2: Provide the business number for each corporation (if a corporation is not registered, enter "NR").
- Column 3: Enter the association code from the list below that applies to each corporation:
  - 1 Associated for purposes of allocating the business limit (unless association code 5 applies)
  - 2 CCPC that is a **third corporation** as referred to in subsection 256(2) and has filed Schedule 28, Election not to be Associated Through a Third Corporation
  - 3 Non-CCPC that is a third corporation
  - 4 Associated non-CCPC
  - 5 Associated CCPC to which association code 1 does not apply because a third corporation has filed Schedule 28
- **Column 4:** Enter the business limit for the year of each corporation in the associated group. Enter "0" if the corporation has association code 2, 3 or 4 in column 3 (except if the corporation is a cooperative or a credit union eligible for the SBD and it has association code 4).
- Column 5: Assign a percentage to allocate the business limit to each corporation that has association code in column 3. The total of all percentages in column 5 cannot exceed 100%.
- **Column 6:** Enter the business limit allocated to each corporation by multiplying the amount in column 4 by the percentage in column 5. Add all business limits allocated in column 6 and enter the total at line A.

Ensure that the total at line A does not exceed \$500,000.

A III	posting the business limit	//				
- All	ocating the business limit ——————					Year Month Day
Date t	iled (do not use this area)		/.		. 025	
Enter	the calendar year the agreement applies to				. 050	Year 2020
	an amended agreement for the above calendar year that in reement previously filed by any of the associated corporation				. 075	Yes X No
	1	2	3	4	5	6
	Name of associated corporations  100	Business number of associated corporations	Association code	Business limit for the year before the allocation \$	Percentage of the business limit %	Business limit allocated* \$
1	Orangeville Hydro Limited	86463 9562 RC0002	1	500,000	100.0000	500,000
2	Corporation of the Town of Orangeville	10698 6151 RC0001	1	500,000		
3	Corporation of the Township of East Luther Gra	NR	1	500,000		
4	Orangeville Hydro Services Inc.	89454 8015 RC0001	1	500,000		
5	Orangville Railway Development Corporation	86433 3166 RC0001	1	500,000		
·				Total	100,0000	500,000

### Business limit reduction under subsection 125(5.1) of the Act

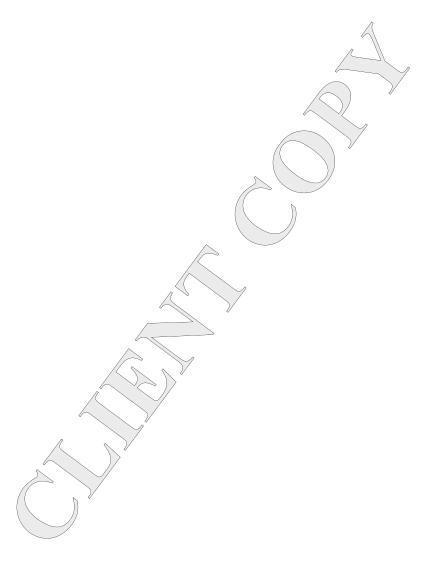
The business limit reduction is calculated in the small business deduction area of the T2 return. One of the factors used in this calculation is the "large corporation amount" at line 415 of the T2 return. The amount at line 415 is determined using the formula 0.225% x (C - \$10,000,000). Another factor is the "adjusted aggregate investment income" from lines 744 and 745 of Schedule 7, Aggregate Investment Income and Income Eligible for the Small Business Deduction. Details of these formulas and variable C are in subsection 125(5.1) of the Act.

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

#### Special rules for business limit

Special rules apply under subsection 125(5) if a CCPC has more than one tax year ending in the same calendar year and it is associated in more than one of those tax years with another CCPC that has a tax year ending in that calendar year. The business limit for the second or later tax year will be equal to the lesser of: the business limit determined for the first tax year ending in the calendar year or the business limit determined for the second or later tax year ending in the same calendar year.

T2 SCH 23 E (19) Canadä



### **Investment Tax Credit - Corporations**

### - General information

- Use this schedule:
  - to calculate an investment tax credit (ITC) earned during the tax year
  - to claim a deduction against Part I tax payable
  - to claim a refund of credit earned during the current tax year
  - to claim a carryforward of credit from previous tax years
  - to transfer a credit following an amalgamation or the wind-up of a subsidiary, as described under subsections 87(1) and 88(1)
  - to request a credit carryback to one or more previous years
  - if you are subject to a recapture of ITC
  - if you are claiming:
    - the Ontario Research and Development Tax Credit
    - the Ontario Innovation Tax Credit
- Unless otherwise stated, all legislative references are to the Income Tax Act and the Income Tax Regulations.
- The ITC is eligible for a three-year carryback (if not deductible in the year earned). It is also eligible for a twenty-year carryforward.
- Investments or expenditures, described in subsection 127(9) and Regulation Part XLVI, that currently earn an ITC are.
  - qualified property and qualified resource property (Parts 4 to 7 of this schedule)
  - qualified scientific research and experimental development (SR&ED) expenditures (Parts 8 to 17). File Form T661, Scientific Research and Experimental Development (SR&ED) Expenditures Claim
  - pre-production mining expenditures (Part 18)
    - You can no longer claim the ITC for the pre-production mining expenditures. Only unused credits that have not expired can be carried forward
      for up to 20 tax years following the tax year in which you made the investment.
  - apprenticeship job creation expenditures (Parts 19 to 21)
  - child care spaces expenditures (Parts 22 to 26)
    - Expenditures related to child care spaces incurred after March 21, 2017 no longer qualify for the 1TC. However, if you entered into a written agreement before March 22, 2017, eligible expenditures incurred before 2020 remain eligible for the credit.
- File this schedule with the T2 Corporation Income Tax Return. If you need more space, attach additional schedules.
- For more information on ITCs, see "Investment Tax Credit" in Guide T4012, T2 Corporation Income Tax Guide and read Information Circular IC78-4, Investment Tax Credit Rates, and its related Special Release.
- For more information on SR&ED, see guide T4088, Scientific Research and Experimental Development (SR&ED) Expenditures Claim Guide to Form T661.

#### **Detailed information**

- For the purpose of this schedule, **investment** means the capital cost of the property (excluding amounts added by an election under section 21), determined without reference to subsections 13(7.1) and 13(7.4), minus the amount of any government or non-government assistance that the corporation has received, is entitled to receive, or can reasonably be expected to receive for that property at the time it files the income tax return for the year in which the property was acquired.
- An ITC deducted in a tax year for a depreciable property, other than a depreciable property deductible under paragraph 37(1)(b), reduces both the capital cost of that property and the undepreciated capital cost of that class in the next tax year. An ITC for SR&ED deducted or refunded in a tax year will reduce the balance in the pool of deductible SR&ED expenditures and the adjusted cost base (ACB) of an interest in a partnership in the next tax year. An ITC from pre-production mining expenditures deducted in a tax year reduces the balance in the pool of deductible cumulative Canadian exploration expenses in the next tax year.
- Property acquired has to be available for use before a claim for an ITC can be made. See subsections 127(11.2) and 248(19) for more information.
- Expenditures for SR&ED qualifying for an ITC must be identified by the claimant on Form T661 and Schedule 31 no later than 12 months after the claimant's income tax return is due for the tax year in which it incurred the expenditures.
- Expenditures for apprenticeship or child care space for an ITC must be identified by the claimant on Schedule 31 no later than 12 months after the claimant's income tax return is due for the tax year in which it incurred the expenditures or capital costs.
- Partnership allocations Subsection 127(8) provides for the allocation of the amount that may reasonably be considered to be a partner's share of the ITCs of the partnership at the end of the fiscal period of the partnership. An allocation of ITCs is generally considered to be the partner's reasonable share of the ITCs if it is made in the same proportion in which the partners have agreed to share any income or loss and if section 103 is not applicable for the agreement to share any income or loss. Special rules apply to specified members of a partnership and limited partners. For more information, see Guide T4068, Guide for the Partnership Information Return (T5013 Forms).
- For tax purposes, Canada includes the **exclusive economic zone of Canada** as defined in the Oceans Act (which generally consists of an area of the sea that is within 200 nautical miles from the Canadian coastline), including the airspace, seabed and subsoil of that zone.
- For the purpose of this schedule, the expression **Atlantic Canada** includes the Gaspé Peninsula and the provinces of Newfoundland and Labrador, Prince Edward Island, Nova Scotia, and New Brunswick, as well as their respective offshore regions (prescribed in Regulation 4609).



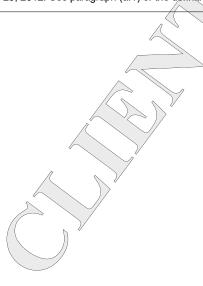
#### Detailed information (continued)

- For the purpose of this schedule, **qualified property** means property in Atlantic Canada that is used primarily for manufacturing and processing, farming or fishing, logging, storing grain, or harvesting peat. Property in Atlantic Canada that is used primarily for oil and gas, and mining activities is considered qualified property only if acquired by the taxpayer **before** March 29, 2012, unless transitional measures were granted\*. Qualified property includes new buildings and new machinery and equipment (prescribed in Regulation 4600), and new energy generation and conservation property (prescribed in Regulation 4600). Qualified property can also be used primarily to produce or process electrical energy or steam in a prescribed area (as described in Regulation 4610). See the definition of **qualified property** in subsection 127(9) for more information.
- For the purpose of this schedule, **qualified resource property** means property in Atlantic Canada that is used primarily for oil and gas, and mining activities, if acquired by the taxpayer **after** March 28, 2012, and **before** January 1, 2016. Qualified resource property includes new buildings and new machinery and equipment (prescribed in Regulation 4600). See the definition of **qualified resource property** in subsection 127(9) for more information.

- Part 1 - Investments	. expenditures.	and	percentages -

Investments	- <b>I</b>	ecified entage
Qualified property acquired primarily for use in Atlantic Canada		10 %
Qualified resource property acquired primarily for use in Atlantic Canada and acquired	:	
- after March 28, 2012, and before 2014		10 %
- after 2013 and before 2016		5 %
- after 2015*		0 %
Expenditures  If you are a Canadian-controlled private corporation (CCPC), this percentage may appl claim of the SR&ED qualified expenditure pool that does not exceed your expenditure I		35 %
Note: If your current year's qualified expenditures are more than your expenditure li the excess is eligible for an ITC calculated at the 15% rate.	imit (see Part 10),	
If you are a corporation that is not a CCPC and have incurred qualified expenditures for	or SR&ED in any area in Canada	15 %
If you paid salary and wages to apprentices in the first 24 months of their apprenticesh	nip contract for employment	10 %
If you incurred expenditures after March 18, 2007, and before March 22, 2017 (or before March 22, 2017) for the creation of licensed child care spaces for the children of your or the control of the control of the children		25 %

A transitional relief rate of 10% may apply to property acquired after 2013 and before 2017, if the property is acquired under a written agreement entered into before March 29, 2012, or the property is acquired as part of a **phase** of a project where the construction or the engineering and design work for the construction started before March 29, 2012. See paragraph (a.1) of the definition of **specified percentage** in subsection 127(9) for more information.



Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2020-12-31

Corporation o name	Buoinece number	i ak your ond
		Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2020-12-31
- Part 2 - Determination of a qualifying corneration		

For the purpose of a refundable ITC, a qualifying corporation is defined under subsection 127.1(2). The corporation has to be a CCPC and its taxable income (before any loss carrybacks) for its previous tax year cannot be more than its qualifying income limit for the particular tax year. If the corporation is associated with any other corporations during the tax year, the total of the taxable incomes of the corporation and the associated corporations (before any loss carrybacks), for their last tax year ending in the previous calendar year, cannot be more than their qualifying income limit for the particular tax year.

Note: A CCPC considered associated with another corporation under subsection 256(1) will be considered not associated for the calculation of a refundable ITC if both of the following conditions are met:

- one corporation is associated with another corporation only because one or more persons own shares of the capital stock of both corporations
- one of the corporations has at least one shareholder who is not common to both corporations

If you are a qualifying corporation, you will earn a 100% refund on your share of any ITCs earned at the 35% rate on qualified expenditures for SR&ED, up to the allocated expenditure limit.

Some CCPCs that are not qualifying corporations may also earn a 100% refund on their share of any ITCs earned at the 35% rate on qualified expenditures for SR&ED, up to the allocated expenditure limit. The expenditure limit can be determined in Part 10.

The 100% refund will not be available to a corporation that is an excluded corporation as defined under subsection 127.1(2). A corporation is an excluded corporation if, at any time during the year, it is a corporation that is either controlled by (directly or indirectly, in any manner whatever) or is related to one of the following:

- a) one or more persons exempt from Part I tax under section 149
- b) Her Majesty in right of a province, a Canadian municipality, or any other public authority
- c) any combination of persons referred to in a) or b) above

Is the corporation a qualifying corporation?

- Part 3 – Corporations in the farming industry				
Complete this area if the corporation is making SR&ED contribution	//			
Is the corporation claiming a contribution in the current year to an whose goal is to finance SR&ED work (for example, check-off du	J ,	//	<b>102</b> 1	Yes 2 No X
If <b>yes</b> , complete Schedule 125, Income Statement Information, to	o identify the type of farming industr	y the corporation is inv	olved in.	
Contributions to agricultural organizations for SR&ED* Enter on line 350 of Part 8.		x 80 %	<sub>6</sub> = 103	
* Enter only contributions not already included on Form T661.				

### **Qualified Property and Qualified Resource Property**

### - Part 4 – Eligible investments for qualified property and qualified resource property from the current tax year

Capital cost allowance class number	Description of investment	Date available for use	Location used in Atlantic Canada (province)	Amount of investment
105	110	115	120	125
	Total of investments for	qualified property and qua	lified resource property	

and qualified r	resource property					
ITC at the end of the previous tax	year					B1
Credit deemed as a remittance of	co-op corporations		<b>210</b>		_	
Credit expired			215		_	
		Subtotal (line	e 210 <b>plus</b> line 215)		<b>_</b>	C1
ITC at the beginning of the tax ye	ar (amount B1 <b>minus</b> amount C1)				220	
Credit transferred on an amalgam	nation or the wind-up of a subsidiary		230		_	
ITC from repayment of assistance	e		235		_	
Qualified property; and qualified r acquired after March 28, 2012, ar January 1, 2014* (applicable part amount A1 in Part 4)	nd before	x	10 % = <b>240</b>	I	_	
Qualified resource property acqui	red after			$\triangle$		
December 31, 2013, and before a (applicable part from amount A1 i	January 1, 2016 n Part 4) <u> </u>	x	5 % = <b>242</b>		_	
Credit allocated from a partnershi	p		250		_	
		Subtotal (total	of lines 230 to 250)		<b>-</b>	D1
Total credit available (line 220 <b>plu</b>	us amount D1)				- 	E1
Credit deducted from Part I tax					_	
Credit carried back to previous ye	ears (amount H1 in Part 6)		( \ \		_ a	
Credit transferred to offset Part V	II tax liability		280		_	
	Subtotal (total	of line 260, an	mount a, and line 280	0)	<b>_</b>	F1
Credit balance before refund (am	ount E1 <b>minus</b> amount F1)				- 	G1
Refund of credit claimed on inves	tments from qualified property and qu	alified resourc	e property (from Par	t 7)	310	
	nents from qualified property and q	ualified reso	urce property		320	
* Include investments acquired a	fter 2013 and before 2017 that are elig	gible for transit	tional relief.			
- Dart 6 Paguast for as	rryback of credit from inve	otmonto in	auglified pro-	norty and avalified	l roccuroo proj	norty.
- Fait 6 - Request for ca		sunents in	i qualified prop	Derty and quanned	rresource prop	Jeity —
1ot provious toy year	Year Month Day			. Credit to be applied	901	
1st previous tax year 2nd previous tax year		,		<ul><li>Credit to be applied</li><li>Credit to be applied</li></ul>	902	
3rd previous tax year		<i>y</i>		Credit to be applied     Credit to be applied	903	
ord provious tax year	il.			Total of lines 901		H1
				Enter at amount a in	Part 5.	
	for qualifying corporations	on invest	ments from qu	alified property —		
Current-year ITCs (total of lines 2	240, 242, and 250 in Part 5)					I1
Credit balance before refund (from						
,	I1 or J1, whichever is less)					° 1
`	,					K1
Enter amount K1 or a lesser amo	unt on line 310 in Part 5 (also enter on	iline 780 of th	e 12 return if you do	not claim an SR&ED ITC	; retund).	

### SR&ED

┌ Part 8 – Qualified SR&ED expenditures ────────────────────────────────────	
Current expenditures (from line 559 on Form T661)	
Contributions to agricultural organizations for SR&ED	
Government assistance, non-government assistance, or contract payment	
Subtotal	
x 80 %	
Contributions to agricultural organizations for SR&ED for the federal ITC (this amount is updated to line 103 of Part 3. For more details, consult the Help.)*	
Qualified SR&ED expenditures (line 559 on Form T661 plus line 103 in Part 3)* > 350	_
Repayments made in the year (from line 560 on Form T661)	_
Total qualified SR&ED expenditures (line 350 plus line 370)	_
* If you are claiming only contributions made to agricultural organizations for SR&ED, line 350 should equal line 103 in Part 3. Do not file Form T661.	
Part 9 – Components of the SR&ED expenditure limit calculation	
Part 9 only applies if you are a CCPC.	
Note: A CCPC considered associated with another corporation under subsection 256(1) will be considered not associated for the calculation of an SR&ED expenditure limit if both of the following apply:	
• one corporation is associated with another corporation solely because one or more persons own shares of the capital stock of the corporation	
one of the corporations has at least one shareholder who is not common to both corporations	
Is the corporation associated with another CCPC for the purpose of calculating the SR&ED expenditure limit?	X
If you answered <b>no</b> to the question on line 385 or if you are not associated with any other corporations, complete lines 390 and 398.  If you answered <b>yes</b> , complete Schedule 49, Agreement Among Associated Canadian-Controlled Private Corporations to Allocate the Expenditure Limit, to determine the amounts for associated corporations.	
Enter your taxable income for the previous tax year* (prior to any loss carrybacks applied)	397
Enter your taxable capital employed in Canada for the previous tax year minus \$10 million. If this amount is nil or negative, enter "0".  If this amount is over \$40 million, enter \$40 million	<u>174</u>
* If the tax year referred to on line 390 is less than 51 weeks, <b>multiply</b> the taxable income by the following result: 365 <b>divided</b> by the number of days in that tax year.	_
┌ Part 10 – SR&ED expenditure limit for a CCPC	
For a stand-alone (not associated) corporation \$ 8,000,00	0
Taxable income for the previous tax year (line 390 in Part/9) or \$500,000, whichever is more 500,000 × 10 = 5,000,000	
Excess (\$8,000,000 minus amount A2; if negative, enter "0")	
\$ 40,000,000 <b>minus</b> line 398 in Part 9 /	_
Amount b <b>divided</b> by \$ 40,000,000	34 C2
For tax years ending before March 19, 2019 Amount B2 multiplied by amount C2	D2
Amount B2 multiplied by amount G2	= "
For tax years ending after March 18, 2019  3,000,000 multiplied by amount C2	<u>20</u> E2
Expenditure limit for the stand-alone corporation (amount D2 or amount E2, whichever applies)*  1,910,52	
For an associated corporation:	_
If associated, the allocation of the SR&ED expenditure limit, as provided on Schedule 49*	G2
If your tax year is less than 51 weeks, calculate the amount of the expenditure limit as follows:  Amount F2 or G2  X  Number of days in the tax year  366 =	H2
365	= ''
Your SR&ED expenditure limit for the year (enter amount F2, G2, or H2, whichever applies)	<u>20</u>
* Amount F2 or G2 cannot be more than \$3,000,000.	

- Part 11 - investment tax credits on Skazb expen	altures —				
Qualified SR&ED expenditures (from line 350 in Part 8) or the expenditure limit (from line 410 in Part 10), whichever is less* .	420		x 35 %	=	12
Line 350 <b>minus</b> line 410 (if negative, enter "0")	430		x 15 %	=	J2
If a corporation makes a repayment of any government or non-governm amount of qualified expenditures for ITC purposes, the amount of the re			educed the		
Repayments (amount from line 370 in Part 8)					
Enter the amount of the repayment on the line that corresponds to the a	appropriate rate.				
Repayment of assistance that reduced a qualifying expenditure for a CCPC**	x	35 % =	c		
Repayment of assistance made after September 16, 2016 that reduced a qualifying expenditure incurred before 2015	x	20 % =	d		
Repayment of assistance made after September 16, 2016 that reduced a qualifying expenditure incurred after 2014	x	15 % =	e		
	Subtotal (total of a	mounts c to e)	<u> </u>		K2
Current-year SR&ED ITC (total of amounts I2 to K2; enter on line 540	in Part 12)				L2
* For corporations that are not CCPCs, enter "0" for amount I2.			) //		
** If you were a Canadian-controlled private corporation (CCPC), this expenditure pool that did not exceed your expenditure limit at the tim to investment tax credit. See subsection 127(10.1) for details abora appropriate.	ne. This percentage in	cludes the rate under	subsection 127(10.1)	, Additions	
− Part 12 – Current-year credit and account balance	s – ITC from SF	&ED expenditu	ıres —		
ITC at the end of the previous tax year	/(	n			M2
,		510		•	IVIZ
Credit deemed as a remittance of co-op corporations		510			
Credit expired					
	Subtotal (line 510 p	lus line 515)			N2
ITC at the beginning of the tax year (amount M2 <b>minus</b> amount N2)	· · · · · · · · · · · · · · · · · · ·		52	<u> </u>	
Credit transferred on an amalgamation or the wind-up of a subsidiary		530			
Total current-year credit (from amount L2 in Part 11)		540			
Credit allocated from a partnership	\	550			
	Subtotal (total of lines	530 to 550)	<b>&gt;</b>		02
Total credit available (line 520 <b>plus</b> amount O2)					P2
Credit deducted from Part I tax		560			
Credit carried back to previous years (amount \$2 in Part 13)		· · · · · · · · · · ·	f		
Credit transferred to offset Part VII tax liability		580			
Subtotal (total of	of line 560, amount f, a	and line 580)	<b>&gt;</b>		Q2
Credit balance before refund (amount P2 minus amount Q2)			<del></del>		R2
Refund of credit claimed on SR&ED expenditures (from Part 14 or 15,	whichever applies)		61		

ITC closing balance on SR&ED (amount R2 minus line 610)

620

	Year Month Day		
1st previous tax year		Credit to be applied 911	
2nd previous tax year		Credit to be applied 912	
3rd previous tax year		Total of lines 911 to 913  Enter at amount f in Part 12.	S2
− Part 14 – Refund of I	TC for qualifying corpora	ations – SR&ED	
Complete this part only if you	are a qualifying corporation as dete	rmined on line 101 in Part 2.	
Is the corporation an excluded	I corporation as defined under subs	ection 127.1(2)? 650 1 Yes	2 No <b>X</b>
Current-year ITC (lines 540 pl	<b>lus</b> 550 in Part 12 <b>minus</b> amount k	(2 in Part 11)	
Refundable credits (amount g	or amount R2 in Part 12, whicheve	er is less)*	T2
Amount T2 or amount I2 in Pa	art 11, whichever is less	······	U2
Net amount (amount T2 minu	s amount U2; if negative, enter "0")	)	V2
Amount V2 multiplied by	40 %	<u> </u>	W2
Amount U2			X2
Refund of ITC (amount W2 p	<b>olus</b> amount X2 – enter this, or a les	sser amount, on line 610 in Part 12)	Y2
Enter the total of line 310 in Pa	art 5 and line 610 in Part 12 on line	780 of the T2 return.	
* If you are also an excluded of your refund of ITC for amou		on 127.1(2), this amount must be multiplied by 40%. Claim this, or a lesser amount, as	
– Part 15 – Refund of I	TC for CCPCs that are no	ot qualifying or excluded corporations – SR&ED	
Complete this part only if you	are a CCPC that is not a qualifying	or excluded corporation as determined on line 101 in Part 2.	
Credit balance before refund (	(amount R2 in Part 12)		Z2
Refund of ITC (amount Z2 or	amount I2 in Part 11, whichever is	less)	AA2
Enter amount AA2 or a lesse	r amount on line 610 in Part 12 and	t also on line 780 of the T2 return	

### Recapture - SR&ED

### Part 16 − Recapture of ITC for corporations and partnerships − SR&ED

You will have a recapture of ITC in a year when all of the following conditions are met:

- you acquired a particular property in the current year or in any of the 20 previous tax years, and the credit was earned in a tax year ending after 1997 and did not expire before 2008
- you claimed the cost of the property as a qualified expenditure for SR&ED on Form T661
- the cost of the property was included in calculating your ITC or was the subject of an agreement made under subsection 127(13) to transfer qualified expenditures
- you disposed of the property or converted it to commercial use after February 23, 1998. This condition is also met if you disposed of or converted to commercial use a property that incorporates the particular property previously referred to

#### Note:

The recapture **does not apply** if you disposed of the property to a non-arm's-length purchaser who intended to use it all or substantially all for SR&ED. When the non-arm's-length purchaser later sells or converts the property to commercial use, the recapture rules will apply to the purchaser based on the historical ITC rate of the original user.

You will report a recapture on the T2 return for the year in which you disposed of the property or converted it to commercial use. In the following tax year, add the amount of the ITC recapture to the SR&ED expenditure pool.

If you have more than one disposition for calculations 1 and 2, complete the columns for each disposition for which a recapture applies, using the calculation formats below.

#### - Calculation 1 - If you meet all of the above conditions Amount of ITC you originally calculated Amount calculated using ITC rate Amount from column 700 or 710, for the property you acquired, or the at the date of acquisition whichever is less original user's ITC where you acquired the (or the original user's date of acquisition) property from a non-arm's length party, as on either the proceeds of disposition described in the note above (if sold in an arm's length transaction) or the fair market value of the property (in any other case) 700 710 Subtotal **A3** Enter at amount C3 in Part 17.

	T				
A Rate that the transferee used in determining its ITC for qualified	B Proceeds of disposition of the property if you dispose of it to an	Amount, if any, already provided for in Calculation 1	<b>D</b> Amount determined by the formula	E ITC earned by the transferee for the qualified expenditures	F Amount from column D or E, whichever is less
expenditures under a subsection 127(13) agreement	arm's length person; or, in any other case, enter the fair market value of the property at conversion or disposition	(This allows for the situation where only part of the cost of a property is transferred under a subsection 127(13) agreement.)	(A x B) – C	that were transferred	
720	730	740		750	

### Part 16 - Recapture of ITC for corporations and partnerships - SR&ED (continued) -

ITC closing balance from pre-production mining expenditures (amount C4 minus line 885)

_	Cal	Cu	lati	n	3	
_	Cal		au	OH		١

As a member of the partnership, you will report your share of the SR&ED ITC of the partnership after the SR&ED ITC has been reduced by the amount of the recapture. If this amount is a positive amount, you will report it on line 550 in Part 12. However, if the partnership does not have enough ITC otherwise available to offset the recapture, then the amount by which reductions to ITC exceed additions (the excess) will be determined and reported on line 760.

Corporate partner's share of the excess of SR&ED ITC Enter at amount E3 in Part 17.

Part 17 – Total recapture of SR&ED investment tax credit	
Recaptured ITC from calculation 1, amount A3 in Part 16	C3
Recaptured ITC from calculation 2, amount B3 in Part 16	D3
Recaptured ITC from calculation 3, line 760 in Part 16	E3
Total recapture of SR&ED investment tax credit (total of amounts C3 to E3)  Enter at amount A8 in Part 27.	F3
Pre-Production Mining  - Part 18 – Account balances – ITC from pre-production mining expenditures	
	A4
Credit deemed as a remittance of co-op corporations	
Credit expired	
Subtotal (line 841 <b>plus</b> line 845)	<b>—</b> B4
ITC at the beginning of the tax year (amount A4 <b>minus</b> amount B4)	350
Credit transferred on an amalgamation or the wind-up of a subsidiary	360
Total credit available (line 850 <b>plus</b> line 860)	C4
Amount of unused credit carried forward from previous years and applied to reduce Part I tax payable in the current year 8	885

890

### **Apprenticeship Job Creation**

Par	t 19 – Total current-year	credit - ITC from apprenticeshi	p job creation ex	penditures ——			
f you vho v	are a related person as defined ur vill be claiming the apprenticeship	nder subsection 251(2), has it been agreed in job creation tax credit for this tax year for eac me) appears below? (If not, you cannot claim	n writing that you are the ish apprentice whose con	only employer tract number	511 <sub>1 Yes</sub>	2 No	
or ea	ach apprentice in their first 24 mon	ths of the apprenticeship, enter the apprenticed to certify or license individuals in the trad	ceship contract number i	egistered with Canada	, or a province	or territory,	
	A Contract number (SIN or name of apprentice)	B Name of eligible trade	C Eligible salary ar wages*	D Column C x		E Lesser of column D or \$ 2,000	
	601	602	603	604		605	
1.	SYS089443	Power Technician	82,	761 / 8	3,276	2,000	
			Total current-y	ear credit (total of colur Enter on line 640 in Pa		2,000	A5
		urred, and net of any other government or nor tures are defined under subsection 127(9).	n-government assistance			salary	
Par	t 20 – Current-year credi	t and account balances – ITC fr	om apprenticeshi	p job creation ex	cpenditure	es ———	
	t the end of the previous tax year				•		B5
	deemed as a remittance of co-op			,			50
	•	'	, ( <del>_</del> =	)/			
redi	expired after 20 tax years		// ~ <del>_</del>	/	_		
		Subtotal (IIr	ne 612 <b>plus</b> line 615) =		<u> </u>		C5
TC a	t the beginning of the tax year (am	ount B5 <b>minus</b> amount C5)			625		
Credit	transferred on an amalgamation of	or the wind-up of a subsidiary	§ 630 _				
TC fr	om repayment of assistance .		635				
Total	current-year credit (amount A5 in F	Part 19)	640	2,000			
Credit	allocated from a partnership		655				
		Subtotal (total	al of lines 630 to 655)	2,000	<b>&gt;</b>	2,000	D5
[otal	credit available (line 625 <b>plus</b> amo	unt D5)	´ <del>=</del>			2,000	
	•	unt D3)	660				LJ
	deducted from Part I tax						
Credit	carried back to previous years (ar				h		
		Subtotal (line	e 660 <b>plus</b> amount h) =		<u> </u>		F5
TC c	losing balance from apprentice	ship job creation expenditures (amount E	5 <b>minus</b> amount F5)		690	2,000	
Par	t 21 – Request for carryk	pack of credit from apprenticesh	ip job creation ex	cpenditures ——			
	Ye	ear Month Day					
	evious tax year			Credit to be applied	931		
	revious tax year			Credit to be applied	932		
sra pr	revious tax year			Credit to be applied Total of lines 931 t Enter at amount h in Pa	o 933		G5

### **Child Care Spaces**

### Part 22 − Eligible child care spaces expenditures -

Enter the eligible expenditures that you incurred after March 18, 2007, and before March 22, 2017,\* to create licensed child care spaces for the children of the employees and, potentially, for other children. You cannot be carrying on a child care services business. The eligible expenditures include:

- the cost of depreciable property (other than specified property)
- the specified child care start-up expenditures

Properties should be acquired and expenditures should be incurred only to create new child care spaces at a licensed child care facility.

	- Cost of depreciable prop	perty from the current tax year —					
	Capital cost allowance class number	Description of investment	Date available for use	Amount of investment			
	665	675	685	695			
1.							
Total cost of depreciable property from the current tax year (total of column 695)  Specified child care start-up expenditures from the current tax year							
Total	gross eligible expenditures fo	or child care spaces (line 715 <b>plus</b> line 705)		A6			
Total of all assistance (including grants, subsidies, rebates, and forgivable loans) or reimbursements that the corporation has received or is entitled to receive in respect of the amounts referred to in amount A6							
Excess (amount A6 minus line 725) (if negative, enter "0")							
Repayments by the corporation of government and non-government assistance							
Total	eligible expenditures for o	child care spaces (amount B6 plus line 735)	745				
* If you entered into a written agreement before March 22, 2017, eligible expenditures incurred before 2020 will remain eligible for the credit.							

Part 23 - Current-year credit - ITC	from child care space	es expenditures
-------------------------------------	-----------------------	-----------------

The credit is equal to 25% of eligible child care spaces expenditures incurred	to a maximum of \$10,000 per child care space created in a licensed child
care facility.	
· · · · · · · · · · · · · · · · · · ·	

Eligible expenditures (from line 745 in Part 22)		^	25 % =	
Number of child care spaces	755	x \$	10,000 =	D6

ITC from child care spaces expenditures (amount C6 or D6, whichever is less)



ITC at the end of the previous	s tax year			F6
Credit deemed as a remittand	ce of co-op corporations			
Credit expired after 20 tax ye	ars			
	Sul	btotal (line 765 <b>plus</b> line 770)	<b>&gt;</b>	G6
ITC at the beginning of the ta	x year (amount F6 <b>minus</b> amount G6)		775	
Credit transferred on an ama	lgamation or the wind-up of a subsidiary			
Total current-year credit (am	ount E6 in Part 23)	780		
Credit allocated from a partne				
·	Subt	total (total of lines 777 to 782)	<u> </u>	Н6
Total credit available (line 77		· · · · · · · · · · · · · · · · · · ·		16
Credit deducted from Part I to	•			
		, \\	. :	
Credit carried back to previou	, , , , , , , , , , , , , , , , , , ,			
	Sub	ototal (line 785 <b>plus</b> amount i)	<u> </u>	J6
ITC closing balance from o	child care spaces expenditures (amount 16 m	iinus amount J6)	790	
– Part 25 – Request fo	or carryback of credit from child c	are snace expenditures		
Ture 20 Request R		are space experiences		
4.4	Year Month Day 2019-12-31		applied 941	
1st previous tax year				
2nd previous tax year	2016-12-31			
3rd previous tax year	2017-12-31	Credit to be a	lines 941 to 943	K6
			ount i in Part 24.	

### Recapture - Child Care Spaces

- Part 26 – Recapture of ITC for corporations and partnerships – Child care spaces ————————————————————————————————————	
The ITC will be recovered against the taxpayer's tax otherwise payable under Part I of the Act if, at any time within 60 months of the day on which the taxpayer acquired the property, one of the following situations takes place:	
• the new child care space is no longer available	
• property that was an eligible expenditure for the child care space is	
<ul> <li>disposed of or leased to a lessee</li> </ul>	
<ul> <li>converted to another use</li> </ul>	
If the property disposed of is a child care space, the amount that can reasonably be considered to have been included in the original ITC (paragraph 127(27.12)(a))	
In the case of eligible expenditures (paragraph 127(27.12)(b)), the lesser of:	
The amount that can reasonably be considered to have been included in the original ITC 795	
25% of either the proceeds of disposition (if sold in an arm's length transaction) or the fair market value (in any other case) of the property	
Amount from line 795 or line 797, whichever is less	A7
Partnerships	
As a member of the partnership, you will report your share of the child care spaces ITC of the partnership after the child care spaces ITC has been reduced by the amount of the recapture. If this amount is a positive amount, you will report it on line 782 in Part 24. However, if the partnership does not have enough ITC otherwise available to offset the recapture, then the amount by which reductions to ITC exceed additions (the excess) will be determined and reported on line 799 below.	
Corporate partner's share of the excess of ITC 799	
Total recapture of child care spaces investment tax credit (total of line 792, amount A7, and line 799)	В7
Enter at amount B8 in Part 27.	
Summary of Investment Tax Credits - Part 27 – Total recapture of investment tax credit	
Recaptured SR&ED ITC (amount F3 in Part 17)	A8
Recaptured child care spaces ITC (amount B7 in Part 26)	B8
Total recapture of investment tax credit (amount A8 plus amount B8)  Enter on line 602 of the T2 return.	C8
- Part 28 – Total ITC deducted from Part I tax	
ITC from investments in qualified property deducted from Part I tax (line 260 in Part 5)	D8
ITC from SR&ED expenditures deducted from Part I tax (line 560 in Part 12)	E8
ITC from pre-production mining expenditures deducted from Part I tax (line 885 in Part 18)	
ITC from apprenticeship job creation expenditures deducted from Part I tax (line 660 in Part 20)	
ITC from child care space expenditures deducted from Part I tax (line 785 in Part 24)	
Total ITC deducted from Part I tax (total of amounts D8 to H8)  Enter on line 652 of the T2 return.	18

## **Summary of Investment Tax Credit Carryovers**

CCA class number 97	Apprenticeship	job creation ITC			
Current year	Addition current year (A) 2,000	Applied current year (B)	Claimed as a refund (C)	Carried back	ITC end of year (A-B-C-D) 2,000
Prior years Faxation year	·	ITC beginning of year (E)	Adjustments (F)	Applied current year (G)	ITC end of year (E-F-G)
2019-12-31		(=)			(= : =)
2018-12-31 2017-12-31					
2016-12-31					
2015-12-31					
2014-12-31					
2013-12-31					
2012-12-31					
2011-12-31					
2010-12-31 2009-12-31					
	Total		7		
B+C+D+G				Total ITC utilized	

any expired credit will be posted to line 215, 515, 615, 770 or 845, as applicable, in Schedule 31 the following year.

Schedule 33

### Taxable Capital Employed in Canada – Large Corporations

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2020-12-31

- Use this schedule in determining if the total taxable capital employed in Canada of the corporation (other than a financial institution or an insurance corporation) and its related corporations is greater than \$10,000,000.
- If the total taxable capital employed in Canada of the corporation and its related corporations is greater than \$10,000,000, file a completed Schedule 33 with your T2 Corporation Income Tax Return no later than six months from the end of the tax year.
- Unless otherwise noted, all legislative references are to the Income Tax Act and the Income Tax Regulations.
- Subsection 181(1) defines the terms financial institution, long-term debt, and reserves.
- Subsection 181(3) provides the basis to determine the carrying value of a corporation's assets or any other amount under Part I.3 for its capital, investment allowance, taxable capital, or taxable capital employed in Canada, or for a partnership in which it has an interest.
- If the corporation was a non-resident of Canada throughout the year and carried on a business through a permanent establishment in Canada, go to Part 4,
   Taxable capital employed in Canada.

Part 1 – Capital
Add the following year-end amounts:
Reserves that have not been deducted in calculating income for the year under Part I 392,292
Capital stock (or members' contributions if incorporated without share capital) 8,290,714
Retained earnings
Contributed surplus
Any other surpluses
Deferred unrealized foreign exchange gains
All loans and advances to the corporation
All indebtedness of the corporation represented by bonds, debentures, notes, mortgages, hypothecary claims, bankers' acceptances, or similar obligations
Any dividends declared but not paid by the corporation before the end of the year
All other indebtedness of the corporation (other than any indebtedness for a lease) that has been outstanding for more than 365 days before the end of the year
The total of all amounts, each of which is the amount, if any, in respect of a partnership in which the corporation held a membership interest at the end of the year, either directly or indirectly through another partnership (see note below)
Subtotal ( <b>add</b> lines 101 to 112)25,729,410 ▶25,729,410 A

#### Note:

Line 112 is determined by the formula (A – B) x C/D (as per paragraph 1812(3)(g)) where:

- A is the total of all amounts that would be determined for lines 101, 107, 108, 109, and 111 in respect of the partnership for its last fiscal period that ends at or before the end of the year if
  - a) those lines applied to partnerships in the same manner that they apply to corporations, and
  - b) those amounts were computed without reference to amounts owing by the partnership
    - (i) to any corporation that held a membership interest in the partnership either directly or indirectly through another partnership, or
    - (ii) to any partnership in which a corporation described in subparagraph (i) held a membership interest either directly or indirectly through another partnership.
- B is the partnership's deferred unrealized foreign exchange losses at the end of the period,
- C is the share of the partnership's income or loss for the period to which the corporation is entitled either directly or indirectly through another partnership, and
- D is the partnership's income or loss for the period.

	86463 9562 RC0002
Part 1 – Capital (continued)	
Subtotal A (from page 1) _	25,729,410 A
<b>Deduct</b> the following amounts:	
Deferred tax debit balance at the end of the year	
Any deficit deducted in calculating its shareholders' equity (including, for this purpose, the amount of any provision for the redemption of preferred shares) at the end of the year	
To the extent that the amount may reasonably be regarded as being included in any of lines 101 to 112 above for the year, any amount deducted under subsection 135(1) in calculating income under Part I for the year.	
Deferred unrealized foreign exchange losses at the end of the year	
Subtotal ( <b>add</b> lines 121 to 124)	B
Capital for the year (amount A minus amount B) (if negative, enter "0")	25,729,410
Part 2 – Investment allowance	
Add the carrying value at the end of the year of the following assets of the corporation:	
A share of another corporation	
A loan or advance to another corporation (other than a financial institution)	
A bond, debenture, note, mortgage, hypothecary claim, or similar obligation of another corporation (other than a financial institution)	137,598
Long-term debt of a financial institution	
A dividend payable on a share of the capital stock of another corporation	
A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim or similar obligation of, a partnership each member of which was, throughout the year, another corporation (other than a financial institution) that was not exempt from tax under this Part (otherwise than because of paragraph 181.1(3)(d)), or another partnership described in paragraph 181.2(4)(d.1)	
An interest in a partnership (see note 2 below)	
Investment allowance for the year (add lines 401 to 407)	137,598
Notes:	
<ol> <li>Lines 401 to 405 should not include the carrying value of a share of the capital stock of, a dividend payable by, or indebtedness of a corpor exempt from tax under Part I.3 (other than a non-resident corporation that at no time in the year carried on business in Canada through a prestablishment).</li> </ol>	ation that is ermanent
2. Where the corporation has an interest in a partnership held either directly or indirectly through another partnership, refer to subsection 181 additional rules regarding the carrying value of an interest in a partnership.	.2(5) for
3. Where a trust is used as a conduit for loaning money from a corporation to another related corporation (other than a financial institution), the considered to have been made directly from the lending corporation to the borrowing corporation. Refer to subsection 181.2(6) for special reapply.	e loan will be ules that may
Part 3 – Taxable capital	
Capital for the year (line 190)	25,729,410 c
Deduct: Investment allowance for the year (line 490)	137,598 D
Taxable capital for the year (amount C minus amount D) (if negative, enter "0")	25,591,812

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- Part 4 – Taxable (	capital employed in to be complet	Canada ed by a corporation that was i	resident in Canada at	any time in the year	
Taxable capital for the year (line 500)	25,591,812 x	kable income earned in Canada 610 Taxable income	1,000 =	Taxable capital employed in Canada 690	25,591,812
Where a cor to have a tax	poration's taxable income for able income for	ing the amount of taxable income a tax year is "0," it shall, for the \$1,000. ulation 8601 should be considere	e earned in Canada. purposes of the above o		
		I by a corporation that was a r ried on a business through a p			
held in the year, in the co <b>Deduct</b> the following amo	urse of carrying on any busir ounts:	e at the end of the year of an ass ness during the year through a pe er than indebtedness described	ermanent establishment		
paragraphs 181.2(3)(c) to		regarded as relating to a busines		4	
described in subsection 1	181.2(4) of the corporation thr rying on any business during	e at the end of year of an asset at it used in the year, or held in tl the year through a permanent	he 		
corporation that is a ship personal or movable prop	or aircraft the corporation op	e at the end of year of an asset of erated in international traffic, or poration in carrying on any busine Canada (see note below)			
		Total deductions (add line	es 711, 712, and 713)	<b>)</b> .	E
		us amount E) (if negative, enter	//	,	
Note: Complete line 71 year on the incor	3 only if the country in which ne from the operation of a sh	ithe corporation is resident did n iip or aircraft in international traffi	ot impose a capital tax f ic, of any corporation re	or the year on similar assets, or sident in Canada during the yea	a tax for the r.
- - Part 5 – Calculati	on for purposes of t	he small business dedi	uction		
		ot associated in the current ye		ed in the prior year.	
	in Canada (amount from line	7	\ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \		F
	in Canada (amount nom inte	,			10.000.000
				ount G) (if negative, enter "0") <sub>-</sub>	
Calculation for nurnose	es of the small husiness do	eduction (amount H x 0, 225%)	•	· · · · · · · · · · · · · · · · · · ·	···
Enter this amount at line		333337 (and 337 )			·

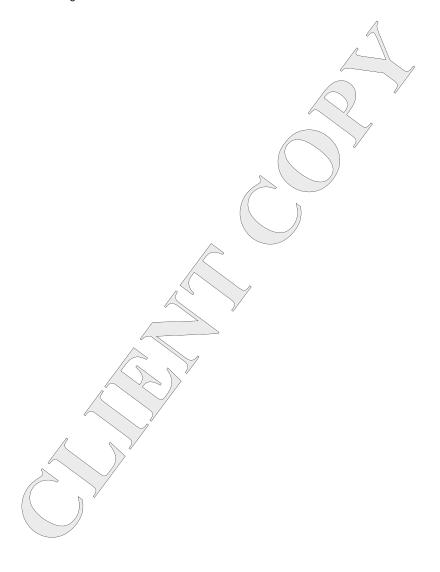
### **Attached Schedule with Total**

Part 1 – All loans and advances to the corporation

Title Part 1 – All loans and advances to the corporation

	Operator	
Description	(Note)	Amount
Current portion of long-term debt		610,889 00
Long-term debt		12,807,891 00
	Total	13,418,780 00

**Note**: The calculations are performed one at a time, from the first to the last line, and not according to the priority rules of the operations. For example, the formula 1+2\*3 will not result in the same thing as the formula 1+3\*2.



Schedule 50

### **Shareholder Information**

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2020-12-31

- All private corporations must complete this schedule for any shareholder who holds 10% or more of the corporation's common and/or preferred shares.
- Provide only one number (business number, partnership account number, social insurance number or trust number) per shareholder.

	Name of shareholder (after name, indicate in brackets if the shareholder is a corporation, partnership, individual, or trust)	Business number or partnership account number (9 digits, 2 letters, and 4 digits. If not registered, enter "NR")	Social insurance number (9 digits)	Trust number (T followed by 8 digits)	Percentage common shares	Percentage preferred shares
1	The Corporation of the Town of Orangeville	106986151RC0001	<u> </u>	\	94.500	
2	The Corporation of the Township of East Luther Grand	NR	/	7/	5.500	
3	The corporation of the formiship of East Eather Grand	TWIX		7	3.300	
4				<i>\</i>		
5						
6						
7						
8						
9		~ (				
10						



Schedule 53

## Canada Revenue Agence du revenu du Canada

### General Rate Income Pool (GRIP) Calculation

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2020-12-31

On: 2020-12-31

- If you are a Canadian-controlled private corporation (CCPC) or a deposit insurance corporation (DIC), use this schedule to determine the general rate income pool (GRIP).
- Credit unions are **not** required to complete this schedule.
- All legislative references are to the Income Tax Act and the Income Tax Regulations.
- When an eligible dividend was paid in the tax year or there was a change in the GRIP balance, file a completed copy of this schedule with your T2 Corporation Income Tax Return. Do not send your worksheets with your return, but keep them in your records in case we ask to see them later.
- Subsection 89(1) defines the terms eligible dividend, excessive eligible dividend designation, general rate income pool, and low rate income pool.

☐ Eligibility for the various additions	
Answer the following questions to determine the corporation's eligibility for the various additions:	
2006 addition	
1. Is this the corporation's first taxation year that includes January 1, 2006?	Yes X No
2. If not, what is the date of the taxation year end of the corporation's first year that includes January 1, 2006?  Enter the date and go directly to question 4	2006-12-31
3. During that first year, was the corporation a CCPC or would it have been a CCPC if not for the election of subsection 89(11) ITA?	Yes No
If the answer to question 3 is yes, complete Part "GRIP addition for 2006".	
Change in the type of corporation	<b>V</b>
4. Was the corporation a CCPC during its preceding taxation year?	X Yes No
5. Corporations that become a CCPC or a DIC	Yes X No
If the answer to question 5 is yes, complete Part 4.	
Amalgamation (first year of filing after amalgamation)	
6. Corporations that were formed as a result of an amalgamation	Yes X No
If the answer to question 6 is yes, answer questions 7 and 8. If the answer is no, go to question 9.	
7. Was one or more of the predecessor corporations neither a CCRC nor a DIC?	Yes No
If the answer to question 7 is yes, complete Part 4.	
8. Was one or more of the predecessor corporation a CCPC or a DIC during the taxation year that ended immediately before amalgamation?	Yes No
If the answer to question 8 is yes, complete Part 3.	
Winding-up	
9. Has the corporation wound-up a subsidiary in the preceding taxation year?	Yes X No
If the answer to question 9 is yes, answer questions 10 and 11. If the answer is no, go to Part 1.	
10. Was the subsidiary neither a CCPC nor a DIC during its last taxation year?  If the answer to question 10 is yes, complete Part 4.	Yes No
11. Was the subsidiary a CCPC or a DIC during its last taxation year?	Yes No
If the answer to question 11 is yes, complete Part 3.	100

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T2 SCH53 E (19)

┌ Part 1 – General rate income pool (GRIP)		
GRIP at the end of the previous tax year	100	8,135,461
Taxable income for the year (DICs enter "0")*		
Amount on line 400, 405, 410, and 427 or 428** of the T2 return, whichever is the least*		
Subtotal (line 130 <b>plus</b> line 140)	4	
Income taxable at the general corporate rate (line 110 <b>minus</b> amount A) (if negative enter "0")		
After-tax income (line 150 <b>multiplied</b> by 0.72 (the general rate factor for the tax year))	190	
Eligible dividends received in the tax year  Dividends deductible under section 113 received in the tax year  Subtotal (line 200 plus line 210)	·	B
Becoming a CCPC (amount W5 in Part 4)		
Subtotal (add lines 220, 230, and 240)	<b>-</b>	
Subtotal (add lines 100, 190, 290, and amo	ount B)	8,135,461 c
Eligible dividends paid in the previous tax year  Excessive eligible dividend designations made in the previous tax year  300 310		
(If becoming a CCPC (subsection 89(4) applies), enter "0" on lines 300 and 310.)		D
Subtotal (line 300 minus line 310)		D
GRIP before adjustment for specified future tax consequences (amount C minus amount D) (amount can be negative)	490	8,135,461
Total GRIP adjustment for specified future tax consequences to previous tax years (amount L3 in Part 2)	560	
GRIP at the end of the tax year (line 490 minus line 560)  Enter this amount on line 160 of Schedule 55, Part III.1 Tax on Excessive Eligible Dividend Designations.	590	8,135,461
* For lines 110, 130, and 140, the income amount is the amount before considering specified future tax consequences. This phras subsection 248(1). It includes the deduction of a loss carryback from subsequent tax years, a reduction of Canadian exploration of Canadian development expenses that were renounced in subsequent tax years (e.g., flow-through share renunciations), reversals inclusions where an option is exercised in subsequent tax years, and the effect of certain foreign tax credit adjustments.	expenses and	
** If your tax year starts before 2019, use line 427. If your tax year starts after 2018, use line 428.		

Part 2	– GRIP adju	ıstment	for specified fu	iture tax conseque	nces to previous	ax years ———	
Complete	this part if the co	orporation's	taxable income of ar	ny of the previous three tax nerwise, enter "0" on line 5	years took into account t		onsequences
First prev	ious tax year	2019-12	2-31				
	come before spe urrent tax year		re tax consequences		343,397_A1		
	following amorences from the		e specified future to x year:	ax			
427 or 428	n line 400, 405, 4 3** of the T2 retuis the least	ırn,	· · · · ·	B1			
	investment inco f the T2 return)		· · · · · <u> </u>	C1			
Subto	otal (amount B1 <b>r</b>	<b>plus</b> amou	nt C1)	<b>&gt;</b>	D1		
5	Subtotal (amount	A1 minus	amount D1) (if negat	tive, enter "0")	343,397	343,397 E1	
			Futu	re tax consequences that	at occur for the current	year 🗸	
			An	nount carried back from th	e current year to a prior y	ear	
	Non-capital carry-bac (paragraph (1)(a) ITA	k 111	Capital loss carry-back	Restricted farm loss carry-back	Farm loss carry-back	Other	Total carrybacks
	•		tax consequences		F1	,)	
Enter the	following amo	unts after	specified future tax	consequences:		//	
427 or 428	n line 400, 405, 4 3** of the T2 return is the least	ırn,		G1			
	investment inco of the T2 return)			H1			
Subto	tal (amount G1 <b>r</b>	<b>plus</b> amou	nt H1)	<b>&gt;</b>	I1		
	Subtotal (amour	nt F1 <b>minu</b>	<b>s</b> amount I1) (if negat	tive, enter "0")	<u> </u>	J1	
				t E1 minus amount (1) (if	negative, enter "0")	K1	
GRIP adiı	ustment for spe	ecified fut		es to the first previous t		<u></u>	
_	1 <b>multiplied</b> by		72 )	. //	-		500

┌ Part 2 – GRIP adjustment for specified future tax consequences to previous tax years (continued) ──────────
Second previous tax year 2018-12-31
Taxable income before specified future tax consequences from the current tax year
Enter the following amounts before specified future tax consequences from the current tax year:
Amount on line 400, 405, 410, and 427 or 428** of the T2 return, whichever is the least
Aggregate investment income (line 440 of the T2 return) C2
Subtotal (amount B2 plus amount C2) D2
Subtotal (amount A2 <b>minus</b> amount D2) (if negative, enter "0") <b>722,320</b> ► E2
Future tax consequences that occur for the current year
Amount carried back from the current year to a prior year
Non-capital loss carry-back (paragraph 111 (1)(a) ITA)  Restricted farm loss carry-back Capital loss Restricted farm carry-back loss carry-back Capital loss Capital loss Capital loss Carry-back Capital loss Carry-back Carry-back Carry-back Carry-back
Taxable income after specified future tax consequences
Enter the following amounts after specified future tax consequences:
Amount on line 400, 405, 410, and
427 or 428** of the T2 return, whichever is the least
Aggregate investment income (line 440 of the T2 return)
Subtotal (amount G2 <b>plus</b> amount H2) <b>&gt;</b> I2
Subtotal (amount F2 <b>minus</b> amount I2) (if negative, enter "0")
Subtotal (amount E2 <b>minus</b> amount J2) (if negative, enter "0") K2
GRIP adjustment for specified future tax consequences to the second previous tax year  (amount K2 multiplied by 0.72 )
** If your tax year starts before 2019, use line 427. If your tax year starts after 2018, use line 428.

	-12-31				
axable income before specified function tax year		from 	694,911_A3		
inter the following amounts be consequences from the current		tax			
mount on line 400, 405, 410, and 27 or 428** of the T2 return, hichever is the least		B3			
aggregate investment income line 440 of the T2 return)		58,221 <sub>C3</sub>			
Subtotal (amount B3 <b>plus</b> am	ount C3)	<u>58,221</u> ►	58,221 <sub>D3</sub>		
Subtotal (amount A3 min			636,690	636,690 E3	
	Futı	ure tax consequences that	at occur for the curren	t year	
		mount carried back from th		/(	
Non-capital loss carry-back (paragraph 111 (1)(a) ITA)	Capital loss carry-back	Restricted farm loss carry-back	Farm loss carry-back	Other	Total carrybacks
axable income after specified futu	·		F3		
inter the following amounts aft				/	
Enter the following amounts aft Amount on line 400, 405, 410, and 27 or 428** of the T2 return, Whichever is the least		G3			
mount on line 400, 405, 410, and 27 or 428** of the T2 return,					
Amount on line 400, 405, 410, and 27 or 428** of the T2 return, whichever is the least		H3	13		
Amount on line 400, 405, 410, and 27 or 428** of the T2 return, whichever is the least	 ount H3)	H3	13   <b> </b>   -	J3	
Amount on line 400, 405, 410, and 27 or 428** of the T2 return, whichever is the least	ount H3)	H3	<u> </u>	J3 K3	
Amount on line 400, 405, 410, and 27 or 428** of the T2 return, whichever is the least	ount H3) nus amount I3) (if nega Subtotal (amour	H3  ative, enter "0")  at E3 minus amount J3) (if the est to the third previous the third	negative, enter "0")	К3	
Amount on line 400, 405, 410, and 27 or 428** of the T2 return, whichever is the least	ount H3)  nus amount I3) (if negative subtotal (amount uture tax consequence 0.72 )	H3  Intive, enter "0")  Int E3 minus amount J3) (if the case to the third previous tax and the case to previous tax and the case to previous tax.	negative, enter "0") tax yearyears:	кз	540
Amount on line 400, 405, 410, and 27 or 428** of the T2 return, whichever is the least	ount H3)  nus amount I3) (if negative tax consequence of the consequen	H3  Intive, enter "0")  Int E3 minus amount J3) (if the case to the third previous tax and the case to previous tax and the case to previous tax.	negative, enter "0") tax yearyears:	К3	540 

2020-12-31	Orangeville Hydro Limited
	86463 9562 RC0002
Part 3 – Worksheet to calculate the GRIP addition post-amalgamation or post-wind-up (predecessor or subsidiary was a CCPC or a DIC in its last tax year)	
nb. 1 Post amalgamation Post wind-up	
Complete this part when there has been an amalgamation (within the meaning assigned by subsection 87(1)) or a wind-up (to which subsectio applies) and the predecessor or subsidiary corporation was a CCPC or a DIC in its last tax year. The last tax year for a predecessor corporatio year that ended immediately before the amalgamation and for a subsidiary corporation was its tax year during which its assets were distributed on the wind-up.	on was its tax
Calculate the GRIP addition of a successor corporation following an amalgamation at the end of its first tax year.	
Calculate the GRIP addition of a parent corporation upon wind-up at the end of the tax year that ends immediately after the tax year in which th received the assets of the subsidiary.	e parent has
In the calculation below, <b>corporation</b> means a predecessor or a subsidiary. Complete a separate worksheet for <b>each</b> predecessor and <b>each</b> swas a CCPC or a DIC in its last tax year. Keep a copy of this calculation for your records, in case we ask to see it later.	subsidiary that
Corporation's GRIP at the end of its last tax year	A4
Eligible dividends paid by the corporation in its last tax year B4	
Excessive eligible dividend designations made by the corporation in its last tax year	
Subtotal (amount B4 <b>minus</b> amount C4)	D4
GRIP addition post-amalgamation or post-wind-up (predecessor or subsidiary was a CCPC or a DIC in its last tax year) (amount A4 minus amount D4)	E4
After you complete this calculation for each predecessor and each subsidiary, calculate the total of all the E4 amounts. Enter this total amount	on:
- line 230 for post-amalgamation; or	
- line 240 for post-wind-up.	

<ul> <li>Part 4 – Worksheet to calculate the GRIP addition (predecessor or subsidiary was not a CC or the corporation is becoming a CCPC</li> </ul>	n post-amalgamation, po PC or a DIC in its last ta	ost-wind-up ux year),	
<b>nb. 1</b> Corporation becoming a CCPC Post am	algamation	Post wind-up	
Complete this part when there has been an amalgamation (within the r and the predecessor or subsidiary was not a CCPC or a DIC in its last immediately before the amalgamation and for a subsidiary corporation	tax year. The last tax year for a p	redecessor corporation was its tax	x year that ended
Calculate the GRIP addition of a successor corporation following an a	malgamation at the end of its first	tax year.	
Calculate the GRIP addition of a parent corporation upon wind-up at the received the assets of the subsidiary.	ne end of the tax year that ends im	mediately after the tax year in whi	ch the parent has
In the calculation below, <b>corporation</b> means a predecessor or a subs was not a CCPC or a DIC in its last year. Keep a copy of this calculation			ach subsidiary that
Cost amount to the corporation of all property immediately before the e	end of its previous/last tax year		A5
The corporation's money on hand immediately before the end of its pre	evious/last tax year		B5
Total of subsection 111(1) losses that would have been deductible in the previous/last tax year if the corporation had had unlimited income f had realized an unlimited amount of capital gains for the previous/last	rom each business carried on and		
Non-capital losses	C5		
Net capital losses	D5		
Farm losses	E5		
Restricted farm losses	· · · · · · · · · · · · · · · · · · ·		
Limited partnership losses	G5		
Subtotal (add amounts C5 to G5)		H5	
Total of all amounts deducted under subsection 111(1) in calculating t	he corporation's taxable income for	or the previous/last tax year:	
Non-capital losses  Net capital losses  Farm losses  Restricted farm losses  Limited partnership losses	J5 K5 L5 M5		
Subtotal (add amounts I5 to M5)		N5	
Unused and unexpired losses at the end of the o	corporation's previous/last tax year (amount H5 <b>minus</b> amount N5)		O5
	Subto	otal ( <b>add</b> amounts A5, B5, and O5	5)P5
All the corporation's debts and other obligations to pay that were outstanding immediately before the end of its previous/last tax year	».)»·······	Q5	
Paid-up capital of all the corporation's issued and outstanding shares		DE	
of capital stock immediately before the end of its previous/last tax year	/	R5	
All the corporation's reserves deducted in its previous/last tax year		S5	
The corporation's capital dividend account immediately before the end of its previous/last tax year		T5	
The corporation's low rate income pool immediately before the end of its previous/last tax year		U5	
	Subtotal (add amounts Q5 to U5)	<u> </u>	V5
GRIP addition post-amalgamation or post-wind-up (predecessor or the corporation is becoming a CCPC (amount P5 minus amount P5 minus P5		or a DIC in its last tax year),	W5
After you complete this worksheet for each predecessor and each sub  — line 220 for a corporation becoming a CCPC;  — line 230 for post-amalgamation; or  — line 240 for post-wind-up.	sidiary, calculate the total of all the	e W5 amounts. Enter this total an	nount on:

Schedule 55

Part III.1 Tax on Excessive Eligible Dividend	Desigr	nations		
Corporation's name	Busin	ess number	Tax year-end Year Month Day	
Orangeville Hydro Limited	86463 9562 RC0002 2020-12-3			
• Every corporation resident in Canada that pays a taxable dividend (other than a capital gains dividend within the meaning assigned by subsection 130.1(4) or 131(1)) in the tax year must file this schedule.	า	Do not	use this area	
<ul> <li>Canadian-controlled private corporations (CCPC) and deposit insurance corporations (DIC) must complete Part 1 of this schedule. All other corporations must complete Part 2.</li> </ul>				
• Every corporation that has paid an eligible dividend must also file Schedule 53, General Rate Income Pool Calculation, or Schedule 54, Low Rate Income Pool (LRIP) Calculation, whichever is applicable.	(GRIP)			
• File the schedules with your T2 Corporation Income Tax Return no later than six months from the end of th tax year.	е			
All legislative references are to the Income Tax Act and the Income Tax Regulations.	^			
<ul> <li>Subsection 89(1) defines the terms eligible dividend, excessive eligible dividend designation, general and low rate income pool.</li> </ul>	al rate inco	me pool,		
• The calculations in Part 1 and Part 2 do not apply if the excessive eligible dividend designation arises from paragraph (c) of the definition of excessive eligible dividend designation in subsection 89(1). This paragrap dividend is paid to artificially maintain or increase the GRIP or to artificially maintain or decrease the LRIP	the applicat h applies wi	ion of hen an eligible		
- Part 1 – Canadian-controlled private corporations and deposit insurance cor	poration	s ———		_
Taxable dividends paid in the tax year <b>not included</b> in Schedule 3				
Taxable dividends paid in the tax year <b>included</b> in Schedule 3	450	),771		
Total taxable dividends paid in the tax year	450	<u>),771</u>		
Total eligible dividends paid in the tax year		150		
GRIP at the end of the tax year (line 590 on Schedule 53) (if negative, enter "0")		160	8,135,461	
Excessive eligible dividend designation (line 150 minus line 160)				Α
Excessive eligible dividend designations elected under subsection 185.1(2) to be treated as ordinary dividends	3*	180		
Subtota	al (amount A	A minus line 180)		В
Part III.1 tax on excessive eligible dividend designations – CCPC or DIC (amount B multiplied by	20 %	6) <b>190</b>		
Enter the amount from line 190 on line 710 of the T2 return.				
- Part 2 – Other corporations				
Taxable dividends paid in the tax year <b>not included</b> in Schedule 3				
Taxable dividends paid in the tax year <b>included</b> in Schedule 3				
Total taxable dividends paid in the tax year				
Total excessive eligible dividend designations in the tax year (amount A of Schedule 54)				С
Excessive eligible dividend designations elected under subsection 185.1(2) to be treated as ordinary dividends	s*	280		
Subtota	al (amount C	minus line 280)		D
Part III.1 tax on excessive eligible dividend designations – Other corporations (amount D multiplied b	У	20 %) . <b>290</b>		

Enter the amount from line 290 on line 710 of the T2 return.

<sup>\*</sup> You can elect to treat all or part of your excessive eligible dividend designation as a separate taxable dividend in order to eliminate or reduce the Part III.1 tax otherwise payable. You must file the election on or before the day that is 90 days **after** the day the notice of assessment for Part III.1 tax was sent. We will accept an election before the assessment of the tax.

### **Request for Capital Dividend Account Balance Verification**

- If you are a private corporation, use this schedule to summarize the components making up your capital dividend account (CDA) balance as of the date entered on line 003.
- Mail one completed copy of this schedule, separately from any other return to: Prince Edward Island Tax Centre
   275 Pope Road
   Summerside PE C1N 6A2
- All legislative references are to the current version of the Income Tax Act, unless otherwise stated. Since CDA balance components can span several years,
  the current references in the Act may not apply to older components of your CDA balance. In these cases, see the version of the Act that applies in that
  particular year.
- For specific details about calculating the CDA balance, see the applicable legislation in the Act.
- All references to paragraphs in subsection 89(1) of the Act are under the definition of capital dividend account.
- If you are paying out a capital dividend from your CDA, you must file Form T2054, Election for a Capital Dividend under Subsection 83(2). Attach a copy of this completed form. Note that if a capital dividend paid out under this election exceeds the balance of the CDA at the time the dividend becomes payable, you may have to pay Part III tax on the excessive dividends (see section 184 of the Act).

Part 1 – Identification ————————————————————————————————————			
i art i – identinication			
Corporation's name		Business number	00
Orangeville Hydro Limited		86463 9562 RC00	02
Address		Postal code	
400 C Line Station A Box 400 Orangeville ON CA	7	L9W2Z7	
Name of contact person			
Suzanne Presseault			
Mailing address (complete only if different from address above)		Telephone number (519) 942-8000	Extension
Capital dividend account balance as of		Year Month 2020-12-3	- 1
Please check "yes" for <b>only one</b> of the following two questions:  Is this a balance verification request? Check yes only if this request does not relate to (if <b>Yes</b> , then the date on line 003 should be the last tax year-end, included in the CDA		Yes No	o 🗌
Is this request related to the requirements of subsection 89(1) for Form T2054? (if <b>Yes</b> , then the date on line 003 should be the earlier of the date the dividend became the dividend was paid)	⊋ payable, or the first day on which any part of	Yes No	<b>X</b> 005

– Part 2 – CDA components (except for eligible capital property) Footnote 1 and Footnote 2 -

1	2	3	4	5	6	7
Tax year-end or relevant date (yyyymmdd) Footnote 3	The non-taxable portion of capital gains (including the non-taxable portion of capital gains from a trust after September 15, 2016) and non-deductible portion of capital losses per paragraph 89(1)(a) Footnote 4	Capital dividends received per paragraph 89(1)(b) Footnote 5	Net proceeds of a life insurance policy per paragraph 89(1)(d)	Non-taxable portion of capital gains from a trust before September 16, 2016 per paragraph 89(1)(f) Footnote 6	Capital dividends from a trust per paragraph 89(1)(g) Footnote 6	Capital dividends payable per subsection 83(2)
2017-12-31	58,221					
2020-12-31	43,554					
Totals	101,775					

#### Footnote 1

For eligible capital property, see parts 3 and 5.

#### Footnote 2

If you were a private corporation under non-resident control that became Canadian controlled as per subsection 89(1.1), or were a tax-exempt corporation that became taxable as per subsection 89(1.2), the CDA balance may be reduced to nil immediately before the dates referred to in those provisions.

#### Footnote 3

Include as many tax years as required. Start your list with the tax year that began after the corporation last became a private corporation and that ended after 1971. End your list on the CDA balance date shown on line 003. If you are completing this schedule before your tax year-end, enter the relevant date of the activity. When Form T2054 has been completed, the program assumes that the relevant date of the activity to indicate in the last field of column 1 in Part 2 is the first of the following dates: the day immediately preceding the date on which the dividend becomes payable, or the first day immediately preceding the date on which any part of the dividend was paid. If this is not the case, enter the correct relevant date of the activity, using an override.

#### Footnote 4

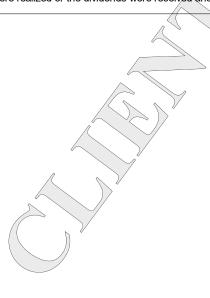
Along with applicable losses, include the non-deductible portion of a business investment loss here. Show losses as a negative.

#### Footnote 5

May be adjusted by an excessive dividend election under subsection 184(3). Exclude a dividend that subsection 83(2.1) applies to.

#### Footnote 6

The amounts that can be added to the CDA of the corporation in a particular tax year, in respect of amounts received by the corporation, from a trust and that are attributable to capital gains realized by the trust or to dividends received and distributed by a trust, can only be determined after the end of the taxation year of the trust in which the capital gains were realized or the dividends were received and distributed by it.



Part 3 – CDA components – Eligible capital property (ECP)

Record in these tables the most common amounts included in the eligible capital property (ECP) component of the CDA. This information is not meant to replace the calculation at line 5B.1 in Part 5.

### Section A: CDA components - List of ECP acquisitions and dispositions

(for tax years ending before February 28, 2000)

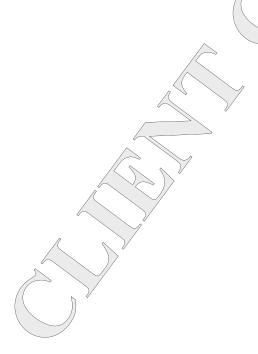
	1	2	3	4
	Tax year-end (yyyymmdd)	Cost of eligible capital property acquired	Proceeds of sale (less outlays and expenses not otherwise deductible) from the disposition of all eligible capital property	Non-taxable portion of ECP sales
1.				

#### Total

### Section B: CDA components - List of ECP dispositions

(for tax years ending after February 27, 2000 and before January 1, 2017)

	1	2	3	4	5
	Tax year-end (yyyymmdd)	Cost of eligible capital property acquired	Proceeds of sale (less outlays and expenses not otherwise deductible) from the disposition of all eligible capital property	Appropriate portion of the amount deducted as a bad debt per subsection 20(4.2) or as an allowable capital loss per subsection 20(4.3)	Non-taxable portion of ECP sales
1.					
				Total	//



#### Part 4 – Additional information

For each capital dividend received, as recorded in column 3 in Part 2, give the name and business number of the corporation that paid the capital dividend and the date the dividend became payable.

	1	2	3
	Corporation's name	Business number	Date the dividend became payable (yyyymmdd)
1.			

Part 5 – CDA balance	
Include the non-taxable portion of capital gains (including the non-taxable portion of capital gains from a trust after September 15, 2016) and the non-deductible portion of capital losses (total of column 2 in Part 2; if negative enter "0")	<u>101,775</u> 5A
Capital dividends received (total of column 3 in Part 2)	5B
Eligible capital property for taxation years ending before January 1, 2017  (as calculated per former paragraphs 89(1)(c), (c.1) and (c.2); if negative, enter "0")	5B.1
Life insurance proceeds (total of column 4 in Part 2; if negative, enter "0")	5C
Life insurance CDA Footnote 7	5C.1
Non-taxable portion of capital gains from a trust before September 16, 2016 (total of column 5 in Part 2)	5D
Capital dividends from a trust (total of column 6 in Part 2)	5E
Amounts from predecessor and subsidiary corporations Footnote 8	5E.1
Subtotal (add amounts 5A to 5E and lines 5B.1, 5C.1 and 5E.1)	
Capital dividends that previously became payable (total of column 7 in Part 2)	5G
CDA balance (amount 5F minus amount 5G, if negative, write "0")	101,775

#### Footnote 7

Include the balance of the corporation's life insurance CDA immediately before May 24, 1985, in accordance with paragraph 89(1)(e). For more information, see paragraph 1.61 and 1.62 of Income Tax Folio S3-F2-C1, Capital Dividends

#### Footnote 8

For amalgamations and wind-ups **before** July 14, 1990, calculate the CDA balance of each predecessor or subsidiary corporation separately. Then add these CDA balances to the CDA of the successor or parent corporation. Do not carry forward negative amounts, since these are considered to be nil.

- For amalgamations and wind-ups **after** July 13, 1990, carry over the amounts of all the CDA components of each predecessor or subsidiary corporation into the calculation of the CDA components of the company resulting from the merger or of the parent company. A negative balance in a component of a CDA of a predecessor or subsidiary corporation must be included in the CDA of the company resulting from the merger or of the parent corporation. Include a separate CDA calculation on a separate schedule for each predecessor or subsidiary corporation.
- For amalgamations, see paragraph 87(2)(z.1). For wind-ups, see paragraph 88(1)(e.2).

### Privacy statement

Personal information is collected for the purposes of the administration or enforcement of the Income Tax Act and related programs and activities including administering tax, benefits, audit, compliance, and collection. The information collected may be used or disclosed for purposes of other federal acts that provide for the imposition and collection of a tax or duty. It may also be disclosed to other federal, provincial, territorial, or foreign government institutions to the extent authorized by law. Failure to provide this information may result in interest payable, penalties, or other actions. Under the Privacy Act, individuals have a right of protection, access to and correction of their personal information, or to file a complaint with the Privacy Commissioner of Canada regarding the handling of their personal information. Refer to Personal Information Bank CRA PPU 047 on Info Source at canada.ca/cra-info-source.



### **Ontario Corporate Minimum Tax**

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2020-12-31

- File this schedule if the corporation is subject to Ontario corporate minimum tax (CMT). CMT is levied under section 55 of the *Taxation Act, 2007* (Ontario), referred to as the "Ontario Act".
- Complete Part 1 to determine if the corporation is subject to CMT for the tax year.
- A corporation not subject to CMT in the tax year is still required to file this schedule if it is deducting a CMT credit, has a CMT credit carryforward,
  or has a CMT loss carryforward or a current year CMT loss.
- A corporation that has Ontario special additional tax on life insurance corporations (SAT) payable in the tax year must complete Part 4 of this
  schedule even if it is not subject to CMT for the tax year.
- A corporation is exempt from CMT if, throughout the tax year, it was one of the following:
  - 1) a corporation exempt from income tax under section 149 of the federal *Income Tax Act*;
  - 2) a mortgage investment corporation under subsection 130.1(6) of the federal Act;
  - 3) a deposit insurance corporation under subsection 137.1(5) of the federal Act;
  - 4) a congregation or business agency to which section 143 of the federal Act applies;
  - 5) an investment corporation as referred to in subsection 130(3) of the federal Act; or
  - 6) a mutual fund corporation under subsection 131(8) of the federal Act.
- File this schedule with the T2 Corporation Income Tax Return.

Part 1 – Determination of CMT applicability  Total assets of the corporation at the end of the tax year *	2,686
Total assets of the corporation at the end of the tay year *	2,686
Total assets of the corporation at the city of the tax year	
Share of total assets from partnership(s) and joint venture(s) *	
Total assets of associated corporations (amount from line 450 on Schedule 511)	),001
Total assets (total of lines 112 to 116)	<u>2,687</u>
Total revenue of the corporation for the tax year **	5,543
Share of total revenue from partnership(s) and joint venture(s) **	
Total revenue of associated corporations (amount from line 550 on Schedule 511)	),000
Total revenue (total of lines 142 to 146)	5,543

### The corporation is subject to CMT if:

- for tax years ending before July 1, 2010, the total assets at the end of the year of the corporation or the associated group of corporations are more than \$5,000,000, or the total revenue for the year of the corporation or the associated group of corporations is more than \$10,000,000.
- for tax years ending after June 30, 2010, the total assets at the end of the year of the corporation or the associated group of corporations are equal to or more than \$50,000,000, and the total revenue for the year of the corporation or the associated group of corporations is equal to or more than \$100,000,000.

If the corporation is not subject to CMT, do not complete the remaining parts unless the corporation is deducting a CMT credit, or has a CMT credit carryforward, a CMT loss carryforward, a current year CMT loss, or SAT payable in the year.

#### \* Rules for total assets

- Report total assets according to generally accepted accounting principles, adjusted so that consolidation and equity methods are not used.
- Do not include unrealized gains and losses on assets and foreign currency gains and losses on assets that are included in net income for
  accounting purposes but not in income for corporate income tax purposes.
- The amount on line 114 is determined at the end of the last fiscal period of the partnership or joint venture that ends in the tax year of the corporation. Add the proportionate share of the assets of the partnership(s) and joint venture(s), and deduct the recorded asset(s) for the investment in partnerships and joint ventures.
- A corporation's share in a partnership or joint venture is determined under paragraph 54(5)(b) of the Ontario Act and, if the partnership or joint venture had no income or loss, is calculated as if the partnership's or joint venture's income were \$1 million. For a corporation with an indirect interest in a partnership or joint venture, determine the corporation's share according to paragraph 54(5)(c) of the Ontario Act.

#### \*\* Rules for total revenue

- Report total revenue in accordance with generally accepted accounting principles, adjusted so that consolidation and equity methods are not used.
- If the tax year is less than 51 weeks, multiply the total revenue of the corporation or the partnership, whichever applies, by 365 and divide by the number of days in the tax year.
- The amount on line 144 is determined for the partnership or joint venture fiscal period that ends in the tax year of the corporation. If the partnership or joint venture has 2 or more fiscal periods ending in the filing corporation's tax year, **multiply** the sum of the total revenue for each of the fiscal periods by 365 and **divide** by the total number of days in all the fiscal periods.
- A corporation's share in a partnership or joint venture is determined under paragraph 54(5)(b) of the Ontario Act and, if the partnership or joint venture had no income or loss, is calculated as if the partnership's or joint venture's income were \$1 million. For a corporation with an indirect interest in a partnership or joint venture, determine the corporation's share according to paragraph 54(5)(c) of the Ontario Act.



- Part 2 - Adjusted net income/loss for CMT purposes			
Net income/loss per financial statements *		210	1,086,517
Add (to the extent reflected in income/loss):			
Provision for current income taxes/cost of current income taxes	220		
Provision for deferred income taxes (debits)/cost of future income taxes	<mark>222</mark>	144,285	
Equity losses from corporations	<mark>224</mark>		
Financial statement loss from partnerships and joint ventures	226		
Dividends deducted on financial statements (subsection 57(2) of the Ontario Act), excluding dividends paid by credit unions under subsection 137(4.1) of the federal Act	230		
Other additions (see note below):			
Share of adjusted net income of partnerships and joint ventures ** $ \  \   \dots \dots \dots $	228		
Total patronage dividends received, not already included in net income/loss $\ldots\ldots$	232		
281	282		
283	284		
	Subtotal	144,285	144,285 A
<b>Deduct</b> (to the extent reflected in income/loss):			
Provision for recovery of current income taxes/benefit of current income taxes	320	102,388	
Provision for deferred income taxes (credits)/benefit of future income taxes	322		
Equity income from corporations	324		
Financial statement income from partnerships and joint ventures	326		
Dividends deductible under section 112, section 113, or subsection 138(6) of the federal	al Act 330		
Dividends not taxable under section 83 of the federal Act (from Schedule 3)	332		
Gain on donation of listed security or ecological gift	340	7	
Accounting gain on transfer of property to a corporation under section 85 or 85.1 of the federal Act ***	342	\	
Accounting gain on transfer of property to/from a partnership under section 85 or 97 of the federal Act ****	344		
Accounting gain on disposition of property under subsection 13(4), subsection 14(6), or section 44 of the federal Act *****	346		
Accounting gain on a windup under subsection 88(1) of the federal Act or an amalgamation under section 87 of the federal Act	348		
Other deductions (see note below):			
Share of adjusted net loss of partnerships and joint ventures **	328		
Tax payable on dividends under subsection 191.1(1) of the federal Act <b>multiplied</b> by 3 Interest deducted/deductible under paragraph 20(1)(c) or (d) of the federal Act; not already included in net income/loss	334		
Patronage dividends paid (from Schedule 16) not already included in net income/loss	338		
381 Tax Movement in regulatory account	382	144,285	
383 Tax Reclassification	384	298,777	
385	386	230,777	
387	388		
389	390		
	Subtotal	545,450 ▶	545,450 <sub>B</sub>
Adjusted net income/loss for CMT nurnoses (line 210 nlus amount A minus amount R)	<del></del>	490	685,352

Adjusted net income/loss for CMT purposes (line 210 **plus** amount A **minus** amount B)

If the amount on line 490 is positive and the corporation is subject to CMT as determined in Part 1, enter the amount on line 515 in Part 3.

If the amount on line 490 is negative, enter the amount on line 760 in Part 7 (enter as a positive amount).

### Note

In accordance with Ontario Regulation 37/09, when calculating net income for CMT purposes, accounting income should be adjusted to:

- exclude unrealized gains and losses due to mark-to-market changes or foreign currency changes on specified mark-to-market property (assets only);
- include realized gains and losses on the disposition of specified mark-to-market property not already included in the accounting income, if the
  property is not a capital property or is a capital property disposed in the year or in a previous tax year ended after March 22, 2007.

"Specified mark-to-market property" is defined in subsection 54(1) of the Ontario Act.

These rules also apply to partnerships. A corporate partner's share of a partnership's adjusted income flows through on a proportionate basis to the corporate partner.

#### \* Rules for net income/loss

Banks must report net income/loss as per the report accepted by the Superintendent of Financial Institutions under the federal Bank Act, adjusted so consolidation and equity methods are not used.

#### Part 2 – Calculation of adjusted net income/loss for CMT purposes (continued)

- Life insurance corporations must report net income/loss as per the report accepted by the federal Superintendent of Financial Institutions or equivalent provincial insurance regulator, before SAT and adjusted so consolidation and equity methods are not used. If the life insurance corporation is resident in Canada and carries on business in and outside of Canada, multiply the net income/loss by the ratio of the Canadian reserve liabilities divided by the total reserve liability. The reserve liabilities are calculated in accordance with Regulation 2405(3) of the federal Act.
- Other corporations must report net income/loss in accordance with generally accepted accounting principles, except that consolidation and equity methods must not be used. When the equity method has been used for accounting purposes, equity losses and equity income are removed from book income/loss on lines 224 and 324 respectively.
- Corporations, other than insurance corporations, should report net income from line 9999 of the GIFI (Schedule 125) on line 210.
- \*\* The share of the adjusted net income of a partnership or joint venture is calculated as if the partnership or joint venture were a corporation and the tax year of the partnership or joint venture were its fiscal period. For a corporation with an indirect interest in a partnership through one or more partnerships, determine the corporation's share according to clause 54(5)(c) of the Ontario Act.
- \*\*\* A joint election will be considered made under subsection 60(1) of the Ontario Act if there is an entry on line 342, and an election has been made for transfer of property to a corporation under subsection 85(1) of the federal Act.
- \*\*\*\* A joint election will be considered made under subsection 60(2) of the Ontario Act if there is an entry on line 344, and an election has been made under subsection 85(2) or 97(2) of the federal Act.
- \*\*\*\*\* A joint election will be considered made under subsection 61(1) of the Ontario Act if there is an entry on line 346, and an election has been made under subsection 13(4) or 14(6) and/or section 44 of the federal Act.

For more information on how to complete this part, see the T2 Corporation - Income Tax Guide.

⊢ Part 3 – CMT payable ────		
Adjusted net income for CMT purposes (line 490 in Part 2, if positive)	515 685,352	
Deduct:		
CMT loss available (amount R from Part 7)		
Minus: Adjustment for an acquisition of control *		
Adjusted CMT loss available	c	
Net income subject to CMT calculation (if negative, enter "0")	685,352	
Amount from Number of days in the tax		
line 520 685,352 × year before July 1, 2010 ×	4 %/=	
Number of days in the tax year		
Amount from Number of days in the tax	40.505	
line 520 685,352 × year after June 30, 2010 366 ×	2.7 % = 18,505 2	
Number of days in the tax year		
	10 ENE	
Subtotal (amount 1 <b>plus</b> amount 2)	<u>18,505</u> 3	
Gross CMT: amount on line 3 above x OAF **	540 <u>18,505</u>	
Deduct:		
<b>3</b>		
CMT after foreign tax credit deduction (line 540 minus line 550) (if negative, enter "0")	<u>18,505</u>	D
Deduct:		
Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5)		_
	· · · · · · · · · · · · · · · · · · ·	Е
Enter amount E on line 278 of Schedule 5, Tax Calculation Supplementary – Corporation		
* Enter the portion of CMT loss available that exceeds the adjusted net income for the control. See subsection 58(3) of the Ontario Act.	e tax year from carrying on a business before the acquisition of	
*** Enter "0" on line 550 for life insurance corporations as they are not eligible for this d	leduction. For all other corporations, enter the cumulative total	
of amount J for the province of Ontario from Part 9 of Schedule 21 on line 550.	eduction. For all other corporations, office the commutative total	
** Calculation of the Ontario allocation factor (OAF):		
If the provincial or territorial jurisdiction entered on line 750 of the T2 return is "Ontario,	." enter "1" on line F.	
If the provincial or territorial jurisdiction entered on line 750 of the T2 return is "multiple	," complete the following calculation, and enter the result on line F:	
Ontario tavablo incomo ****		
Ontario taxable income ****  Taxable income *****	<del></del>	
	1 00000	_
Ontario allocation factor	<u>1.00000</u>	F
**** Enter the amount allocated to Ontario from column F in Part 1 of Schedule 5. If the taxable income were \$1,000.	taxable income is nil, calculate the amount in column F as if the	
***** Enter the taxable income amount from line 360 or amount Z of the T2 return, whiche	ever applies. If the taxable income is nil. enter "1.000".	

CMT credit carryforward at the end of the previous tax year *	G	
Deduct:		
CMT credit expired *	<u> </u>	
CMT credit carryforward at the beginning of the current tax year * (see note below)	<b>►</b> 620	
Add:		
CMT credit carryforward balances transferred on an amalgamation or the windup of a subsidiary (see note below)	650	
CMT credit available for the tax year (amount on line 620 <b>plus</b> amount on line 650)		Н
CMT credit deducted in the current tax year (amount P from Part 5)		1
Subtotal (amount H m	inus amount I)	J
Add: Not CMT payable (amount 5 from Part 2)		
Net CMT payable (amount E from Part 3)		
Subtotal	<b></b> ▶	K
		· · ·
CMT credit carryforward at the end of the tax year (amount J plus amount K)	670	L
* For the first harmonized T2 return filed with a tax year that includes days in 2009:	$\nearrow$	
- do not enter an amount on line G or line 600;	<i>/</i>	
- for line 620, enter the amount from line 2336 of Ontario CT23 Schedule 101, Corporate Minimum Tax (CMT), for the	he last tax year that ended in	2008.
For other tax years, enter on line G the amount from line 670 of Schedule 510 from the previous tax year.		
Note: If you entered an amount on line 620 or line 650, complete Part 6.		
- Part 5 – Calculation of CMT credit deducted from Ontario corporate income tax payable		
Part 3 - Calculation of Civil Credit deducted from Citiano Corporate income tax payable	<del>,</del>	
CMT credit available for the tax year (amount H from Part 4)	· · · · · · · · · · · · · · · · · · ·	M
Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5)	1	
For a corporation that is not a life insurance corporation:		
CMT after foreign tax credit deduction (amount D from Part 3) 2		
For a life insurance corporation:		
Gross CMT (line 540 from Part 3)		
Gross SAT (line 460 from Part 6 of Schedule 512)		
The <b>greater</b> of amounts 3 and 4		
<b>Deduct:</b> line 2 or line 5, whichever applies:18	<u>,505</u> <sub>6</sub>	
Subtotal (if negative, enter "0")	<b>&gt;</b>	N
Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5)		
Deduct:  Total refundable tax credits excluding Ontario qualifying environmental trust tax credit		
(amount J6 minus line 450 from Schedule 5)		
Subtotal (if negative, enter "0")	<u> </u>	0
CMT credit deducted in the current tax year (least of amounts M, N, and O)	· · · · · · · · · · <u> </u>	P
Enter amount P on line 418 of Schedule 5 and on line in Part 4 of this schedule.		
Is the corporation claiming a CMT credit earned before an acquisition of control?	675 1 Yes	2 No <b>X</b>
If you answered <b>yes</b> to the question at line 675, the CMT credit deducted in the current tax year may be restricted. For informay be restricted, see subsections 53(6) and (7) of the Ontario Act.	mation on how the deduction	

### Part 6 – Analysis of CMT credit available for carryforward by year of origin -

Complete this part if:

- the tax year includes January 1, 2009; or
- the previous tax year-end is deemed to be December 31, 2008, under subsection 249(3) of the federal Act.

Year of origin	CMT credit balance *
10th previous tax year	680
9th previous tax year	681
8th previous tax year	682
7th previous tax year	683
6th previous tax year	684
5th previous tax year	685
4th previous tax year	686
3rd previous tax year	687
2nd previous tax year	688
1st previous tax year	689
Total **	

n

- \* CMT credit that was earned (by the corporation, predecessors of the corporation, and subsidiaries wound up into the corporation) in each of the previous 10 tax years and has not been deducted.
- \*\* Must equal the total of the amounts entered on lines 620 and 650 in Part 4.

– Pa	rt 7 – Calculation of CMT loss carryforward	
СМТ	loss carryforward at the end of the previous tax year *	
Ded	uct:	
СМТ	loss expired *	
СМТ	loss carryforward at the beginning of the tax year * (see note below)	_
Add		
СМТ	loss transferred on an amalgamation under section 87 of the federal Act ** (see note below)	_
	loss available (line 720 <b>plus</b> line 750)	_ R
Ded		
СМТ	loss deducted against adjusted net income for the tax year (lesser of line 490 (if positive) and line C in Part 3)	_
	Subtotal (if negative, enter "0")	_ s
Add		
Adju	sted net loss for CMT purposes (amount from line 490 in Part 2, if <b>negative</b> ) (enter as a positive amount)	_
СМТ	loss carryforward balance at the end of the tax year (amount S <b>plus</b> line 760)	= <sup>T</sup>
*	For the first harmonized T2 return filed with a tax year that includes days in 2009:	
	− do not enter an amount on line Q or line 700;	
	- for line 720, enter the amount from line 2214 of Ontario CT23 Schedule 101, Corporate Minimum Tax (CMT), for the last tax year that ended in 2008.	
	For other tax years, enter on line Q the amount from line 770 of Schedule 510 from the previous tax year.	
	Do not include an amount from a predecessor corporation if it was controlled at any time before the amalgamation by any of the other predecessor corporations.	
	Note: If you entered an amount on line 720 or line 750, complete Part 8.	

### Part 8 – Analysis of CMT loss available for carryforward by year of origin -

Complete this part if:

- the tax year includes January 1, 2009; or
- the previous tax year-end is deemed to be December 31, 2008, under subsection 249(3) of the federal Act.

Year of origin	Balance earned in a tax year ending before March 23, 2007 *	Balance earned in a tax year ending after March 22, 2007 **
10th previous tax year	810	820
9th previous tax year	811	821
8th previous tax year	812	822
7th previous tax year	813	823
6th previous tax year	814	824
5th previous tax year	815	825
4th previous tax year	816	826
3rd previous tax year	817	827
2nd previous tax year	818	828
1st previous tax year		829
Total ***		

<sup>\*</sup> Adjusted net loss for CMT purposes that was earned (by the corporation, by subsidiaries wound up into or amalgamated with the corporation before March 22, 2007, and by other predecessors of the corporation) in each of the previous 10 tax years that ended before March 23, 2007, and has not been deducted.

<sup>\*\*\*</sup> The total of these two columns must equal the total of the amounts entered on lines 720 and 750.



<sup>\*\*</sup> Adjusted net loss for CMT purposes that was earned (by the corporation and its predecessors, but not by a subsidiary predecessor) in each of the previous 20 tax years that ended after March 22, 2007, and has not been deducted.

Agence du revenu du Canada **SCHEDULE 511** 

# ONTARIO CORPORATE MINIMUM TAX – TOTAL ASSETS AND REVENUE FOR ASSOCIATED CORPORATIONS

Name of corporation	Business Number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2020-12-31

- For use by corporations to report the total assets and total revenue of all the Canadian or foreign corporations with which the filing corporation was associated at any time during the tax year. These amounts are required to determine if the filing corporation is subject to corporate minimum tax.
- Total assets and total revenue include the associated corporation's share of any partnership(s)/joint venture(s) total assets and total revenue.
- · Attach additional schedules if more space is required.
- File this schedule with the T2 Corporation Income Tax Return.

	Names of associated corporations	Business number (Canadian corporation only) (see Note 1)	Total assets* (see Note 2)	Total revenue** (see Note 2)
	200	300	400	500
1	Corporation of the Town of Orangeville	10698 6151 RC0001	50,000,000	100,000,000
2	Corporation of the Township of East Luther Grand	NR	0	0
3	Orangeville Hydro Services Inc.	89454 8015 RC0001	1	0
4	Orangville Railway Development Corporation	86433 3166 RC0001	0	0
		Total	50,000,001	100,000,000

Enter the total assets from line 450 on line 116 in Part 1 of Schedule 510, Ontario Corporate Minimum Tax. Enter the total revenue from line 550 on line 146 in Part 1 of Schedule 510.

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

Note 2: If the associated corporation does not have a tax year that ends in the filing corporation's current tax year but was associated with the filing corporation in the previous tax year of the filing corporation, enter the total revenue and total assets from the tax year of the associated corporation that ends in the previous tax year of the filing corporation.

### \* Rules for total assets

- Report total assets in accordance with generally accepted accounting principles, adjusted so that consolidation and equity methods are not used.
- Include the associated corporation's share of the total assets of partnership(s) and joint venture(s) but exclude the recorded asset(s) for the
  investment in partnerships and joint ventures.
- Exclude unrealized gains and losses on assets that are included in net income for accounting purposes but not in income for corporate income tax purposes.

#### \*\* Rules for total revenue

- Report total revenue in accordance with generally accepted accounting principles, adjusted so that consolidation and equity methods are not used.
- If the associated corporation has 2 or more tax years ending in the filing corporation's tax year, multiply the sum of the total revenue for each of those tax years by 365 and divide by the total number of days in all of those tax years.
- If the associated corporation's tax year is less than 5/2 weeks and is the only tax year of the associated corporation that ends in the filing corporation's tax year, multiply the associated corporation's tax year.
- Include the associated corporation's share of the total revenue of partnerships and joint ventures.
- If the partnership or joint venture has 2 or more fiscal periods ending in the associated corporation's tax year, multiply the sum of the total revenue for each of the fiscal periods by 365 and divide by the total number of days in all the fiscal periods.

T2 SCH 511 Canadä

Orangeville Hydro Limited EB-2023-0045

Exhibit 6 - Revenue Requirement and Other Revenue

September 29, 2023

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# APPENDIX 6-F 2021 PILS TAX RETURN



KPMG LLP 120 Victoria Street South Suite 600 Kitchener ON N2G 0E1 Canada Telephone (519) 747-8800 Fax (519) 747-8811

### **PRIVATE AND CONFIDENTIAL**

Amy Long CFO Orangeville Hydro Limited 400 C Line Station A Box 400 Orangeville ON L9W 2Z7

June 23, 2022

Dear Long:

### Subject: Orangeville Hydro Limited - Corporate Income Tax Returns

We have enclosed the corporate income tax return(s) (the "Returns") of Orangeville Hydro Limited (the "Company") for the period ended December 31, 2021.

- ☑ T2 Corporation Income Tax Return EXEMPT
- ☑ T183 Information Return for Corporations Filing Electronically

(Federal - to be e-filed with CRA) - EXEMPT

- ☑ T2 Corporations Income Tax Return (to be filed with Ministry of Finance) PILS
- ☑ Instalment Schedule
- ☑ Client copy for your records

We have prepared these Returns based on our understanding of and reliance upon the facts, data, materials, assumptions and other information (collectively, the "Information") provided to us by the Company and/or its representatives, and we have not independently investigated or verified the accuracy or completeness of such Information. We accept no responsibility or liability for any errors attributable to our reliance upon inaccurate or incomplete Information. We recommend that you carefully review the Returns in their entirety to ensure that all of the relevant Information is correctly and completely disclosed.

When you are satisfied that the Returns are in order they must be filed (electronically or in paper format) with the respective taxing authorities by the due date (as set out in the following instructions) if late filing penalties are to be avoided or minimized, or if losses are carried back to a prior taxation year. One copy of each Return should be retained for your records (the "Client Copy") and the remaining copies should be completed by an authorized signing officer of the Company and filed as described below.

We would like to remind you that tax-deductible inter-corporate dividends that are received subsequent to April 20, 2015 and that are otherwise tax-free under Part I of the Income Tax Act may be re-characterized, under an expanded anti-avoidance rule in subsection 55(2) of the Income Tax Act, as capital gains that are subject to tax if, in general terms, there is insufficient safe income on hand.

You have advised us that either there is sufficient safe income on hand to support the position that the anti-avoidance rule does not apply to the inter-corporate dividends reported in the Returns, or that the anti-avoidance rule does not apply to the inter-corporate dividends reported in the Returns and that safe income on hand is not required to support the position that the anti-avoidance rule does not apply. If you wish to engage KPMG to prepare a safe income on hand calculation, please contact us and we would be pleased to discuss this with you.

#### **FOREIGN PROPERTY**

The information return, which reports the Company's specified foreign property, is Form T1135 - *Foreign Income Verification Statement*. Form T1135 should be completed if at any time during 2021 the total cost of all specified foreign property the Company owned or held a beneficial interest in was more than Cdn\$100,000.

According to the information you have provided to us, the Company did not hold specified foreign property at any time in 2021 with a total cost of more than Cdn\$100,000. As such, we have **not** marked an X in box 259 on page 3 of your return and **we have not completed the Form T1135**. If the information on specified foreign property is incorrect, please let us know immediately.

The Form T1135 is due by **June 30, 2022**. The implications of late filing and/or failure to properly report specified foreign property on the Form T1135 and failure to report income from a specified foreign property on your income tax return are substantial. They include significant penalties and an increase to the normal reassessment period by an additional 3 years. Further, the reassessment period extension would impact otherwise statute-barred tax years and would impact the entire income tax return, not just the foreign income and reporting sections.

### **DUE DATE OF RETURNS AND PAYMENTS**

All returns must be filed with the respective taxing authorities by June 30, 2022 if late filing penalties are to be avoided. We recommend the returns be sent by registered mail and the mailing receipt be kept on file in order to have evidence of the date of filing.

Any balances owing must be remitted as soon as possible if interest charges are to be minimized.

# T2 – T183 – INFORMATION RETURN FOR CORPORATIONS FILING ELECTRONICALLY (FEDERAL-EXEMPT)

In order for us to electronically file the Company's corporate exempt income tax return, a signed copy of Form T183CORP – *Information Return for Corporations Filing Electronically* must be returned to us. Please note that we will not electronically file the Company's corporate income tax return until we receive the signed Form T183 Corp.

The Form T183CORP – *Information Return for Corporations Filing Electronically* includes information from your Company's income tax return and all applicable schedules.

### Signature

Form T183CORP – Information Return for Corporations Filing Electronically should be completed and signed

No amount is payable for the 2021 taxation year.

### Mailing

One copy of the signed Form T183 Corp should be returned to KPMG by fax at (519) 747-8811, as soon as possible, no later than June 30, 2022, in order to have the Company's Return filed on or before the due date for filing. We will not electronically file the Return until we receive a copy of the signed T183CORP. The Form T183CORP must not be sent to the CRA.

#### T2 - CORPORATION INCOME TAX RETURN - MINISTRY OF FINANCE

### Signature

Form T2, the certification section on page 9 should be completed and signed.

#### Refund

A refund of \$3,660 is claimed and therefore no amount is payable for the **2021** taxation year.

#### Mailing

One copy of the Return and one copy of the Company's financial statements must be <u>received</u> by The Ministry of Finance, HYDRO PIL DIVISION, PO Box 620, 33 King Street West, Oshawa, ON, L1H 8E9 no later than **June 30, 2022.** For greater certainty, KPMG will not be mailing this Return.

### **NOTICES OF ASSESSMENT**

If your Company receives a Notice of Assessment that does not agree with the returns prepared by us, please contact us so that we can determine whether any action should be taken. The Company has only 90 days (180 days in the case of Ontario) from the date of mailing of the Assessment in which to object. Failure to respond within the prescribed time limit will cause the Company to lose its right to object to the Assessment.

### GENERAL RATE INCOME POOL ("GRIP")

Shareholders receiving eligible dividends as compared to non-eligible dividends, are subject to a reduced rate of income tax. Eligible dividends are paid out of the Company's GRIP balance, which at December 31, 2021 is estimated to be \$9,134,650. The supporting calculation is summarized in Schedule 53 of the federal corporate tax return.

In addition, designation of eligible dividends is required, with each shareholder recipient being formally notified in writing <u>at time of payment</u>.

The Company did not designate the payment of an eligible dividend for the current taxation year.

#### **INSTALMENTS**

We have prepared and enclose an estimate of tax instalments as applicable for the Company for the taxation year ending on December 31, 2022. The amounts were computed with reference to the Company's taxable income and taxes payable for prior years.

If during the year it is evident that the taxable income or taxable capital for the current year will be substantially less than for the previous taxation year, your instalments may be recalculated. Overpaid instalments may, in certain circumstances, be transferred to other accounts or applied to other liabilities such as payroll withholdings. Please call your KPMG advisor in order that we may determine what course of action should be taken.

In order to avoid interest charges, the tax authorities must receive the instalment payments no later than the date indicated on the attached schedule.

If you have any questions concerning these returns, or if we may be of any further assistance, please feel free to contact us.

Yours truly,

Tony Italiano Partner

Tony Malione

Enclosure

### **Federal Tax Instalments**

Federa	l tax	insta	lments

For the taxation year ended 2022-12-31

**Business number** 86463 9562 RC0002

The following is a list of instalments payable for the current taxation year, and the last column indicates the instalments payable to the Canada Revenue Agency (CRA). The instalments must be paid on each of the dates indicated below, otherwise non-deductible interest might be charged.

You can pay using one of the methods listed at **canada.ca/payments**. However, when a remittance must mandatorily be made using electronic means, use one of the following electronic payment methods:

- a Canadian financial institution's services;
- the CRA's My Payment service, at canada.ca/cra-my-payment;
- a pre-authorized debit agreement set up in the CRA's My Business Account service, at canada.ca/my-cra-business-account;
- a wire transfer.

Do you want to calculate the tax instalments according to the extended payment date (COVID-19)?\*

Yes X No

\* The answer to this question is **Yes** when at least one of the dates entered in the **Monthly instalment workchart** or the **Quarterly instalment** workchart sections is after March 17, 2020, and before September 30, 2020.

### Monthly instalment workchart

Date	Monthly tax instalments	Refund transferred to instalments	Instalments paid	Cumulative difference	Instalments payable
2022-01-31	15,623			)/	15,623
2022-02-28	15,623				15,623
2022-03-31	15,623				15,623
2022-04-30	15,623				15,623
2022-05-31	15,623				15,623
2022-06-30	15,623				15,623
2022-07-31	15,623				15,623
2022-08-31	15,623				15,623
2022-09-30	15,623				15,623
2022-10-31	15,623				15,623
2022-11-30	15,623				15,623
2022-12-31	15,620				15,620
Instalment (COVID-	-19)				
Totals	187,478				187,473

Canada Revenue Agence du revenu Agency du Canada

### **T2 Corporation Income Tax Return**

200

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

All legislative references on this return are to the federal Income Tax Act and Income Tax Regulations. This return may contain changes that had not yet become law at the time of publication.

Send one completed copy of this return, including schedules and the General Index of Financial Information (GIFI), to your tax centre. You have to file the return within six months after the end of the corporation's tax year.

For more information see **canada.ca/taxes** or Guide T4012, T2 Corporation – Income Tax Guide.

055	Do not use this area
000	

┌ Identification ─────				
Business number (BN) 001 86463 9562 RC0002				
Corporation's name	To which tax year does this return apply?  Tax year start  Tax year-end			
002 Orangeville Hydro Limited	Year Month Day  Year Month Day  Year Month Day			
Address of head office	060 2021-01-01 061 2021-12-31			
Has this address changed since the last time we were notified?				
If <b>yes</b> , complete lines 011 to 018.	Has there been an acquisition of control resulting in the application of			
011 400 C Line	subsection 249(4) since the tax year			
012 Station A Box 400	start on line 060? 063 Yes No X			
City Province, territory, or state	If <b>yes</b> , provide the date Year Month Day			
015 Orangeville 016 ON	control was acquired			
Country (other than Canada)  Postal or ZIP code	Is the date on line 061 a deemed			
017 CA 018 L9W 2Z7	tax year-end according to			
Mailing address (if different from head office address)	subsection 249(3.1)?			
Has this address changed since the last	Is the corporation a professional			
time we were notified?	corporation that is a member of			
If yes, complete lines 021 to 028.	a partnership?			
021 c/o	Is this the first year of filing after:			
022	Incorporation?			
023	Amalgamation?			
City Province, territory, or state	If <b>yes</b> , complete lines 030 to 038 and attach Schedule 24.			
025	Has there been a wind-up of a			
Country (other than Canada) Postal or ZIP code	subsidiary under section 88 during the			
027	current tax year?			
Location of books and records (if different from head office address)	If <b>yes</b> , complete and attach Schedule 24.			
Has this address changed since the	Is this the final tax year before amalgamation? 076 Yes No X			
last time we were notified?				
If yes, complete lines 031 to 038.	Is this the final return up to dissolution?			
031 400 C Line				
O32 Station A Box 400	If an election was made under section 261, state the functional			
City Province, territory, or state	currency used			
035 Orangeville 036 ON				
Country (other than Canada) Postal or ZIP code	Is the corporation a resident of Canada? 080 Yes X No			
037 CA 038 L9W 2Z7	If <b>no</b> , give the country of residence on line 081 and complete and attach Schedule 97.			
040 Type of corporation at the end of the tax year (tick one)	081			
X 1 Canadian-controlled private corporation (CCPC)	Is the non-resident corporation			
	claiming an exemption under			
2 Other private corporation	an income tax treaty? 082 Yes No X			
3 Public corporation	If <b>yes</b> , complete and attach Schedule 91.			
4 Corporation controlled by a public corporation	If the corporation is exempt from tax under section 149, tick one of			
5 Other corporation	the following boxes:			
(specify)	1 Exempt under paragraph 149(1)(e) or (l)			
If the type of corneration changed during	2 Exempt under paragraph 149(1)(j)			
If the type of corporation changed during the tax year, provide the effective Year Month Day	4 Exempt under other paragraphs of section 149			
date of the change				
	·			
Do not use this area				
095	898			

Attachments		
Financial statement information: Use GIFI schedules 100, 125, and 141.  Schedules – Answer the following questions. For each yes response, attach the schedule to the T2 return, unless otherwise instructed.	Yes	Schedule
Is the corporation related to any other corporations?	150 X	9
Is the corporation an associated CCPC?	160 X	23
Is the corporation an associated CCPC that is claiming the expenditure limit?	161	49
Does the corporation have any non-resident shareholders who own voting shares?	151	19
Has the corporation had any transactions, including section 85 transfers, with its shareholders, officers, or employees, other than transactions in the ordinary course of business? Exclude non-arm's length transactions with non-residents	162	11
If you answered <b>yes</b> 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	1
,	164	44   14
Has the corporation paid any royalties, management fees, or other similar payments to residents of Canada?	165	1
Is the corporation claiming a deduction for payments to a type of employee benefit plan?	166	15 T5004
Is the corporation claiming a loss or deduction from a tax shelter?  Is the corporation a member of a partnership for which a partnership account number has been assigned?	167	T5004
Did the corporation, a foreign affiliate controlled by the corporation, or any other corporation or trust that did not deal at arm's length	107	15013
with the corporation have a beneficial interest in a non-resident discretionary trust (without reference to section 94)?	168	22
Did the corporation own any shares in one or more foreign affiliates in the tax year?	169	25
Has the corporation made any payments to non-residents of Canada under subsections 202(1) and/or 105(1) of the Income Tax Regulations?	170	29
Did the corporation have a total amount over CAN\$1 million of reportable transactions with non-arm's length non-residents?	171	T106
For private corporations: Does the corporation have any shareholders who own 10% or more of the corporation's common and/or preferred shares?	173 X	50
Has the corporation made payments to, or received amounts from, a retirement compensation plan arrangement during the year?	172	
Does the corporation earn income from one or more Internet web pages or websites?	180	88
Is the net income/loss shown on the financial statements different from the net income/loss for income tax purposes?	201 X	1
Has the corporation made any charitable donations; gifts of cultural or ecological property; or gifts of medicine?	202 X	2
Has the corporation received any dividends or paid any taxable dividends for purposes of the dividend refund?	203 X	3
Is the corporation claiming any type of losses?	204	4
Is the corporation claiming any type of losses:  Is the corporation claiming a provincial or territorial tax credit or does it have a permanent establishment		, 4
in more than one jurisdiction?	205 X	5
Has the corporation realized any capital gains or incurred any capital losses during the tax year?	206	6
i) Is the corporation a CCPC and reporting a) income or loss from property (other than dividends deductible on line 320 of the T2 return), b) income from a partnership, c) income from a foreign business, d) income from a personal services business, e) income referred to in clause 125(1)(a)(i)(C) or 125(1)(a)(i)(B), f) aggregate investment income as defined in subsection 129(4), or g) an amount assigned to it under subsection 125(3.2) or 125(8); or ii) Is the corporation a member of a partnership and assigning its specified partnership business limit to a designated member under subsection 125(8)?	207	7
Does the corporation have any property that is eligible for capital cost allowance?	208 X	8
Does the corporation have any resource-related deductions?	212	12
Is the corporation claiming deductible reserves?	213	13
Is the corporation claiming a patronage dividend deduction?	216	16
Is the corporation a credit union claiming a deduction for allocations in proportion to borrowing or a provincial credit union tax reduction?	217	17
Is the corporation an investment corporation or a mutual fund corporation?	218	18
Is the corporation carrying on business in Canada as a non-resident corporation?	220	20
Is the corporation claiming any federal, provincial, or territorial foreign tax credits, or any federal logging tax credits?	221	21
Does the corporation have any Canadian manufacturing and processing profits?	227	27
Is the corporation claiming an investment tax credit?	231	31
Is the corporation claiming any scientific research and experimental development (SR&ED) expenditures?	232	T661
Is the total taxable capital employed in Canada of the corporation and its related corporations over \$10,000,000?	233 X	33/34/35
Is the total taxable capital employed in Canada of the corporation and its associated corporations over \$10,000,000?	234 X	
Is the corporation subject to gross Part VI tax on capital of financial institutions?	238	38
Is the corporation claiming a Part I tax credit?	242	42
Is the corporation subject to Part IV.1 tax on dividends received on taxable preferred shares or Part VI.1 tax on dividends paid?	243	43
Is the corporation agreeing to a transfer of the liability for Part VI.1 tax?	244	45
For financial institutions: Is the corporation a member of a related group of financial institutions with one or more members subject to gross Part VI tax?	250	39
Is the corporation claiming a Canadian film or video production tax credit?	253	T1131
Is the corporation claiming a film or video production services tax credit?	254	T1177
Is the corporation claiming a Canadian journalism labour tax credit?	272	58
Is the corporation subject to Part XIII.1 tax? (Show your calculations on a sheet that you identify as Schedule 92.)	255	92

┌ Attachments (continued) ────────────────────────────────────	Yes	Schedule
Did the corporation have any foreign affiliates in the tax year?		T1134
Did the corporation own or hold specified foreign property where the total cost amount of all such property, at any time in the year, was		
more than CAN\$100,000? 259		T1135
Did the corporation transfer or loan property to a non-resident trust?		T1141
Did the corporation receive a distribution from or was it indebted to a non-resident trust in the year?		T1142
Has the corporation entered into an agreement to allocate assistance for SR&ED carried out in Canada?		T1145
Has the corporation entered into an agreement to transfer qualified expenditures incurred in respect of SR&ED contracts? 263		T1146
Has the corporation entered into an agreement with other associated corporations for salary or wages of specified employees for SR&ED?		T1174
Did the corporation pay taxable dividends (other than capital gains dividends) in the tax year?	X	55
Has the corporation made an election under subsection 89(11) not to be a CCPC?		T2002
Has the corporation revoked any previous election made under subsection 89(11)?	Ш	T2002
Did the corporation (CCPC or deposit insurance corporation (DIC)) pay eligible dividends, or did its general rate income pool (GRIP) change in the tax year?	X	53
Did the corporation (other than a CCPC or DIC) pay eligible dividends, or did its low rate income pool (LRIP) change in the tax year? 269	Ш	54
Is the corporation claiming a return of fuel charge proceeds to farmers tax credit?	Ш	63
Are you an employer reporting a non-qualified security agreement under subsection 110(1.9)?	Ш	59
Is the corporation claiming an air quality improvement tax credit?		65
┌ Additional information ────────────────────────────────────		
Did the corporation use the International Financial Reporting Standards (IFRS) when it prepared its financial statements? 270 Yes X		No 🗌
Is the corporation inactive?		No X
		لت
What is the corporation's main revenue-generating business activity? 221122 _ Electric Power Distribution		
Specify the principal products mined, manufactured,  284 Hydro distribution	100.	000 %
sold, constructed, or services provided, giving the approximate percentage of the total revenue that each		
product or service represents.		
		No X
Did the corporation immigrate to Canada during the tax year?  Did the corporation emigrate from Canada during the tax year?  Yes  Yes  Yes		No X
Do you want to be considered as a quarterly instalment remitter if you are eligible?		No X
So you make to be considered as a quarterly meaning in you are quarterly meaning in your are qua		
If the corporation was eligible to remit instalments on a quarterly basis for part of the tax year, provide the date the corporation ceased to be eligible	iontn	Day
If the corporation's major business activity is construction, did you have any subcontractors during the tax year? 295 Yes		No
┌ Taxable income		
Net income or (loss) for income tax purposes from Schedule 1, financial statements, or GIFI  Deduct:	734	1 <u>,864</u> A
Charitable donations from Schedule 2		
Cultural gifts from Schedule 2		
Ecological gifts from Schedule 2		
Gifts of medicine made before March 22, 2017, from Schedule 2		
Taxable dividends deductible under section 112 or 113, or subsection 138(6) from Schedule 3		
Part VI.1 tax deduction*		
Non-capital losses of previous tax years from Schedule 4		
Net capital losses of previous tax years from Schedule 4		
Restricted farm losses of previous tax years from Schedule 4		
Farm losses of previous tax years from Schedule 4		
Limited partnership losses of previous tax years from Schedule 4		
Taxable capital gains or taxable dividends allocated from a central credit union		
Prospector's and grubstaker's shares		
Employer deduction for non-qualified securities		
Subtotal	4	1,775 B
Subtotal (amount A <b>minus</b> amount B) (if negative, enter "0")		),089 C
Section 110.5 additions or subparagraph 115(1)(a)(vii) additions		D
Taxable income (amount C plus amount D)	730	),089
Taxable income for the year from a personal services business		Z.1
* This amount is equal to 3.5 times the Part VI.1 tax payable at line 724 on page 9.		

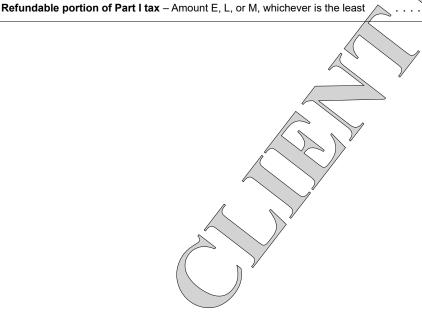
	ess deduction ——							_
Canadian-contro	olled private corporations	s (CCPCs) through	out the tax year			-		
· ·	r the small business deduc					400	734,864	Α
	rom line 360 on page 3, <b>m</b> i	·	·		n page 8,			
	the amount on line 636** on the amount on line 636** on the compt from Part I tax	· -	<b>us</b> any amount tnat, i 			405	730,089	Р
•	e notes 1 and 2 below)					410	500,000	
Notes:	,							
1. For CCPCs th	at are not associated, ente e this amount by the numb		·	•	•	51		
2. For associated	d CCPCs, use Schedule 23	3 to calculate the an	nount to be entered o	n line 410.				
Business limit re	eduction							
	al business limit reduction	on			A			
Amount C	500,000	415 ***		) =		·····	3,059,200	Е
			11,250					
	me business limit reduct		417			000 -		_
Adjusted aggre	egate investment income f	rom Schedule /****	. 417		- 50	,000 =		۲
Amount C	500,000	X Amount F		= .		<u> </u>		G
	100,000							
				The greate	er of amount E and an		3,059,200	H
	s limit (amount C <b>minus</b> a		•		)./	426		I
	CCPC assigns under sub	(	,	.,,				J
	ss limit after assignment		•	.(.(	.)	428 9 % = 430		K
	<b>deduction –</b> Amount A, B, n line 430 at amount J on		is the least		<del>//</del> ^ 1:	9 /0		
	,	. •			,			
<ul> <li>Calculate the investment</li> </ul>	he amount of foreign non-b income (line 604) and with	ousiness income tax	credit deductible on	line 632 witho	out reference to the re action 123.4	fundable tax on the	CCPC's	
	he amount of foreign busin		. //			ation tax reductions	under section 123.4	1.
*** Large corp	_							
If the co	orporation is not associated xable capital employed in the	d with any corporation	ons in both the curren	// it and previou 0 000) x 0 22:	s tax years, the amou	int to be entered on	line 415 is:	
If the co entered	orporation is not associated on line 415 is: (total taxab	d with any corporation of the capital employed	ons in the current tax in Canada for the <b>cu</b>	year, but was I <b>rrent</b> year <b>m</b>	associated in the pre inus \$10,000,000) x (		amount to be	
	porations associated in the otal adjusted aggregate inv	• /		•		tax year that and a	Lin the preceding	
calendar ye reported at	ear. Each corporation with line 744 of the correspond of the corporation for eac	such income has to ding Schedule 7. Other	file a Schedule 7. For herwise, this amount	r a corporatio	n's first tax year that s	starts after 2018, thi	s amount is	
Specified corpor	rate income and assignm	nent under subsect	ion 125(3.2)					
	L1 _		L		M		N	_
	Name of corporation rec		Business numb		Income paid under		s limit assigned to	
	income and assigned	amount	the corporati		ause 125(1)(a)(i)(B) to corporation identified i		ation identified in column L ⁴	
		) `	assigned amo		column L 3			
		<i></i>	490		500		505	
1.					_ <del></del> _		_ <del></del>	_
				Total	510	Total 515		_
Notes:				iotai	<b></b>	IOIAI GIG		

- 3. This amount is [as defined in subsection 125(7) **specified corporate income** (a)(i)] the total of all amounts each of which is income (other than specified farming or fishing income of the corporation for the year) from an active business of the corporation for the year from the provision of services or property to a private corporation (directly or indirectly, in any manner whatever) if
  - (A) at any time in the year, the corporation (or one of its shareholders) or a person who does not deal at arm's length with the corporation (or one of its shareholders) holds a direct or indirect interest in the private corporation, and
  - (B) it is not the case that all or substantially all of the corporation's income for the year from an active business is from the provision of services or property to
    - (I) persons (other than the private corporation) with which the corporation deals at arm's length, or
    - (II) partnerships with which the corporation deals at arm's length, other than a partnership in which a person that does not deal at arm's length with the corporation holds a direct or indirect interest.
- 4. The amount of the business limit you assign to a CCPC cannot be greater than the amount determined by the formula A B, where A is the amount of income referred to in column M in respect of that CCPC and B is the portion of the amount described in A that is deductible by you in respect of the amount of income referred to in clauses 125(1)(a)(i)(A) or (B) for the year. The amount on line 515 cannot be greater than the amount on line 426.

General tax reduction for Canadian-controlled private corporations	
Canadian-controlled private corporations throughout the tax year	
Taxable income from line 360 on page 3	<u>9</u> A
Lesser of amounts 9B and 9H from Part 9 of Schedule 27	
Amount 13K from Part 13 of Schedule 27 C	
Personal services business income	
Amount from line 400, 405, 410, or 428 on page 4, whichever is the least	
Aggregate investment income from line 440 on page 6*	
Subtotal (add amounts B to F)	_ G
Amount A <b>minus</b> amount G (if negative, enter "0")	<u>9</u> н
General tax reduction for Canadian-controlled private corporations – Amount H multiplied by 13 % 94,91	2 <sub>1</sub>
Enter amount I on line 638 on page 8.	=
* Except for a corporation that is, throughout the year, a cooperative corporation (within the meaning assigned by subsection 136(2)) or a credit union.	
General tax reduction	
Do not complete this area if you are a Canadian-controlled private corporation, an investment corporation, a mortgage investment corporation, a mutual fund corporation, or any corporation with taxable income that is not subject to the corporation tax rate of 38%.  Taxable income from line 360 on page 3  Lesser of amounts 9B and 9H from Part 9 of Schedule 27  Amount 13K from Part 13 of Schedule 27  Personal services business income	_ J
Subtotal (add amounts K to M)	_ N
Amount J <b>minus</b> amount N (if negative, enter "0")	_ 0
General tax reduction – Amount O multiplied by 13 %  Enter amount P on line 639 on page 8.	= P

450

 Refundable portion of Part I tax — Canadian-controlled private corporations throughout the tax year Aggregate investment income x 30 2 / 3 % = from Schedule 7 ...... Foreign non-business income tax credit from line 632 on page 8 Foreign investment income x 8 % = C from Schedule 7 ....... Subtotal (amount B minus amount C) (if negative, enter "0") Amount A **minus** amount D (if negative, enter "0") ..... Taxable income from line 360 on page 3 730,089 F Amount from line 400, 405, 410, or 428 on page 4, whichever is the least . . . . . . . . . . . . . . . . \_ Foreign nonbusiness income tax credit from line 632 on × 75 / 29 = page 8 .... \_ Foreign business income tax credit from line 636 on page 8 ... Subtotal (add amounts G to I) \_\_\_ 730,089 K X 30 2 / 3 % = \_ Subtotal (amount F minus amount J) 109,513 M Part I tax payable minus investment tax credit refund (line 700 minus line 780 from page 9)



┌ Refundable dividend tax on hand ────────────────────────────────────	
Refundable dividend tax on hand (RDTOH) at the end of the previous tax year	
Dividend refund for the previous tax year	
Net RDTOH transferred on an amalgamation or the wind-up of a subsidiary	
Subtotal (line 460 <b>minus</b> line 465 <b>plus</b> line 480)	A
General rate income pool (GRIP) at the end of the previous tax year (from line 100 of Schedule 53)	В
Total eligible dividends paid in the previous tax year (from line 300 of Schedule 53)	
Total excessive eligible dividend designation in the previous tax year (from line 310 of Schedule 53) D	
Subtotal (amount C <b>minus</b> amount D) (if negative, enter "0")	E
Net GRIP at the end of the previous tax year (amount B <b>minus</b> amount E) (if negative, enter "0") F  GRIP transferred on an amalgamation or the wind-up of a subsidiary (total of lines 230 and 240 of Schedule 53)	
Subtotal (amount F <b>plus</b> amount G)	Н
Amount H <b>multiplied</b> by 38 1 / 3 %	ı
Eligible refundable dividend tax on hand (ERDTOH) at the end of the previous tax year (for the first tax year starting after 2018,	_
amount A or I, whichever is less, otherwise, use line 530 of the preceding tax year)	J
Non-eligible refundable dividend tax on hand (NERDTOH) at the end of the previous tax year (for the first tax year starting after	_
2018, amount A <b>minus</b> amount I, otherwise, use line 545 13,357 of the preceding tax year (if negative, enter "0") 535	<u>57</u> K
Part IV tax payable on taxable dividends from connected corporations (amount 2G from Schedule 3)	
Part IV tax payable on eligible dividends from non-connected corporations (amount 2J from Schedule 3) M	
Subtotal (amount L plus amount M)	N
Net ERDTOH transferred on an amalgamation or the wind-up of a subsidiary	0
ERDTOH dividend refund for the previous tax year	P
Refundable portion of Part I tax (from line 450 on page 6)	Q
Part IV tax before deductions (amount 2A from Schedule 3)	
Part IV tax allocated to ERDTOH (amount N)	
Part IV tax reduction due to Part IV.1 tax payable (amount 4D of Schedule 43) T	
Subtotal (amount R minus total of amounts S and T)	U
Net NERDTOH transferred on an amalgamation or the wind-up of a subsidiary	V
NERDTOH dividend refund for the previous tax year	57_ W
38 1/3% of the total losses applied against Part IV tax (amount 20 from Schedule 3)	X
Part IV tax payable allocated to NERDTOH, net of losses claimed (amount U minus amount X) (if negative enter "0")	Y
NERDTOH at the end of the tax year (total of amounts K, Q, V, and Y minus amount W) (if negative, enter "0")  Part IV tax payable allocated to ERDTOH, net of losses claimed amount N minus the amount, if any, by which amount X exceeds amount U) (if negative, enter "0")	— z
ERDTOH at the end of the tax year (total of amounts J, O, and Z minus amount P) (if negative, enter "0")	
	<del></del>
┌ Dividend refund	
38 1/3% of total eligible dividends paid in the tax year (amount 3A from Schedule 3)  ERDTOH balance at the end of the tax year (line 530)	AA BB
Eligible dividend refund (amount AA or BB, whichever is less)	-cc
38 1/3% of total non-eligible taxable dividends paid in the tax year (amount 3B from Schedule 3)	<del></del> 49 dd
NERDTOH balance at the end of the tax year (line 545)	— EE
Non-eligible dividend refund (amount DD or EE, whichever is less)	FF
Amount DD <b>minus</b> amount EE (if negative, enter "0")	 49 GG
Amount BB <b>minus</b> amount CC (if negative, enter "0")	HH
Additional non-eligible dividend refund (amount GG or HH, whichever is less)	_ "
Dividend refund – Amount CC plus amount FF plus amount II	 JJ
Enter amount JJ on line 784 on page 9.	= "

r Part I tax <del></del>			
Base amount Part I tax – Taxable income (from line 360 on page 3) <b>multiplied</b> by 38 %		550	277,434 A
			Z//,TJT_ A
Additional tax on personal services business income (section 123.5)			
Taxable income from a personal services business	555	x 5% = <b>560</b>	В
Recapture of investment tax credit from Schedule 31		602	C
Calculation for the refundable tax on the Canadian-controlled private corporation's (if it was a CCPC throughout the tax year)	(CCPC) investmen	t income	
Aggregate investment income from line 440 on page 6		D	
Taxable income from line 360 on page 3	730,089 E	<u>.</u>	
Deduct:			
Amount from line 400, 405, 410, or 428 on page 4, whichever	_		
is the least  Net amount (amount E <b>minus</b> amount F)	730 080 F	730,089 G	
Net amount (amount E <b>minus</b> amount F)	730,009	730,089 G	
Refundable tax on CCPC's investment income - 10 2 / 3 % of whichever is less: am	ount D or amount G	604	Н
	Subtotal (add a	amounts A, B, C, and H)	277,434 ı
Deduct:		)/	
Small business deduction from line 430 on page 4		J	
Federal tax abatement		73,009	
Manufacturing and processing profits deduction from Schedule 27			
Investment corporation deduction	620		
Taxed capital gains 624			
Federal foreign non-business income tax credit from Schedule 21	632		
Federal foreign business income tax credit from Schedule 21	636		
General tax reduction for CCPCs from amount I on page 5	638	94,912	
General tax reduction from amount P on page 5	639		
Federal logging tax credit from Schedule 21	641		
Eligible Canadian bank deduction under section 125.21	648		
Federal qualifying environmental trust tax credit	652		
Investment tax credit from Schedule 31		167.021	167.021
	Subtotal	167,921	<u>167,921</u> к
Part I tay payable Amount I minus amount K			109,513 L
Part I tax payable – Amount I minus amount K Enter amount L on line 700 on page 9.			109,313
LEHIOL AMOUNT E OH HITE 700 OH DAUE 3.			

### Privacy notice -

Personal information (including the SIN) is collected to administer or enforce the Income Tax Act and related programs and activities including administering tax, benefits, audit, compliance, and collection. The information collected may be used or disclosed for the purposes of other federal acts that provide for the imposition and collection of a tax or duty. It may also be disclosed to other federal, provincial, territorial, or foreign government institutions to the extent authorized by law. Failure to provide this information may result in paying interest or penalties, or in other actions. Under the Privacy Act, individuals have a right of protection, access to and correction of their personal information, or to file a complaint with the Privacy Commissioner of Canada regarding the handling of their personal information. Refer to Personal information Bank CRA PPU 047 on Info Source at canada.ca/cra-info-source.

<ul> <li>Summary of tax and credits</li> </ul>				
Federal tax				
Part I tax payable from amount L on page 8				109,513
Part III.1 tax payable from Schedule 55				
Part IV tax payable from Schedule 3				
Part IV.1 tax payable from Schedule 43				
Part VI tax payable from Schedule 38			724	
Part VII.1 tax payable from Schedule 43				
Part XIII.1 tax payable from Schedule 92 Part XIV tax payable from Schedule 20			728	
			Total federal tax	109,513
Add provincial or territorial tax:  Provincial or territorial jurisdiction		_		
(if more than one jurisdiction, enter "multiple"			760	77,960
Net provincial or territorial tax payable (excep	of Quebec and Alberta)	∵	tax payable 770	187,473 A
Deduct other credits:		700		
Investment tax credit refund from Schedule 3 Dividend refund from amount JJ on page 7 Federal capital gains refund from Schedule 1 Federal qualifying environmental trust tax cre Return of fuel charge proceeds to farmers ta	l8edit refundx credit from Schedule 63	784 788 792 795		
Canadian film or video production tax credit (				
Film or video production services tax credit (	•	700		
Canadian journalism labour tax credit from S		798	<del></del>	
Air quality improvement tax credit from Sche- Tax withheld at source	dule 65	800		
Total payments on which tax has been with	nheld 801		<del></del>	
Provincial and territorial capital gains refund		808		
Provincial and territorial refundable tax credit		812		
Tax instalments paid		840	191,133	
·		Total credits 890	191,133	191,133 в
		Balance (amount A r	minus amount B)	-3,660
			· <del></del>	
	lizme result is negat	ive, you have <b>a refund</b> . If the resu	amount below on whiche	_
	Gene	erally, we do not charge or refund a		<del></del>
				₩
Refund code 894 1	Refund 3,66	Balance o	owing	
	₩ ₩			₩
For information on how to enrol for direct dep	asit, go to canada.ca/cra-direct-dep	oosit.	For information on h payment, go to <b>cana</b>	
If the corporation is a Canadian-controlled produces it qualify for the one-month extension of	ivate corporation throughout the tax f the date the balance of tax is due?	year, 	<b>896</b> Yes	No X
If this return was prepared by a tax preparer	for a fee, provide their EFILE numbe	r	<b>920</b> G1829	)
	D SOLELY FOR INCOME TAX PURPOSES WITHOUT AUDIT (	OR REVIEW FROM INFORMATION PROVIDED BY THE T	ΓAXPAYER.	
- Certification		F770 -		
I, 950 Long Last name	951 Amy	t name	Position, office,	or rank
am an authorized signing officer of the corpor the information given on this return is, to the by year is consistent with that of the previous tax 955	ration. I certify that I have examined to best of my knowledge, correct and co	this return, including accompanying omplete. I also certify that the meth	g schedules and stateme nod of calculating income	ents, and that for this tax
Date (yyyy/mm/dd)	Signature of the authorized signi	ng officer of the corporation		one number
Is the contact person the same as the authori	•	•	<b>957</b> Yes	No X
958 Suzanne Presseault			959 (519) 942-	
	Name of other authorized person			one number
<ul> <li>Language of correspondence – L</li> <li>Indicate your language of correspondence by</li> <li>Indiquez votre langue de correspondance en</li> </ul>	y entering 1 for English or 2 for Frence		990 1	

# **Schedule of Instalment Remittances**

Name of corporation	on contact				
Telephone number		_			
Effective interest date		Descr split	iption (instalment remittance, payment, assessed credit)		Amount of credit
	2021 installme				191,133
				Δ	
		Total amount of ins	stalments claimed (carry the re	sult to line 840 of the T2 Return	)191,133_A
		Total amount of me		edited to the taxation year per TS	
Transfer —		Taxation		Effective	
Account nu	umber	year end	Amount	interest date	Description
TOM:					
To:					
From:					
To:					
From:					
To:					
From:					
To:	(				
From:					
То:					

### \*

Canada Revenue Agency Agence du revenu du Canada

# **Net Income (Loss) for Income Tax Purposes**

Schedule 1

Corporation's name	Business number	Tax year-end
		Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2021-12-31

- Use this schedule to reconcile the corporation's net income (loss) as reported on the financial statements and its net income (loss) for tax purposes. For more information, see the T2 Corporation Income Tax Guide.
- All legislative references are to the Income Tax Act.

Net in	come (loss) after taxes and extraordinary items from line 9999 of	Schedule 125	<u> </u>	908,964 A
Add:		_		
Prov	ision for income taxes – current		185,002	
Provi	ision for income taxes – deferred	<u>102</u>	124,121	
Inter	est and penalties on taxes		1,752	
Amo	rtization of tangible assets		1,032,581	
Loss	on disposal of assets	<b>=</b> 1/2	86,337	
Char	itable donations and gifts from Schedule 2		4,775	
			2,015	
Rese	erves from financial statements – balance at the end of the year	126	464,481	
		Subtotal of additions	1,901,064	1,901,064
Add:			/	
Othe	r additions:			
	_ 1	2		
	Description	Amount		
	605	295		
1	Inducement under 12(1)(x) ITA	5,000		
2	Paragraph 12(1)(x) - Contributed capital	349,139		
3	Paragraph 12(1)(a) - Customer Deposits	514,847		
4	Tax grouped with change in regulatory  Total of column 2	37,177 906,163 ► 296	906,163	
		Subjectal of other additions 199	906,163	906,163 [
		Total additions 500	2,807,227	2,807,227
Amoui	nt A <b>plus</b> line 500	/ ====================================		3,716,191
				<u> </u>
Dedu Capit	tal cost allowance from Schedule 8	403	1,533,651	
	erves from financial statements – balance at the beginning of the		392,292	
11000	y voo nom manda statomonto socialista social	Subtotal of deductions	1,925,943	1,925,943
Dedu	uct:	_		,
		347	22,485	
		<del></del>	,	
Otne	r deductions:	2		
	1 Description	Amount		
	705	395		
1	Amortization of contributed capital	67,211		
2	Subsection 13(7.4) election	349,139		
3	Paragraph 20(1)(m) - Customer Deposits	514,847		
4	Tax movement in reg account	101,702		
5	Deferred CGAAP Credits	0		
	Total of column 2	1,032,899 > 396	1,032,899	

Subtotal of other deductions 499	1,055,384	1,055,384_E
Total deductions 510	2,981,327	2,981,327
Net income (loss) for income tax purposes (amount B minus line 510)		<u>734,864</u> C
Enter amount C on line 300 of the T2 return.		

T2 SCH 1 E (19) Canadä



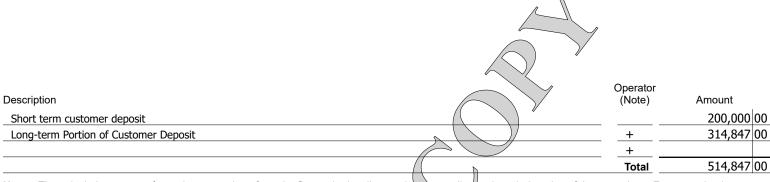
# **Attached Schedule with Total**

Line 295 - Amount

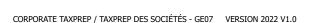
Title	Line 295 – Amount	

Explanatory note

As per balance sheet



Note: The calculations are performed one at a time, from the first to the last line, and not according to the priority rules of the operations. For example, the formula 1+2\*3 will not result in the same thing as the formula 1+3\*2.



# **Attached Schedule with Total**

Line 395 - Amount

Title Line 395 – Amount

	Operator	
Description	(Note)	Amount
Short term customer deposit		200,000 00
Long-term Portion of Customer Deposit		314,847 00
	Total	514,847 00

**Note**: The calculations are performed one at a time, from the first to the last line, and not according to the priority rules of the operations. For example, the formula 1+2\*3 will not result in the same thing as the formula 1+3\*2.

### **Attached Schedule with Total**

Line 347 - Non-taxable/deductible other comprehensive income items

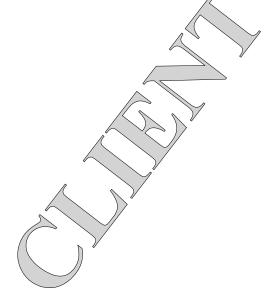
Title Line 347 – Non-taxable/deductible other comprehensive income items

### Explanatory note

the OCI amount reported in the financials is NET of tax. So we need to reverese the tax amount included in the balance reported in OCI. IF the OCI entry relates to an adjustment reported in the tax return in Schedule 13 s then the pre tax amount does not requirte adjustment on schedule 1 - the only amount that needs to be accounted for in the return would be the tax portion.

	1	
Description  Pre tax amount pf actuarial change in note 11 b	Operator (Note)	Amount 84,849 00
Net amount reported in OCI in financials page 7		62,364 00
Proof = 84,849x 26.5% = \$22,485 (tax recovery)	+	
	Total	22,485 00

Note: The calculations are performed one at a time, from the first to the last line, and not according to the priority rules of the operations. For example, the formula 1+2\*3 will not result in the same thing as the formula 1+3\*2.



### **Inducement**

This form is used to calculate inducements that a corporation must add to its income under paragraph 12(1)(x) ITA. If an amount reduces the capital cost of a property, this amount will be indicated in Part "Tax credits whose amount should reduce the capital cost of property."

If you want to transfer an amount to Schedule 1 and include it in the corporation's income for tax purposes, select the corresponding check box in column A. You can also select the option **Select this check box to add all the amounts to income calculated in Schedule 1** to transfer all the amounts to Schedule 1. In either case, the column A check box will be selected for that amount and it will therefore be updated to Schedule 1.

### Tax credits whose amount should be added to income

Fed	eral	
Α		
X	Investment tax credit from apprenticeship job creation expenditures	2,000
	Investment tax credit from child care spaces expenditures	
	Canadian film or video production tax credit*	
	* Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Film or video production services tax credit*	
	* Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Investment tax credit claimed on contributions made to SR&ED farming organizations	
	Canadian journalism labour tax credit	
	Return of fuel charge proceeds to farmers tax credit	
	Air quality improvement tax credit*	
	* Please verify if the credit amount relates to depreciable property For more information, consult the Help (F1).	
Onta A	ario	
	Portion of the Ontario research and development tax credit that relates to the prescribed proxy amount (PPA) and portion of the Ontario investment tax credit that relates to contributions made to SR&ED farming organizations	
X	Ontario co-operative education tax credit	3,000
X	Ontario apprenticeship training tax credit	
	Ontario computer animation and special effects tax credit	
	* Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Ontario film and television tax credit*	
	* Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Ontario production services tax credit*	
	* Please verify if the credit amount relates to depreciable property.  For more information, consult the Help (F1).	
	Ontario interactive digital media/tax credit*	
	* Please verify if the credit amount relates to depreciable property.  For more information, consult the Help (F1).	
	Ontario book publishing tax credit	
X	Portion of the Ontario innovation tax credit that relates to the prescribed proxy amount (PPA) and portion of the Ontario investment tax credit that relates to contributions made to SR&ED farming organizations	
	Ontario business-research institute tax credit	
	Ontario community food program donation tax credit for farmers	

Tax credits whose amount should reduce the capital cost of property

Agence du revenu du Canada Schedule 2

### **Charitable Donations and Gifts**

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2021-12-31

- For use by corporations to claim any of the following:
  - the eligible amount of charitable donations to qualified donees
  - the Ontario, Nova Scotia, and British Columbia food donation tax credits for farmers
  - the eligible amount of gifts of certified cultural property
  - the eligible amount of gifts of certified ecologically sensitive land or
  - the additional deduction for gifts of medicine made before March 22, 2017
- All legislative references are to the federal Income Tax Act, unless stated otherwise.
- The eligible amount of a gift is the amount by which the fair market value of the gifted property exceeds the amount of an advantage, if any, for the gift.
- The donations and gifts can be carried forward for 5 years except for gifts of certified ecologically sensitive land after February 10, 2014, which can be carried forward for 10 years.
- Use this schedule to show a transfer of unused amounts from previous years following an amalgamation or the wind-up of a subsidiary as described under subsections 87(1) and 88(1).
- Subsection 110.1(1.2) provides as follows:
  - Where a particular corporation has undergone an acquisition of control, for tax years that end on or after the acquisition of control, no corporation can claim a deduction for a gift made by the particular corporation to a qualified donee before the acquisition of control.
  - If a particular corporation makes a gift to a qualified donee pursuant to an arrangement under which both the gift and the acquisition of control is
    expected, no corporation can claim a deduction for the gift unless the person acquiring control of the particular corporation is the qualified donee.
- An eligible medical gift made before March 22, 2017, to a qualifying organization for activities outside of canada may be eligible for an additional deduction. Calculate the additional deduction in Part 5.
- File this schedule with your T2 Corporation Income Tax Return.
- For more information, see the T2 Corporation Income Tax Guide.

┌ Part 1 – Charitable donations		
Part 1 - Charitable donations		
Charity/Recipient		Amount (\$100 or more only)
Various donation slips		4,775
		Subtotal 4,775
	Add: Total donations of less than \$	6100 each
	Total donations in currer	t tax year4,775



Part 1 - Charitable donations			
	Federal	Québec	Alberta
Charitable donations at the end of the previous tax year	1A		
Charitable donations expired after five tax years*			
Total charitable donations made in the current year	4,775	4,775	4,775
Subtotal (line 250 <b>plus</b> line 210)	4,775 1B	4,775	4,775
Subtotal (line 240 <b>plus</b> amoun <u>t 1B)</u>	4,775 1C	4,775	4,775
Adjustment for an acquisition of control			
Total charitable donations available (amount 1C minus line 255)	4,775_1D	4,775	4,775
Amount applied in the current year against taxable income (cannot be more than amount 2H in Part 2)	4,775	4,775	4,775
(enter this amount on line 311 of the T2 return)			
Charitable donations closing balance (amount 1D minus line 260)			
The amount of qualifying donations for the Ontario community food program donation tax credit for farmers included in the amount on line 260 (for donations made after December 31, 2013)		$\nearrow$	
Ontario community food program donation tax credit for farmers (amount on line 262 <b>multiplied</b> by 25 %)			
Enter amount 1 on line 420 of Schedule 5, Tax Calculation Supplementary – Corpo is less: the Ontario income tax otherwise payable or amount 1. For more informatio			
The amount of qualifying donations for the Nova Scotia food bank tax credit for farmers included in the amount on line 260 (for donations made after December 31, 2015)			
Nova Scotia food bank tax credit for farmers (amount on line 263 <b>multiplied</b> by 25 %)	2		
Enter amount 2 on line 570 of Schedule 5, Tax Calculation Supplementary Corpo is less: the Nova Scotia income tax otherwise payable or amount 2. For more information of the control of th	rations. The maximum you mation, see section 50A of t	can claim in the current yne Nova Scotia Income 1	vear is whichever Fax Act.
The amount of qualifying gifts for the British Columbia farmers' food donation tax credit included in the amount on line 260 (for donations made after February 16, 2016, and before January 1, 2024)			
British Columbia farmers' food donation tax credit (amount on line 265 <b>multiplied</b> by 25 %)	3		
Enter amount 3 on line 683 of Schedule 5, Tax Calculation Supplementary – Corpo is less: the British Columbia income tax otherwise payable or amount 3. For more in	rations. The maximum you of nformation, see section 20.	can claim in the current y I of the British Columbia	vear is whichever Income Tax Act.
* For federal and Alberta tax purposes, donations and gifts expire after five tax year that ended before March 24, 2006, expire after five tax years; otherwise, donation			ade in a tax year

┌ Amounts ca	rried forward – Charitable donati	ons —	<del> </del>		
Year of origin:		Fed	leral	Québec	Alberta
1 <sup>st</sup> prior year		2020-12-31			
2 <sup>nd</sup> prior year		2019-12-31			
3 <sup>rd</sup> prior year		2018-12-31			
4 <sup>th</sup> prior year		2017-12-31			
5 <sup>th</sup> prior year		2016-12-31			
6 <sup>th</sup> prior year*		2015-12-31			
7 <sup>th</sup> prior year		2014-12-31			
8 <sup>th</sup> prior year		2013-12-31			
9 <sup>th</sup> prior year		2012-12-31			
10 <sup>th</sup> prior year		2011-12-31			
11 <sup>th</sup> prior year		2010-12-31			
12 <sup>th</sup> prior year		2009-12-31			
13 <sup>th</sup> prior year					
14 <sup>th</sup> prior year					
15 <sup>th</sup> prior year				$\overline{}$	
16 <sup>th</sup> prior year					
17 <sup>th</sup> prior year					
18 <sup>th</sup> prior year					
19 <sup>th</sup> prior year				7	
20 <sup>th</sup> prior year					
21st prior year*					
Total (to line A)		<u></u>			
donations and	Alberta tax purposes, donations and gifts in gifts made in a tax year that ended before Mor year expire automatically in the current tax	arch 24, 2006, that are included	oire automatically in the I on line 6 <sup>th</sup> prior year a	e current tax year. For Q and donations and gifts	uébec tax purposes, that are included
┌ Part 2 – Max	cimum allowable deduction for ch	naritable donations —			
Net income for ta	x purposes Note 1 multiplied by 75 %				551,148 2A
		Note 2	225		201/110 27
	ains arising in respect of gifts of capital prop ain in respect of a disposition of a non-qualif		225		
under subsection		ying security	227		
	he recapture of capital cost				
	spect of charitable donations	230			
Proceeds of dis outlays and exp		N NOB			
Capital cost Note					
		005			
	C, whichever is less	235			
Amount on line 2	30 or 235, whichever is less	<u> </u>		2D	
		Subtotal ( <b>add</b> lines 225, 227, ar	•	2E	
				ultiplied by 25 %	2F
			Subtotal (amount 2	2A <b>plus</b> amount 2F)	<u>551,148</u> 2G
	able deduction for charitable donations ) from Part 1, amount 2G, or net income for t	ax purposes whichever is the I	east)		<b>4,775</b> 2H
1 *	lit unions, subsection 137(2) states that this		•		
	wing and bonus interest.		•	• •	

Note 2: This amount must be prorated by the following calculation, eligible amount of the gift divided by the proceeds of disposition of the gift.

Double Ciffs of a stiff of a strong town of a				60403 9302 RG0
Part 3 – Gifts of certified cultural property —		Federal	Québec	Alberta
Ciffe of partified cultural premarty at the and of the previous to	W Voor		Quebec	Alberta
Gifts of certified cultural property at the end of the previous ta		3A		
Gifts of certified cultural property expired after five tax years* Gifts of certified cultural property at the beginning	439			
of the current tax year (amount 3A <b>minus</b> line 439)	440			
				-
Gifts of certified cultural property transferred on an amalgama or the wind-up of a subsidiary				
Fotal gifts of certified cultural property in the current year				
include this amount on line 112 of Schedule 1)				
,	450 <b>plus</b> line 410)	3B		
	O <b>plus</b> amount 3B)			
Subtotal (line 44)		50		
Adjustment for an acquisition of control	455			
Amount applied in the current year against taxable income				
(enter this amount on line 313 of the T2 return)				
,		4		
Subtotal (line	455 <b>plus</b> line 460)	3D		
Gifts of certified cultural property closing balance			)) "	
(amount 3C <b>minus</b> amount 3D)	480		<u> </u>	
, , , , , ,		Federal	Québec	Alberta
∕ear of origin: I <sup>st</sup> prior year	2020-12-31	rederal	Quebec	Alberta
l <sup>st</sup> prior year 2 <sup>nd</sup> prior year	2019-12-31			
2 prior year	2019-12-31			
4 <sup>th</sup> prior year	2017-12-31			
5 <sup>th</sup> prior year	2016-12-31			
5 prior year 6 <sup>th</sup> prior year*	2010-12-34			
7 <sup>th</sup> prior year	2013-12-31			
B <sup>th</sup> prior year	2014-12-31	_		
9 <sup>th</sup> prior year	2012-12-31	_		
10 <sup>th</sup> prior year	2011-12-31	_		
In prior year	2010-12-31	_		
10th and an analysis	2009-12-31	_		
13 <sup>th</sup> prior year	2009-12/31	_		
14 <sup>th</sup> prior year		_		
15 <sup>th</sup> prior year		_		
		_		
17 <sup>th</sup> prior year	<u> </u>	_		
18 <sup>th</sup> prior year		_		
		_		
19 <sup>th</sup> prior year		_		
20 <sup>th</sup> prior year		_		
21 <sup>st</sup> prior year*				
Total				

<sup>\*</sup> For federal and Alberta tax purposes, donations and gifts included on line 6<sup>th</sup> prior year expire automatically in the current tax year. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, that are included on line 6<sup>th</sup> prior year and donations and gifts that are included on line 21<sup>st</sup> prior year expire automatically in the current tax year.

- Part 4 - Gifts of certified ecologically sensitive land ————			
• •	Federal	Québec	Alberta
Gifts of certified ecologically sensitive land at the end of the previous tax year	4A		
Gifts of certified ecologically sensitive land expired after 5 tax years, or after 10 tax years for gifts made after February 10, 2014*			
Gifts of certified ecologically sensitive land at the beginning of the current tax year (amount 4A <b>minus</b> line 539)			
Gifts of certified ecologically sensitive land transferred on an amalgamation or the wind-up of a subsidiary			
Total current-year gifts of certified ecologically sensitive land 520			
(include this amount on line 112 of Schedule 1)			
Subtotal (line 550 <b>plus</b> line 520)	4B		
Subtotal (line 540 <b>plus</b> amount 4B)	4C		
Adjustment for an acquisition of control			
Amount applied in the current year against taxable income (enter this amount on line 314 of the T2 return)			
Subtotal (line 555 <b>plus</b> line 560)		<i>*</i>	
Gifts of certified ecologically sensitive land closing balance (amount 4C minus amount 4D)		<u></u>	
* For federal and Alberta tax purposes, donations and gifts made before February 11 expire after ten tax years. For Québec tax purposes, donations and gifts made duri otherwise, donation and gifts expire after twenty tax years.			

### Amounts carried forward - Gifts of certified ecologically sensitive land

Amount of carrie	d forward gifts made on or after February 11, 2014, in the tax year including this date		
Year of origin:	Federal	Québec	Alberta
1st prior year			
2 <sup>nd</sup> prior year	2019-12-31		
3 <sup>rd</sup> prior year			
4 <sup>th</sup> prior year			
5 <sup>th</sup> prior year	2016-12-31		
6 <sup>th</sup> prior year*	2015-12-31		
7 <sup>th</sup> prior year	2014-12-31		
8 <sup>th</sup> prior year	2013-12-31		
9 <sup>th</sup> prior year	<u>2012-17</u> /-31		
10 <sup>th</sup> prior year			
11 <sup>th</sup> prior year*	20,1/0-12-31		
12 <sup>th</sup> prior year	<u>2009-12-31</u>		
13 <sup>th</sup> prior year			
14 <sup>th</sup> prior year			
15 <sup>th</sup> prior year			
16 <sup>th</sup> prior year			
17 <sup>th</sup> prior year	······		
18 <sup>th</sup> prior year			
19 <sup>th</sup> prior year	<u></u>		
20 <sup>th</sup> prior year	<u></u>		
21st prior year*			
Total	<u></u>		

<sup>\*</sup> For federal and Alberta tax purposes, donations and gifts made before February 11, 2014, that are included on line 6th prior year and gifts that are included on line 11th prior year expire automatically in the current year.

The field "Amount of carried forward gifts made on or after February 11, 2014, in the tax year including this date" is used to distinguish the portion of the gifts made in the tax year straddling February 11, 2014, that expires after ten tax years, from the portion that expires in the current tax year.

For Québec tax purposes, donations and gifts made during a tax year that ended before March 24, 2006, that are included on line 6th prior year and gifts that are included on line 21st prior year expire automatically in the current tax year.

Part 5 – Additional deduction for gifts of medicine			
	Federal	Québec	Alberta
Additional deduction for gifts of medicine at the end of the previous tax year .	5A		
Additional deduction for gifts of medicine expired after five tax years* 639			
Additional deduction for gifts of medicine at the beginning of the current tax year (amount 5A <b>minus</b> line 639)			
, ,			
Additional deduction for gifts of medicine made before March 22, 2017 transferred on an amalgamation or the wind-up of a subsidiary			
Additional deduction for gifts of medicine made before March 22, 2017:			
Proceeds of disposition 602			
Cost of gifts of medicine made before March 22, 2017 601			
Subtotal (line 602 <b>minus</b> line 601)	5B		
Amount 5B <b>multiplied</b> by 50 %	5C		
Eligible amount of gifts 600			
Additional	,		
deduction for gifts  of medicine made	<i>-</i>	$\overline{}$	
before March 22,			
a x (b) = 2017 610		)/	
<b>\</b> c	•		
deduction for gifts			
Québec of medicine made before March 22,			
a X / b \ = 2017			
Additional deduction for gifts			
Alberta of medicine made			
before March 22,			
a $\times \left(\frac{b}{a}\right) = 2017$			
where:			
a is the lesser of line 601 and amount 5C			
b is the eligible amount of gifts (line 600)			
c is the proceeds of disposition (line 602)	/		
Subtotal (line 650 <b>plus</b> line 610)	5D		
Subtotal (line 640 plus amount 3D)	5E		
Adjustment for an acquisition of control			
Amount applied in the current year against taxable income			-
(enter this amount on line 315 of the T2 return)			
Subtotal (line 655 <b>plus</b> line 660)	5F		
Additional deduction for gifts of medicine closing balance (amount 5E minus amount 5F)			
* For federal and Alberta tax purposes donations and gifts expire after five tax years ended before March 19, 2007, expire after five tax years; otherwise, donations and	s. For Québec tax purpose	es, donations and gifts rax years.	made in a tax year that

Year of origin:			Federal	Québec	Alberta
1 <sup>st</sup> prior year		2020-12-31			
2 <sup>nd</sup> prior year		2019-12-31			
3 <sup>rd</sup> prior year		2018-12-31			
4 <sup>th</sup> prior year		2017-12-31			
5 <sup>th</sup> prior year		2016-12-31			
6 <sup>th</sup> prior year*		2015-12-31			
7 <sup>th</sup> prior year		2014-12-31			
8 <sup>th</sup> prior year		2013-12-31			
9 <sup>th</sup> prior year		2012-12-31			
10 <sup>th</sup> prior year		2011-12-31			
11 <sup>th</sup> prior year		2010-12-31			
12 <sup>th</sup> prior year		2009-12-31			
13 <sup>th</sup> prior year					
14 <sup>th</sup> prior year					
15 <sup>th</sup> prior year					
16 <sup>th</sup> prior year					
17 <sup>th</sup> prior year					
18 <sup>th</sup> prior year					
19 <sup>th</sup> prior year				\ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \	
20 <sup>th</sup> prior year				1	
21 <sup>st</sup> prior year*				<i>]</i>	
Total					
donations and line 21 <sup>st</sup> prior y	Alberta tax purposes, donations and gifts in gifts made in a tax year that ended before Near expire automatically in the current tax year.	March 19, 2007, that	rior year expire automati are included on line 6 <sup>th</sup> µ	cally in the current tax year. For prior year and donations and gift	Québec tax purposes, s that are included on
	ifts of musical instruments ——				_
	nstruments at the end of the previous tax ye				A
	musical instruments expired after twenty tax	years ?	/	· · · · · · · · · · · · · · · · · · ·	E
	nstruments at the beginning of the tax year				C
Add:			١		_
	instruments transferred on an amalgamatio	n of the wind-up of a	a subsidiary		
Total current-ye	ar gifts of musical instruments	ý			
				Subtotal (line D <b>plus</b> line E) =	F
Deduct: Adjustm	ent for an acquisition of control	·//			G
-	ical instruments available	/		<u>-</u>	Н
Deduct: Amount	applied against taxable income (enter this	amount on line 255	of form CO 17)		

Gifts of musical instruments closing balance

Amounts ca	rried forward – Gifts of musical instruments ————————————————————————————————————	
Year of origin:		Québec
1 <sup>st</sup> prior year		
2 <sup>nd</sup> prior year	2019-12-31	
B <sup>rd</sup> prior year	2018-12-31	
I <sup>th</sup> prior year	2017-12-31	
5 <sup>th</sup> prior year	2016-12-31	
S <sup>th</sup> prior year*	2015-12-31	
<sup>rth</sup> prior year		
<sup>th</sup> prior year		
9 <sup>th</sup> prior year		
0 <sup>th</sup> prior year		
1 <sup>th</sup> prior year	<u>/</u> 2010-12-31	
2 <sup>th</sup> prior year	2009-12-31	
3 <sup>th</sup> prior year		
4 <sup>th</sup> prior year		
5 <sup>th</sup> prior year		
6 <sup>th</sup> prior year		
7 <sup>th</sup> prior year		
8 <sup>th</sup> prior year		
9 <sup>th</sup> prior year		
20 <sup>th</sup> prior year		
21 <sup>st</sup> prior year*		
Γotal		
These gifts exp	ired in the current year.	
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Agence du revenu du Canada

Schedule 3

# Dividends Received, Taxable Dividends Paid, and Part IV Tax Calculation

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2021-12-31

- Corporations must use this schedule to report:
  - non-taxable dividends under section 83
  - deductible dividends under subsection 138(6)
  - taxable dividends deductible from income under section 112, subsection 113(2) and paragraphs 113(1)(a), (a.1), (b) or (d)
  - taxable dividends paid in the tax year that qualify for a dividend refund (see page 3)
- All legislative references are to the federal Income Tax Act.
- The calculations in this schedule apply only to private or subject corporations (as defined in subsection 186(3)).
- A payer corporation is connected with a recipient corporation at any time in a tax year, if at that time the recipient corporation meets either of the following conditions:
  - it controls the payer corporation, other than because of a right referred to in paragraph 251(5)(b)
  - it owns more than 10% of the issued share capital (with full voting rights), and shares that have a fair market value of all shares of the payer corporation
- If you need more space, continue on a separate schedule.
- File this schedule with your T2 Corporation Income Tax Return.
- Column A1 Enter "X" if dividends were received from a foreign source.
  - Column F1 Enter the code that applies to the deductible taxable dividend.

### Part 1 – Dividends received in the tax year -

- Do not include dividends received from foreign non-affiliates.
- Complete columns B, C, D, H, I, I.1 and L only if the payer corporation is connected

#### Important instructions to follow if the payer corporation is connected

- If your corporation's tax year-end is different than that of the **connected** payer corporation, dividends could have been received from more than one tax year of the payer corporation. If so, **use a separate line** to provide the information according to each tax year of the payer corporation.
- When completing columns J, K and L use the special calculations provided in the notes.

	A	ΑÌ	B,	С	D	Е	
	Name of payer corporation	•	Enter 1	Business number	Tax year-end of the	Non-taxable	
	(from which the corporation received the dividend)		if payer	of connected	payer corporation in	dividends under	
		7/	corporation	corporation	which the sections	section 83	
			is		112/113 and		
			connected		subsection 138(6)		
		1			dividends in column F		
					were paid		
					YYYYMMDD		
	200		205	210	220	230	
			2				
т [							
	Total of column E (enter amount on line 402 of Schedule 1)						

· ai	t 1 – Dividends received	in the tax year (continue	-	1 -						
	F Taxable dividends deductible from taxable income under section 112, subsections 113(2) and 138(6), and paragraphs 113(1)(a), (a.1),(b), or (d) <sup>note 1</sup>		F1	G Eligible dividends included in column F	H Total taxable dividends paid by <b>connected</b> payer corporation (for tax year in column D)					
				242	250					
1										
	Dividend refund of the <b>connected</b> payer corporation (for tax year in column D) <sup>note 2</sup>	I.1 Dividend refund of the <b>connected</b> payer corporation from its eligible refundable dividend tax on hand (ERDTOH) (for tax year in column D) notes 2 and 5	J Part IV tax for eligible dividends. Dividends (from column G) multiplied by 38 1/3% <sup>note 3</sup>	K Part IV tax before deductions. Dividends (from column F) multiplied by 38 1/3% note 4	L Part IV tax before deductions on taxable dividends received from connected corporations notes 2 and 5					
	260		265	275	280					
1										
			Total of column L lent	ter amount on line 2E in Part 2	)					
	le dividends received from conne le dividends received from non-ce	·	//	_ ,	1					
тахар	ie dividends received irom non-c	• •		hount on line 320 of the T2 retu	1 vrn)					
Eliaible	e dividends received from conne				1					
	e dividends received from non-co				1					
Part I\ (total a Part I\	/ tax before deductions on taxable  amounts from column K with code  / tax before deductions on taxable  amounts from column K with code	e dividends received from connection of the connection of the contraction of the contract	ected corporations	1F	_					
(total t	amounto nom column i with cour	,	otal (amount 1F <b>plus</b> amount		1					
	/ tax on eligible dividends receive	ed from connected corporations	(total amounts from column J							
Part I\	ode 1 in column B) / tax on eligible dividends receive code 2 in column B)		N. V	1						
		Sub	total (amount 1I <b>plus</b> amount	i 1J)	1					
Part I\	/ tax before deductions on taxabl	e dividends (other than eligible	dividends) (amount 1H <b>minus</b>	s amount 1K)	1					
sul	If taxable dividends are received, enter the amount in column F, but if the corporation is not subject to Part IV tax (such as a public corporation other than a subject corporation as defined in subsection 186(3)), enter "0" in column K (and column J, if applicable). Life insurers are not subject to Part IV tax on subsection 138(6) dividends.									
to e	If the connected payer corporation's tax year ends after the corporation's balance-due day for the tax year (two or three months, as applicable), you have to estimate the payer's dividend refund when you calculate the corporation's Part IV tax payable. For column L, you only have to estimate the payer's dividend refund from its eligible refundable dividend tax on hand (ERDTOH) (column I.1).									
3 Fo	For eligible dividends received from connected corporations, Part IV tax on dividends is equal to: column I divided by column H multiplied by column G.									
4 Fo	For taxable dividends received from connected corporations, Part IV tax on dividends is equal to: column I divided by column H multiplied by column F.									
and	For taxable dividends received from connected corporations (with a tax year starting after 2018), Part IV tax on dividends is equal to: total of amounts CC and II of the connected payer corporation (on page 7 of the T2 return) divided by column H multiplied by column F. If there is no dividend refund (or estimated dividend refund) to the connected payer corporation from its ERDTOH for paying the taxable dividends, enter "0" in column L.									

- Part 2 – Calculation of Part IV tax payable —————				
Part IV tax on dividends received before deductions (amount 1H in part 1) .			2A	
Part IV.I tax payable on dividends subject to Part IV tax (from line 360 of Sched	ule 43)	320		
	ount 2A <b>minus</b> line 3		<u> </u>	2E
Current-year non-capital loss claimed to reduce Part IV tax  Non-capital losses from previous years claimed to reduce Part IV tax  Current-year farm loss claimed to reduce Part IV tax		330 335 340 345		
Farm losses from previous years claimed to reduce Part IV tax	_			
Total losses applied against Part IV tax (	total of lines 330 to 3	345)	2C	
Amount 2C multiplied by 38 1 / 3 %				2D
, ,			360	
(enter amount on line 712 of the T2 return)				
If your tax year begins after 2018, complete the following part to determine the refundable dividend tax on hand (ERDTOH) at the end of the tax year.	e required amount o	f Part IV taxes pay	able in order to calcula	ate the eligible
Part IV tax before deductions on taxable dividends received from connected con	rporations (total of co	olumn L in part 1)	· · · · · · · · · · · · · · · · · · ·	
Amount 4A from Schedule 43				2F
Part IV tax payable on taxable dividends received from connected corpora enter "0")	•	inus amount 2F, if	negative	20
(enter at amount L on page 7 of the T2 return)				
If your tax year begins after 2018, complete the following part to determine the	e required amount o	f Part IV taxes paya	able in order to calcula	ate the eligible
refundable dividend tax on hand (ERDTOH) at the end of the tax year.	. ((			-
Part IV tax on eligible dividends received from non-connected corporations (am		)./	· · · · · · · · · · · · · · · · · · ·	2H
Amount 4C from Schedule 43		/	<u> </u>	21
Part IV tax payable on eligible dividends received from non-connected corents "0"	- /   ` `		-	2J
enter "0") (enter at amount M on page 7 of the T2 return)		)	· · · · · · · · · · · · · · · · · · ·	20
(chief at amount in on page 7 of the 12 foldin)				
- Part 3 – Taxable dividends paid in the tax year that qualify	for a dividend i	refund ———		
				da ia aaaaa 4baaa
If your corporation's tax year-end is different than that of the recipient corporation wit one tax year of the recipient corporation. If so, use a separate line to provide the info	n which you are connecting to ea	cted, your corporation ach tax year of the rec	ipient corporation.	ds in more than
L	<i></i> ∕ <sub>M</sub>	N	0	Р
Name of recipient corporation with which you are connected	Business number	Tax year-end of recipient corporation in which the dividends in column O were received YYYYMMDD	Taxable dividends paid to recipient corporations with which you are connected	Eligible dividends included in column O
400	410	420	430	440
	698 6151 RC0001	2021-12-31	513,380	
2				
			513,380	
			(Total of column O) (	Total of column P)

	86463 9562 RC0002
Part 3 – Taxable dividends paid in the tax year that qualify for a dividend refund (continued) —	
Total taxable dividends paid in the tax year to other than connected corporations	29,879
Eligible dividends included in line 450	
Total taxable dividends paid in the tax year that qualify for a dividend refund (total of column O plus line 450)	543,259
Total eligible dividends paid in the tax year (total of column P <b>plus</b> line 455)	
Total non-eligible taxable dividends paid in the tax year (line 460 <b>minus</b> line 465)	543,259
Complete this part to determine the following amounts in order to calculate the dividend refund.	
Line 465 <b>multiplied</b> by 38 1 / 3 %(enter at amount AA on page 7 of the T2 return)	3A
Line 470 <b>multiplied</b> by 38 1 / 3 % (enter at amount DD on page 7 of the T2 return)	208,249 <sub>3B</sub>
┌ Part 4 – Total dividends paid in the tax year ───────────────────────────────	
Complete this part <b>if</b> the total taxable dividends paid in the tax year that qualify for a dividend refund (line 460) is different from the total div in the tax year.	idends paid
Total taxable dividends paid in the tax year for the purposes of a dividend refund (from above)	543,259
Total dividends paid in the tax year	543,259
Dividends paid out of capital dividend account Capital gains dividends  Dividends paid on shares described in subsection 129(1.2)  Taxable dividends paid to a controlling corporation that was bankrupt at any time in the year  Subtotal (total of lines 510 to 540)	4A
Subtotal (total of lifes 510 to 540)	4A
Total taxable dividends paid in the tax year that qualify for a dividend refund (Line 500 minus amount 4A)	543,259 <sub>4B</sub>
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## Tax Calculation Supplementary – Corporations

Schedule 5

Corporation's name	Business Number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2021-12-31

- Use this schedule if any of the following apply to your corporation during the tax year:
  - it had a permanent establishment in more than one jurisdiction (corporations that have no taxable income should only complete columns A, B, and D in Part 1)
  - it is claiming provincial or territorial tax credits or rebates (see Part 2)
  - it has to pay taxes, other than income tax, for Newfoundland and Labrador or Ontario (see Part 2)
- All legislative references are to the federal Income Tax Regulations (the Regulations).
- For more information, see the T2 Corporation Income Tax Guide.
- For the regulation number to be entered in field 100 of Part 1, see the chart below.

– Part 1 – Alloca 100	ation of ta	xable income		Enter the regulation that app	fies (402 to 413)	
A  Jurisdictio Tick yes if your corp a permanent estat in the jurisdic during the tax y	on. oration had blishment tion <sub>Note 1</sub>	<b>B</b> Total salaries and wages paid in jurisdiction	<b>C</b> (B x taxable income) / G	Gross revenue attributable to jurisdiction	E (D.x,taxable income) / H	F Allocation of taxable income (C + E) x 1/2 Nobe 2 (where either G or H is nil, do not multiply by 1/2)
Newfoundland and Labrador	003 Yes	103		143	/	
Newfoundland and Labrador Offshore	Yes	104		144		
Prince Edward Island	005 Yes	105		145		
Nova Scotia	007 Yes	107		147		
Nova Scotia Offshore	008 Yes	108	_	148		
New Brunswick	009 Yes	109		149		
Quebec	O11 Yes	111		151		
Ontario	013 Yes	113		153		
Manitoba	O15 Yes	115		155		
Saskatchewan	017 Yes	117		157		
Alberta	O19 Yes	119		159		
British Columbia	<b>021</b> Yes	121	7	161		
Yukon	<b>023</b> Yes	123	7	163		
Northwest Territories	<b>025</b> Yes	125		165		
Nunavut	<b>026</b> Yes	126		166		
Outside Canada	<b>027</b> Yes	127		167		
Total		129 G		169 H		

Note 1: Permanent establishment is defined in subsection 400(2).

Note 2: For corporations other than those described under section 402, use the appropriate calculation described in the Regulations to allocate taxable income.

#### Notes:

- 1. After determining the allocation of taxable income, you have to calculate the corporation's provincial or territorial tax payable. For more information on how to calculate the tax for each province or territory, see the instructions for Schedule 5 in the T2 Corporation Income Tax Guide.
- 2. If your corporation has provincial or territorial tax payable, complete Part 2.
- If your corporation is a member of a partnership and the partnership had a permanent establishment in a jurisdiction, select the jurisdiction in Column A and include your proportionate share of the partnership's salaries and wages and gross revenue in columns B and D, respectively.

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	Income eligible for small business deduction	Provincial or territorial allocation of taxable income	Provincial or territorial tax payable before credits			
730,089		730,089	83,960			
Ontario basic incon	ne tax (from Schedule	÷ 500)		270	83,960	
Ontario small busine	ss deduction (from Sc	hedule 500)	Subtotal (line 270		83,960	83,960
	tax debits (from Sche	edule 506)lopment tax credit (fron	n Schedule 508) Subtotal (line 27	277	<b>&gt;</b>	
Gross Ontario tax (ar	mount 5A <b>plus</b> amoun	nt 5B)				83,960
Ontario tax credit for Ontario foreign tax Ontario credit union	credit (from Schedule n tax reduction (from S ntributions tax credit (f	processing (from Sche 21) Schedule 500)		406 408 410 415	<b>&gt;</b>	
			Subtotal (amoun	t 5C <b>minus</b> amount 5I	D) (if negative, enter "0")	83,960
Ontario research and	l development tax cred	dit (from Schedule 508)	)		416	
		re Ontario corporate m minus line 416) (if neg			ood program · · · · · · · · · · · · · · · · · ·	83,960
Ontario corporate mi	nimum tax credit (from	Schodulo 510)	/^		440	
•	,	,			418	
•	,	tax credit for farmers (	from Schedule 2)	······································		
Ontario community fo	ood program donation	tax credit for farmers (				83,960
Ontario community fo	ood program donation	tax credit for farmers (			420	83,960
Ontario community fo Ontario corporate inc Ontario corporate r	ood program donation come tax payable (amo minimum tax (from Scl	tax credit for farmers (	al of lines 418 and 420	0) (if negative, enter "0	420	83,960
Ontario community fo Ontario corporate inc Ontario corporate r	ood program donation come tax payable (amo minimum tax (from Scl	tax credit for farmers (count 5F <b>minus</b> the total hedule 510)	al of lines 418 and 420	/ 0) (if negative, enter "0 	420	83,960
Ontario community fo Ontario corporate inc Ontario corporate r Ontario special add	ood program donation come tax payable (amo minimum tax (from Scl ditional tax on life insu	tax credit for farmers (count 5F <b>minus</b> the total hedule 510)	al of lines 418 and 420 	0) (if negative, enter "0		·
Ontario community for Ontario corporate incommunity for Ontario corporate incommunity for Ontario special additional Ontario tax paya	cood program donation come tax payable (amo minimum tax (from Sclutional tax on life insulable before refundable	tax credit for farmers (count 5F <b>minus</b> the total hedule 510)	al of lines 418 and 420 	0) (if negative, enter "0	420	ĺ
Ontario community for Ontario corporate incommunity for Ontario corporate incommunity for Ontario special additional Ontario tax payon Ontario qualifying e	cood program donation come tax payable (amo minimum tax (from Scl ditional tax on life insulable before refundable environmental trust tax	tax credit for farmers (count 5F minus the total hedule 510) france corporations (from the tax credits (amount 5 coredit	al of lines 418 and 420 mm Schedule 512) . Subtratal (line 27)	0) (if negative, enter "0		ĺ
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Schedule 8

Canada Revenue Agence du revenu du Canada

# **Capital Cost Allowance (CCA)**

				•		,				
Corpo	oration's	s name						Business num		ax year-end ar Month Day
Ora	ngevill	e Hydro Limited						86463 9562 RC	0002 2	021-12-31
		e information, see the section called broomstion electing under Regulation			ration Income Tax Gu	iide.		3		
	1		2	3	4	5	6	7	8	9
	Class number *	Description	Undepreciated capital cost (UCC) at the beginning of the year	Cost of acquisitions during the year (new property must be available for use)	Cost of acquisitions from column 3 that are accelerated investment incentive properties (AIIP)	Adjustments and transfers  See note 4	Amount from column 5 that is assistance received on receivable during the year for	Amount from column 5 that is repaid during the year for a property, subsequent to its	Proceeds of dispositions  See note 7	UCC (column 2 plus column 3 plus or minus column 5 minus column 8)
	note 1			See note 2	or zero-emission vehicle (ZEV) See note 3		a property, subsequent to its disposition	disposition See note 6		See note 8
	200		201	203	225	205	221	222	207	
1.	1	Buildings	7,669,849						0	7,669,849
2.	8	Equipment	104,559	8,696	8,696				0	113,255
3.	10	Trucks	285,180			<b>&gt;</b>			0	285,180
4.	45	Computer equipment	7						0	7
5.	47	Electric Distribution Equipment	10,259,419	1,842,794	1,842,794				1,839	12,100,374
6.	50	Computer equipment	13,033	29,188	29,188				0	42,221
7.	43.2	Solar Generation	109	7,110	7,110				0	7,219
8.	14.1		107,102		) ·				0	107,102
9.	1b		5,349						0	5,349
10.	1b	2018 Addition	111,982	5,633	5,633				0	117,615
11.	95	CIP	16,472	21,677	21,677				0	38,149
12.	12			22,675	22,675				0	22,675

1,937,773

18,573,061

Totals

1,937,773

20,508,995

1,839

_											
	1		10	11	12	13	14	15	16	17	18
nur	lass mber * See ote 1	Description	Proceeds of disposition available to reduce the UCC of AllP and ZEV (column 8 plus column 6 minus column 9 plus column 4 minus column 7)	Net capital cost additions of AIIP and ZEV acquired during the year (column 4 minus column 10) (if negative, enter "0")	UCC adjustment for AIIP and ZEV acquired during the year (column 11 <b>multiplied</b> by the relevant factor) See note 9	UCC adjustment for property acquired during the year other than AIIP and ZEV (0.5 multiplied by the result of column 3 minus column 4 minus column 6 plus column 7	CCA rate % See note 11	Recapture of CCA See note 12	Terminal loss See note 13	CCA (for declining balance method, the result of column 9 <b>plus</b> column 13, <b>multiplied</b> by column 14 or a lower amount)	UCC at the end of the year (column 9 <b>minus</b> column 17)
2	200		(if negativé, enter "0")			minus column 8) (if negative, enter "0") See note 10	212	213	215	See note 14 <b>217</b>	220
1	1	Buildings					4		0	306,794	7,363,055
2.	8	Equipment		8,696	4,348		20		0	23,521	89,734
	10	Trucks		3,030	.,5.10		30 /	0	0	85,554	199,626
. —	45	Computer equipment					45	0	0	3	4
	47	Electric Distribution Equipmen	1,839	1,840,955	920,478	٨	8	0	0	1,041,668	11,058,706
3. !	50	Computer equipment	·	29,188	14,594		55	0	0	31,248	10,973
7. 4	3.2	Solar Generation		7,110	7,110		50,	0	0	7,165	54
3. <u>1</u>	4.1						5/)	0	0	7,476	99,626
9:	1b						6	0	0	321	5,028
)	1b	2018 Addition		5,633	2,817		6	0	0	7,226	110,389
19	95	CIP		21,677	10,839		0	0	0		38,149
2	12			22,675			100	0	0	22,675	
		Totals	1,839	1,935,934	960,186					1,533,651	18,975,344

Enter the total of column 15 on line 107 of Schedule 1. Enter the total of column 16 on line 404 of Schedule 1. Enter the total of column 17 on line 403 of Schedule 1.

- Note 1. If a class number has not been provided in Schedule II of the Income Tax Regulations for a particular class of property, use the subsection provided in Regulation 1101. Class numbers followed by a letter indicate the basic rate of the class taking into account the additional deduction allowed. Class 1a: 4% + 6% = 10% (class 1 to 10%), class 1b: 4% + 2% = 6% (class 1 to 6%).
- Note 2. Include any property acquired in previous years that has now become available for use, net of any government assistance received or entitled to be received in the year from a government, municipality or other public authority, or a reduction of capital cost after the application of section 80. This property would have been previously excluded from column 3. List separately any acquisitions of property in the class that are not subject to the 50% rule.

  See Income Tax Folio S3-F4-C1, General Discussion of Capital Cost Allowance, for exceptions to the 50% rule.
- Note 3. An AIIP is a property (other than ZEV) that you acquired after November 20, 2018 and became available for use before 2028. ZEV is, subject to certain exceptions, a motor vehicle included in Class 54 or 55 that you acquired after March 18, 2019 and became available for use before 2028. The Government proposes to create Class 56 for zero-emission automotive equipment and vehicles that currently do not benefit from the accelerated rate provided by Classes 54 and 55. Class 56 would apply to eligible zero-emission automotive equipment and vehicles that are acquired after March 1, 2020, and became available for use before 2028. Columns 4, 10, 11 and 12 also apply for additions of class 56 property. See the T2 Corporation Income Tax Guide for more information.
- Note 4. Enter in column 5, "Adjustments and transfers", amounts that increase or reduce the UCC (column 9). Items that increase the UCC include amounts transferred under section 85, or transferred on amalgamation or winding-up of a subsidiary. Items that reduce the UCC (show amounts that reduce the UCC in brackets) include assistance received or receivable during the year for a property, subsequent to its disposition, if such assistance would have decreased the capital cost of the property by virtue of paragraph 13(7.1)(f). See the T2 Corporation Income Tax Guide for other examples of adjustments and transfers to include in column 5.

  Also include property acquired in a non-arm's length transaction (other than by virtue of a right referred to in paragraph 251(5)(b) of the Act) if the property was a depreciable property acquired by the transferor at least 364 days before the end of your tax year and continuously owned by the transferor until it was acquired by you.
- Note 5. Include all amounts of assistance you received (or were entitled to receive) after the disposition of a depreciable property that would have decreased the capital cost of the property by virtue of paragraph 13(7.1)(f) if received before the disposition.
- Note 6. Include all amounts you have repaid during the year with respect to any legally required repayment, made after the disposition of a corresponding property of:
  - assistance that would have otherwise increased the capital cost of the property under paragraph 13(7.1)(d) and
  - an inducement, assistance or any other amount contemplated in paragraph 12(1)(x) received, that otherwise would have increased the capital cost on the property under paragraph 13(7.4)(b)

Include the UCC of each property of a prescribed class acquired in the course of a corporate reorganization described under paragraph 55(3)(b) of the Act (also known as "butterfly reorganization") or include property acquired in a non-arm's length transaction (other than by virtue of a right referred to in paragraph 251(5)(b) of the Act) if the property was a depreciable property acquired by the transferor until it was acquired by you.

- Note 7. For each property disposed of during the year, deduct from the proceeds of disposition any outlays and expenses to the extent that they were made of incutred for the purpose of making the disposition(s). The amount reported in respect of the property cannot exceed the property's capital cost, unless that property is a timber resource property as defined in subsection 13(21). The proceeds of disposition of a ZEV that has been included in Class 54 and that is subject to the \$55,000 (plus sales taxes) appliances timit will be adjusted based on a factor equal to the capital cost limit of \$55,000 (plus sales taxes) as a proportion of the actual cost of the vehicle.
- Note 8. If the amount in column 5 reduces the undepreciated capital cost (i.e. it is shown in brackets), you must subtract it for the purposes of the calculation. Otherwise, add the amount in column 5 for the purposes of the calculation.
- Note 9. The relevant factors for property of a class in Schedule II. that is AIIP or included in Classes 54 to 56, available for use before 2024 are
  - 2 1/3 for property in Classes 43.1, 54 and 56
  - 1 1/2 for property in Class 55
  - 1 for property in Classes 43.2 and 53
  - 0 for property in Classes 12, 13, 14, and 15, as well as properties that are Canadian vessels included in paragraph \$\$00(1)(v) of the Regulations (see note 14 for additional information) and
  - 0.5 for all other property that is AIIP
- Note 10. The UCC adjustment for property acquired during the year other than AIIP and ZEV (formerly known as the half-year rule or 50% rule) does not apply to certain property (including AIIP). For special rules and exceptions, see Income Tax Folio S3-F4-C1, General Discussion of Capital Cost Allowance.
- Note 11. Enter a rate only if you are using the declining balance method. For any other method (for example the straight-line method, where calculations are always based on the cost of acquisitions), enter N/A. Then enter the amount you are claiming in column 17.
- Note 12. If the amount in column 9 is negative, you have a recapture of CCA. If applicable, enter the negative amount from column 9 in column 15 as a positive. The recapture rules do not apply to passenger vehicles in Class 10.1.
- Note 13. If no property is left in the class at the end of the tax year and there is still a positive amount in the column 9, you have a terminal loss. If applicable, enter the positive amount from column 9 in column 16. The terminal loss rules do not apply to:
  - passenger vehicles in Class 10.1
  - property in Class 14.1, unless you have ceased carrying on the business to which it relates or
  - limited-period franchises, concessions, or licences in Class 14 it, at the time of acquisition, the property was a former property of the transferor or any similar property attributable to the same fixed place of business, and you had jointly elected with the transferor to have the replacement property rules apply, unless certain conditions are met
- Note 14. If the tax year is shorter than 365 days, prorate the CCA claim. Some classes of property do not have to be prorated. See the T2 Corporation Income Tax Guide for more information. For property in class 10.1 disposed of during the year, deduct a maximum of 50% of the regular CCA deduction if you owned the property at the beginning of the tax year. For AIIP listed below, the maximum first year allowance you can claim is determined as follows:
  - Class 13: the lesser of 150% of the amount calculated in Schedule III of the Regulations and the UCC at the end of the tax year (before any CCA deduction)
  - Class 14: the lesser of 150% of the allocation for the year of the capital cost of the property apportioned over the remaining life of the property (at the time the cost was incurred) and the UCC at the end of the tax year (before any CCA deduction)
  - Class 15: the lesser of 150% of an amount computed on the basis of a rate per cord, board foot or cubic metre cut in the tax year and the UCC at the end of the tax year (before any CCA deduction)
  - Canadian vessels described under paragraph 1100(1)(v) of the Regulations: the lesser of 50% of the capital cost of the property and the UCC at the end of the tax year (before any CCA deduction)
  - Class 41.2: use a 25% CCA rate. The additional allowance under paragraph 1100(1)(y.2) (for single mine properties) and 1100(1)(ya.2) (for multiple mine properties) of the Regulations is not eligible for the accelerated investment incentive. The additional allowance in respect of natural gas liquefaction under paragraph 1100(1)(yb) of the Regulations is eligible for the accelerated investment incentive.

The AIIP also apply to property (other than a timber resource property) that is a timber limit or a right to cut timber from a limit as well as to industrial mineral mine or a right to remove minerals from an industrial mineral mine. See the Income Tax Regulations for more detail.

T2 SCH 8 (20)

Canadä

**SCHEDULE 9** 

#### **RELATED AND ASSOCIATED CORPORATIONS**

Name of corporation	Business Number	Tax year end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2021-12-31

- Complete this schedule if the corporation is related to or associated with at least one other corporation.
- For more information, see the T2 Corporation Income Tax Guide.

	Name	Country of resi- dence (other than Canada)	Business number (see note 1)	Rela- tion- ship code (see note 2)	Number of common shares you own	% of common shares you own	Number of preferred shares you own	% of preferred shares you own	Book value of capital stock
	100	200	300	400	500	550	600	650	700
1.	Corporation of the Town of Orange		10698 6151 RC0001	1					
2.	Corporation of the Township of Eas		NR	1	·		)		
3.	Orangeville Hydro Services Inc.		89454 8015 RC0001	3		~\/			
4.	Orangville Railway Development Cc		86433 3166 RC0001	3			<u> </u>		

Note 1: Enter "NR" if the corporation is not registered or does not have a business number.

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

T2 SCH 9 (11)



# **Continuity of financial statement reserves (not deductible)**

	—— Financial sta	tement reserves (	(not deductible) —		
Description	Balance at the beginning of the year	Transfer on an amalgamation or the wind-up of a subsidiary	Add	Deduct	Balance at the end of the year
1 Allowance for doubtful accts	46,000		46,000	46,000	46,000
2 Employee Future Benefits	346,292		418,481	346,292	418,481
3					
Reserves from Part 2 of Schedule 13			1		
Totals	392,292		464,481	392,292	464,481

The total opening balance plus the total transfers should be entered on line 414 of Schedule 1 as a deduction. The total closing balance should be entered on line 126 of Schedule 1 as an addition.

# Agreement Among Associated Canadian-Controlled Private Corporations to Allocate the Business Limit

- For use by a Canadian-controlled private corporation (CCPC) to identify all associated corporations and to assign a percentage for each associated corporation. This percentage will be used to allocate the business limit for the small business deduction. Information from this schedule will also be used to determine the date the balance of tax is due and to calculate the reduction to the business limit.
- An associated CCPC that has more than one tax year ending in a calendar year must file an agreement for each tax year ending in that calendar year.
- Column 1: Enter the legal name of each of the corporations in the associated group, including those deemed to be associated under subsection 256(2) of the Income Tax Act.
- Column 2: Provide the business number for each corporation (if a corporation is not registered, enter "NR").
- **Column 3:** Enter the association code from the list below that applies to each corporation:
  - 1 Associated for purposes of allocating the business limit (unless association code 5 applies)
  - 2 CCPC that is a **third corporation** as referred to in subsection 256(2) and has filed Schedule 28, Election not to be Associated Through a Third Corporation
  - 3 Non-CCPC that is a third corporation
  - 4 Associated non-CCPC
  - 5 Associated CCPC to which association code 1 does not apply because a third corporation has filed Schedule 28
- **Column 4:** Enter the business limit for the year of each corporation in the associated group. Enter "0" if the corporation has association code 2, 3 or 4 in column 3 (except if the corporation is a cooperative or a credit union eligible for the SBD and it has association code 4).
- Column 5: Assign a percentage to allocate the business limit to each corporation that has association code 1 in column 3. The total of all percentages in column 5 cannot exceed 100%.
- **Column 6:** Enter the business limit allocated to each corporation by multiplying the amount in column by the percentage in column 5. Add all business limits allocated in column 6 and enter the total at line A.

Ensure that the total at line A does not exceed \$500,000.

A II.	acting the business limit	\		//		
	ocating the business limit				025	Year Month Day
Date	filed (do not use this area)				. 025	Year
Enter	the calendar year the agreement applies to				. 050	2021
	an amended agreement for the above calendar year the reement previously filed by any of the associated corpor				. 075	Yes X No
	Name of associated corporations	Business number of associated corporations	3 Asso- ciation code	4 Business limit for the year before the allocation \$	5 Percentage of the business limit % 350	6 Business limit allocated* \$
1	Orangeville Hydro Limited	86463 9562 RC0002	1	500,000	100.0000	500,000
2	Corporation of the Town of Orangeville	10698 6151 RC0001	1	500,000		
3	Corporation of the Township of East Luther Gran	NR	1	500,000		
4	Orangeville Hydro Services Inc.	89454 8015 RC0001	1	500,000		
5	Orangville Railway Development Corporation	86433 3166 RC0001	1	500,000		
				Total	100.0000	500,000 A

#### Business limit reduction under subsection 125(5.1) of the Act

The business limit reduction is calculated in the small business deduction area of the T2 return. One of the factors used in this calculation is the "large corporation amount" at line 415 of the T2 return. The amount at line 415 is determined using the formula 0.225% x (C - \$10,000,000). Another factor is the "adjusted aggregate investment income" from lines 744 and 745 of Schedule 7, Aggregate Investment Income and Income Eligible for the Small Business Deduction. Details of these formulas and variable C are in subsection 125(5.1) of the Act.

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

#### Special rules for business limit

Special rules apply under subsection 125(5) if a CCPC has more than one tax year ending in the same calendar year and it is associated in more than one of those tax years with another CCPC that has a tax year ending in that calendar year. The business limit for the second or later tax year will be equal to the lesser of: the business limit determined for the first tax year ending in the calendar year or the business limit determined for the second or later tax year ending in the same calendar year.

T2 SCH 23 E (19)





Schedule 33

## Taxable Capital Employed in Canada – Large Corporations

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2021-12-31

- Use this schedule in determining if the total taxable capital employed in Canada of the corporation (other than a financial institution or an insurance corporation) and its related corporations is greater than \$10,000,000.
- If the total taxable capital employed in Canada of the corporation and its related corporations is greater than \$10,000,000, file a completed Schedule 33 with your T2 Corporation Income Tax Return no later than six months from the end of the tax year.
- Unless otherwise noted, all legislative references are to the Income Tax Act and the Income Tax Regulations.
- Subsection 181(1) defines the terms financial institution, long-term debt, and reserves
- Subsection 181(3) provides the basis to determine the carrying value of a corporation's assets or any other amount under Part I.3 for its capital, investment allowance, taxable capital, or taxable capital employed in Canada, or for a partnership in which it has an interest.
- If the corporation was a non-resident of Canada throughout the year and carried on a business through a permanent establishment in Canada, go to Part 4,
   Taxable capital employed in Canada.

Part 1 – Capital
Add the following year-end amounts:
Reserves that have not been deducted in calculating income for the year under Part I 101 464,481
Capital stock (or members' contributions if incorporated without share capital)
Retained earnings 4,055,694
Contributed surplus
Any other surpluses
Deferred unrealized foreign exchange gains
All loans and advances to the corporation
All indebtedness of the corporation represented by bonds, debentures, notes mortgages, hypothecary claims, bankers' acceptances, or similar obligations
Any dividends declared but not paid by the corporation before the end of the year 110
All other indebtedness of the corporation (other than any indebtedness for a lease) that has been outstanding for more than 365 days before the end of the year
The total of all amounts, each of which is the amount, if any, in respect of a partnership in which the corporation held a membership interest at the end of the year, either directly or indirectly through another partnership (see note below)
Subtotal ( <b>add</b> lines 101 to 112) 26,616,711 \ \ 26,616,711 \ A

#### Note:

Line 112 is determined by the formula (A – B) x C/D (as per paragraph 181.2(3)(g)) where:

- A is the total of all amounts that would be determined for lines 101, 107, 108, 109, and 111 in respect of the partnership for its last fiscal period that ends at or before the end of the year if
  - a) those lines applied to partnerships in the same manner that they apply to corporations, and
  - b) those amounts were computed without reference to amounts owing by the partnership
    - (i) to any corporation that held a membership interest in the partnership either directly or indirectly through another partnership, or
    - (ii) to any partnership in which a corporation described in subparagraph (i) held a membership interest either directly or indirectly through another partnership.
- B is the partnership's deferred unrealized foreign exchange losses at the end of the period,
- C is the share of the partnership's income or loss for the period to which the corporation is entitled either directly or indirectly through another partnership, and
- D is the partnership's income or loss for the period.

Deduct the following amounts:  Deferred tax debit balance at the end of the year  Any deficit deducted in calculating its shareholders' equity (including, for this purpose, the amount of any provision for the redemption of preferred shares) at the end of the year  Any deficit deducted in calculating its shareholders' equity (including, for this purpose, the amount of any provision for the redemption of preferred shares) at the end of the year  To the extent that the amount may reasonably be regarded as being included in may of lines 101 to 112 above for the year, any amount deducted under subsection 135(1) in calculating income under Part I for the year.  Deferred unrealized foreign exchange losses at the end of the year  Subtotal (add lines 121 to 124)  Part 2 – Investment allowance  Add the carrying value at the end of the year of the following assets of the corporation:  A share of another corporation (other than a financial institution)  A loan or advance to another corporation (other than a financial institution)  A loan or advance to another corporation (other than a financial institution)  A down, debenfure, note, mortgage, hypothecary claim, or similar obligation of another corporation  A loan or advance to, another corporation (other than a financial institution)  A dividend payable on a share of the capital stock of another corporation  A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim, or similar obligation of a portnership each member of which was, throughout the year, another corporation (other than a financial institution)  A corporation as a state of the capital stock of another corporation (other than a financial institution)  A corporation as a corporation that year carried on towns of a corporation that is exampted to the was, throughout the year, another corporation (other than a financial institution)  A corporation as an interest in a partnership lead of the part (otherwise than a nem-resident corporation (other than a financial institution)  An interest in a par	Part 1 – Capital (continued)		
Deferred tax debit balance at the end of the year Any deficit deducted in calculating the retemption of preferred shares) at the end of the year To the extent that the amount may reasonably be regarded as being included in any of lines 101 to 112 above for the year, any amount deducted under subsection 135(1) in calculating income under Part I for the year.  Deferred unrealized foreign exchange losses at the end of the year  Subtolal (add lines 121 to 124)  Part 2 – Investment allowance  Add the carrying value at the end of the year of the following assets of the corporation: A share of another corporation (other than a financial institution)  A loan or advance to another corporation (other than a financial institution)  A loan or advance to a share of the capital slock of another corporation  A dividend payable on a share of the capital slock of another corporation  A dividend payable on a share of the capital slock of another corporation (other than a financial institution)  A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim, or similar obligation of another corporation as where of the capital slock of another corporation (other than a financial institution)  A dividend payable on a share of the capital slock of another corporation (other than a financial institution)  A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim or similar obligation of, a partnership each member of which was, throughout the year, another corporation (other than a financial institution) that was not exempt from tax under this part (therwise than because of paragraph 181.(3)(di), or another partnership described in paragraph 181.(24)(d.1)  Paragraph 181.(24)(d.1)  Notes:  1. Lines 401 to 405 should not include the carrying value of a share of precapital stock of, a dividend payable by, or indebtedness of a corporation that is exempt from tax under this partnership lead of the describation of the year (line 190)  Notes:  2. Where the corporation has an interest in a partnership held e		Subtotal A (from page 1)	26,616,711 A
Any deficit deducted in calculating its shareholders' equity (including, for this purpose, the amount of any provision for the redemption of preferred shares) at the end of the year	Deduct the following amounts:		
amount of any provision for the redemption of preferred shares) at the end of the year  10 the extent that the amount may reasonably be regarded as being included in any of lines  101 to 112 above for the year, any amount deducted under subsection 135(1) in calculating income under Part I for the year.  Deferred unrealized foreign exchange losses at the end of the year  Subtotal (add lines 121 to 124)  Part 2 – Investment allowance  Add the carrying value at the end of the year of the following assets of the corporation:  A share of another corporation  A loan or advance to another corporation (other than a financial institution)  402  A down debenture, note, mortgage, hypothecary claim, or similar obligation of another corporation (other than a financial institution)  403  135,504  A dividend payable on a share of the capital stock of another corporation  A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim, or similar obligation of a partnership each member of which was, throughout the year, another corporation (other than a financial institution)  A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim or similar, obligation of a partnership expending the member of which was, throughout the year, another corporation (other than a financial institution)  405  A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim or similar, obligation of a partnership expending the carrying value of a share of the capital stock of, a dividend payable by, or indebtedness of a corporation tax under this Part (otherwise than because of paragraph 181.1(3)(d)), or another partnership desgribed in paragraph 181.2(4)(d.1)  An interest in a partnership (see note 2 below)  Investment allowance for the year (add lines 401 to 407)  Notes:  1. Lines 401 to 405 should not include the carrying value of a share of phecapital stock of, a dividend payable by, or indebtedness of a corporation that is exempt from tax under Part I.3 (other than a non-resident corporation that	Deferred tax debit balance at the end of the year		
101 to 112 above for the year, any amount deducted under subsection 135(1) in calculating income under Part I for the year.  Deferred unrealized foreign exchange losses at the end of the year  Subtotal (add lines 121 to 124)  Part 2 – Investment allowance  Add the carrying value at the end of the year of the following assets of the corporation:  A share of another corporation (other than a financial institution)  A bond, debenture, note, mortgage, hypothecary claim, or similar obligation of another corporation (other than a financial institution)  A loan or advance to another corporation (other than a financial institution)  A dividend payable on a share of the capital stock of another corporation  A load or advance to, or a bond, debenture, note, mortgage, hypothecary claim or similar obligation of a partnership each of a financial institution another corporation  A load or advance to, or a bond, debenture, note, mortgage, hypothecary claim or similar obligation of a partnership each of a financial institution when the corporation and the corporation (other than a financial financial final time)  A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim or similar obligation of a partnership each of the capital stock of another corporation and the corporation and the corporation of the transfer of the capital stock of another partnership described in paragraph 181.1(3)(4)(1), or another partnership described in paragraph 181.1(3)(4)(4)(1), or another partnership described in paragraph 181.1(3)(4)(4)(4)(4)(4)(4)(4)(4)(4)(4)(4)(4)(4)			
Subtotal (add lines 121 to 124)  Part 2 - Investment allowance  Add the carrying value at the end of the year of the following assets of the corporation:  A share of another corporation (ofter than a financial institution)  A bond, debenture, note, mortgage, hypothecary claim, or similar obligation of another corporation (ofter than a financial institution)  A cloan or advance to another corporation (ofter than a financial institution)  A bond, debenture, note, mortgage, hypothecary claim, or similar obligation of another corporation (other than a financial institution)  A dividend payable on a share of the capital stock of another corporation  A cloan or advance to, or a bond, debenture, note, mortgage, hypothecary claim or similar obligation of a pertnership each member of which was, throughout the year, another corporation (other than a financial firstitution)  A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim or similar obligation of a pertnership each member of which was, throughout the year, another corporation (other than a financial firstitution) hat was not exempt from tax under this Part (otherwise than because of paragraph 181.1(3)(d)), or another partnership described in paragraph 181.2(4)(d.1)  An interest in a partnership (see note 2 below)  Investment allowance for the year (add lines 401 to 407)  100 135,504  Notes:  1. Lines 401 to 405 should not include the carrying value of a share of the capital stock of, a dividend payable by, or indebledness of a corporation that is exempt from tax under Part 1.3 (other than a non-resident corporation that at no thye in the year carried on business in Canada through a permanent establishment).  2. Where the corporation has an interest in a partnership held eigher directly or indirectly through another partnership, refer to subsection 181.2(5) for additional rules regarding the carrying value of an interest in a partnership held eigher directly or indirectly through another partnership, refer to subsection 181.2(6) for special ru	101 to 112 above for the year, any amount deducted under subsection 135(1) in calculating		
Capital for the year (amount A minus amount B) (if negative, enter "0")  Part 2 - Investment allowance  Add the carrying value at the end of the year of the following assets of the corporation:  A share of another corporation (other than a financial institution)  A loan or advance to another corporation (other than a financial institution)  A bond, debenture, note, mortgage, hypothecary claim, or similar obligation of another corporation (other than a financial institution)  A dividend payable on a share of the capital stock of another corporation  A dividend payable on a share of the capital stock of another corporation (but than a financial institution)  A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim or similar obligation of a partnership each member of which was, throughout the year, another corporation (other than a financial institution)  A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim or similar obligation of a partnership each member of which was, throughout the year, another corporation (other than a financial institution) that was not exempt from tax under this Part (otherwise than because of paragraph 181.1(3)(d)), or another partnership described in paragraph 181.2(4)(d.1)  An interest in a partnership (see note 2 below)  Investment allowance for the year (add lines 401 to 407)  Notes:  1. Lines 401 to 405 should not include the carrying value of a share of the capital stock, of, a dividend payable by, or indebtedness of a corporation that is exempt from tax under Part I.3 (other than a non-resident corporation that at no time in the year carried on business in Canada through a permanent establishment).  2. Where the corporation has an interest in a partnership held either directly or indirectly through another partnership, refer to subsection 181.2(5) for additional rules regarding the carrying value of an interest in a partnership.  3. Where a trust is used as a condult for loaning money fropy a corporation, to the borrowing corporation.	Deferred unrealized foreign exchange losses at the end of the year		
Part 2 – Investment allowance  Add the carrying value at the end of the year of the following assets of the corporation:  A share of another corporation  A loan or advance to another corporation (other than a financial institution)  A bond, debenture, note, mortgage, hypothecary claim, or similar obligation of another corporation  (other than a financial institution)  A dividend payable on a share of the capital stock of another corporation  A dividend payable on a share of the capital stock of another corporation  A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim or similar obligation of, a partnership each member of which was, throughout the year, another corporation (other than a financial institution) hat was not exempt from tax under this Part (otherwise than because of paragraph 181.1(3)(d)), or another partnership described in paragraph 181.2(4)(d.1)  An interest in a partnership (see note 2 below)  Investment allowance for the year (add lines 401 to 407)  Notes:  1. Lines 401 to 405 should not include the carrying value of a share of the capital stock of, a dividend payable by, or indebtedness of a corporation that is exempt from tax under Part I.3 (other than a non-resident corporation that at no lings in the year carried on business in Canada through a permanent establishment).  2. Where the corporation has an interest in a partnership held either directly or indirectly through another partnership, refer to subsection 181.2(5) for additional rules regarding the carrying value of an interest in a partnership.  3. Where a trust is used as a conduit for loaning money from a corporation to the borrowing corporation (other than a financial institution), the loan will be considered to have been made directly from the lending corporation to the borrowing corporation. Refer to subsection 181.2(6) for special rules that may apply.  Part 3 – Taxable capital  Capital for the year (line 190)  26,616,711 C  Deduct: Investment allowance for the year (line 490)	Subtotal (add lines 121 to 124)	<b>&gt;</b>	В
Add the carrying value at the end of the year of the following assets of the corporation:  A share of another corporation  A loan or advance to another corporation (other than a financial institution)  A bond, debenture, note, mortgage, hypothecary claim, or similar obligation of another corporation (other than a financial institution)  Long-term debt of a financial institution  A dividend payable on a share of the capital stock of another corporation  A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim or similar obligation of, a partnership each member of which was, throughout the year, another corporation (other than a financial institution) hat was not exempt from tax under this Part (otherwise than because of paragraph 181.1(3)(d)), or another partifership described in paragraph 181.2(4)(d.1)  An interest in a partnership (see note 2 below)  Investment allowance for the year (add lines 401 to 407)  Notes:  1. Lines 401 to 405 should not include the carrying value of a share of the capital stock of, a dividend payable by, or indebtedness of a corporation that is exempt from tax under Part I.3 (other than a non-resident corporation that at no time in the year carried on business in Canada through a permanent establishment).  2. Where the corporation has an interest in a partnership held either directly or indirectly through another partnership, refer to subsection 181.2(5) for additional rules regarding the carrying value of an interest in a partnership.  3. Where a trust is used as a conduit for loaning money from a corporation to the borrowing corporation. Refer to subsection 181.2(6) for special rules that may apply.  Part 3 – Taxable capital  Capital for the year (line 190)  26,616,711 C  Deduct: Investment allowance for the year (line 490)	Capital for the year (amount A minus amount B) (if negative, enter "0")	190	26,616,711
Add the carrying value at the end of the year of the following assets of the corporation:  A share of another corporation  A loan or advance to another corporation (other than a financial institution)  A bond, debenture, note, mortgage, hypothecary claim, or similar obligation of another corporation (other than a financial institution)  Long-term debt of a financial institution  A dividend payable on a share of the capital stock of another corporation  A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim or similar obligation of, a partnership each member of which was, throughout the year, another corporation (other than a financial institution) hat was not exempt from tax under this Part (otherwise than because of paragraph 181.1(3)(d)), or another partifership described in paragraph 181.2(4)(d.1)  An interest in a partnership (see note 2 below)  Investment allowance for the year (add lines 401 to 407)  Notes:  1. Lines 401 to 405 should not include the carrying value of a share of the capital stock of, a dividend payable by, or indebtedness of a corporation that is exempt from tax under Part I.3 (other than a non-resident corporation that at no time in the year carried on business in Canada through a permanent establishment).  2. Where the corporation has an interest in a partnership held either directly or indirectly through another partnership, refer to subsection 181.2(5) for additional rules regarding the carrying value of an interest in a partnership.  3. Where a trust is used as a conduit for loaning money from a corporation to the borrowing corporation. Refer to subsection 181.2(6) for special rules that may apply.  Part 3 – Taxable capital  Capital for the year (line 190)  26,616,711 C  Deduct: Investment allowance for the year (line 490)	Part 2 – Investment allowance	$\triangle$	
A share of another corporation  A loan or advance to another corporation (other than a financial institution)  A bond, debenture, note, mortgage, hypothecary claim, or similar obligation of another corporation (other than a financial institution)  A dought of a financial institution  A dividend payable on a share of the capital stock of another corporation  A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim or similar obligation of, a partnership each member of which was, throughout the year, another corporation (other than a financial institution) that was not exempt from tax under this Part (otherwise than because of paragraph 181.1(3)(d)), or another partnership described in paragraph 181.2(4)(d.1)  An interest in a partnership (see note 2 below)  Investment allowance for the year (add lines 401 to 407)  Notes:  1. Lines 401 to 405 should not include the carrying value of a share of the capital stock of, a dividend payable by, or indebtedness of a corporation that is exempt from tax under Part I.3 (other than a non-resident corporation that at no time in the year carried on business in Canada through a permanent establishment).  2. Where the corporation has an interest in a partnership held either directly or indirectly through another partnership, refer to subsection 181.2(5) for additional rules regarding the carrying value of an interest in a partnership.  3. Where a trust is used as a conduit for loaning money from a corporation to the borrowing corporation. Refer to subsection 181.2(6) for special rules that may apply.  Part 3 – Taxable capital  Capital for the year (line 190)  26,616,711 C  Deduct: Investment allowance for the year (line 480)			
A loan or advance to another corporation (other than a financial institution)  A bond, debenture, note, mortgage, hypothecary claim, or similar obligation of another corporation (other than a financial institution)  Long-term debt of a financial institution  A dividend payable on a share of the capital stock of another corporation  A dividend payable on a share of the capital stock of another corporation  A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim or similar obligation of, a partnership each member of which was, throughout the year, another corporation (other than a financial institution) that was not exempt from tax under this Part (otherwise than because of paragraph 181.1(3)(d)), or another partnership described in paragraph 181.2(4)(d.1)  An interest in a partnership (see note 2 below)  Investment allowance for the year (add lines 401 to 407)  Notes:  1. Lines 401 to 405 should not include the carrying value of a share of the capital stock of, a dividend payable by, or indebtedness of a corporation that is exempt from tax under Part I.3 (other than a non-resident corporation that at no time in the year carried on business in Canada through a permanent establishment).  2. Where the corporation has an interest in a partnership held either directly or indirectly through another partnership, refer to subsection 181.2(5) for additional rules regarding the carrying value of an interest in a partnership.  3. Where a trust is used as a conduit for loaning money from a corporation to the borrowing corporation. Refer to subsection 181.2(6) for special rules that may apply.  Part 3 – Taxable capital  Capital for the year (line 190)  26,616,711 C  Deduct: Investment allowance for the year (line 490)	, , , , , , , , , , , , , , , , , , , ,	404	
A bond, debenture, note, mortgage, hypothecary claim, or similar obligation of another corporation (other than a financial institution)  Long-term debt of a financial institution  A dividend payable on a share of the capital stock of another corporation  A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim or similar obligation of, a partnership each member of which was, throughout the year, another corporation (other than a financial institution) that was not exempt from tax under this Part (otherwise than because of paragraph 181.1(3)(d)), or another partnership described in paragraph 181.2(4)(d.1)  An interest in a partnership (see note 2 below)  Investment allowance for the year (add lines 401 to 407)  Notes:  1. Lines 401 to 405 should not include the carrying value of a share of the capital stock of, a dividend payable by, or indebtedness of a corporation that is exempt from tax under Part I.3 (other than a non-resident corporation that at no time in the year carried on business in Canada through a permanent establishment).  2. Where the corporation has an interest in a partnership held either directly or indirectly through another partnership, refer to subsection 181.2(5) for additional rules regarding the carrying value of an interest in a partnership on another related corporation (other than a financial institution), the loan will be considered to have been made directly from the lending corporation to the borrowing corporation. Refer to subsection 181.2(6) for special rules that may apply.  Part 3 – Taxable capital  Capital for the year (line 190)  26,616,711 C  Deduct: Investment allowance for the year (line 490)		) =-	
(other than a financial institution)  Long-term debt of a financial institution  A dividend payable on a share of the capital stock of another corporation  A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim or similar obligation of, a partnership each member of which was, throughout the year, another corporation (other than a financial institution) that was not exempt from tax under this Part (otherwise than because of paragraph 181.1(3)(d)), or another partnership described in paragraph 181.2(4)(d.1)  An interest in a partnership (see note 2 below)  Investment allowance for the year (add lines 401 to 407)  Notes:  1. Lines 401 to 405 should not include the carrying value of a share of the capital stock of, a dividend payable by, or indebtedness of a corporation that is exempt from tax under Part I.3 (other than a non-resident corporation that at no time in the year carried on business in Canada through a permanent establishment).  2. Where the corporation has an interest in a partnership held either directly or indirectly through another partnership, refer to subsection 181.2(5) for additional rules regarding the carrying value of an interest in a partnership.  3. Where a trust is used as a conduit for loaning money from a corporation to another related corporation (other than a financial institution), the loan will be considered to have been made directly from the lending corporation to the borrowing corporation. Refer to subsection 181.2(6) for special rules that may apply.  Part 3 – Taxable capital  Capital for the year (line 190)  26,616,711 C  Deduct: Investment allowance for the year (line 490)	, , ,	402	
A dividend payable on a share of the capital stock of another corporation  A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim or similar obligation of, a partnership each member of which was, throughout the year, another corporation (other than a financial institution) that was not exempt from tax under this Part (otherwise than because of paragraph 181.1(3)(d)), or another partnership described in paragraph 181.2(4)(d.1)  An interest in a partnership (see note 2 below)  Investment allowance for the year (add lines 401 to 407)  Notes:  1. Lines 401 to 405 should not include the carrying value of a share of the capital stock of, a dividend payable by, or indebtedness of a corporation that is exempt from tax under Part I.3 (other than a non-resident corporation that at no time in the year carried on business in Canada through a permanent establishment).  2. Where the corporation has an interest in a partnership held either directly or indirectly through another partnership, refer to subsection 181.2(5) for additional rules regarding the carrying value of an interest in a partnership.  3. Where a trust is used as a conduit for loaning money from a corporation to the borrowing corporation (other than a financial institution), the loan will be considered to have been made directly from the lending corporation to the borrowing corporation. Refer to subsection 181.2(6) for special rules that may apply.  Part 3 – Taxable capital  Capital for the year (line 190)  26,616,711 C  Deduct: Investment allowance for the year (line 490)			135,504
A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim or similar obligation of, a partnership each member of which was, throughout the year, another corporation (other than a financial institution) that was not exempt from tax under this Part (otherwise than because of paragraph 181.1(3)(d)), or another partnership described in paragraph 181.2(4)(d.1)  An interest in a partnership (see note 2 below)  Investment allowance for the year (add lines 401 to 407)  Notes:  1. Lines 401 to 405 should not include the carrying value of a share of the capital stock of, a dividend payable by, or indebtedness of a corporation that is exempt from tax under Part I.3 (other than a non-resident corporation that at no time in the year carried on business in Canada through a permanent establishment).  2. Where the corporation has an interest in a partnership held either directly or indirectly through another partnership, refer to subsection 181.2(5) for additional rules regarding the carrying value of an interest in a partnership.  3. Where a trust is used as a conduit for loaning money from a corporation to another related corporation (other than a financial institution), the loan will be considered to have been made directly from the lending corporation to the borrowing corporation. Refer to subsection 181.2(6) for special rules that may apply.  Part 3 – Taxable capital  Capital for the year (line 190)  26,616,711 C  Deduct: Investment allowance for the year (line 490)	Long-term debt of a financial institution	404	
member of which was, throughout the year, another corporation (other than a financial institution) that was not exempt from tax under this Part (otherwise than because of paragraph 181.1(3)(d)), or another partnership described in paragraph 181.2(4)(d.1)  An interest in a partnership (see note 2 below)  Investment allowance for the year (add lines 401 to 407)  Notes:  1. Lines 401 to 405 should not include the carrying value of a share of the capital stock of, a dividend payable by, or indebtedness of a corporation that is exempt from tax under Part I.3 (other than a non-resident corporation that at no time in the year carried on business in Canada through a permanent establishment).  2. Where the corporation has an interest in a partnership held either directly or indirectly through another partnership, refer to subsection 181.2(5) for additional rules regarding the carrying value of an interest in a partnership.  3. Where a trust is used as a conduit for loaning money from a corporation to another related corporation (other than a financial institution), the loan will be considered to have been made directly from the lending corporation to the borrowing corporation. Refer to subsection 181.2(6) for special rules that may apply.  Part 3 – Taxable capital  Capital for the year (line 190)  26,616,711 C  Deduct: Investment allowance for the year (line 490)	A dividend payable on a share of the capital stock of another corporation		
Notes:  1. Lines 401 to 405 should not include the carrying value of a share of the capital stock of, a dividend payable by, or indebtedness of a corporation that is exempt from tax under Part 1.3 (other than a non-resident corporation that at no time in the year carried on business in Canada through a permanent establishment).  2. Where the corporation has an interest in a partnership held either directly or indirectly through another partnership, refer to subsection 181.2(5) for additional rules regarding the carrying value of an interest in a partnership.  3. Where a trust is used as a conduit for loaning money from a corporation to another related corporation (other than a financial institution), the loan will be considered to have been made directly from the lending corporation to the borrowing corporation. Refer to subsection 181.2(6) for special rules that may apply.  Part 3 – Taxable capital  Capital for the year (line 190)  26,616,711 C  Deduct: Investment allowance for the year (line 490)	member of which was, throughout the year, another corporation (other than a financial institution) that was tax under this Part (otherwise than because of paragraph 181.1(3)(d)), or another particleship described in	not exempt from	
Notes:  1. Lines 401 to 405 should not include the carrying value of a share of the capital stock of, a dividend payable by, or indebtedness of a corporation that is exempt from tax under Part I.3 (other than a non-resident corporation that at no time in the year carried on business in Canada through a permanent establishment).  2. Where the corporation has an interest in a partnership held either directly or indirectly through another partnership, refer to subsection 181.2(5) for additional rules regarding the carrying value of an interest in a partnership.  3. Where a trust is used as a conduit for loaning money from a corporation to another related corporation (other than a financial institution), the loan will be considered to have been made directly from the lending corporation to the borrowing corporation. Refer to subsection 181.2(6) for special rules that may apply.  Part 3 – Taxable capital  Capital for the year (line 190)  26,616,711 C  Deduct: Investment allowance for the year (line 490)	An interest in a partnership (see note 2 below)		
1. Lines 401 to 405 should not include the carrying value of a share of the capital stock of, a dividend payable by, or indebtedness of a corporation that is exempt from tax under Part I.3 (other than a non-resident corporation that at no time in the year carried on business in Canada through a permanent establishment).  2. Where the corporation has an interest in a partnership held either directly or indirectly through another partnership, refer to subsection 181.2(5) for additional rules regarding the carrying value of an interest in a partnership.  3. Where a trust is used as a conduit for loaning money from a corporation to another related corporation (other than a financial institution), the loan will be considered to have been made directly from the lending corporation to the borrowing corporation. Refer to subsection 181.2(6) for special rules that may apply.  Part 3 – Taxable capital  Capital for the year (line 190)  Capital for the year (line 190)  135,504 D	Investment allowance for the year (add lines 401 to 407)	490	135,504
1. Lines 401 to 405 should not include the carrying value of a share of the capital stock of, a dividend payable by, or indebtedness of a corporation that is exempt from tax under Part I.3 (other than a non-resident corporation that at no time in the year carried on business in Canada through a permanent establishment).  2. Where the corporation has an interest in a partnership held either directly or indirectly through another partnership, refer to subsection 181.2(5) for additional rules regarding the carrying value of an interest in a partnership.  3. Where a trust is used as a conduit for loaning money from a corporation to another related corporation (other than a financial institution), the loan will be considered to have been made directly from the lending corporation to the borrowing corporation. Refer to subsection 181.2(6) for special rules that may apply.  Part 3 – Taxable capital  Capital for the year (line 190)  Capital for the year (line 190)  135,504 D	Notes:		_
additional rules regarding the carrying value of an interest in a partnership.  3. Where a trust is used as a conduit for loaning money from a corporation to another related corporation (other than a financial institution), the loan will be considered to have been made directly from the lending corporation to the borrowing corporation. Refer to subsection 181.2(6) for special rules that may apply.  Part 3 – Taxable capital  Capital for the year (line 190)  26,616,711 C  Deduct: Investment allowance for the year (line 490)	1. Lines 401 to 405 should not include the carrying value of a share of the capital stock of, a dividend payal exempt from tax under Part I.3 (other than a non-resident corporation that at no time in the year carried of	ole by, or indebtedness of a corp on business in Canada through a	oration that is a permanent
considered to have been made directly from the lending corporation to the borrowing corporation. Refer to subsection 181.2(6) for special rules that may apply.  Part 3 – Taxable capital  Capital for the year (line 190)  Deduct: Investment allowance for the year (line 490)  135,504		artnership, refer to subsection 18	31.2(5) for
Capital for the year (line 190)       26,616,711 C         Deduct: Investment allowance for the year (line 490)       135,504 D	considered to have been made directly from the lending corporation to the borrowing corporation. Refer t		
Deduct: Investment allowance for the year (line 490)	Part 3 – Taxable capital		
Deduct: Investment allowance for the year (line 490)	Capital for the year (line 190)		26,616,711 C
			135,504 D
Taxable capital for the year (amount C minus amount D) (if negative, enter "0")			26,481,207

	To be complete	ed by a corporation that was	s resident in Canada at a	any time in the year	
Taxable capital for the year (line 500)	26,481,207 ×	able income earned in Canada 610	730,089 = 6	Taxable capital employed in Canada 690 _	26,481,207
Where a cor to have a tax	poration's taxable income fo able income for that year o	ating the amount of taxable in or a tax year is "0," it shall, fo if \$1,000. gulation 8601 should be cons	ncome earned in Canada. r the purposes of the abov	,	
	•	by a corporation that was a ed on a business through a		•	
held in the year, in the co <b>Deduct</b> the following am Corporation's indebtedne paragraphs 181.2(3)(c) to	ourse of carrying on any bus ounts: ess at the end of the year [o	lue at the end of the year of a siness during the year through ther than indebtedness describe regarded as relating to a buent in Canada	h a permanent establishm ribed in any of		
described in subsection	181.2(4) of the corporation trying on any business during	lue at the end of year of an a that it used in the year, or hel ng the year through a perman	d in the ent		
corporation that is a ship personal or movable pro	or aircraft the corporation operty used or held by the co	lue at the end of year of an a operated in international traffio orporation in carrying on any l in Canada (see note below)	c, or		
Taxable capital employ	ed in Canada (line 701 miı	Total deductions ( <b>add</b> li	( )	► 790 _	E
Note: Complete line 71 year on the incomplete incomplete line 71	3 only if the country in which me from the operation of a s	ch the corporation is resident ship or aircraft in internationa	did not impose a capital ta I traffic, of any corporation	ax for the year on similar asset resident in Canada during the	s, or a tax for the year.
− Part 5 – Calculatio	on for purposes of th	ne small business ded	luction —		
This part is applicable	to corporations that are n	ot associated in the curren	<i>)∕</i> t year, but were associat	ted in the prior year.	
Taxable capital employed	d in Canada (amount from li	ine 690)	>		F
Deduct:		// \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \		unt G) (if negative, enter "0") =	
Calculation for purpose	es of the small business of	leduction (amount H x 0.225	5%)	=	I
Enter this amount at line	415 of the T2 return.				

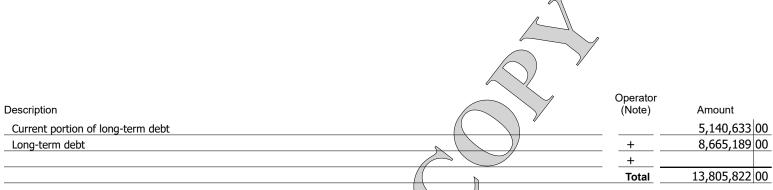
# **Attached Schedule with Total**

Part 1 – All loans and advances to the corporation

Title Part 1 – All loans and advances to the corporation

Explanatory note

See "21 SFP" Tab "BS\_IFRS-F"



**Note**: The calculations are performed one at a time, from the first to the last line, and not according to the priority rules of the operations. For example, the formula 1+2\*3 will not result in the same thing as the formula 1+3\*2.



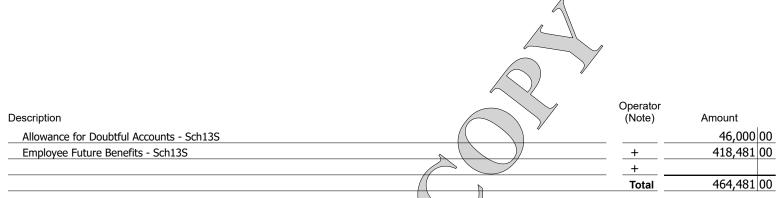
# **Attached Schedule with Total**

Part 1 – Reserves that have not been deducted in calculating income for the year under Part I

Title Part 1 – Reserves that have not been deducted in calculating income for the

Explanatory note

See "21 SFP" Tab "BS\_IFRS-F"



**Note**: The calculations are performed one at a time, from the first to the last line, and not according to the priority rules of the operations. For example, the formula 1+2\*3 will not result in the same thing as the formula 1+3\*2.



Schedule 50

#### **Shareholder Information**

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2021-12-31

- All private corporations must complete this schedule for any shareholder who holds 10% or more of the corporation's common and/or preferred shares.
- Provide only one number (business number, partnership account number, social insurance number or trust number) per shareholder.

	Name of shareholder (after name, indicate in brackets if the shareholder is a corporation, partnership, individual, or trust)	Business number or partnership account number (9 digits, 2 letters, and 4 digits.  If not registered, enter "NR")	Social insurance number (9 digits)	Trust number (T followed by 8 digits)	Percentage common shares	Percentage preferred shares
1	The Corporation of the Town of Orangeville	106986151RC0001			94.500	
2	The Corporation of the Township of East Luther Grand	NR			5.500	
3						
4				,		
5		((				
6						
7						
8						
9						
10						



Schedule 55

## Part III.1 Tax on Excessive Eligible Dividend Designations

Fait III. I Tax off Excessive Eligible Dividend	Designations	
Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2021-12-31
• Every corporation resident in Canada that pays a taxable dividend (other than a capital gains dividend the meaning assigned by subsection 130.1(4) or 131(1)) in the tax year must file this schedule.	within Do not	use this area
<ul> <li>Canadian-controlled private corporations (CCPC) and deposit insurance corporations (DIC) must complete Part 1 of this schedule. All other corporations must complete Part 2.</li> </ul>		
• Every corporation that has paid an eligible dividend must also file Schedule 53, General Rate Income For Calculation, or Schedule 54, Low Rate Income Pool (LRIP) Calculation, whichever is applicable.	Pool (GRIP)	
• File the schedules with your T2 Corporation Income Tax Return no later than six months from the end of tax year.	of the	
All legislative references are to the Income Tax Act and the Income Tax Regulations.		
• Subsection 89(1) defines the terms eligible dividend, excessive eligible dividend designation, ger and low rate income pool.	neral rate income pool,	
• The calculations in Part 1 and Part 2 do not apply if the excessive eligible dividend designation arises paragraph (c) of the definition of excessive eligible dividend designation in subsection 89(1). This para dividend is paid to artificially maintain or increase the GRIP or to artificially maintain or decrease the LF	graph applies when an eligibl	е
- Part 1 – Canadian-controlled private corporations and deposit insurance corp	oorations ———	
Taxable dividends paid in the tax year <b>not included</b> in Schedule 3		
Taxable dividends paid in the tax year <b>included</b> in Schedule 3	543,259	
Total taxable dividends paid in the tax year	543,259	
Total eligible dividends paid in the tax year		
GRIP at the end of the tax year (line 590 on Schedule 53) (if negative, enter "0")		9,134,650
Excessive eligible dividend designation (line 150 minus line 160)		A
Excessive eligible dividend designations elected under subsection 185.1(2) to be treated as ordinary dividend	dends * 180	
Subtota	al (amount A <b>minus</b> line 180)	B
Part III.1 tax on excessive eligible dividend designations - CCPC or DIC (amount B multiplied by	20 %) 190	
Enter the amount from line 190 on line 710 of the T2 return.		
Part 2 – Other corporations		
Taxable dividends paid in the tax year <b>not included</b> in Schedule 3		
Taxable dividends paid in the tax year included in Schedule 3		
Total taxable dividends paid in the tax year		
Total excessive eligible dividend designations in the tax year (amount A of Schedule 54)	· · · · · · · · · · · · · · · · · · ·	C
Excessive eligible dividend designations elected under subsection 185.1(2) to be treated as ordinary dividend	dends * 280	
Subtota	I (amount C <b>minus</b> line 280)	D
Part III.1 tax on excessive eligible dividend designations – Other corporations (amount D multiplied	<b>d</b> by 20 %) . <b>290</b>	
Enter the amount from line 290 on line 710 of the T2 return.		

<sup>\*</sup> You can elect to treat all or part of your excessive eligible dividend designation as a separate taxable dividend in order to eliminate or reduce the Part III.1 tax otherwise payable. You must file the election on or before the day that is 90 days **after** the day the notice of assessment for Part III.1 tax was sent. We will accept an election before the assessment of the tax.

# **Ontario Corporation Tax Calculation**

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2021-12-31

- Use this schedule if your corporation had a **permanent establishment** (as defined in section 400 of the federal Income Tax Regulations) in Ontario at any time in the tax year and had Ontario taxable income in the year.
- Legislative references are to the federal Income Tax Act and Income Tax Regulations.
- This schedule is a worksheet only and is not required to be filed with your T2 Corporation Income Tax Return.

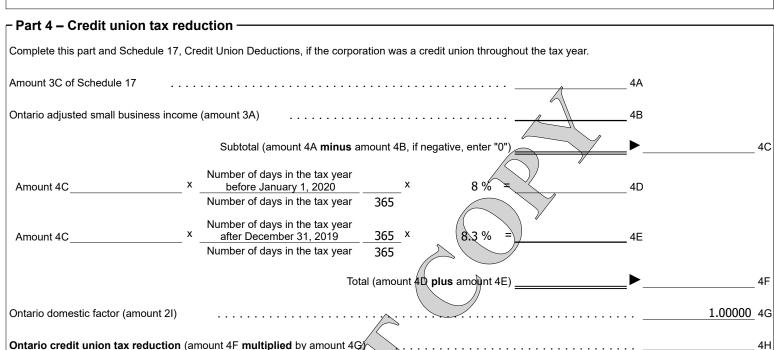
Ontario taxable income Note 1		730,089	1A
Ontario basic rate of tax for the year		<b>11.5</b> %_	1B
Ontario basic income tax (amount 1A multiplied by amount 1B) Note 2		83,960	1C
Note 1 If your corporation had a permanent establishment only in Ontario, e Otherwise, enter the taxable income allocated to Ontario from colum		return.	
Note 2 If your corporation had a permanent establishment in more than one basic income tax, or Ontario corporate minimum tax or Ontario spec on line 270 of Schedule 5, Tax Calculation Supplementary – Corpora	cial additional tax on life insurance corporations payab	le, enter amount 1C	
- Part 2 – Ontario small business deduction (OSBD)			
Complete this part if your corporation claimed the federal small business dedu	uction under subsection 125(1)		
Line 400 of the T2 return	704064	2Δ	
Line 405 of the T2 return	730,089	_	
Line 410 of the T2 return	500,000 2C	_ 25	
Line 415 of the T2 return			
Amount 2C Amount 2D	d.		
500,000 × 68,832 =	3,059,200 2E		
11,250			
Line 515 of the T2 return	2F		
Subtotal (amount 2C minus amount 2E minus amount 2F	<b>-</b> ) <b>-</b>	_2G	
Amount 2A, 2B or 2G whichever is the least		. •	2H
Ontario domestic factor (ODF): Taxable income for Ontario Note 3	730,089.00 =	1.00000	21
Taxable income for all provinces Note 4	730,089		
		<sub>=</sub> 2J	
Ontario taxable income (amount 14)		<sub>=</sub> 2K	
Ontario small business income (amount 2J or 2K, whichever is less)		<b>.</b>	2L
Ontario small business deduction for the year			
Number of days in the tax year  Amount 2L  X  before January 1, 2020	x 8 % =	2M	
	365	_ 2101	
Amount 2L Number of days in the tax year after December 31, 2019	365 × 8.3 % =	_ 2N	
Number of days in the tax year	365	_	
Ontario small business deduction for the year (amount 2M <b>plus</b> amount 2N) Enter amount 2O on line 402 of Schedule 5.		<b>-</b>	20
Note 3 Enter amount 1A.			

#### Part 3 – Ontario adjusted small business income -

Complete this part if your corporation was a Canadian-controlled private corporation throughout the tax year and is claiming the Ontario tax credit for manufacturing and processing or the Ontario credit union tax reduction.

Ontario adjusted small business income (amount 1A or 2H, whichever is the least)

Enter amount 3A at amount 4B in Part 4 of this schedule or at amount 2E in Part 2 of Schedule 502, Ontario Tax Credit for Manufacturing and Processing, whichever applies.



Enter amount 4H on line 410 of Schedule 5.

## **Ontario Corporate Minimum Tax**

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2021-12-31

- File this schedule if the corporation is subject to Ontario corporate minimum tax (CMT). CMT is levied under section 55 of the Taxation Act, 2007 (Ontario), referred to as the "Ontario Act".
- Complete Part 1 to determine if the corporation is subject to CMT for the tax year.
- A corporation not subject to CMT in the tax year is still required to file this schedule if it is deducting a CMT credit, has a CMT credit carryforward, or has a CMT loss carryforward or a current year CMT loss.
- A corporation that has Ontario special additional tax on life insurance corporations (SAT) payable in the tax year must complete Part 4 of this
  schedule even if it is not subject to CMT for the tax year.
- A corporation is exempt from CMT if, throughout the tax year, it was one of the following:
  - 1) a corporation exempt from income tax under section 149 of the federal *Income Tax Act*;
  - 2) a mortgage investment corporation under subsection 130.1(6) of the federal Act;
  - 3) a deposit insurance corporation under subsection 137.1(5) of the federal Act;
  - 4) a congregation or business agency to which section 143 of the federal Act applies;
  - 5) an investment corporation as referred to in subsection 130(3) of the federal Act; or
  - 6) a mutual fund corporation under subsection 131(8) of the federal Act.
- File this schedule with the T2 Corporation Income Tax Return.

– Dar	rt 1 – Determination of CMT applicability	
Fai	Tell - Determination of Civit applicability	
Total	assets of the corporation at the end of the tax year *	35,048,951
Share	e of total assets from partnership(s) and joint venture(s) *	
Total	assets of associated corporations (amount from line 450 on Schedule 511)	50,000,001
Total	assets (total of lines 112 to 116)	85,048,952
Total	revenue of the corporation for the tax year **	36,500,402
Share	e of total revenue from partnership(s) and joint venture(s) **	
Total	revenue of associated corporations (amount from line 550 on Schedule 511)	100,000,000
Total	revenue (total of lines 142 to 146)	136,500,402

The corporation is subject to CMT if:

- for tax years ending before July 1, 2010, the total assets at the end of the year of the corporation or the associated group of corporations are more than \$5,000,000, or the total revenue for the year of the corporation or the associated group of corporations is more than \$10,000,000.
- for tax years ending after June 30, 2010, the total assets at the end of the year of the corporation or the associated group of corporations are equal to or more than \$50,000,000, and the total revenue for the year of the corporation or the associated group of corporations is equal to or more than \$100,000,000.
   f the corporation is not subject to CMT, do not complete the romanian parts upless the corporation is deducting a CMT gradit, or has a CMT gradit.

If the corporation is not subject to CMT, do not complete the remaining parts unless the corporation is deducting a CMT credit, or has a CMT credit carryforward, a CMT loss carryforward, a current year CMT loss or SAT payable in the year.

#### \* Rules for total assets

- Report total assets according to generally accounting principles, adjusted so that consolidation and equity methods are not used.
- Do not include unrealized gains and losses on assets and foreign currency gains and losses on assets that are included in net income for accounting purposes but not in income for corporate income tax purposes.
- The amount on line 114 is determined at the end of the last fiscal period of the partnership or joint venture that ends in the tax year of the corporation. Add the proportionate share of the assets of the partnership(s) and joint venture(s), and deduct the recorded asset(s) for the investment in partnerships and joint ventures.
- A corporation's share in a partnership or joint venture is determined under paragraph 54(5)(b) of the Ontario Act and, if the partnership or joint venture had no income or loss, is calculated as if the partnership's or joint venture's income were \$1 million. For a corporation with an indirect interest in a partnership or joint venture, determine the corporation's share according to paragraph 54(5)(c) of the Ontario Act.

#### \*\* Rules for total revenue

- Report total revenue in accordance with generally accepted accounting principles, adjusted so that consolidation and equity methods are not used.
- If the tax year is less than 51 weeks, multiply the total revenue of the corporation or the partnership, whichever applies, by 365 and divide by the number of days in the tax year.
- The amount on line 144 is determined for the partnership or joint venture fiscal period that ends in the tax year of the corporation. If the partnership or joint venture has 2 or more fiscal periods ending in the filing corporation's tax year, **multiply** the sum of the total revenue for each of the fiscal periods by 365 and **divide** by the total number of days in all the fiscal periods.
- A corporation's share in a partnership or joint venture is determined under paragraph 54(5)(b) of the Ontario Act and, if the partnership or joint venture had no income or loss, is calculated as if the partnership's or joint venture's income were \$1 million. For a corporation with an indirect interest in a partnership or joint venture, determine the corporation's share according to paragraph 54(5)(c) of the Ontario Act.

Net income/loss per financial statements *	908,964
Add (to the extent reflected in income/loss):	
Provision for current income taxes/cost of current income taxes	
Provision for deferred income taxes (debits)/cost of future income taxes	
Equity losses from corporations	
Financial statement loss from partnerships and joint ventures	
Other additions (see note below):	
Share of adjusted net income of partnerships and joint ventures **	
Total patronage dividends received, not already included in net income/loss 232	
281 282	
283 284	
Subtotal	309,123 A
Deduct (to the extent reflected in income/loss):	
Provision for recovery of current income taxes/benefit of current income taxes	
Provision for deferred income taxes (credits)/benefit of future income taxes	
Equity income from corporations	
Financial statement income from partnerships and joint ventures	
Dividends deductible under section 112, section 113, or subsection 138(6) of the federal Act	
Dividends not taxable under section 83 of the federal Act (from Schedule 3)	
Gain on donation of listed security or ecological gift	
Accounting gain on transfer of property to a corporation under section 85 or 85.1 of the federal Act ***	
Accounting gain on transfer of property to/from a partnership under section 85 or 97 of the federal Act ****	
Accounting gain on disposition of property under subsection 13(4), subsection 14(6), or section 44 of the federal Act ***** 346	
Accounting gain on a windup under subsection 88(1) of the federal Act or an amalgamation under section 87 of the federal Act	
Other deductions (see note below):	
Share of adjusted net loss of partnerships and joint ventures **	
Tax payable on dividends under subsection 191.1(1) of the federal Act multiplied by 3 Interest deducted/deductible under paragraph 20(1)(c) or (d) of the federal Act, not already included in net income/loss	
Patronage dividends paid (from Schedule 16) not already included in net income/loss 338	
Tax Movement in regulatory account  Tax Reclassification  Tax Reclassification  Tax Reclassification  Tax Reclassification  Tax Reclassification	
383 Tax Reclassification	
387 388 62,364	
389	
Subtotal 223,662 ►	223,662 B
Adjusted net income/loss for CMT purposes (line 210 plus amount A minus amount B)	994,425

If the amount on line 490 is positive and the corporation is subject to CMT as determined in Part 1, enter the amount on line 515 in Part 3.

If the amount on line 490 is negative, enter the amount on line 760 in Part 7 (enter as a positive amount).

#### Note

In accordance with Ontario Regulation 37/09, when calculating net income for CMT purposes, accounting income should be adjusted to:

- exclude unrealized gains and losses due to mark-to-market changes or foreign currency changes on specified mark-to-market property (assets only);
- include realized gains and losses on the disposition of specified mark-to-market property not already included in the accounting income, if the
  property is not a capital property or is a capital property disposed in the year or in a previous tax year ended after March 22, 2007.

"Specified mark-to-market property" is defined in subsection 54(1) of the Ontario Act.

These rules also apply to partnerships. A corporate partner's share of a partnership's adjusted income flows through on a proportionate basis to the corporate partner.

#### \* Rules for net income/loss

Banks must report net income/loss as per the report accepted by the Superintendent of Financial Institutions under the federal Bank Act, adjusted so consolidation and equity methods are not used.

#### − Part 2 − Calculation of adjusted net income/loss for CMT purposes (continued) ·

- Life insurance corporations must report net income/loss as per the report accepted by the federal Superintendent of Financial Institutions or equivalent provincial insurance regulator, before SAT and adjusted so consolidation and equity methods are not used. If the life insurance corporation is resident in Canada and carries on business in and outside of Canada, multiply the net income/loss by the ratio of the Canadian reserve liabilities divided by the total reserve liability. The reserve liabilities are calculated in accordance with Regulation 2405(3) of the federal Act.
- Other corporations must report net income/loss in accordance with generally accepted accounting principles, except that consolidation and equity methods must not be used. When the equity method has been used for accounting purposes, equity losses and equity income are removed from book income/loss on lines 224 and 324 respectively.
- Corporations, other than insurance corporations, should report net income from line 9999 of the GIFI (Schedule 125) on line 210.
- \*\* The share of the adjusted net income of a partnership or joint venture is calculated as if the partnership or joint venture were a corporation and the tax year of the partnership or joint venture were its fiscal period. For a corporation with an indirect interest in a partnership through one or more partnerships, determine the corporation's share according to clause 54(5)(c) of the Ontario Act.
- \*\*\* A joint election will be considered made under subsection 60(1) of the Ontario Act if there is an entry on line 342, and an election has been made for transfer of property to a corporation under subsection 85(1) of the federal Act.
- \*\*\*\* A joint election will be considered made under subsection 60(2) of the Ontario Act if there is an entry on line 344, and an election has been made under subsection 85(2) or 97(2) of the federal Act.
- \*\*\*\*\* A joint election will be considered made under subsection 61(1) of the Ontario Act if there is an entry on line 346, and an election has been made under subsection 13(4) or 14(6) and/or section 44 of the federal Act.

For more information on how to complete this part, see the T2 Corporation - Income Tax Guide.

┌ Part 3 – CMT payable ────────────────────────────────────	
Adjusted net income for CMT purposes (line 490 in Part 2, if positive)	
Deduct:	
CMT loss available (amount R from Part 7)	
Minus: Adjustment for an acquisition of control *	
Adjusted CMT loss available	
Net income subject to CMT calculation (if negative, enter "0")	
Amount from Number of days in the tax	
line 520 994,425 xyear before July 1, 2010 x 4 % = 1	
Number of days in the tax year	
Amount from Number of days in the tax	
line 520 994,425 × _year after June 30, 2010365 × 2.7 % = 26,849 _2	
Number of days in the tax year	
Subtotal (amount / plus amount)2)	
Gross CMT: amount on line 3 above x OAF **	849
Deduct:	
Foreign tax credit for CMT purposes ***	
CMT after foreign tax credit deduction (line 540/minus line 550/(if negative, enter "0")	849 D
Deduct:	
Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5)	<del>)</del> 60
Net CMT payable (if negative, enter "0"	E
Enter amount E on line 278 of Schedule 5, Tax Calculation Supplementary – Corporations, and complete Part 4.	
* Enter the portion of CMT loss available that exceeds the adjusted net income for the tax year from carrying on a business before the acquisition of control. See subsection 58(3) of the Ontario Act.	
*** Enter "0" on line 550 for life insurance corporations as they are not eligible for this deduction. For all other corporations, enter the cumulative total of amount J for the province of Ontario from Part 9 of Schedule 21 on line 550.	
** Calculation of the Ontario allocation factor (OAF):	
If the provincial or territorial jurisdiction entered on line 750 of the T2 return is "Ontario," enter "1" on line F.	
If the provincial or territorial jurisdiction entered on line 750 of the T2 return is "multiple," complete the following calculation, and enter the result on line F	•
Ontario taxable income **** =	
Taxable income *****	
Ontario allocation factor	<u>000</u> F
**** Enter the amount allocated to Ontario from column F in Part 1 of Schedule 5. If the taxable income is nil, calculate the amount in column F as if the taxable income were \$1,000.	
****** Enter the taxable income amount from line 360 or amount Z of the T2 return, whichever applies. If the taxable income is nil, enter "1,000".	

Part 4 – Calculation of CMT credit carrytorward
CMT credit carryforward at the end of the previous tax year * G  Deduct:
CMT credit expired *
CMT credit carryforward at the beginning of the current tax year * (see note below)
CMT credit carryforward balances transferred on an amalgamation or the windup of a subsidiary (see note below) 650
CMT credit available for the tax year (amount on line 620 <b>plus</b> amount on line 650)
CMT credit deducted in the current tax year (amount P from Part 5)
Subtotal (amount H <b>minus</b> amount I)
Add:
Net CMT payable (amount E from Part 3)
SAT payable (amount O from Part 6 of Schedule 512)
Subtotal K
CMT credit carryforward at the end of the tax year (amount J plus amount K)
* For the first harmonized T2 return filed with a tax year that includes days in 2009:  — do not enter an amount on line G or line 600;
- for line 620, enter the amount from line 2336 of Ontario CT23 Schedule 101, Corporate Minimum Tax (CMT), for the last tax year that ended in 2008.
For other tax years, enter on line G the amount from line 670 of Schedule 510 from the previous tax year.
Note: If you entered an amount on line 620 or line 650, complete Part 6.
Part 5 – Calculation of CMT credit deducted from Ontario corporate income tax payable ————————————————————————————————————
CMT credit available for the tax year (amount H from Part 4)
Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5) <u>83,960</u> 1
For a corporation that is not a life insurance corporation:  CMT after foreign tax credit deduction (amount D from Part 3)
For a life insurance corporation:
Gross CMT (line 540 from Part 3)
Gross SAT (line 460 from Part 6 of Schedule 512)
The <b>greater</b> of amounts 3 and 4
Deduct: line 2 or line 5, whichever applies: 26,849 6  Subtotal (if pegative enter "0") 57.111 ► 57.111 N
Subtotal (if negative, enter "0")5/,111 ▶5/,111 N
Ontario corporate income tax payable before CMT credit (amount) F6 from Schedule 5)83,960
Deduct:
Total refundable tax credits excluding Ontario qualifying environmental trust tax credit (amount J6 <b>minus</b> line 450 from Schedule 5)
Subtotal (if negative, enter "0") 77,960 ► 77,960 ○
CMT credit deducted in the current tax year (least of amounts M, N, and O)
Enter amount P on line 418 of Schedule 5 and on line I in Part 4 of this schedule.
Is the corporation claiming a CMT credit earned before an acquisition of control?
If you answered <b>yes</b> to the question at line 675, the CMT credit deducted in the current tax year may be restricted. For information on how the deduction may be restricted, see subsections 53(6) and (7) of the Ontario Act.

### ┌ Part 6 – Analysis of CMT credit available for carryforward by year of origin -

Complete this part if:

- the tax year includes January 1, 2009; or
- the previous tax year-end is deemed to be December 31, 2008, under subsection 249(3) of the federal Act.

Year of origin	CMT credit balance *	]
real of origin	Civil credit balance	
10th previous	680	
tax year		
9th previous	681	
tax year		
8th previous	682	
tax year		
7th previous	683	
tax year		
6th previous	684	
tax year		
5th previous	685	_ \\
tax year		7
4th previous	686	$\nearrow$
tax year		
3rd previous	687	
tax year		
2nd previous	688	
tax year		
1st previous	689	
tax year		
Total **		
	· // /	4

- \* CMT credit that was earned (by the corporation, predecessors of the corporation, and subsidiaries wound up into the corporation) in each of the previous 10 tax years and has not been deducted.
- \*\* Must equal the total of the amounts entered on lines 620 and 650 in Part 4

Note: If you entered an amount on line 720 or line 750, complete Part 8.

Part 7 – Calculation of CMT loss carryforward	
CMT loss carryforward at the end of the previous tax year * Q	
Deduct:	
CMT loss expired *	
CMT loss carryforward at the beginning of the tax year * (see note below)	
Add:	
CMT loss transferred on an amalgamation under section 87 of the federal Act ** (see note below)	
CMT loss available (line 720 <b>plus</b> line 750)	R
Deduct:	
CMT loss deducted against adjusted net income for the tax year (lesser of line 490 (if positive) and line C in Part 3)	
Subtotal (if negative, enter "0")	S
Add:	
Adjusted net loss for CMT purposes (amount from line 490 in Part 2, if <b>negative</b> ) (enter as a positive amount)	
CMT loss carryforward balance at the end of the tax year (amount S plus line 760)	T
* For the first harmonized T2 return filed with a tax year that includes days in 2009:	
<ul> <li>do not enter an amount on line Q or line 700;</li> </ul>	
- for line 720, enter the amount from line 2214 of Ontario CT23 Schedule 101, Corporate Minimum Tax (CMT), for the last tax year that ended in 2008.	
For other tax years, enter on line Q the amount from line 770 of Schedule 510 from the previous tax year.	
** Do not include an amount from a predecessor corporation if it was controlled at any time before the amalgamation by any of the other predecessor corporations.	

#### Part 8 – Analysis of CMT loss available for carryforward by year of origin -

Complete this part if:

- the tax year includes January 1, 2009; or
- the previous tax year-end is deemed to be December 31, 2008, under subsection 249(3) of the federal Act.

Year of origin	Balance earned in a tax year ending before March 23, 2007 *	Balance earned in a tax year ending after March 22, 2007 **
10th previous tax year	810	820
9th previous tax year	811	821
8th previous tax year	812	822
7th previous tax year	813	823
6th previous tax year	814	824
5th previous tax year	815	825
4th previous tax year	816	826
3rd previous tax year	817	827
2nd previous tax year	818	828
1st previous tax year		829
Total ***		

<sup>\*</sup> Adjusted net loss for CMT purposes that was earned (by the corporation, by subsidiaries wound up into or amalgamated with the corporation before March 22, 2007, and by other predecessors of the corporation) in each of the previous 10 tax years that ended before March 23, 2007, and has not been deducted.

<sup>\*\*\*</sup> The total of these two columns must equal the total of the amounts entered on lines/720 and 750.



<sup>\*\*</sup> Adjusted net loss for CMT purposes that was earned (by the corporation and its predecessors, but not by a subsidiary predecessor) in each of the previous 20 tax years that ended after March 22, 2007, and has not been deducted.

#### **SCHEDULE 511**

# ONTARIO CORPORATE MINIMUM TAX – TOTAL ASSETS AND REVENUE FOR ASSOCIATED CORPORATIONS

Name of corporation	Business Number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2021-12-31

- For use by corporations to report the total assets and total revenue of all the Canadian or foreign corporations with which the filing corporation was associated at any time during the tax year. These amounts are required to determine if the filing corporation is subject to corporate minimum tax.
- Total assets and total revenue include the associated corporation's share of any partnership(s)/joint venture(s) total assets and total revenue.
- Attach additional schedules if more space is required.
- File this schedule with the T2 Corporation Income Tax Return.

	Names of associated corporations	Business number (Canadian corporation only)	Total assets* (see Note 2)	Total revenue** (see Note 2)
	200	(see Note 1) 300	400	500
1 Co	orporation of the Town of Orangeville	10698 6151 RC0001	50,000,000	100,000,000
2 <u>Co</u>	orporation of the Township of East Luther Grand	NR //	0	0
3 Or	rangeville Hydro Services Inc.	89454 8015 RC0001	1	0
4 Or	rangville Railway Development Corporation	86433 3166 RC0001	0	0
		Total	50,000,001	100,000,000

Enter the total assets from line 450 on line 116 in Part 1 of Schedule 510, Ontario Corporate Minimum Tax. Enter the total revenue from line 550 on line 146 in Part 1 of Schedule 510.

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

Note 2: If the associated corporation does not have a tax year that ends in the filing corporation's current tax year but was associated with the filing corporation in the previous tax year of the filing corporation, enter the total revenue and total assets from the tax year of the associated corporation that ends in the previous tax year of the filing corporation.

### \* Rules for total assets

- Report total assets in accordance with generally accounting principles, adjusted so that consolidation and equity methods are not used.
- Include the associated corporation's share of the total assets of partnership(s) and joint venture(s) but exclude the recorded asset(s) for the
  investment in partnerships and joint ventures.
- Exclude unrealized gains and losses on assets that are included in net income for accounting purposes but not in income for corporate income
  tax purposes.

#### \*\* Rules for total revenue

- Report total revenue in accordance with generally accepted accounting principles, adjusted so that consolidation and equity methods are not used.
- If the associated corporation has 2 or more tax years ending in the filing corporation's tax year, multiply the sum of the total revenue for each of those tax years by 365 and divide by the total number of days in all of those tax years.
- If the associated corporation's tax year is less than 51 weeks and is the only tax year of the associated corporation that ends in the filing corporation's tax year, multiply the associated corporation's total revenue by 365 and divide by the number of days in the associated corporation's tax year.
- Include the associated corporation's share of the total revenue of partnerships and joint ventures.
- If the partnership or joint venture has 2 or more fiscal periods ending in the associated corporation's tax year, multiply the sum of the total revenue for each of the fiscal periods by 365 and divide by the total number of days in all the fiscal periods.

T2 SCH 511 Canadä

**SCHEDULE 550** 

#### **ONTARIO CO-OPERATIVE EDUCATION TAX CREDIT**

Name of corporation	Business Number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2021-12-31

- Use this schedule to claim an Ontario co-operative education tax credit (CETC) under section 88 of the Taxation Act, 2007 (Ontario).
- The CETC is a refundable tax credit that is equal to an eligible percentage (10% to 30%) of the eligible expenditures incurred by a corporation for
  a qualifying work placement. The maximum credit amount is \$1,000 for each qualifying work placement ending before March 27, 2009, and \$3,000
  for each qualifying work placement beginning after March 26, 2009. For a qualifying work placement that straddles March 26, 2009, the maximum
  credit amount is prorated.
- Eligible expenditures are salaries and wages (including taxable benefits) paid or payable to a student in a qualifying work placement, or fees paid or payable to an employment agency for services performed by the student in a qualifying work placement. These expenditures must be paid on account of employment or services, as applicable, at a permanent establishment of the corporation in Ontario. Expenditures for a work placement (WP) are not eligible expenditures if they are greater than the amounts that would be paid to an arm's length employee.
- A WP must meet all of the following conditions to be a qualifying work placement:
  - the student performs employment duties for a corporation under a qualifying co-operative education program (QCEP);
  - the WP has been developed or approved by an eligible educational institution as a suitable learning situation
  - the terms of the WP require the student to engage in productive work;
  - the WP is for a period of at least 10 consecutive weeks or, in the case of an internship program, not less than 8 consecutive months and not more than 16 consecutive months;
  - the student is paid for the work performed in the WP;
  - the corporation is required to supervise and evaluate the job performance of the student in the WP;
  - the institution monitors the student's performance in the WP; and
  - the institution has certified the WP as a qualifying work placement.
- Make sure you keep a copy of the letter of certification from the Ontario eligible educational institution containing the name of the student, the employer, the institution, the term of the WP, and the name/discipline of the QCEP to support the claim. Do not submit the letter of certification with the T2 Corporation Income Tax Return.
- File this schedule with the T2 Corporation Income Tax Return.

– Part 1 – Cornorato information ————————————————————————————————————	
Part 1 – Corporate information	
110 Name of person to contact for more information 7 Telephone number including area code	
Suzanne Presseault (519) 942-8000	
Is the claim filed for a CETC earned through a partnership?*	(
If you answered <b>yes</b> to the question at line 150, what is the name of the partnership?	
Enter the percentage of the partnership CETC allosated to the corporation %	
* When a corporate member of a partnership is claiming an amount for eligible expenditures incurred by a partnership, complete a Schedule 550 for the partnership as if the partnership were a corporation. Each corporate partner, other than a limited partner, should file a separate Schedule 550 to claim the partner's share of the partnership's CETC. The allocated amounts can not exceed the amount of the partnership's CETC.	

Part 2 – Eligibility ————————————————————————————————————		
	🔻	<b></b>
1. Did the corporation have a permanent establishment in Ontario in the tax year?		
2. Was the corporation exempt from tax under Part III of the <i>Taxation Act</i> , 2007 (Ontario)?	1 Yes	2 No <b>X</b>
If you answered <b>no</b> to question 1 or <b>yes</b> to question 2, then the corporation is <b>not eligible</b> for the CETC.		

#### - Part 3 - Eligible percentage for determining the eligible amount

Corporation's salaries and wages paid in the previous tax year \*

300

For eligible expenditures incurred before March 27, 2009:

- If line 300 is \$400,000 or less, enter 15% on line 310.
- If line 300 is \$600,000 or more, enter 10% on line 310.
- If line 300 is more than \$400,000 and less than \$600,000, enter the percentage on line 310 using the following formula:

#### Eligible percentage for determining the eligible amount

**310** 15.000 %

For eligible expenditures incurred after March 26, 2009:

- If line 300 is \$400,000 or less, enter 30% on line 312.
- If line 300 is \$600,000 or more, enter 25% on line 312.
- If line 300 is more than \$400,000 and less than \$600,000, enter the percentage on line 312 using the following formula:

#### Eligible percentage for determining the eligible amount

30.000 %

\* If this is the first tax year of an amalgamated corporation and subsection 88(9) of the *Taxation Act*, 2007 (Ontario) applies, enter the salaries and wages paid in the previous tax year by the predecessor corporations.

### Part 4 – Calculation of the Ontario co-operative education tax credit

Complete a separate entry for each student for each qualifying work placement that ended in the corporation's tax year. If a qualifying work placement would otherwise exceed four consecutive months, divide the WP into periods of four consecutive months and enter each full period of four consecutive months as a separate WP. If the WP does not divide equally into four-month periods and if the period that is less than 4 months is 10 or more consecutive weeks, then enter that period as a separate WP. If that period is less than 10 consecutive weeks, then include it with the WP for the last period of 4 consecutive months. Consecutive WPs with two or more associated corporations are deemed to be with only one corporation, as designated by the corporations.

A Name of university, college, or other eligible educational institution  A Name of qualifying co-operative education p			qualifying ucation program	
1	Conestoga College	400	Powerline Technician	) <u>5</u>
2.	Conestoga College		Powerline Technician	
3.				
ſ				
		Name of student	D Start date of WP (see note 1 below)	E End date of WP (see note 2 below)
		410	430	435
1.	Devin Fox		2021-01-01	2021-04-30
2.	Carson Edward		2021-05-01	2021-08-31
3.				

Note 1: When the WP has been divided into separate periods because it exceeds four consecutive months, enter the start date for the separate WP.

Note 2: When the WP has been divided into separate periods because it exceeds four consecutive months, enter the end date for the separate WP.

#### − Part 4 − Calculation of the Ontario co-operative education tax credit (continued)

	F1 Eligible expenditures before March 27, 2009 (see note 1 below)	Eligible percentage before March 27, 2009 (from line 310 in Part 3)	F2 Eligible expenditures after March 26, 2009 (see note 1 below)	Eligible percentage after March 26, 2009 (from line 310a in Part 3)	X Number of consecutive weeks of the WP completed by the student before March 27, 2009 (see note 3 below)	Y Total number of consecutive weeks of the student's WP (see note 3 below)
1.		15.000 %	10,275	30.000 %		17
2.		15.000 %	14,244	30.000 %		17
3.		15.000 %	·	30.000 %		

_					
	G Eligible amount (eligible expenditures multiplied by eligible percentage) (see note 2 below)	H Maximum CETC per WP (see note 3 below)	l CETC on eligible expenditures (column G or H, whichever is less)	CETC on repayment of government assistance (see hote 4 below)	K CETC for each WP (column I or column J)
	460	462	470	480	490
1.	3,083	3,000	3,000		3,000
2.	4,273	3,000	3,000		3,000
3.			/(		

Ontario co-operative education tax credit (total of amounts in column K) 500 6,000 L

or, if the corporation answered **yes** at line 150 in Part 1, determine the partner's share of amount L

x percentage on line 170 in Part 1

Enter amount L or M, whichever applies, on line 452 of Schedule 5, Tax Calculation Supplementary – Corporations. If you are filing more than one Schedule 550, add the amounts from line L or M, whichever applies, on all the schedules, and enter the total amount on line 452 of Schedule 5.

Note 1: Reduce eligible expenditures by all government assistance as defined under subsection 88(21) of the *Taxation Act, 2007* (Ontario), that the corporation has received, is entitled to receive, or may reasonably expect to receive, for the eligible expenditures, on or before the filing due date of the *T2 Corporation Income Tax Return* for the tax year.

Note 2: Calculate the eligible amount (Column G) using the following formula:

Column G = (column F1 x percentage on line 310) + (column F2 x percentage on line 312)

Note 3: If the WP ends before March 27, 2009, the maximum credit amount for the WP is \$1,000.

If the WP begins after March 26, 2009, the maximum credit amount for the WP is \$3,000.

If the WP begins before March 27, 2009, and ends after March 26, 2009, calculate the maximum credit amount using the following formula:

 $(\$1,000 \times X/Y) + [\$3,000 \times (Y - X)/Y]$ 

Amount L

where "X" is the number of consecutive weeks of the WP completed by the student before March 27, 2009, and "Y" is the total number of consecutive weeks of the student's WP.

Note 4: When claiming a CETC for repayment of government assistance, complete a **separate entry** for each repayment and complete columns A to E and J and K with the details for the previous year WP in which the government assistance was received. Include the amount of government assistance repaid in the tax year multiplied by the eligible percentage for the tax year in which the government assistance was received, to the extent that the government assistance reduced the CETC in that tax year.

М



# Information Return for Corporations Filing Electronically

- Do not send this form to the Canada Revenue Agency (CRA) unless we ask for it. We will not keep or return this form.
- Complete this return for every initial and amended T2 Corporation Income Tax Return electronically filed with the CRA on your behalf.
- By completing Part 2 and signing Part 3, you acknowledge that, under the federal Income Tax Act, you have to keep all records used to prepare your T2 Corporation Income Tax Return, and provide this information to us on request.
- Part 4 must be completed by either you or the electronic transmitter of your T2 Corporation Income Tax Return.
- Give the signed original of this return to the transmitter and keep a copy in your own records for six years.
- We are responsible for ensuring the confidentiality of your electronically filed tax information only after we have acgepted your return.

Part 1 – Ident	tification ————				
Corporation's nam				Business number	
Orangeville Hyd	Iro Limited			86463 9562 RC0002	
Tax	Year Month Day	Tax	Year Month Day		
year start	2021-01-01	year-end	2021-12-31	Is this an amended return?	Yes X No
,					
Get your CRA ma	il electronically delivered	in My Business Acco	unt at canada.ca/my-cr	a-business-account (optional)	
Email address:					
Linuii dadi coo.	-	-			
I understand that b	by providing an email addres	s, I am registering the	e corporation to receive e	mail notifications from the CRA. I unders	tand and agree that all
notices and other	correspondence eligible for e	electronic delivery will r	no longer be printed and	mailed. The CRA will notify the corporation	n at this email address
	illable in My Business Accou nformation, see <u>canada.ca/</u>			pe presumed to have been received on the	ie date that the email
is sent. I of more ii	mormation, see <u>canada.ca/(</u>	,ia-business-email-in	otinications.		
– Part 2 – Decl	aration				
Fait 2 - Deci	aration				
Enter the following	amounts, if applicable, from	the T2 return for the t	tax year noted above:		
Net income or I	loss for income tax purposes	from Schedule 1 fina	ancial statements or		
	of Financial Information (GIF				734,864
Part I tax payal	hle (line 700)		. )>"		•
	,		//		
	ayable (line 710)		,		
Part IV tax pay	able (line 712)				
Part IV.1 tax pa	ayable (line 716)	( <sub>k</sub> )/			
Part VI tax pay	able (line 720)				
Part VI.1 tax pa	ayable (line 724)				
_	. //				
	ayable (line 728)	))			-
Net provincial a	and territorial tax payable (lin	e <b>7</b> (60)			
I					

, Long	Amy		CFO	
Last	name	First name	F	Position, office, or rank
nd statements, and that the	er of the corporation. I certify that I hat information given on the T2 return and for calculating income for this tax year inched to this return.	I this T183 Corp information return	is, to the best of my kno	owledge, correct and complete.
	ntified in Part 4 to electronically file the in response to any errors Canada Reas filed.			
				(519) 942-8000
Date (yyyy/mm/dd)	Signature of an aut	horized signing officer of the corporation		Telephone number
he CRA will accept an electr	onic signature if it is applied in accord	ance with the guidance specified b	y the CRA.	?
Part 4 – Transmitter i	dontification —			
rait 4 - Iransinitter i	dentification			
The following transmitter has	electronically filed the tax return of the	corporation identified in Part 1.		
KPMG LLP				G1829
	Name of person or firm		Electro	nic filer number
Privacy notice ——				
administering tax, benefits, a for the imposition and collect authorized by law. Failure to protection, access to and col	cted for the purposes of the administra udit, compliance, and collection. The i ion of a tax or duty. It may also be disc provide this information may result in rection of their personal information, of po Personal Information Bank CRA PPO	information collected may be used closed to other federal, provincial, to other federal, provincial, to other to file a complaint with the Privace or to file a complaint with the Privace.	or disclosed for purpose erritorial, or foreign gov actions. Under the Pri y Commissioner of Car	es of other federal acts that provernment institutions to the extenvacy Act, individuals have a righted ada regarding the handling of the

# Canada Revenue Agency

# **T2 Corporation Income Tax Return**

## 200

#### **EXEMPT FROM TAX**

Agence du revenu du Canada

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

All legislative references on this return are to the federal Income Tax Act and Income Tax Regulations. This return may contain changes that had not yet become law at the time of publication.

Send one completed copy of this return, including schedules and the General Index of Financial Information (GIFI), to your tax centre. You have to file the return within six months after the end of the corporation's tax year.

For more information see **canada.ca/taxes** or Guide T4012, T2 Corporation – Income Tax Guide.

rea

┌ Identification ────	
Business number (BN) 001 86463 9562 RC0002	
Corporation's name	To which tax year does this return apply?
Orangeville Hydro Limited	Tax year start Tax year-end
Address of head office	Year Month Day 2021-01-01 061 2021-12-31
Has this address changed since the last	
time we were notified?	Has there been an acquisition of control
If yes, complete lines 011 to 018.	resulting in the application of subsection 249(4) since the tax year
<b>011</b> 400 C Line	start on line 060? 063 Yes No X
O12 Station A Box 400	If yes, provide the date Year Month Day
City Province, territory, or state	control was acquired
O15 Orangeville O16 ON Country (other than Canada) Postal or ZIP code	Is the date on line 061 a deemed
	tax year-end according to
	subsection 249(3.1)? 066 Yes No X
Mailing address (if different from head office address)  Has this address changed since the last	Is the corporation a professional
time we were notified?	corporation that is a member of
If <b>yes</b> , complete lines 021 to 028.	a partnership?
<b>021</b> c/o	Is this the first year of filing after:
022	Incorporation?
023	Amalgamation?
City Province, territory, or state	If <b>yes</b> , complete lines 030 to 038 and attach Schedule 24.
025	Has there been a wind-up of a
Country (other than Canada) Postal or ZIP code	subsidiary under section 88 during the
027	current tax year? 072 Yes No X
Location of books and records (if different from head office address)	If <b>yes</b> , complete and attach Schedule 24.
Has this address changed since the	Is this the final tax year before amalgamation?
last time we were notified? 030 Yes No X	before amalgamation?
If <b>yes</b> , complete lines 031 to 038.	Is this the final return up to dissolution?
031 400 C Line	
O32 Station A Box 400	If an election was made under section 261, state the functional
City Province, territory, or state	currency used
035 Orangeville 036 ON	
Country (other than Canada) Postal or ZIP code	Is the corporation a resident of Canada?
037 CA 038 L9W 2Z7	If <b>no</b> , give the country of residence on line 081 and complete and attach Schedule 97.
040 Type of corporation at the end of the tax year (tick one)	081
X 1 Canadian-controlled private corporation (CCPC)	Is the non-resident corporation
	claiming an exemption under
2 Other private corporation	an income tax treaty? 082 Yes No X
3 Public corporation	If <b>yes</b> , complete and attach Schedule 91.
4 Corporation controlled by a public corporation	If the corporation is exempt from tax under section 149, tick one of
5 Other corporation	the following boxes:
(specify)	1 Exempt under paragraph 149(1)(e) or (I)
If the type of corporation changed during	2 Exempt under paragraph 149(1)(j)
the tax year, provide the effective Year Month Day	X 4 Exempt under other paragraphs of section 149
date of the change 043	
Do not use the	is area
095	898

┌ Attachments ─────────────────────────────		
Financial statement information: Use GIFI schedules 100, 125, and 141.  Schedules – Answer the following questions. For each <b>yes</b> response, <b>attach</b> the schedule to the T2 return, unless otherwise instructed.	Yes	Schedule
Is the corporation related to any other corporations?	150 X	9
Is the corporation an associated CCPC?	160 X	23
Is the corporation an associated CCPC that is claiming the expenditure limit?	161	49
Does the corporation have any non-resident shareholders who own voting shares?	151	19
Has the corporation had any transactions, including section 85 transfers, with its shareholders, officers, or employees, other than transactions in the ordinary course of business? Exclude non-arm's length transactions with non-residents	162	11
If you answered <b>yes</b> to the above question, and the transaction was between corporations not dealing at arm's length, were all or substantially all of the assets of the transferor disposed of to the transferee?	163	44
Has the corporation paid any royalties, management fees, or other similar payments to residents of Canada?	164	14
Is the corporation claiming a deduction for payments to a type of employee benefit plan?	165	15
Is the corporation claiming a loss or deduction from a tax shelter?	166	T5004
Is the corporation a member of a partnership for which a partnership account number has been assigned?	167	T5013
Did the corporation, a foreign affiliate controlled by the corporation, or any other corporation or trust that did not deal at arm's length with the corporation have a beneficial interest in a non-resident discretionary trust (without reference to section 94)?	168	22
Did the corporation own any shares in one or more foreign affiliates in the tax year?	169	25
Has the corporation made any payments to non-residents of Canada under subsections 202(1) and/or 105(1) of the Income Tax Regulations?	170	29
Did the corporation have a total amount over CAN\$1 million of reportable transactions with non-arm's length non-residents?	171	T106
For private corporations: Does the corporation have any shareholders who own 10% or more of the corporation's common and/or preferred shares?	173 X	50
Has the corporation made payments to, or received amounts from, a retirement compensation plan arrangement during the year?	172	
Does the corporation earn income from one or more Internet web pages or websites?	180	88
Is the net income/loss shown on the financial statements different from the net income/loss for income tax purposes?	201 X	1
Has the corporation made any charitable donations; gifts of cultural or ecological property; or gifts of medicine?	202 X	2
Has the corporation received any dividends or paid any taxable dividends for purposes of the dividend refund?	203 X	3
Is the corporation claiming any type of losses?	204	4
Is the corporation claiming a provincial or territorial tax credit or does it have a permanent establishment in more than one jurisdiction?	205	5
Has the corporation realized any capital gains or incurred any capital losses during the tax year?	206	6
i) Is the corporation a CCPC and reporting a) income or loss from property (other than dividends deductible on line 320 of the T2 return), b) income from a partnership, c) income from a foreign business, d) income from a personal services business, e) income referred to in clause 125(1)(a)(i)(C) or 125(1)(a)(i)(B), f) aggregate investment income as defined in subsection 129(4), or g) an amount assigned to it under subsection 125(3.2) or 125(8); or ii) Is the corporation a member of a partnership and assigning its specified partnership business limit to a designated member under subsection 125(8)?	207	7
Does the corporation have any property that is eligible for capital cost allowance?	208 X	8
Does the corporation have any resource-related deductions?	212	12
Is the corporation claiming deductible reserves?	213	13
Is the corporation claiming a patronage dividend deduction?	216	16
Is the corporation a credit union claiming a deduction for allocations in proportion to borrowing or a provincial credit union tax reduction?	217	17
Is the corporation an investment corporation or a mutual fund corporation?	218	18
Is the corporation carrying on business in Canada as a non-resident corporation?	220	20
Is the corporation claiming any federal, provincial, or territorial foreign tax credits, or any federal logging tax credits?	221	21
Does the corporation have any Canadian manufacturing and processing profits?	227	27
Is the corporation claiming an investment tax credit?	231	31
Is the corporation claiming any scientific research and experimental development (SR&ED) expenditures?	232	T661
Is the total taxable capital employed in Canada of the corporation and its related corporations over \$10,000,000?	233 X	33/34/35
Is the total taxable capital employed in Canada of the corporation and its associated corporations over \$10,000,000?	234 X	
Is the corporation subject to gross Part VI tax on capital of financial institutions?	238	38
Is the corporation claiming a Part I tax credit?	242	42
Is the corporation subject to Part IV.1 tax on dividends received on taxable preferred shares or Part VI.1 tax on dividends paid?	243	43
Is the corporation agreeing to a transfer of the liability for Part VI.1 tax?	244	45
For financial institutions: Is the corporation a member of a related group of financial institutions with one or more members subject to gross Part VI tax?	250	39
Is the corporation claiming a Canadian film or video production tax credit?	253	T1131
Is the corporation claiming a film or video production services tax credit?	254	T1177
Is the corporation claiming a Canadian journalism labour tax credit?	272	58
Is the corporation subject to Part XIII.1 tax? (Show your calculations on a sheet that you identify as Schedule 92.)	255	92

┌ Attachments (continued) ────────────────────────────────────	Yes	Schedule
Did the corporation have any foreign affiliates in the tax year?		T1134
Did the corporation own or hold specified foreign property where the total cost amount of all such property, at any time in the year, was		
more than CAN\$100,000? 259		T1135
Did the corporation transfer or loan property to a non-resident trust?		T1141
Did the corporation receive a distribution from or was it indebted to a non-resident trust in the year?		T1142
Has the corporation entered into an agreement to allocate assistance for SR&ED carried out in Canada?		T1145
Has the corporation entered into an agreement to transfer qualified expenditures incurred in respect of SR&ED contracts? 263		T1146
Has the corporation entered into an agreement with other associated corporations for salary or wages of specified employees for SR&ED?		T1174
Did the corporation pay taxable dividends (other than capital gains dividends) in the tax year?	X	55
Has the corporation made an election under subsection 89(11) not to be a CCPC?		T2002
Has the corporation revoked any previous election made under subsection 89(11)?	Ш	T2002
Did the corporation (CCPC or deposit insurance corporation (DIC)) pay eligible dividends, or did its general rate income pool (GRIP) change in the tax year?	X	53
Did the corporation (other than a CCPC or DIC) pay eligible dividends, or did its low rate income pool (LRIP) change in the tax year? 269	Ш	54
Is the corporation claiming a return of fuel charge proceeds to farmers tax credit?	Ш	63
Are you an employer reporting a non-qualified security agreement under subsection 110(1.9)?	Ш	59
Is the corporation claiming an air quality improvement tax credit?		65
┌ Additional information ────────────────────────────────────		
Did the corporation use the International Financial Reporting Standards (IFRS) when it prepared its financial statements? 270 Yes X		No 🗌
Is the corporation inactive?		No X
What is the corporation's main revenue-generating business activity? 221122 _ Electric Power Distribution		
Specify the principal products mined, manufactured,  284 Hydro distribution	100.	000 %
sold, constructed, or services provided, giving the approximate percentage of the total revenue that each		
product or service represents.		
		No X
Did the corporation immigrate to Canada during the tax year?  Did the corporation emigrate from Canada during the tax year?  Yes  Yes  Yes		No X
Do you want to be considered as a quarterly instalment remitter if you are eligible?		No X
So you make to be considered as a quantony meanment relimited in you are quartony meanment relimited in your de-		
If the corporation was eligible to remit instalments on a quarterly basis for part of the tax year, provide the date the corporation ceased to be eligible	iontn	Day
If the corporation's major business activity is construction, did you have any subcontractors during the tax year? 295 Yes		No
┌ Taxable income		
Net income or (loss) for income tax purposes from Schedule 1, financial statements, or GIFI  Deduct:	734	1 <u>,864</u> A
Charitable donations from Schedule 2		
Cultural gifts from Schedule 2		
Ecological gifts from Schedule 2		
Gifts of medicine made before March 22, 2017, from Schedule 2		
Taxable dividends deductible under section 112 or 113, or subsection 138(6) from Schedule 3		
Part VI.1 tax deduction*		
Non-capital losses of previous tax years from Schedule 4		
Net capital losses of previous tax years from Schedule 4		
Restricted farm losses of previous tax years from Schedule 4		
Farm losses of previous tax years from Schedule 4		
Limited partnership losses of previous tax years from Schedule 4		
Taxable capital gains or taxable dividends allocated from a central credit union		
Prospector's and grubstaker's shares		
Employer deduction for non-qualified securities		
Subtotal	4	1,775 в
Subtotal (amount A <b>minus</b> amount B) (if negative, enter "0")		),089 C
Section 110.5 additions or subparagraph 115(1)(a)(vii) additions		D
Taxable income (amount C plus amount D)	730	),089
Taxable income for the year from a personal services business		Z.1
* This amount is equal to 3.5 times the Part VI.1 tax payable at line 724 on page 9.		

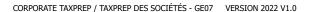
	l business ded		(CCDCs) throughou	ot the tax year					
			(CCPCs) throughou	it trie tax year				400	734,864 A
	· ·		ion from Schedule 7	of the email		20* an naga 0		400	737,007 F
			i <b>us</b> 100/28 ( 3.57143 n page 8, and <b>minus</b>						
	aw, is exempt from I			•				405	E
	s limit (see notes 1							410	500,000
Notes:									
		·	\$ 500,000 on line 4			•			
	•	•	to calculate the amo	•					
Busines	ss limit reduction								
	ible capital busines	ss limit reduction	n				Λ		
		E00 000 Y	415 ***	CO 022					2.050.200.5
Amo	unt C	500,000 ×	415	68,832 11,250	D=			• • • • • • • • • • • • • • • • • • • •	3,059,200 E
Dace	sive income busine	see limit roductio	n .	11,230		4			
				417		_	50,000 =		-
Aujus	sted aggregate inve	surient income no					)/ 30,000 -		r
Amo	unt C	500,000 ×	Amount F		=				0
		100,000						400	2.050.200
					The (	greater of amount	E and amount G	422	3,059,200
	•		nount H) (if negative,	,				426	I
		•	ection 125(3.2) (from		) . <sub>[[</sub> .	<i>⇒ </i>		420	
		_	(amount I <b>minus</b> am	•	/. (			428	k
			C, or K, whichever is	the least	$\cdots + \longleftarrow$	x	19 % =	430	
Enter an	mount from line 430	at amount J on pa	age 8.	^					
			usiness income tax count reference to the co					tax on the CC	CPC's
** C	alculate the amount	of foreign busine	ss income tax credit	deductible on li	ne 636 with	out reference to t	he corporation tax	reductions un	der section 123.4.
	arge corporations			~,					
	(total taxable capit	tal employed in C	with any corporations anada for the <b>prior</b>	ear <b>minus</b> \$ो६	3000,000) x	0.225%.			
	entered on line 41	5 is: (total taxable	with any corporations e capital employed in	Canada for the	current ye	ear <b>minus</b> \$10,00	in the previous ta: 0,000) x 0.225%.	k year, the amo	ount to be
			current tax year, see estment income of the				for each tax year	that andod in	the proceding
			uch income has to fil						
re	eported at line 744 o	f the correspondi	ng Schedule 7. Other	rwise, this amo	unt is the tot	al of all amounts	reported at line 74	15 of the corres	sponding
			tax year that ended	,	g calendar y	ear.			
Specifie	ed corporate incom	ne and assignme	nt under subsectio	n 125(3.2)					
		L1 /		L L		. M			N
		f corporation rese e and assigned a		Business not the corporate		Income pa clause 125(1)(			nit assigned to n identified in
	moon	ic and assigned a	mount	receivin		corporation i		•	mn L <sup>4</sup>
			))	assigned	amount	colum	n L <sup>3</sup>		
			//	490		50	0		505
1.					_		_		<del>_</del>
				1	To	tal <b>510</b>		tal <b>515</b>	
Notes:									
			25(7) <b>specified cor</b> corporation for the year						

- services or property to a private corporation (directly or indirectly, in any manner whatever) if
  - (A) at any time in the year, the corporation (or one of its shareholders) or a person who does not deal at arm's length with the corporation (or one of its shareholders) holds a direct or indirect interest in the private corporation, and
  - (B) it is not the case that all or substantially all of the corporation's income for the year from an active business is from the provision of services or property to
    - (I) persons (other than the private corporation) with which the corporation deals at arm's length, or
    - (II) partnerships with which the corporation deals at arm's length, other than a partnership in which a person that does not deal at arm's length with the corporation holds a direct or indirect interest.
- 4. The amount of the business limit you assign to a CCPC cannot be greater than the amount determined by the formula A B, where A is the amount of income referred to in column M in respect of that CCPC and B is the portion of the amount described in A that is deductible by you in respect of the amount of income referred to in clauses 125(1)(a)(i)(A) or (B) for the year. The amount on line 515 cannot be greater than the amount on line 426.

┌ General tax reduction for Canadian-controlled private corporations ─────────	
Canadian-controlled private corporations throughout the tax year	
Taxable income from line 360 on page 3	A
Lesser of amounts 9B and 9H from Part 9 of Schedule 27	
Amount 13K from Part 13 of Schedule 27	
Personal services business income D	
Amount from line 400, 405, 410, or 428 on page 4, whichever is the least E	
Aggregate investment income from line 440 on page 6*	
Subtotal (add amounts B to F) ►	G
Amount A <b>minus</b> amount G (if negative, enter "0")	н
General tax reduction for Canadian-controlled private corporations – Amount H multiplied by 13 %	1
Enter amount I on line 638 on page 8.	
* Except for a corporation that is, throughout the year, a cooperative corporation (within the meaning assigned by subsection 136(2)) of	or a credit union.
General tax reduction	
Do not complete this area if you are a Canadian-controlled private corporation, an investment corporation, a mortgage investra mutual fund corporation, or any corporation with taxable income that is not subject to the corporation tax rate of 38%.	nent corporation,
Taxable income from line 360 on page 3	J
Lesser of amounts 9B and 9H from Part 9 of Schedule 27	
Amount 13K from Part 13 of Schedule 27	
Personal services business income M	
Subtotal (add amounts K to M)	N
Amount J <b>minus</b> amount N (if negative, enter "0")	0
General tax reduction – Amount O multiplied by 13 %	P
Enter amount P on line 639 on page 8.	·
" V	

450

 Refundable portion of Part I tax — Canadian-controlled private corporations throughout the tax year Aggregate investment income x 30 2 / 3 % = from Schedule 7 ...... Foreign non-business income tax credit from line 632 on page 8 . . . . . . . . . \_ Foreign investment income x 8 % = C from Schedule 7 ....... Subtotal (amount B minus amount C) (if negative, enter "0") Amount A **minus** amount D (if negative, enter "0") Taxable income from line 360 on page 3 Amount from line 400, 405, 410, or 428 on page 4, whichever is the least \_\_\_\_ Foreign nonbusiness income tax credit from line 632 on × 75 / 29 = page 8 .... \_ Foreign business income tax credit from line 636 on page 8 ... Subtotal (add amounts G to I) \_\_\_ 730<u>,089</u> к × Subtotal (amount F minus amount J) 30 2 / 3 % = Part I tax payable minus investment tax credit refund (line 700 minus line 780 from page 9)



Refundable portion of Part I tax – Amount E, L, or M, whichever is the least

Ν

┌ Refundable dividend tax on hand ────────────────────────────────────	
Refundable dividend tax on hand (RDTOH) at the end of the previous tax year	
Dividend refund for the previous tax year	
Net RDTOH transferred on an amalgamation or the wind-up of a subsidiary	
Subtotal (line 460 <b>minus</b> line 465 <b>plus</b> line 480)	A
General rate income pool (GRIP) at the end of the previous tax year (from line 100 of Schedule 53)	В
Total eligible dividends paid in the previous tax year (from line 300 of Schedule 53)	
Total excessive eligible dividend designation in the previous tax year (from line 310 of Schedule 53) D	
Subtotal (amount C <b>minus</b> amount D) (if negative, enter "0")	E
Net GRIP at the end of the previous tax year (amount B <b>minus</b> amount E) (if negative, enter "0") F  GRIP transferred on an amalgamation or the wind-up of a subsidiary (total of lines 230 and 240 of Schedule 53)	
Subtotal (amount F <b>plus</b> amount G)	Н
Amount H <b>multiplied</b> by 38 1 / 3 %	ı
Eligible refundable dividend tax on hand (ERDTOH) at the end of the previous tax year (for the first tax year starting after 2018,	_
amount A or I, whichever is less, otherwise, use line 530 of the preceding tax year)	J
Non-eligible refundable dividend tax on hand (NERDTOH) at the end of the previous tax year (for the first tax year starting after	_
2018, amount A <b>minus</b> amount I, otherwise, use line 545 13,357 of the preceding tax year (if negative, enter "0") 535	<u>57</u> K
Part IV tax payable on taxable dividends from connected corporations (amount 2G from Schedule 3)	
Part IV tax payable on eligible dividends from non-connected corporations (amount 2J from Schedule 3) M	
Subtotal (amount L plus amount M)	N
Net ERDTOH transferred on an amalgamation or the wind-up of a subsidiary	0
ERDTOH dividend refund for the previous tax year	P
Refundable portion of Part I tax (from line 450 on page 6)	Q
Part IV tax before deductions (amount 2A from Schedule 3)	
Part IV tax allocated to ERDTOH (amount N)	
Part IV tax reduction due to Part IV.1 tax payable (amount 4D of Schedule 43) T	
Subtotal (amount R minus total of amounts S and T)	U
Net NERDTOH transferred on an amalgamation or the wind-up of a subsidiary	V
NERDTOH dividend refund for the previous tax year	57_ W
38 1/3% of the total losses applied against Part IV tax (amount 20 from Schedule 3)	X
Part IV tax payable allocated to NERDTOH, net of losses claimed (amount U minus amount X) (if negative enter "0")	Y
NERDTOH at the end of the tax year (total of amounts K, Q, V, and Y minus amount W) (if negative, enter "0")  Part IV tax payable allocated to ERDTOH, net of losses claimed amount N minus the amount, if any, by which amount X exceeds amount U) (if negative, enter "0")	— z
ERDTOH at the end of the tax year (total of amounts J, O, and Z minus amount P) (if negative, enter "0")	
	<del></del>
┌ Dividend refund	
38 1/3% of total eligible dividends paid in the tax year (amount 3A from Schedule 3)  ERDTOH balance at the end of the tax year (line 530)	AA BB
Eligible dividend refund (amount AA or BB, whichever is less)	-cc
38 1/3% of total non-eligible taxable dividends paid in the tax year (amount 3B from Schedule 3)	<del></del> 49 dd
NERDTOH balance at the end of the tax year (line 545)	— EE
Non-eligible dividend refund (amount DD or EE, whichever is less)	FF
Amount DD <b>minus</b> amount EE (if negative, enter "0")	 49 GG
Amount BB <b>minus</b> amount CC (if negative, enter "0")	HH
Additional non-eligible dividend refund (amount GG or HH, whichever is less)	_ "
Dividend refund – Amount CC plus amount FF plus amount II	 JJ
Enter amount JJ on line 784 on page 9.	= "

┌ Part I tax ───────────────────────────────────	
	•
Lates allocation and tax	_ A
Additional tax on personal services business income (section 123.5)	
Taxable income from a personal services business	_ B
Recapture of investment tax credit from Schedule 31	_ C
Calculation for the refundable tax on the Canadian-controlled private corporation's (CCPC) investment income (if it was a CCPC throughout the tax year)	
Aggregate investment income from line 440 on page 6	
Taxable income from line 360 on page 3 E	
Deduct:	
Amount from line 400, 405, 410, or 428 on page 4, whichever	
is the leastF	
Net amount (amount E minus amount F) G	
Refundable tax on CCPC's investment income - 10 2 / 3 % of whichever is less: amount D or amount G	Н
Subtotal (add amounts A, B, C, and H)	ı
	-
Deduct:	
Small business deduction from line 430 on page 4	
Federal tax abatement 608	
Manufacturing and processing profits deduction from Schedule 27	
Investment corporation deduction	
Taxed capital gains 624	
Federal foreign non-business income tax credit from Schedule 21	
Solicial tax roughlish for contain amount on page o	
General tax reduction from amount P on page 5	
The state of the s	
Subtotal	- K
Part I tax payable – Amount I minus amount K	1
Enter amount L on line 700 on page 9.	

#### Privacy notice -

Personal information (including the SIN) is collected to administer or enforce the Income Tax Act and related programs and activities including administering tax, benefits, audit, compliance, and collection. The information collected may be used or disclosed for the purposes of other federal acts that provide for the imposition and collection of a tax or duty. It may also be disclosed to other federal, provincial, territorial, or foreign government institutions to the extent authorized by law. Failure to provide this information may result in paying interest or penalties, or in other actions. Under the Privacy Act, individuals have a right of protection, access to and correction of their personal information, or to file a complaint with the Privacy Commissioner of Canada regarding the handling of their personal information. Refer to Personal information Bank CRA PPU 047 on Info Source at canada.ca/cra-info-source.

<ul> <li>Summary of tax and credits</li> </ul>			
Federal tax			İ
Part I tax payable from amount L on page 8			
Part III.1 tax payable from Schedule 55			
Part IV tax payable from Schedule 3			
Part IV.1 tax payable from Schedule 43			
Part VI tax payable from Schedule 38			
Part VII.1 tax payable from Schedule 43		707	
Part XIII.1 tax payable from Schedule 92 Part XIV tax payable from Schedule 20		700	
		Total federal tax	,
Add provincial or territorial tax:	750 011	Total lederal tax	
Provincial or territorial jurisdiction			
(if more than one jurisdiction, enter "multiple		760	
Net provincial or territorial tax payable (exce	pt Quebec and Alberta)		
Deduct other credits:		total tax payable 1110	I A
Investment tax credit refund from Schedule	31	780	
Dividend refund from amount JJ on page 7			
Federal capital gains refund from Schedule	18		
Federal qualifying environmental trust tax cr	edit refund		
Return of fuel charge proceeds to farmers to			
Canadian film or video production tax credit			
Film or video production services tax credit		7	
Canadian journalism labour tax credit from S			
Air quality improvement tax credit from Sche		.(	
Tax withheld at source	hheld		
Total payments on which tax has been wit		808	
Provincial and territorial capital gains refund Provincial and territorial refundable tax cred		812	
Tax instalments paid		840	
rax motalmento palu		øtal credits 890	В
		· · · · · · · · · · · · · · · · · · ·	
		Balance (amount A <b>minus</b> amount B)	
	If the result is negative,	you have <b>a refund</b> . If the result is positive, you	have a <b>balance owing</b> .
		Enter the amount below or	ı whichever line applies.
	Generally	, we do not charge or refund a difference of \$2	or less.
			₩
Refund code 894	Refund	Balance owing	
	, , , , , , , , , , , , , , , , , , ,		₩
For information on how to enrol for direct dep	ogsit, go to canada.ca/cra-direct-deposit	For informati	on on how to make your
		payment, go	to canada.ca/payments.
If the corporation is a Canadian-controlled p	rivate corporation throughout the tax year		No X
does it qualify for the one-month extension			
If this return was prepared by a tax preparer	for a fee, provide their EFILE number	920	G1829
PREPARE	ED SOLELY FOR INCOME TAX PURPOSES WITHOUT AUDIT OR REV	IEW FROM INFORMATION PROVIDED BY THE TAXPAYER.	
- Certification -			
I, <b>950</b> Long	<b>951</b> Amy	<b>954</b> CFO	
Last name	First nar		, office, or rank
		eturn, including accompanying schedules and s	
year is consistent with that of the previous ta		ete. I also certify that the method of calculating	income for this tax
955	x your oxoopt as specimeany discressed in t		N 042 0000
Date (yyyy/mm/dd)	Signature of the authorized signing o		) 942-8000 Telephone number
Is the contact person the same as the author	•	·	No X
958 Suzanne Presseault	1204 Signing Officer: If the, complete the fi		)) 942-8000
Suzaime Plesseduit	Name of other authorized person		Telephone number
	· ·		1
<ul> <li>Language of correspondence – L</li> </ul>			
Indicate your language of correspondence be Indiquez votre langue de correspondance el		990 <sub>1</sub>	
que la contropondante el	pour ungrano ou - pour many	,	

Agence du revenu du Canada **SCHEDULE 100** 

Form identifier 100

#### **GENERAL INDEX OF FINANCIAL INFORMATION – GIFI**

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Corporation's name		Business number	Tax year end Year Month Day
Orangeville Hydro Limited		86463 9562 RC0002	2021-12-31

#### **Balance sheet information**

Account	Description	GIFI	Current year	Prior year
Assets –				
	Total current assets	1599 +	8,163,738	8,634,37
	Total tangible capital assets	2008 +	29,427,839	27,369,94
	Total accumulated amortization of tangible capital assets	2009 –	6,684,735	5,800,76
	Total intangible capital assets	<b>2178</b> 🖈	428,971	543,89
	Total accumulated amortization of intangible capital assets	2179 –	219,549	326,70
	Total long-term assets	2589 +	3,932,687	3,881,94
	* Assets held in trust	<b>2590</b> )+/]		
	Total assets (mandatory field)	2599 =	35,048,951	34,302,68
Liabilities				
	Total current liabilities	3139 +	10,440,158	6,114,98
	Total long-term liabilities	3450 +	12,277,349	16,221,96
	* Subordinated debt	3460 +		
	* Amounts held in trust	<b>3470</b> + ]		
	Total liabilities (mandatory field)	3499 =	22,717,507	22,336,94
Sharehol	der equity			
	Total shareholder equity (mandatory field)	3620 +	12,331,444	11,965,73
	Total liabilities and shareholder equity	3640 =	35,048,951	34,302,68
Retained	earnings			
	Retained earnings/deficit – end (mandator) field)	3849 =	4,055,694	3,627,62

<sup>\*</sup> Generic item

PREPARED SOLELY FOR INCOME TAX PURPOSES WITHOUT AUDIT OR REVIEW FROM INFORMATION PROVIDED BY THE TAXPAYER.

Agence du revenu du Canada

#### **SCHEDULE 125**

#### **GENERAL INDEX OF FINANCIAL INFORMATION - GIFI**

Form identifier 125	GENERAL INDEX OF FINANCIAL INFORMATION – GIFI		
Corporation's name		Business number	Tax year-end Year Month Day
Orangeville Hydro Limited		86463 9562 RC0002	2021-12-31

Description	GIFI			
Operating nai Description of Sequence nu	the operation 0002	R	4	
Account	Description	GIFI	Current year	Prior year
Income s	tatement information		#	
	Total sales of goods and services  Cost of sales	8089 + 8518 -	36,202,611 30,596,804	38,812,698 34,271,041
	_ Gross profit/loss	8519 = =	5,605,807	4,541,657
	Cost of sales	8518 +	30,596,804	34,271,041
	Total operating expenses	9367 + _	4,804,504	4,652,333
	_ Total expenses (mandatory field)	9368 = =	35,401,308	38,923,374
	Total revenue (mandatory field)	8299 +	36,500,402	39,106,543
	_ Total expenses (mandatory field)	9368 – _	35,401,308	38,923,374
	Net non-farming income	9369 =	1,099,094	183,169
Farming	income statement information			
	Total farm revenue (mandatory field)	9659 +		
	Total farm expenses (mandatory field)	9898 _		
	Net farm income	9899 =		
	Net income/loss before taxes and extraordinary items	9970 = _	1,099,094	183,169
	Total – other comprehensive income	9998 = _	-62,364	
Extraordi	nary items and income (linked to Schedule 140)			
	Extraordinary item(s)	9975 –		
	_ Legal settlements ( \)	9976 –		
	Unrealized gains/losses	9980 +		
	Unusual items	9985	-181,357	-945,245
	Current income taxes	9990 –	185,002	-102,388
	Future (deferred) income tax provision	9995	124,121	144,285
	Total – Other comprehensive income	9998 + _	<u>-62,364</u>	1 006 51

 $\textit{PREPARED SOLELY FOR INCOME TAX PURPOSES WITHOUT AUDIT OR REVIEW FROM INFORMATION PROVIDED BY THE TAXPAYER. \\$ 

Net income/loss after taxes and extraordinary items (mandatory field)

9999

908,964

1,086,517

### Canada Revenue Agency

Agence du revenu du Canada

#### **Notes Checklist**

Corporation's name	Business number	Tax Year End Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2021-12-31

- Fill out this schedule to identify who prepared or reported on the financial statements, the extent of their involvement and to identify the type of information contained in the notes to the financial statements. If the person preparing the tax return is not the person referred to above, they must still complete Parts 1, 2, 3, 4 and 5, as applicable.
- For more information, see Guide RC4088, General Index of Financial Information (GIFI) and T4012, T2 Corporation Income Tax Guide.
- Complete this schedule and include it with your T2 return along with the other GIFI schedules.

Part 1 – Information on the person who prepared or reported on the financial statements
Were financial statements prepared?  If you answered <b>no</b> , go to part 5.
Does the person who prepared or reported on the financial statements have an accounting professional designation? 095 Yes X No
Is that person connected* with the corporation?
Note: If that person does not have an accounting professional designation or is connected with the corporation, go to part 4.
* A person connected with a corporation can be: (i) a shareholder of the corporation who owns more than 10% of the common shares; (ii) a director, an officer, or an employee of the corporation; or (iii) a person not dealing at arm's length with the corporation.
□ Part 2 – Type of involvement with the financial statements
Choose the option that represents the highest level of involvement of the person referred to in part
Completed an auditor's report X 1
Completed a review engagement report2
Conducted a compilation engagement3
Other
¬ Part 3 − Reservations
If you selected option 1 or 2 under Type of involvement with the financial statements above, answer the following question:
Has the person referred to in part 1 expressed a reservation? No X
Part 4 – Other information
Were notes to the financial statements prepared?
If yes, complete lines 104 to 107 below:
Are subsequent events mentioned in the notes? No
Is re-evaluation of asset information mentioned in the notes?
Is contingent liability information mentioned in the notes?
Is information regarding commitments mentioned in the notes?
Does the corporation have investments in joint venture(s) or partnership(s)?

- Part 4 - Other information (continued)			
Impairment and fair value changes			
In any of the following assets, was an amount recognized in net incresult of an impairment loss in the tax year, a reversal of an impairment change in fair value during the tax year?		ıs tax year, or a	200 Yes No X
If <b>yes</b> , enter the amount recognized:	In net income Increase (decrease)	In OCI Increase (decrease)	
Property, plant, and equipment		211	
Intangible assets	5	216	
Investment property			
Biological assets	5		
Financial instruments		231	
Other		236	
Financial instruments			
Did the corporation derecognize any financial instrument(s) during	the tax year (other than trade rec	eivables)?	250 Yes No X
Did the corporation apply hedge accounting during the tax year?			255 Yes No X
Did the corporation discontinue hedge accounting during the tax ye	ear?		260 Yes No X
Adjustments to opening equity			
Was an amount included in the opening balance of retained earnin recognize a change in accounting policy, or to adopt a new account			265 Yes No X
If <b>yes</b> , you have to maintain a separate reconciliation.			
- Part 5 – Information on the person who prepared	I the information return -		
If the person that prepared the information return has an accounting associated with the financial statements in part 1 above, choose of			110
Financial statements provided by client			<b>X</b> 1
Prepared the information return and the financial information con	tained therein		2

# General Index of Financial Information Notes to the financial statements

ORANGEVILLE HYDRO LIMITED

Notes to Financial Statements

Year ended December 31, 2021

1. Reporting entity

Orangeville Hydro Limited (the "Corporation") is a rate regulated, municipally owned hydro

distribution company incorporated under the laws of Ontario, Canada. The address of the

Corporation's registered office is 400 C Line, Orangeville, Ontario. The Corporation delivers electricity and related energy services to

The Corporation delivers electricity and related energy services tresidential and commercial

customers in the Town of Orangeville and Town of Grand Valley. The Corporation is owned by the Town of Orangeville and Town of Grand Valley.

The financial statements are for the Corporation as at and for the year ended December 31, 2021.2. Basis of presentation

(a) Statement of compliance

The Corporation's financial statements have been prepared in accordance with InternationalFinancial Reporting Standards ("IFRS").

The financial statements were approved by the Board of Directors on April 21, 2022.(b) Basis of measurement

These financial statements have been prepared on the historical cost basis, unless otherwise stated.

(c) Functional and presentation currency

These financial statements are presented in Canadian dollars, which is the Corporation's functional currency.

(d) Use of estimates and judgments

The preparation of financial statements in confirmity with IFRS requires management to make

judgments, estimates and assumptions that affect the application of accounting policies and

the reported amounts of assets, liabilities, income and expenses and disclosure of contingent

assets and liabilities. Actual results may differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis.

Revisions to

accounting estimates are recognized in the year in which the estimates are revised and in anyfuture years affected.

Information about assumptions and estimation uncertainties that have a significant risk of

resulting in material adjustment is included in the following notes:

- (i) Note 3(b) measurement of unbilled revenue
- (ii) Notes 5, 6 estimation of useful lives of its property, plant and equipment and intangible assets
- (iii) Note 8 recognition and measurement of regulatory balances
- (iv) Note 11 measurement of defined benefit obligations: key actuarial assumptions
- (v) Note 17 recognition and measurement of provisions and contingencies ORANGEVILLE HYDRO LIMITED

Notes to Financial Statements

Year ended December 31, 2021

- 2. Basis of presentation (continued)
- (e) Rate regulation

The Corporation is regulated by the Ontario Energy Board ("OEB"), under the authority granted

by the Ontario Energy Board Act, 1998. Among other things, the OEB has the power and

# General Index of Financial Information Notes to the financial statements

responsibility to approve or set rates for the transmission and distribution of electricity, providing continued rate protection for electricity consumers in Ontario, and ensuring that transmission and distribution companies fulfill obligations to connect and service customers. The OEB may also prescribe license requirements and conditions of service to local distribution companies ("LDCs"), such as the Corporation, which may include, among other things, record keeping, regulatory accounting principles, separation of accounts for distinct businesses, and filing andprocess requirements for rate setting purposes. Rate setting Distribution revenue For the distribution revenue included in sale of energy, the Corporation files a "Cost of Service" ("COS") rate application with the OEB every five years where dates determined through a review of the forecasted annual amount of operating and capital expenditures, shareholder's equity required to support the Corporation's business. The Corporation estimates electricity usage and the costs to service each customer class to determine the appropriate rates to be charged to each customer class. The COS application is reviewed by the OEB and interveners and rates are approved based upon this review, including anyrevisions resulting from that review. The application is based on the Annual IR Nidex option to set rates for 2021. The Corporation was required by the OEB to apply the Annual IR Index method after deferring its COS rate application for three consecutive years. The Annual IR Index is based on inflation less the OEB's highest stretch factor assessment of a distributor's efficiency. As a licensed distributor, the Corporation is responsible for billing customers for electricity generated by third parties and the related costs of providing electricity service, such as transmission services and other services provided by third parties. The Corporation is required, pursuant to regulation, to remit such amounts to these third parties, irrespective of whether the Corporation ultimately collects these amounts from customers. The Corporation last filed a COS application in October 2013 for rates effective May 1, 2014 to April 30, 2019. The Corporation received approval for a deferral of a COS application for 2021 rates. The GDP IPI-FDD for 2021 is 2.20%, the Corporation's productivity factor is nil% and the stretch factor is 0.60%, resulting in a net adjustment of 1.60% to the previous year's rates.ORANGEVILLE HYDRO LIMITED Notes to Financial Statements Year ended December 31, 2021 2. Basis of presentation (continued)

(e) Rate regulation (continued)

# General Index of Financial Information Notes to the financial statements

Electricity rates

The OEB sets electricity prices for low-volume consumers twice each year ,

based on an

estimate of how much it will cost to supply the province with electricity for the next year. All

remaining consumers pay the market price for electricity. The Corporation is billed for the cost

of the electricity that its customers use and passes this cost on to the customer at cost without amark-up.

3. Significant accounting policies

The accounting policies set out below have been applied consistently in all years presented in thesefinancial statements.

(a) Financial instruments

At initial recognition, the Corporation measures its financial assets at fair value plus, in the case

of a financial asset not at fair value through profit or loss, transaction costs that are directly

attributable to the acquisition of the financial asset. Transaction costs of financial assets carried

at fair value through profit or loss are expensed in profit or loss. Subsequent measurement of the financial asset depends on the classification determined on

initial recognition. Financial assets are classified as either amortized cost, fair value through

other comprehensive income or fair value through profit or loss, depending on its business

model for managing the financial assets and the contractual cash flow characteristics of the

financial assets. Financial assets are not reclassified subsequent to their initial recognition,

unless the Corporation changes its business model for managing financial assets. Financial liabilities are initially measured at fair value, net of transaction costs incurred. They

are subsequently carried at amortized cost/using the effective interest rate method; any

difference between the proceeds (net of transaction costs) and the redemption value isrecognized as an adjustment to interest expense over the period of the borrowings. The Corporation has not entered into derivative instruments. Hedge accounting has not been used in the preparation of these financial statements.

Cash equivalents include short term investments with maturities of three months or less when purchased.

ORANGEVILLE HYDRO LIMITED

Notes to Financial Statements

Year ended December 31, 2021

- 3. Significant accounting policies (continued)
- (b) Revenue recognition

Sale and distribution of electricity

The performance obligations for the sale and distribution of electricity are recognized over time

using an output method to measure the satisfaction of the performance obligation. The value  $\,$ 

of the electricity services transferred to the customer is determined on the basis of cyclical  $\ensuremath{\mathsf{S}}$ 

meter readings plus estimated customer usage since the last meter reading date to the end of

# General Index of Financial Information Notes to the financial statements

the year and represents the amount that the Corporation has the right to  $\operatorname{bill}$ . Revenue includes

the cost of electricity supplied, distribution, and any other regulatory charges. The related costof power is recorded on the basis of power used.

For customer billings related to electricity generated by third parties and the related costs of

providing electricity service, such as transmission services and other services provided by third

parties, the Corporation has determined that it is acting as a principal for these electricity

charges and, therefore, has presented electricity revenue on a gross basis. Capital contributions

Developers are required to contribute towards the capital cost of construction of distribution

assets in order to provide ongoing service. The developer is not a customer and therefore the

contributions are scoped out of IFRS 15 Revenue from Contracts with

Customers. Cash contributions, received from developers are recorded as deterred revenue.

When an asset

other than cash is received as a capital contribution, the asset is initially recognized at its fair

value, with a corresponding amount recognized as deferred revenue. The deferred revenue,

which represents the Corporation's obligation to continue to provide the customers access to

the supply of electricity, is amortized to income on a straight-line basis over the useful life of the related asset.

Certain customers are also required to contribute towards the capital cost of construction of

distribution assets in order to provide angoing service. These contributions fall within the scope

of IFRS 15 Revenue from Contracts with Customers. The contributions are received to obtain

a connection to the distribution system in order receive ongoing access to electricity. The

Corporation has concluded that the performance obligation is the supply of electricity over the

life of the relationship with the Kustomer which is satisfied over time as the customer receives

and consumes the electricity. Revenue is recognized on a straight-line basis over the usefullife of the related asset.

Other revenue

Revenue earned from the provision of services is recognized as the service is rendered.

Government grants and the related performance incentive payments under CDM programs are  $\,$ 

recognized as revenue in the year when there is reasonable assurance that the programconditions have been satisfied and the payment will be received.

ORANGEVILLE HYDRO LIMITED

Notes to Financial Statements

Year ended December 31, 2021

- 3. Significant accounting policies (continued)
- (c) Inventory

Inventory, the majority of which is consumed by the Corporation in the provision of its services,

# General Index of Financial Information Notes to the financial statements

is valued at the lower of cost and net realizable value, with cost being

average cost basis, and includes expenditures incurred in acquiring the materials and supplies  ${\bf x}$ 

and other costs incurred in bringing them to their existing location and condition.(d) Property, plant and equipment

Items of property, plant and equipment ("PP&E") used in rate-regulated activities and acquired

prior to January 1, 2015 are measured at the deemed cost (carrying value as elected under

IFRS 1) established on the transition date, less accumulated depreciation. All other items of

PP&E are measured at cost, or, where the item is contributed by customers, its fair value, lessaccumulated depreciation.

Cost includes expenditures that are directly attributable to the acquisition of the asset. The

cost of self-constructed assets includes contracted services, materials and transportation

costs, direct labour, overhead costs, borrowing costs and any other costs directly attributable

to bringing the asset to a working condition for its intended use.

for as separateitems (major components) of PP&E.

Borrowing costs on qualifying assets are capitalized as part of the cost of the asset based upon

the weighted average cost of debt incurred on the Corporation's borrowings. Qualifying assets

are considered to be those that take in excess of 12 months to construct. When parts of an item of PP&E have different useful lives, they are accounted

When items of PP&E are retired or otherwise disposed of, a gain or loss on disposal is

determined by comparing the proceeds from disposal, if any, with the carrying amount of theitem and is included in profet or loss.

Major spare parts and standby equipment are recognized as items of PP&E.

The cost of replacing a part of an item of PP&E is recognized in the net book value of the item

if it is probable that the future economic benefits embodied within the part will flow to the

Corporation and its cost can be measured reliably. In this event, the replaced part of PP&E is

written off, and the related gain or loss is included in profit or loss. The costs of the day-to-day

servicing of PP&E are recognized in profit or loss as incurred.

The need to estimate the decommissioning costs at the end of the useful lives of certain assets

is reviewed periodically. The Corporation has concluded it does not have any legal or constructive obligation to remove PP&E.

Depreciation is calculated to write off the cost of items of PP&E using the straight-line method

over their estimated useful lives, and is generally recognized in profit or loss. Depreciation

methods, useful lives, and residual values are reviewed at each reporting date and adjustedprospectively if appropriate. Land is not depreciated.

Construction-in-progress assets are not

depreciated until the project is complete and the asset is available for use. ORANGEVILLE HYDRO LIMITED

Notes to Financial Statements

# General Index of Financial Information Notes to the financial statements

Year ended December 31, 2021

3. Significant accounting policies (continued)

(d) Property, plant and equipment (continued)

The estimated useful lives are as follows:

Asset Years

Buildings 20-60 years

Distribution equipment 15-60 years

Vehicles 8-15 years

Other tools and equipment 10-60 years

Computer equipment 5 years

(e) Intangible assets

Intangible assets used in rate-regulated activities and acquired prior to January 1, 2015 are

measured at deemed cost (carrying value as elected under IFRS 1) established on the

transition date, less accumulated amortization. All other intantible assets are measured atcost.

Computer software that is acquired or developed by the Corporation after January 1, 2015,

including software that is not integral to the functionality of equipment purchased which has

finite useful lives, is measured at cost less accumulated amortization.

Payments to obtain rights to access land ("land rights") are classified as intangible assets.

These include payments made for easements, right of access and right of use over land for

which the Corporation does not hold title. Land rights are measured at cost.

Management

has determined that land rights have an indefinite life. Land rights are tested for impairment

when events or circumstances indicate their carrying amount exceeds their fair value. As at

December 31, 2021, management has not identified any events or circumstances indicatingthat land rights are impaired.

Amortization is recognized in profit or loss on a straight-line basis over the estimated useful

lives of intangible assets from the date that they are available for use.

Amortization

methods and useful lives of all intangible assets are reviewed at each reporting date and

adjusted prospectively if appropriate. The estimated useful lives are:

Asset Years

Computer software 5 years

ORANGEVILLE HYDRO LIMITED

Notes to Financial Statements

Year ended December 31, 2021

- 3. Significant accounting policies (continued)
- (f) Impairment
- (i) Financial assets measured at amortized cost:

A loss allowance for expected credit losses on financial assets measured at amortized  $\cos t$ 

is recognized at the reporting date. The loss allowance is measured at an amount equalto the lifetime expected credit losses for the asset.

(ii) Non-financial assets:

The carrying amounts of the Corporation's non-financial assets, other than materials and

# General Index of Financial Information Notes to the financial statements

supplies and deferred tax assets, are reviewed at each reporting date to determine whether

there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For the purpose of impairment testing, assets are grouped together into the smallest group

of assets that generates cash inflows from continuing use that are largely independent of

the cash inflows of other assets or groups of assets (the "cash-generating unit" or "CGU").

The recoverable amount of an asset or CGU is the greater of its value in use and its fair

value less costs to sell. In assessing value in use, the estimated future cash flows are

discounted to their present value using a pre-tax discount rate that reflects current market

assessments of the time value of money and the risks specific to the asset. An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its

estimated recoverable amount. Impairment losses are recognized in profit or loss.

An impairment loss is reversed only to the extent that the asset's carrying amount does not

exceed the carrying amount that would have been determined, net of depreciation oramortization, if no impairment loss had been recognized.

(g) Customer deposits

Customer deposits represent cash deposits from lectricity distribution customers and retailers

to guarantee the payment of energy bills. Interest is paid on customer deposits.

Deposits are refundable to customers who demonstrate an acceptable level of credit risk as

determined by the Corporation in accordance with policies set out by the OEB or upontermination of their electricity distribution service.

(h) Provisions

A provision is recognized if as a result of a past event, the Corporation has a present legal or

constructive obligation that can be estimated reliably, and it is probable that an outflow of

economic benefits will be required to settle the obligation. Provisions are determined by

discounting the expected future cash flows at a pre-tax rate that reflects current market

assessments of the time value of money and the risks specific to the liability. ORANGEVILLE HYDRO LIMITED

Notes to Financial Statements

Year ended December 31, 2021

- 3. Significant accounting policies (continued)
- (i) Regulatory balances

Regulatory deferral account debit balances represent costs incurred in excess of amounts

billed to the customer at OEB approved rates. Regulatory deferral account credit balances  $\,$ 

represent amounts billed to the customer at OEB approved rates in excess of costs incurredby the Corporation.

Regulatory deferral account debit balances are recognized if it is probable

# General Index of Financial Information Notes to the financial statements

that future billings

in an amount at least equal to the deferred cost will result from inclusion of that cost in allowable  $\$ 

costs for rate-making purposes. The offsetting amount is recognized in net movement in

regulatory balances in profit or loss or OCI. When the customer is billed at rates approved by

the OEB for the recovery of the deferred costs, the customer billings are recognized in revenue.

The regulatory deferral debit balance is reduced by the amount of these customer billings with

the offset to net movement in regulatory balances in profit or loss or OCI.

The probability of recovery of the regulatory deferral debit account balances is assessed

annually based upon the likelihood that the OEB will approve the change in rates to recover

the balance. The assessment of likelihood of recovery is based upon previous decisions made

by the OEB for similar circumstances, policies or guidelines issued by the OEB, etc. Any

resulting impairment loss is recognized in profit or loss in the year

When the Corporation is required to refund amounts to ratepayers in the future, the Corporation

recognizes a regulatory deferral account credit balance. The offsetting amount is recognized

in net movement in regulatory balances in profit or loss or OCI. The amounts returned to the

customers are recognized as a reduction of revenue. The regulatory deferral credit balance is

reduced by the amount of these customer repayments with the offset to net movement inregulatory balances in profit or loss or OCI.

- (j) Post-employment benefits
- (i) Pension plan

The Corporation provides a pension plan for all its full-time employees through Ontario

Municipal Employees Retirement System ("OMERS"). OMERS is a multi-employer pension plan which operates as the intario Municipal Employees Retirement Fund ("the

Fund"), and provides pensions for employees of Ontario municipalities, local boards and

public utilities. The Fund is a contributory defined benefit pension plan, which is financed

by equal contributions from participating employers and employees, and by the investmentearnings of the Fund. To the extent that the Fund finds itself in an under-funded position,

additional contribution rates may be assessed to participating employers and members.

OMERS is a defined benefit plan. However, as OMERS does not segregate its pensionasset and liability information by individual employers, there is insufficient information

available to enable the Corporation to directly account for the plan. Consequently, the plan

has been accounted for as a defined contribution plan. The Corporation is not responsible for any other contractual obligations other than the contributions. Obligations for

# General Index of Financial Information Notes to the financial statements

contributions to defined contribution pension plans are recognized as an employee benefit expense in profit or loss when they are due.

ORANGEVILLE HYDRO LIMITED

Notes to Financial Statements

Year ended December 31, 2021

- 3. Significant accounting policies (continued)
- (j) Post-employment benefits (continued)
- (ii) Post-employment benefits, other than pension

The Corporation provides some of its retired employees with life insurance and medicalbenefits beyond those provided by government sponsored plans.

The obligations for these post-employment benefit plans are actuarially determined by

applying the projected unit credit method and reflect management's best estimate of certain

underlying assumptions. Remeasurements of the net defined benefit obligations, including

actuarial gains and losses and the return on plan assets (excluding interest), are

recognized immediately in other comprehensive income. When the benefits of a plan are

improved, the portion of the increased benefit relating to past service by employees isrecognized immediately in profit or loss.

(k) Leased assets

At inception of a contract, the Company assesses weether a contract is, or contains, a lease.

A contract is, or contains, a lease if the contract conveys the right to control the use of an

identified asset for a period of time in exchange for consideration.

For leases and contracts that contain a lease, the Corporation recognizes a right-of-use asset

and a lease liability at the lease commencement date. The right-of-use asset is initially

measured at cost which comprises the initial amount of the lease liability adjusted for any lease

payments made at or before the commencement date, plus any initial direct costs incurred and

an estimate of costs to dismantle and remove the underlying asset or to restore the underlying

asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the

commencement date to the earlier of the end of the useful life of the right-of-use asset or the

end of the lease term. The estimated useful lives of right-of-use assets are determined on the

same basis as those of property, plant and equipment. Subsequent to initial recognition, the

right-of-use asset is recognized at cost less any accumulated depreciation and any

accumulated impairment losses, adjusted for certain remeasurements of the correspondinglease liability.

The lease liability is initially measured at the present value of lease payments plus the present  $\[$ 

value of lease payments that are not paid at the commencement date, discounted using the  $\,$ 

interest rate implicit in the lease, or if that rate cannot be readily

# General Index of Financial Information Notes to the financial statements

determined, the Corporation'sincremental borrowing rate.

ORANGEVILLE HYDRO LIMITED

Notes to Financial Statements

Year ended December 31, 2021

- 3. Significant accounting policies (continued)
- (k) Leased assets (continued)

The lease liability is subsequently measured at amortized cost using the effective interest

method. It is remeasured when there is a change in future lease payments arising from a

change in an index or rate, if there is a change in the Corporation's estimate of the amount

expected to be payable under a residual value guarantee, or if the Corporation changes its

assessment of whether it will exercise a purchase, extension or termination option. When the

lease liability is remeasured in this way, a corresponding addustment is made to the carrying

amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of theright-of-use asset has been reduced to zero.

Short-term leases and low value assets

The Corporation has elected not to recognize right-of-use assets and lease liabilities for shortterm

leases that have a lease term of 12 months or less and leases of low-value assets. The

Corporation recognizes the lease payments associated with these leases as an expense on astraight-line basis over the lease erm.

(1) Finance income and finance costs

Finance income is recognized as it accrues in profit or loss, using the effective interest method. Finance income somprises interest earned on cash. Finance costs comprise interest expense on borrowings and net interest

expense on postemployment

benefits. Finance costs are recognized in profit or loss unless they are capitalized as part of the cost of qualifying assets.

(m) Income taxes

The income tax expense comprises current and deferred tax. Income tax expense isrecognized in profit or loss except to the extent that it relates to items recognized directly inequity, in which case, it is recognized in equity.

The Corporation is currently exempt from taxes under the Income Tax Act

(Canada) and the

Ontario Corporations Tax Act (collectively the "Tax Acts"). Under the Electricity Act, 1998, the

Corporation makes payments in lieu of corporate taxes to the Ontario Electricity Financial

Corporation ("OEFC"). These payments are calculated in accordance with the rules for  $\$ 

computing taxable income and taxable capital and other relevant amounts contained in the  ${\tt Tax}$ 

Acts as modified by the Electricity Act, 1998, and related regulations. Prior to October 1, 2001,

the Corporation was not subject to income or capital taxes. Payments in lieu of taxes are referred to as income taxes.

Current tax comprises the expected tax payable or receivable on the taxable income or loss  $\$ 

for the year, using tax rates enacted or substantively enacted at the reporting date, and anyadjustment to tax payable in respect of previous years.

# General Index of Financial Information Notes to the financial statements

ORANGEVILLE HYDRO LIMITED Notes to Financial Statements Year ended December 31, 2021 3. Significant accounting policies (continued) (m) Income taxes Deferred tax is recognized in respect of temporary differences between the tax basis of assets and liabilities and their carrying amounts for accounting purposes. Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax is measured at the tax rates that are expected applied to temporary differences when they reverse, using tax rates enacted or substantivel enacted, at thereporting date. 4. Accounts receivable 2021 2020 Trade customer accounts receivable \$ 4,131,648 \$ 4,023,5 Other receivables 477,896 717,999 Provision uncollectible accounts (46,000) (46,000) \$ 4,563,544 \$ 4,695,519 5. Property, plant and equipment Land and Distribution Other fixed Construction buildings equipment assets -in-Progress Total Cost or deemed cost Balance at January 1, 2021 \$ 2,113,293 \$ 23,572,246 \$1,667,931 \$ 16,472 \$ 27,369,942Additions 5,634 2,213,609 44,994 2,264,237 Transfers - (21,677) - 21,677 -Disposals/retirements - (137,856) (68,484) - \(206,340) Balance at December 31, 2021 \$ 2,118,927 \$ 25,626,322 \$1,644,441 \$ 38,149 \$ 29,427,839 Balance at January 1, 2020 \$ 2,092,617 \$ 22,023,107 \$1,513,612 \$ 847 \$ 25,630,183Additions 25,149 1,644,413 230,227 15,625 1,915,414 Transfers - - - -Disposals/retirements (4,473) (95,274 (75,908) - (175,655)Balance at December 31, 2020 \$ 2,113,293 \$ 23,572,246 \$1,667,931 \$ 16,472 \$ 27,369,942Accumulated depreciation Balance at January 1,  $2\sqrt{2}$  \$ 55%, 816 \$ 4,469,818 \$ 772,129 \$ - \$ 5,800,763 Depreciation 84,193 777,822 141,375 - 1,002,790 Disposals - (51,359) (67,459) - (118,818) Balance at December 31, 2021 \$ 643,009 \$ 5,195,681 \$ 846,045 \$ \$ 6,684,735 Balance at January 1, 2020 \$ 475,139 \$ 3,752,437 \$ 694,396 \$ - \$ 4,921,972 Depreciation 83,677 741,455 142,193 - 967,325 Disposals - (24,074) (64,460) - (88,534) Balance at December 31, 2020 \$ 558,816 \$ 4,469,818 \$ 772,129 \$ - \$ 5,800,763 Carrying amounts At December 31, 2021 \$ 1,475,918 \$ 20,430,641 \$ 798,396 \$ 38,149 \$ 22,743,104 At December 31, 2020 \$ 1,554,477 \$ 19,102,428 \$ 895,802 \$ 16,472 \$ 21,569,179 ORANGEVILLE HYDRO LIMITED Notes to Financial Statements Year ended December 31, 2021 6. Intangible assets Computer Land software rights Total

# General Index of Financial Information Notes to the financial statements

```
Cost or deemed cost
Balance at January 1, 2021 $ 404,085 $ 139,807 $ 543,892
Additions 22,675 - 22,675
Disposals (137,596) - (137,596)
Balance at December 31, 2021 $ 289,164 $ 139,807 $ 428,971
Balance at January 1, 2020 $ 406,540 $ 135,718 $ 542,258
Additions 21,059 4,089 25,148
Disposals (23,514) - (23,514)
Balance at December 31, 2020 $ 404,085 $ 139,807 $ 543,892
Accumulated amortization
Balance at January 1, 2021 $ 326,700 $ - $ 326,700
Amortization 29,791 - 29,791
Disposal (136,942) - (136,942)
Balance at December 31, 2021 $ 219,549 $ $ 219,549
Balance at January 1, 2020 $ 315,481 $ - $ 315,481
Amortization 29,488 - 29,488
Disposal (18,269) - (18,269)
Balance at December 31, 2020 $ 326,700 $ - $ 326,700
Carrying amounts
At December 31, 2021 $ 69,615 $ 139,807 $ 209,422
At December 31, 2020 $ 77,385 $ 139,807 $ 217,192
ORANGEVILLE HYDRO LIMITED
Notes to Financial Statements
Year ended December 31, 2021
7. Income tax expense
Current tax expense (recovery)
2021 2020
Current tax expense (recovery) $ 185,002 $ (102,388)
Deferred tax expense 124,121 144,285
Income tax expense $ 309,123 $ 41,897
Reconciliation of effective tax rate;
2021 2020
Income before taxes $1,075,634 $ 188,169
Statutory income tax rates 26.5% 26.5%
Expected tax provision on income at statutory rates 285,043 48,540
Increase (decrease) in income taxes resulting from:
Permanent differences 938 (11,376)
Other 7,139 4,733
Adjustment for prior years 16,003
Income tax expense $ 309,123 $ 41,897
Significant components of the Corporation's deferred tax balances
2021 2020
Deferred tax assets (liabilities):
Property, plant and equipment $ (365,074) $ (244,000)
Post-employment benefits 110,897 91,715
Other 12,256 12,000
$ (241,921) $ (140,285)
ORANGEVILLE HYDRO LIMITED
Notes to Financial Statements
Year ended December 31, 2021
8. Regulatory balances
Reconciliation of the carrying amount for each class of regulatory balances
Remaining
recovery/
January 1, Recovery/ December 31, reversal
Regulatory deferral account debit balances 2021 Additions reversal 2021 years
```

### General Index of Financial Information

Notes to the financial statements Retail settlement variances \$ 3,230,412 \$1,078,548 \$(1,159,541)\$3,149,419 1 Regulatory transition to IFRS 165,003 837 - 165,840 -Regulatory variances disposition 257,249 116,253 - 373,502 -Deferred income tax 140,285 101,702 - 241,987 -Other 88,993 (87,054) - 1,939 1 \$ 3,881,942 \$1,210,286 \$(1,159,541)\$3,932,687 Remaining recovery/ January 1, Recovery/ December 31, reversal Regulatory deferral account debit balances 2020 Additions reversal 2020 year Retail settlement variances \$ 2,498,035 \$1,349,925 \$(617,548) \$3,230,412 1 Regulatory transition to IFRS 162,985 2,018 - 165,003 -Regulatory variances disposition 39,590 217,659 - 257,249 -Deferred income tax (4,000) 144,285 - 140,285 -Other 14,673 74,320 - 88,993 1 \$ 2,711,283 \$1,788,207 \$(617,548) \$3,881,942 January 1, Recovery/ December 31, Remaining Regulatory deferral account credit balances 2021 Additions reversal 2021 years Retail settlement variances \$ 202,469 \$ (189,856) \$ (68,173) \$ (55,560) 1 Change in asset useful lives 20,093 - - 20,093 -Other 260,112 90,239 - 350,351 1 \$ 482,674 \$ (99,617) \$ (68,173) \$ 314,884 January 1, Recovery/ December 31, Remaining Regulatory deferral account credit balances 2020 Additions reversal 2020 years Retail settlement variances \$ 369,893 \$ 136,112 (\$ 303,536) \$ 202,469 1 Change in asset useful lives 20,102 (9) - 20,093 Other 166,038 94,074 - 260,112 1 \$ 556,033 \$ 230,177 \$ (303,536) \$ 482,674 ORANGEVILLE HYDRO LIMITED Notes to Financial Statements Year ended December 31, 2021 8. Regulatory balances (continued) The regulatory balances are recovered or settled through rates approved by the OEB which are determined using estimates of future consumption of electricity by its customers. Future consumption is impacted by various factors including the economy and weather. The Corporation has received approval from the QEB to establish its regulatory balances. Settlement of the Group 1 deferral accounts is done on an annual basis through application to the OEB. An application has been approved on an interim basis by the OEB to recover \$1,087,217 for the Group 1 deferral accounts for the 2021 rate application. The Corporation received approval for deferral of a COS application for 2021 rates and is completing an Annual IR Index application for 2022 rates. The OEB requires the Corporation to estimate its income taxes when it files a COS application to set its rates. As a result, the Corporation has recognized a regulatory deferral account for the amount of deferred taxes that will ultimately be recovered from/paid back to its customers. This balance will fluctuate as the Corporation's deferred tax balance fluctuates. Regulatory balances attract interest at OEB prescribed rates, which are based

# General Index of Financial Information Notes to the financial statements

```
on Bankers'
Acceptances three-month rate plus a spread of 25 basis points. In 2021, the
rate was 0.57%.9. Accounts payable and accrued liabilities
2021 2020
Accounts payable - energy purchases $ 2,344,531 $ 2,633,131
Water and sewer charges payable 984,737 903,876
Other 1,587,137 1,453,604
$ 4,916,405 $ 4,990,611
ORANGEVILLE HYDRO LIMITED
Notes to Financial Statements
Year ended December 31, 2021
10. Long-term debt
2021 2020
TD Bank term loan payable, interest at 3.38%,
payable in monthly instalments, due 2022 $ 2,372,434 $ 2,752,028
TD Bank term loan payable, interest at 3.54%,
payable in monthly instalments, due 2024 3,391,640 3,490,086
TD Bank term loan payable, interest at 3.40%,
interest only payments, due 2022 2,500,000 2,500,000
TD Bank term loan payable, interest at 3.60%,
payable in monthly instalments, due 2027 1,739,436 1,797,107
TD Bank term loan payable, interest at 4.20%,
payable in monthly instalments, due 2029 1,855,465 \bigwedge 905,751
TD Bank term loan payable, interest at 2.58%,
payable in monthly instalments, due 2025 946,847
TD Bank term loan payable, interest at 2.58%,
payable in monthly instalments, due 2026 1,000,000 -
13,805,822 13,418,780
Less current portion of long-term debt (5, NO, 633) (610,889)
$ 8,665,189 $ 12,807,891
The TD Bank term loans holds as security
                                           general security agreement
representing a first charge
on all assets and undertakings of the Coxporation and assignment of general
liability insurance forthe Corporation.
The agreement with respect to the TD Bank term loans contain certain
covenants regarding (i)
leverage, (ii) liquidity, (iii) change in status of business, (iv) change in
ownership, and (v) limitationson additional debt and encumbrance of assets.
The agreement with TD Bank also contains financial covenants that require the
Corporation to
maintain a maximum debt to capital ratio of 0.60 to 1 and a minimum debt
service coverage ratio
of 1.20x to be tested and calculated on a quarterly basis. The Corporation is
in compliance withthese covenants as at December 31, 2021.
Principal repayments for the next five years and thereafter are as follows:
2022 $ 5,140,633
2023 277,980
2024 3,362,127
2025 185,225
2026 986,991
Thereafter 3,852,866
$ 13,805,822
ORANGEVILLE HYDRO LIMITED
Notes to Financial Statements
Year ended December 31, 2021
11. Post-employment benefits
```

# General Index of Financial Information Notes to the financial statements

(a) OMERS pension plan The Corporation provides a pension plan for its employees through OMERS. The plan is a multi-employer, contributory defined pension plan with equal contributions by the employer and its employees. In 2021, the Corporation made employer contributions of \$188,253 to OMERS (2020 - \$192,886), of which has been recognized in profit or loss. The Corporation estimates that a contribution of \$185,365 to OMERS will be made during the next fiscal year. As at December 31, 2021, OMERS had approximately 541,000 members, of whom 19 arecurrent employees of the Corporation. The most recently available QMERS annual report is for the year ended December 31, 2021, which reported that the plan was funded, with an unfunded liability of \$3.1 billion. This unfunded liability is likely result in future payments byparticipating employers and members (b) Post-employment benefits other than pension The Corporation pays certain medical and life insurance benefits on behalf of some of its retired employees. The Corporation recognizes these post-employment benefits in the year in which employees' services were rendered. The Corporation is recovering its post-employment benefits in rates based on the expense and remeasurements recognized for post-employmentbenefit plans. Reconciliation of the obligation 2021 2020/ Defined benefit obligation, beginning of year \$ 346,292 \$ 337,688 Included in profit or loss Current service cost 13,459 12,557 Interest cost 13,655 13,219 27,114 25,776 Included in OCI Actuarial losses arising from: changes in financial assumptions 84,849 458,255 363,464 Benefits paid (39,774) (17,172) Defined benefit obligation, end of year \$ 418,481 \$ 346,292 Actuarial assumptions 2021 2020 Discount (interest) rate 3.00% 4.00% Medical costs 4.40% 4.20% Dental costs 4.70% 4.50% ORANGEVILLE HYDRO LIMITED Notes to Financial Statements Year ended December 31, 2021 11. Post-employment benefits (continued) (b) Post-employment benefits other than pension (continued) A 1% increase in the assumed discount rate would result in the defined benefit obligation decreasing by \$65,200. A 1% decrease in the assumed discount rate would result in the defined benefit obligation increasing by \$88,900. 12. Contributions in aid of construction 2021 2020 Contributions in aid of construction, beginning of year \$ 2,040,099 \$

1,859,325Contributions in aid of construction received 349,139 239,979

### **General Index of Financial Information**

Notes to the financial statements Contributions in aid of construction recognized as other revenue (67,211) (59,205) Contributions in aid of construction, end of year \$ 2,322,027 \$ 2,040,099 13. Share capital 2021 2020 Authorized: Unlimited number of common shares 1,000 common shares \$ 8,290,714 \$ 8,290,714 14. Revenues 2021 2020 Collection and other service charges \$ 104,914 \$ 46,180 Water and sewer billing services 40,566 11,583 Rent 103,918 109,913 Gain (loss) on disposals (86,337) 49,214 Other 127,902 63,964 Total other revenue \$ 290,963 \$ 280,854 In the following table, sale of energy and distribution revenue disaggregated by type of customer.2021 2020 Residential \$ 16,115,251 \$ 17,783,192 Commercial 19,762,951 20,686,145 Other 324,409 343,361 \$ 36,202,611 \$ 38,812,698 ORANGEVILLE HYDRO LIMITED Notes to Financial Statements Year ended December 31, 2021 15. Employee salaries and benefits 2021 2020 Salaries, wages and benefits \$ 1,974,400 \$ CPP and EI remittances 75,356 72,154 Contributions to OMERS 188,253 192,886 \$ 2,238,009 \$ 2,239,151 16. Finance income and costs 2021 2020 Finance income Interest income on bank deposits \$ 6,826 \$ 12,991 Finance costs (464,823) (460,312) Interest expense on long-term debt Interest expense on customer deposits (22,858) (9,901) (487,681) (470,213) Net finance costs recognized in profit or loss \$ (480,853) \$ (457,222) 17. Commitments and contingencies Cornerstone Hydro Electric Concepts (CHEC) CHEC is an association of fifteen LDCs modelled after a co-operative to share resources and proficiencies (see note 18). The Corporation may terminate its membership at any time upon the following terms:(a) giving written notice 60 days in advance of termination; and (b) by making a prepayment in full of the balance of its contract service costs to CHEC. The amount of prepayment cost shall be the total cost which the Corporation would have paid over the three year term of the agreement less amounts already paid by it to the date of the termination. The current three year term for CHEC commitment goes to December 31, 2023. The prepayment

cost of termination is a settlement of the Corporation's obligation under the

### General Index of Financial Information

Notes to the financial statements agreement by reason of termination of its membership before the expiry of the term. The amount is liquidated damages and not a penalty for early termination and is intended to leave the remaining members in the same position as if the Corporation had not terminated the agreement. As at December 31, 2021, the obligation to CHEC includes the 2022 to 2024 membership dues ofapproximately \$48,000 per year, \$144,000 total. ORANGEVILLE HYDRO LIMITED Notes to Financial Statements Year ended December 31, 2021 17. Commitments and contingencies (continued) Utility Collaborative Services Inc. (UCS) The Corporation has the right to redeem its shares in UCS (see note 18) retraction upon thefollowing terms: (a) notice of such retraction shall be given 120 days prior to the date; and (b) a redemption fee shall be paid equal to the previous three years of average purchases from UCS for services or products; or in alternative to paying such fees, the Corporation may elect in writing to provide three years' written notice of the retraction, provided that the Corporation continues to receive services at the same or greater average volume as thosereceived at the time the notice was given. General Liability Insurance The Corporation is a member of the Municipal Electric Association Reciprocal Insurance Exchange (MEARIE). MEARIE is a pooling of public hability insurance risks of many of the LDCs in Ontario. All members of the pool are subject to assessment for losses experienced by the pool for the years in which they were members, on a profrata basis based on the total of their respective service revenues. As at December 31, 2021, no assessments have been made. 18. Related party transactions (a) Parents and ultimate controlling party The common shares of Orangeville Hydro Limited are owned by the Town of Orangeville and Town of Grand Valley, the ultimate parents. (b) Outstanding balances with related parties 2021 2020 Town of Orangeville - receivable \$ 130,294 \$ 149,403 Town of Grand Valley - receivable 12,562 14,875 Town of Orangeville - payable (955,148) (875,650) Town of Grand Valley - payable (29,589) (28,226) \$ (841,881) \$ (739,598) ORANGEVILLE HYDRO LIMITED Notes to Financial Statements Year ended December 31, 2021 18. Related party transactions (continued) (c) Transactions with ultimate parents The Corporation provides water and sewage billing and collection services to the customers of

the Town of Orangeville and Town of Grand Valley, as well as supplying street

light energy and

# General Index of Financial Information Notes to the financial statements

street lighting maintenance services to the Town of Orangeville and Town of Grand Valley.

Revenue includes \$481,855 (2020 - \$492,661) from the Town of Orangeville and \$29,494(2020 - \$25,506) from the Town of Grand Valley for these services.

The Corporation also delivers electricity to the Town of Orangeville and Town of Grand Valley

throughout the year for the electricity needs of the Townships and its related organizations.

Electricity delivery charges are at prices and under terms approved by the OEB. The

Corporation also provides additional services to the Townships, including streetlight

maintenance services, sentinel lights and water and waste water billing and customer careservices.

(d) Transactions with related parties

The Corporation paid \$53,140 (2020 - \$52,609) in fees to Cornerstone Hydro Electric Concepts

Association Inc. (CHEC). CHEC is an association of fifteen electricity distribution utilities

modeled after a cooperative to share resources and proficiencies.

The Corporation owns 100 common shares, at a cost of \$100, in Utility Collaborative Services

Inc. (UCS) which represents a 10% interest. At the time of purchase, due to the immaterial

amount, the investment was expensed. The Corporation paid \$210,168 (2020 - \$207,566) in

fees to UCS. UCS offers standards-based back office services and the collaboration allows

leverage in the reduction of costs for items such as information technology hosting and softwarelicensing.

(e) Key management personnel

The key management personnel of the Corporation have been defined as members of its board

of directors and executive management team members. The compensation paid during theyear is \$404,719 (2020 - \$554,334).

19. Financial instruments and risk management

Fair value disclosure

The carrying values of cash, accounts receivable, unbilled revenue, due from/to related parties and

accounts payable and accrued liabilities approximate fair value because of the short maturity of

these instruments. The carrying value of the customer deposits approximates fair value because he amounts are payable on demand.

The fair value of the TD Bank long-term debt at December 31, 2021 is \$6,217,607. The fair value

is calculated based on the present value of future principal and interest cash flows, discounted at

the current rate of interest at the reporting date. The interest rate used to calculate fair value atDecember 31, 2021 ranged from 0.46% to 3.04%.

ORANGEVILLE HYDRO LIMITED

Notes to Financial Statements

Year ended December 31, 2021

19. Financial instruments and risk management (continued)

Financial risks

The Corporation understands the risks inherent in its business and defines them broadly as

# General Index of Financial Information Notes to the financial statements

anything that could impact its ability to achieve its strategic objectives. The Corporation's exposure

to a variety of risks such as credit risk, interest rate risk, and liquidity risk, as well as relatedmitigation strategies are discussed below.

(a) Credit risk

Financial assets carry credit risk that a counterparty will fail to discharge an obligation which

could result in a financial loss. Financial assets held by the Corporation, such as accounts

receivable, expose it to credit risk. The Corporation earns its revenue from a broad base of

customers located in the Town of Orangeville and Town of Grand Valley.

The carrying amount of accounts receivable is reduced through the use of an allowance for

impairment and the amount of the related impairment loss is recognized in profit or loss.

Subsequent recoveries of receivables previously provisioned are credited to profit or loss. The

balance of the allowance for impairment at December 31, 2011 is \$46,000 (2020 - \$46,000).

An impairment loss of \$35,839 (2020 - \$37,389) was recognized during the year.

The Corporation's credit risk associated with accounts receivable is primarily related to

payments from distribution customers. At December 31, 2021, approximately \$63,286 (2020 -

\$78,016) is considered 60 days past due. The corporation has over 12,000 customers, the

majority of whom are residential. Credit risk is managed through collection of security deposits

from customers in accordance with directions provided by the OEB and through credit

insurance. As at December 31, 2021, the orporation holds security deposits in the amount

of \$514,847 (2020 - \$629,719) which also includes deposits received from developers.(b) Market risk

Market risks primarily refer to the risk of loss resulting from changes in commodity prices,

foreign exchange rates, and interest rates. The Corporation currently does not have any

material commodity or foreign exchange risk. The Corporation is exposed to fluctuations in

interest rates as the regulated rate of return for the Corporation's distribution business is

derived using a complex formulaic approach which is in part based on the forecast for long-term

Government of Canada bond yields. This rate of return is approved by the OEB as part of theapproval of distribution rates.

A 1% increase in the interest rate at December 31, 2021 would have increased interest  $\,$ 

expense on the long-term debt by  $$141,133\ (2020\ -\ $137,012)$ , assuming all other variables

remain constant. A 1% decrease in the interest rate would have an equal but opposite effect.ORANGEVILLE HYDRO LIMITED

Notes to Financial Statements

Year ended December 31, 2021

19. Financial instruments and risk management (continued)

# General Index of Financial Information Notes to the financial statements

#### (c) Liquidity risk

The Corporation monitors its liquidity risk to ensure access to sufficient funds to meet

operational and investing requirements. The Corporation's objective is to ensure that sufficient

Corporation has access to a \$3,500,000 credit facility and monitors cash balances daily to

ensure that a sufficient level of liquidity is on hand to meet financial commitments as they

become due. As at December 31, 2021, the Corporation has \$2,293,740 available on this credit facility.

The Corporation also has a facility for \$1,206,260 (the "LC" facility) for the purpose of issuing

letters of credit mainly to support the prudential requirements of the NESO, of which \$nil hasbeen drawn and posted with the IESO (2020 - 5nil).

The majority of accounts payable, as reported on the statement of financial position, are duewithin 30 days.

#### (d) Capital disclosures

The main objectives of the Corporation, when managing capital, are to ensure ongoing access

to funding to maintain and improve the electricity distribution system, compliance with

covenants related to its credit facilities, prudent management of its capital structure with regard

for recoveries of financing charges permitted by the OPB on its regulated electricity distribution

business, and to deliver the appropriate financial returns.

The Corporation's definition of capital includes equity and long-term debt. As at December 31,

2021, equity amounts to \$12,354,904, (\$020 - \$11,965,738) and long-term debt amounts to \$13,805,822 (2020 - \$13,418,780).

20. Impact of COVID-19 pandemic:

On March 11, 2020, the World Health Organization declared the Coronavirus (COVID-19) outbreak

a pandemic. This has resulted in significant financial, market and societal impacts in Canada andaround the world.

The situation is evolving and the altimate duration and magnitude of the impact on the economy is

not known at this time. The outbreak has not had any material impacts on the operation of the

Corporation to date, and management does not expect any material impacts given the nature and  $% \left( 1\right) =\left( 1\right) +\left( 1$ 

scope of the business, and management will continue to actively monitor the situation.

#### \*

Canada Revenue Agency Agence du revenu du Canada

#### **Net Income (Loss) for Income Tax Purposes**

Schedule 1

Corporation's name	Business number	Tax year-end
		Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2021-12-31

- Use this schedule to reconcile the corporation's net income (loss) as reported on the financial statements and its net income (loss) for tax purposes. For more information, see the T2 Corporation Income Tax Guide.
- All legislative references are to the Income Tax Act.

Net in	come (loss) after taxes and extraordinary items from line 9999 of	Schedule 125		908,964 A
Add:		<u></u>		
Provi	ision for income taxes – current		185,002	
Provi	ision for income taxes – deferred	<u>102</u>	124,121	
Intere	est and penalties on taxes		1,752	
Amo	rtization of tangible assets		1,032,581	
Loss	on disposal of assets	<b>=</b> 1/2	86,337	
Char	itable donations and gifts from Schedule 2		4,775	
			2,015	
Rese	erves from financial statements – balance at the end of the year	126	464,481	
		Subtotal of additions	1,901,064	1,901,064
Add:			/	
Othe	r additions:			
	_ 1	2		
	Description	Amount		
	605	295		
1	Inducement under 12(1)(x) ITA	5,000		
2	Paragraph 12(1)(x) - Contributed capital	349,139		
3	Paragraph 12(1)(a) - Customer Deposits	514,847		
4	Tax grouped with change in regulatory  Total of column 2	37,177 906,163 ► 296	906,163	
		Subjectal of other additions 199	906,163	906,163 [
		Total additions 500	2,807,227	2,807,227
Amoui	nt A <b>plus</b> line 500			3,716,191 E
				37, 137131
Dedu	ICT: tal cost allowance from Schedule 8	403	1,533,651	
	erves from financial statements – balance at the beginning of the		392,292	
11636	sives non initiaticial statements – balance at the beginning of the	Subtotal of deductions	1,925,943	1,925,943
<b>.</b>		Subtotal of deductions	1,525,515	1,323,313
Dedu Non-		347	22,485	
			22, 103	
Othe	r deductions:	_		
	1 Description	2 Amount		
	705	395		
1	Amortization of contributed capital	67,211		
2	Subsection 13(7.4) election	349,139		
3	Paragraph 20(1)(m) - Customer Deposits	514,847		
4	Tax movement in reg account	101,702		
5	Deferred CGAAP Credits	0		
	Total of column 2	1,032,899 > 396	1,032,899	

Subtotal of other deductions 499	1,055,384	1,055,384_E
Total deductions 510	2,981,327	2,981,327
Net income (loss) for income tax purposes (amount B minus line 510)		<u>734,864</u> C
Enter amount C on line 300 of the T2 return.		

T2 SCH 1 E (19) Canadä



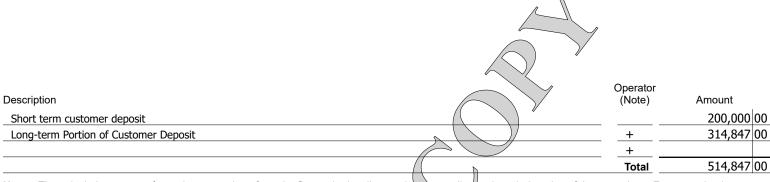
#### **Attached Schedule with Total**

Line 295 - Amount

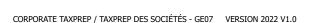
Title	Line 295 – Amount		

Explanatory note

As per balance sheet



Note: The calculations are performed one at a time, from the first to the last line, and not according to the priority rules of the operations. For example, the formula 1+2\*3 will not result in the same thing as the formula 1+3\*2.



#### **Attached Schedule with Total**

Line 395 - Amount

Title Line 395 – Amount

	Operator	
Description	(Note)	Amount
Short term customer deposit		200,000 00
Long-term Portion of Customer Deposit		314,847 00
	Total	514,847 00

**Note**: The calculations are performed one at a time, from the first to the last line, and not according to the priority rules of the operations. For example, the formula 1+2\*3 will not result in the same thing as the formula 1+3\*2.

#### **Attached Schedule with Total**

Line 347 - Non-taxable/deductible other comprehensive income items

Title Line 347 – Non-taxable/deductible other comprehensive income items

#### Explanatory note

the OCI amount reported in the financials is NET of tax. So we need to reverese the tax amount included in the balance reported in OCI. IF the OCI entry relates to an adjustment reported in the tax return in Schedule 13 s then the pre tax amount does not requirte adjustment on schedule 1 - the only amount that needs to be accounted for in the return would be the tax portion.

	1	
Description	Operator (Note)	Amount
Pre tax amount pf actuarial change in note 11 b	(11010)	84,849 00
Net amount reported in OCI in financials page 7		62,364 00
Proof = 84,849x 26.5% = \$22,485 (tax recovery)	+	1 7/3 3 1 3 3
	+	
	Total	22,485 00

**lote**: The calculations are performed one at a time, from the first to the last line, and not according to the priority rules of the operations. For example, the formula 1+2\*3 will not result in the same thing as the formula 1+3\*2.



#### **Inducement**

This form is used to calculate inducements that a corporation must add to its income under paragraph 12(1)(x) ITA. If an amount reduces the capital cost of a property, this amount will be indicated in Part "Tax credits whose amount should reduce the capital cost of property."

If you want to transfer an amount to Schedule 1 and include it in the corporation's income for tax purposes, select the corresponding check box in column A. You can also select the option **Select this check box to add all the amounts to income calculated in Schedule 1** to transfer all the amounts to Schedule 1. In either case, the column A check box will be selected for that amount and it will therefore be updated to Schedule 1.

#### Tax credits whose amount should be added to income

Fed	eral	
Α		
X	Investment tax credit from apprenticeship job creation expenditures	2,000
	Investment tax credit from child care spaces expenditures	
	Canadian film or video production tax credit*	
	* Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Film or video production services tax credit*	
	* Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Investment tax credit claimed on contributions made to SR&ED farming organizations	
	Canadian journalism labour tax credit	
	Return of fuel charge proceeds to farmers tax credit	
	Air quality improvement tax credit*	
	* Please verify if the credit amount relates to depreciable property For more information, consult the Help (F1).	
Onta A	ario	
	Portion of the Ontario research and development tax credit that relates to the prescribed proxy amount (PPA) and portion of the Ontario investment tax credit that relates to contributions made to SR&ED farming organizations	
X	Ontario co-operative education tax credit	3,000
X	Ontario apprenticeship training tax credit	
	Ontario computer animation and special effects tax credit	
	* Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Ontario film and television tax credit*	
	* Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Ontario production services tax credit*	
	* Please verify if the credit amount relates to depreciable property.  For more information, consult the Help (F1).	
	Ontario interactive digital media/tax credit*	
	* Please verify if the credit amount relates to depreciable property.  For more information, consult the Help (F1).	
	Ontario book publishing tax credit	
X	Portion of the Ontario innovation tax credit that relates to the prescribed proxy amount (PPA) and portion of the Ontario investment tax credit that relates to contributions made to SR&ED farming organizations	
	Ontario business-research institute tax credit	
	Ontario community food program donation tax credit for farmers	

Tax credits whose amount should reduce the capital cost of property

Agence du revenu du Canada Schedule 2

#### **Charitable Donations and Gifts**

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2021-12-31

- For use by corporations to claim any of the following:
  - the eligible amount of charitable donations to qualified donees
  - the Ontario, Nova Scotia, and British Columbia food donation tax credits for farmers
  - the eligible amount of gifts of certified cultural property
  - the eligible amount of gifts of certified ecologically sensitive land or
  - the additional deduction for gifts of medicine made before March 22, 2017
- All legislative references are to the federal Income Tax Act, unless stated otherwise.
- The eligible amount of a gift is the amount by which the fair market value of the gifted property exceeds the amount of an advantage, if any, for the gift.
- The donations and gifts can be carried forward for 5 years except for gifts of certified ecologically sensitive land after February 10, 2014, which can be carried forward for 10 years.
- Use this schedule to show a transfer of unused amounts from previous years following an amalgamation or the wind-up of a subsidiary as described under subsections 87(1) and 88(1).
- Subsection 110.1(1.2) provides as follows:
  - Where a particular corporation has undergone an acquisition of control, for tax years that end on or after the acquisition of control, no corporation can claim a deduction for a gift made by the particular corporation to a qualified donee before the acquisition of control.
  - If a particular corporation makes a gift to a qualified donee pursuant to an arrangement under which both the gift and the acquisition of control is
    expected, no corporation can claim a deduction for the gift unless the person acquiring control of the particular corporation is the qualified donee.
- An eligible medical gift made before March 22, 2017, to a qualifying organization for activities outside of canada may be eligible for an additional deduction. Calculate the additional deduction in Part 5.
- File this schedule with your T2 Corporation Income Tax Return.
- For more information, see the T2 Corporation Income Tax Guide.

┌ Part 1 – Charitable donations		
Part 1 - Charitable donations		
Charity/Recipient		Amount (\$100 or more only)
Various donation slips		4,775
		Subtotal 4,775
	Add: Total donations of less than \$	6100 each
	Total donations in currer	t tax year4,775



Part 1 - Charitable donations			
	Federal	Québec	Alberta
Charitable donations at the end of the previous tax year	1A		
Charitable donations expired after five tax years*			
Total charitable donations made in the current year	4,775	4,775	4,775
Subtotal (line 250 <b>plus</b> line 210)	4,775 1B	4,775	4,775
Subtotal (line 240 <b>plus</b> amoun <u>t 1B)</u>	4,775 1C	4,775	4,775
Adjustment for an acquisition of control			
Total charitable donations available (amount 1C minus line 255)	4,775_1D	4,775	4,775
Amount applied in the current year against taxable income (cannot be more than amount 2H in Part 2)	4,775	4,775	4,775
(enter this amount on line 311 of the T2 return)			
Charitable donations closing balance (amount 1D minus line 260)			
The amount of qualifying donations for the Ontario community food program donation tax credit for farmers included in the amount on line 260 (for donations made after December 31, 2013)		$\nearrow$	
Ontario community food program donation tax credit for farmers (amount on line 262 <b>multiplied</b> by 25 %)			
Enter amount 1 on line 420 of Schedule 5, Tax Calculation Supplementary – Corpo is less: the Ontario income tax otherwise payable or amount 1. For more informatio			
The amount of qualifying donations for the Nova Scotia food bank tax credit for farmers included in the amount on line 260 (for donations made after December 31, 2015)			
Nova Scotia food bank tax credit for farmers (amount on line 263 <b>multiplied</b> by 25 %)	2		
Enter amount 2 on line 570 of Schedule 5, Tax Calculation Supplementary Corpo is less: the Nova Scotia income tax otherwise payable or amount 2. For more information of the contract of the c	rations. The maximum you mation, see section 50A of t	can claim in the current yne Nova Scotia Income 1	vear is whichever Fax Act.
The amount of qualifying gifts for the British Columbia farmers' food donation tax credit included in the amount on line 260 (for donations made after February 16, 2016, and before January 1, 2024)			
British Columbia farmers' food donation tax credit (amount on line 265 <b>multiplied</b> by 25 %)	3		
Enter amount 3 on line 683 of Schedule 5, Tax Calculation Supplementary – Corpo is less: the British Columbia income tax otherwise payable or amount 3. For more in	rations. The maximum you of nformation, see section 20.	can claim in the current y I of the British Columbia	vear is whichever Income Tax Act.
* For federal and Alberta tax purposes, donations and gifts expire after five tax year that ended before March 24, 2006, expire after five tax years; otherwise, donation			ade in a tax year

┌ Amounts ca	rried forward – Charitable donati	ons —	<del> </del>		
Year of origin:		Fed	leral	Québec	Alberta
1 <sup>st</sup> prior year		2020-12-31			
2 <sup>nd</sup> prior year		2019-12-31			
3 <sup>rd</sup> prior year		2018-12-31			
4 <sup>th</sup> prior year		2017-12-31			
5 <sup>th</sup> prior year		2016-12-31			
6 <sup>th</sup> prior year*		2015-12-31			
7 <sup>th</sup> prior year		2014-12-31			
8 <sup>th</sup> prior year		2013-12-31			
9 <sup>th</sup> prior year		2012-12-31			
10 <sup>th</sup> prior year		2011-12-31			
11 <sup>th</sup> prior year		2010-12-31			
12 <sup>th</sup> prior year		2009-12-31			
13 <sup>th</sup> prior year					
14 <sup>th</sup> prior year					
15 <sup>th</sup> prior year				$\overline{}$	
16 <sup>th</sup> prior year					
17 <sup>th</sup> prior year					
18 <sup>th</sup> prior year					
19 <sup>th</sup> prior year				7	
20 <sup>th</sup> prior year					
21st prior year*					
Total (to line A)					
donations and	Alberta tax purposes, donations and gifts in gifts made in a tax year that ended before Mor year expire automatically in the current tax	arch 24, 2006, that are included	oire automatically in the I on line 6 <sup>th</sup> prior year a	e current tax year. For Q and donations and gifts	uébec tax purposes, that are included
┌ Part 2 – Max	cimum allowable deduction for ch	naritable donations —			
Net income for ta	x purposes Note 1 multiplied by 75 %				551,148 2A
		Note 2	225		201/110 27
	ains arising in respect of gifts of capital prop ain in respect of a disposition of a non-qualif		225		
under subsection		ying security	227		
	he recapture of capital cost				
	spect of charitable donations	230			
Proceeds of dis outlays and exp		N NOB			
Capital cost Note					
		005			
	C, whichever is less	235			
Amount on line 2	30 or 235, whichever is less	<u> </u>		2D	
		Subtotal ( <b>add</b> lines 225, 227, ar	•	2E	
				ultiplied by 25 %	2F
			Subtotal (amount 2	2A <b>plus</b> amount 2F)	<u>551,148</u> 2G
	able deduction for charitable donations ) from Part 1, amount 2G, or net income for t	ax purposes whichever is the I	east)		<b>4,775</b> 2H
1 *	lit unions, subsection 137(2) states that this		•		
	wing and bonus interest.		•	• •	

Note 2: This amount must be prorated by the following calculation, eligible amount of the gift divided by the proceeds of disposition of the gift.

Double Ciffs of a stiff of a strong town of a				60403 9302 RG0
Part 3 – Gifts of certified cultural property —		Federal	Québec	Alberta
Ciffe of partified cultural premarty at the and of the previous to	W Voor		Quebec	Alberta
Gifts of certified cultural property at the end of the previous ta		3A		
Gifts of certified cultural property expired after five tax years* Gifts of certified cultural property at the beginning	439			
of the current tax year (amount 3A <b>minus</b> line 439)	440			
				-
Gifts of certified cultural property transferred on an amalgama or the wind-up of a subsidiary				
Fotal gifts of certified cultural property in the current year				
include this amount on line 112 of Schedule 1)				
,	450 <b>plus</b> line 410)	3B		
	O <b>plus</b> amount 3B)			
Subtotal (line 44)		50		
Adjustment for an acquisition of control	455			
Amount applied in the current year against taxable income				
(enter this amount on line 313 of the T2 return)				
,		4		
Subtotal (line	455 <b>plus</b> line 460)	3D		
Gifts of certified cultural property closing balance			)) "	
(amount 3C <b>minus</b> amount 3D)	480		<u> </u>	
, , , , , ,		Federal	Québec	Alberta
∕ear of origin: I <sup>st</sup> prior year	2020-12-31	rederal	Quebec	Alberta
l <sup>st</sup> prior year 2 <sup>nd</sup> prior year	2019-12-31			
2 prior year	2019-12-31			
4 <sup>th</sup> prior year	2017-12-31			
5 <sup>th</sup> prior year	2016-12-31			
5 prior year 6 <sup>th</sup> prior year*	2010-12-34			
7 <sup>th</sup> prior year	2013-12-31			
B <sup>th</sup> prior year	2014-12-31	_		
9 <sup>th</sup> prior year	2012-12-31	_		
10 <sup>th</sup> prior year	2011-12-31	_		
In prior year	2010-12-31	_		
10th and an analysis	2009-12-31	_		
13 <sup>th</sup> prior year	2009-12/31	_		
14 <sup>th</sup> prior year		_		
15 <sup>th</sup> prior year		_		
		_		
17 <sup>th</sup> prior year	<u> </u>	_		
18 <sup>th</sup> prior year		_		
		_		
19 <sup>th</sup> prior year		_		
20 <sup>th</sup> prior year		_		
21 <sup>st</sup> prior year*				
Total				

<sup>\*</sup> For federal and Alberta tax purposes, donations and gifts included on line 6<sup>th</sup> prior year expire automatically in the current tax year. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, that are included on line 6<sup>th</sup> prior year and donations and gifts that are included on line 21<sup>st</sup> prior year expire automatically in the current tax year.

- Part 4 - Gifts of certified ecologically sensitive land ————			
• •	Federal	Québec	Alberta
Gifts of certified ecologically sensitive land at the end of the previous tax year	4A		
Gifts of certified ecologically sensitive land expired after 5 tax years, or after 10 tax years for gifts made after February 10, 2014*			
Gifts of certified ecologically sensitive land at the beginning of the current tax year (amount 4A <b>minus</b> line 539)			
Gifts of certified ecologically sensitive land transferred on an amalgamation or the wind-up of a subsidiary			
Total current-year gifts of certified ecologically sensitive land 520			
(include this amount on line 112 of Schedule 1)			
Subtotal (line 550 <b>plus</b> line 520)	4B		
Subtotal (line 540 <b>plus</b> amount 4B)	4C		
Adjustment for an acquisition of control			
Amount applied in the current year against taxable income (enter this amount on line 314 of the T2 return)			
Subtotal (line 555 <b>plus</b> line 560)		<i>*</i>	
Gifts of certified ecologically sensitive land closing balance (amount 4C minus amount 4D)		<u></u>	
* For federal and Alberta tax purposes, donations and gifts made before February 11 expire after ten tax years. For Québec tax purposes, donations and gifts made duri otherwise, donation and gifts expire after twenty tax years.			

## Amounts carried forward - Gifts of certified ecologically sensitive land

Amount of carrie	d forward gifts made on or after February 11, 2014, in the tax year including this date		
Year of origin:	Federal	Québec	Alberta
1st prior year			
2 <sup>nd</sup> prior year	2019-12-31		
3 <sup>rd</sup> prior year			
4 <sup>th</sup> prior year			
5 <sup>th</sup> prior year	2016-12-31		
6 <sup>th</sup> prior year*	2015-12-31		
7 <sup>th</sup> prior year	2014-12-31		
8 <sup>th</sup> prior year	2013-12-31		
9 <sup>th</sup> prior year	<u>2012-17</u> /-31		
10 <sup>th</sup> prior year			
11 <sup>th</sup> prior year*	20,1/0-12-31		
12 <sup>th</sup> prior year	<u>2009-12-31</u>		
13 <sup>th</sup> prior year			
14 <sup>th</sup> prior year			
15 <sup>th</sup> prior year			
16 <sup>th</sup> prior year			
17 <sup>th</sup> prior year	······		
18 <sup>th</sup> prior year			
19 <sup>th</sup> prior year	<u></u>		
20 <sup>th</sup> prior year	<u></u>		
21st prior year*			
Total	<u></u>		

<sup>\*</sup> For federal and Alberta tax purposes, donations and gifts made before February 11, 2014, that are included on line 6th prior year and gifts that are included on line 11th prior year expire automatically in the current year.

The field "Amount of carried forward gifts made on or after February 11, 2014, in the tax year including this date" is used to distinguish the portion of the gifts made in the tax year straddling February 11, 2014, that expires after ten tax years, from the portion that expires in the current tax year.

For Québec tax purposes, donations and gifts made during a tax year that ended before March 24, 2006, that are included on line 6th prior year and gifts that are included on line 21st prior year expire automatically in the current tax year.

Part 5 – Additional deduction for gifts of medicine			
	Federal	Québec	Alberta
Additional deduction for gifts of medicine at the end of the previous tax year .	5A		
Additional deduction for gifts of medicine expired after five tax years* 639			
Additional deduction for gifts of medicine at the beginning of the current tax year (amount 5A <b>minus</b> line 639)			
, ,			
Additional deduction for gifts of medicine made before March 22, 2017 transferred on an amalgamation or the wind-up of a subsidiary			
Additional deduction for gifts of medicine made before March 22, 2017:			
Proceeds of disposition 602			
Cost of gifts of medicine made before March 22, 2017 601			
Subtotal (line 602 <b>minus</b> line 601)	5B		
Amount 5B <b>multiplied</b> by 50 %	5C		
Eligible amount of gifts 600			
Additional	,		
deduction for gifts  of medicine made	<i>-</i>	$\overline{}$	
before March 22,			
a x (b) = 2017 610		)/	
<b>\</b> c	•		
deduction for gifts			
Québec of medicine made before March 22,			
a X / b \ = 2017			
Additional deduction for gifts			
Alberta of medicine made			
before March 22,			
a $\times \left(\frac{b}{a}\right) = 2017$			
where:			
a is the lesser of line 601 and amount 5C			
b is the eligible amount of gifts (line 600)			
c is the proceeds of disposition (line 602)	/		
Subtotal (line 650 <b>plus</b> line 610)	5D		
Subtotal (line 640 plus amount 3D)	5E		
Adjustment for an acquisition of control			
Amount applied in the current year against taxable income			-
(enter this amount on line 315 of the T2 return)			
Subtotal (line 655 <b>plus</b> line 660)	5F		
Additional deduction for gifts of medicine closing balance (amount 5E minus amount 5F)			
* For federal and Alberta tax purposes donations and gifts expire after five tax years ended before March 19, 2007, expire after five tax years; otherwise, donations and	s. For Québec tax purpose	es, donations and gifts rax years.	made in a tax year that

Year of origin:			Federal	Québec	Alberta
1 <sup>st</sup> prior year		2020-12-31			
2 <sup>nd</sup> prior year		2019-12-31			
3 <sup>rd</sup> prior year		2018-12-31			
4 <sup>th</sup> prior year		2017-12-31			
5 <sup>th</sup> prior year		2016-12-31			
6 <sup>th</sup> prior year*		2015-12-31			
7 <sup>th</sup> prior year		2014-12-31			
8 <sup>th</sup> prior year		2013-12-31			
9 <sup>th</sup> prior year		2012-12-31			
10 <sup>th</sup> prior year		2011-12-31			
11 <sup>th</sup> prior year		2010-12-31			
12 <sup>th</sup> prior year		2009-12-31			
13 <sup>th</sup> prior year					
14 <sup>th</sup> prior year					
15 <sup>th</sup> prior year					
16 <sup>th</sup> prior year					
17 <sup>th</sup> prior year				<u> </u>	
18 <sup>th</sup> prior year					
19 <sup>th</sup> prior year				\ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \	
20 <sup>th</sup> prior year				1	
21 <sup>st</sup> prior year*				<i>]</i>	
Total					
donations and line 21 <sup>st</sup> prior y	Alberta tax purposes, donations and gifts in gifts made in a tax year that ended before Near expire automatically in the current tax year.	March 19, 2007, that	rior year expire automati are included on line 6 <sup>th</sup> µ	cally in the current tax year. For prior year and donations and gift	Québec tax purposes, s that are included on
	ifts of musical instruments ——				_
	nstruments at the end of the previous tax ye				A
	musical instruments expired after twenty tax	years ?	/	· · · · · · · · · · · · · · · · · · ·	E
	nstruments at the beginning of the tax year				C
Add:			١		_
	instruments transferred on an amalgamatio	n of the wind-up of a	a subsidiary		
Total current-ye	ar gifts of musical instruments	ý			
				Subtotal (line D <b>plus</b> line E) =	F
Deduct: Adjustm	ent for an acquisition of control	·//			G
-	ical instruments available	/		<u>-</u>	Н
Deduct: Amount	applied against taxable income (enter this	amount on line 255	of form CO 17)		

Gifts of musical instruments closing balance

Amounts ca	rried forward – Gifts of musical instruments ————————————————————————————————————	
Year of origin:		Québec
1 <sup>st</sup> prior year		
2 <sup>nd</sup> prior year	2019-12-31	
B <sup>rd</sup> prior year	2018-12-31	
I <sup>th</sup> prior year	2017-12-31	
5 <sup>th</sup> prior year	2016-12-31	
S <sup>th</sup> prior year*	2015-12-31	
<sup>rth</sup> prior year		
<sup>th</sup> prior year		
9 <sup>th</sup> prior year		
0 <sup>th</sup> prior year		
1 <sup>th</sup> prior year	<u>/</u> 2010-12-31	
2 <sup>th</sup> prior year	2009-12-31	
3 <sup>th</sup> prior year		
4 <sup>th</sup> prior year		
5 <sup>th</sup> prior year		
6 <sup>th</sup> prior year		
7 <sup>th</sup> prior year		
8 <sup>th</sup> prior year		
9 <sup>th</sup> prior year		
20 <sup>th</sup> prior year		
21 <sup>st</sup> prior year*		
Γotal		
These gifts exp	ired in the current year.	
2 SCH 2 E (20)		Canad

Schedule 3

# Dividends Received, Taxable Dividends Paid, and Part IV Tax Calculation

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2021-12-31

- Corporations must use this schedule to report:
  - non-taxable dividends under section 83
  - deductible dividends under subsection 138(6)
  - taxable dividends deductible from income under section 112, subsection 113(2) and paragraphs 113(1)(a), (a.1), (b) or (d)
  - taxable dividends paid in the tax year that qualify for a dividend refund (see page 3)
- All legislative references are to the federal Income Tax Act.
- The calculations in this schedule apply only to private or subject corporations (as defined in subsection 186(3)).
- A payer corporation is connected with a recipient corporation at any time in a tax year, if at that time the recipient corporation meets either of the following conditions:
  - it controls the payer corporation, other than because of a right referred to in paragraph 251(5)(b)
  - it owns more than 10% of the issued share capital (with full voting rights), and shares that have a fair market value of all shares of the payer corporation
- If you need more space, continue on a separate schedule.
- File this schedule with your T2 Corporation Income Tax Return.
- Column A1 Enter "X" if dividends were received from a foreign source.
  - Column F1 Enter the code that applies to the deductible taxable dividend.

#### Part 1 – Dividends received in the tax year -

- Do not include dividends received from foreign non-affiliates.
- Complete columns B, C, D, H, I, I.1 and L only if the payer corporation is connected

#### Important instructions to follow if the payer corporation is connected

- If your corporation's tax year-end is different than that of the **connected** payer corporation, dividends could have been received from more than one tax year of the payer corporation. If so, **use a separate line** to provide the information according to each tax year of the payer corporation.
- When completing columns J, K and L use the special calculations provided in the notes.

	A	ΑÌ	B,	С	D	Е
	Name of payer corporation	•	Enter 1	Business number	Tax year-end of the	Non-taxable
	(from which the corporation received the dividend)		if payer	of connected	payer corporation in	dividends under
		7/	corporation	corporation	which the sections	section 83
			is		112/113 and	
			connected		subsection 138(6)	
		1			dividends in column F	
		/			were paid	
					YYYYMMDD	
	200		205	210	220	230
			2			
1						
		То	tal of colum	<b>n</b> E (enter amount on	line 402 of Schedule 1)	

- Pa	art 1 – Dividends received i	n the tax year (continue	ed) ————				
	F Taxable div deductible fro income unde 112, subsections 11: and paragraphs (a.1),(b), or	om taxable er section 3(2) and 138(6), s 113(1)(a), r (d) <sup>note 1</sup>	F1	G Eligible dividends included in column F	H Total taxable dividends paid by <b>connected</b> payer corporation (for tax year in column D)		
					-		
1							
	Dividend refund of the <b>connected</b> payer corporation (for tax year in column D) <sup>note 2</sup>	I.1 Dividend refund of the connected payer corporation from its eligible refundable dividend tax on hand (ERDTOH) (for tax year in column D) notes 2 and 5	Part IV tax for eligible dividends. Dividends (from column G) multiplied by 38 1/3% <sup>note 3</sup>	Fart IV tax before deductions. Dividends (from column F) multiplied by 38 1/3%note	Part IV tax before deductions on taxable dividends received from connected corporations		
	260		265	275	280		
1							
			Total of column L (ente	er amount on line 2E in Part 2)			
Tax	able dividends received from connec	cted corporations (total amount	ts from column F with code 1 in	column B)	1A		
	able dividends received from non-co		//		1B		
		Subtotal (amount 1A <b>pl</b>	<b>us</b> amount 1B, include this am	·			
Elig	ible dividends received from connec	ted corporations (total amounts	s from column G with code 1 in	column B)	1D		
Elig	ible dividends received from non-cor	nnected corporations (total amo	ounts from column G with code	e 2 in column B)	1E		
(tota	t IV tax before deductions on taxable al amounts from column K with code t IV tax before deductions on taxable	1 in column B)	. 4	1F			
(tota	al amounts from column K with code	•		1G			
	t IV tax on eligible dividends received	Subto d from connected corporations	. •		1H		
	n code 1 in column B)	d from non-connected corporat					
	ith code 2 in column B)		<b>}</b> . √	1J			
			ototal (amount 11 plus amount		1K		
Par	t IV tax before deductions on taxable	dividends (other than eligible	dividends) (amount 1H <b>minus</b>	amount 1K)	1L		
:	1 If taxable dividends are received, enter the amount in column f, but if the corporation is not subject to Part IV tax (such as a public corporation other than a subject corporation as defined in subsection 186(3)), enter of in column K (and column J, if applicable). Life insurers are not subject to Part IV tax on subsection 138(6) dividends.						
1	If the connected payer corporation's to estimate the payer's dividend refu dividend refund from its eligible refut	nd when you calculate the corp	poration's Part IV tax payable. I				
3	For eligible dividends received from	connected corporations, Part I	IV tax on dividends is equal to:	column I divided by column H	H multiplied by column G.		
4	For taxable dividends received from	connected corporations, Part	IV tax on dividends is equal to:	column I <b>divided</b> by column F	H multiplied by column F.		
	For taxable dividends received from and II of the connected payer corpora estimated dividend refund) to the cor	ation (on page 7 of the T2 retur	rn) divided by column H multiple	lied by column F. If there is no	dividend refund (or		

- Part 2 – Calculation of Part IV tax payable —————				
Part IV tax on dividends received before deductions (amount 1H in part 1) .			2A	
Part IV.I tax payable on dividends subject to Part IV tax (from line 360 of Sched	ule 43)	320		
	ount 2A <b>minus</b> line 3		<u> </u>	2E
Current-year non-capital loss claimed to reduce Part IV tax  Non-capital losses from previous years claimed to reduce Part IV tax  Current-year farm loss claimed to reduce Part IV tax		330 335 340 345		
Farm losses from previous years claimed to reduce Part IV tax	_			
Total losses applied against Part IV tax (	total of lines 330 to 3		2C	
Amount 2C multiplied by 38 1 / 3 %				2D
, ,			360	
(enter amount on line 712 of the T2 return)				
If your tax year begins after 2018, complete the following part to determine the refundable dividend tax on hand (ERDTOH) at the end of the tax year.	e required amount o	f Part IV taxes pay	able in order to calcula	ate the eligible
Part IV tax before deductions on taxable dividends received from connected con	rporations (total of co	olumn L in part 1)	· · · · · · · · · · · · · · · · · · ·	
Amount 4A from Schedule 43				2F
Part IV tax payable on taxable dividends received from connected corpora enter "0")	•	inus amount 2F, if	negative	20
(enter at amount L on page 7 of the T2 return)				
If your tax year begins after 2018, complete the following part to determine the	e required amount o	f Part IV taxes paya	able in order to calcula	ate the eligible
refundable dividend tax on hand (ERDTOH) at the end of the tax year.	. ((			-
Part IV tax on eligible dividends received from non-connected corporations (am		)./	· · · · · · · · · · · · · · · · · · ·	2H
Amount 4C from Schedule 43		/	<u> </u>	21
Part IV tax payable on eligible dividends received from non-connected corents "0"	- /   ` `		-	2J
enter "0") (enter at amount M on page 7 of the T2 return)		)	· · · · · · · · · · · · · · · · · · ·	20
(chief at amount in on page 7 of the 12 foldin)				
- Part 3 – Taxable dividends paid in the tax year that qualify	for a dividend i	refund ———		
				da ia aaaaa 4b aa
If your corporation's tax year-end is different than that of the recipient corporation wit one tax year of the recipient corporation. If so, use a separate line to provide the info	n which you are connecting to ea	cted, your corporation ach tax year of the rec	ipient corporation.	ds in more than
L	<i></i> ∕ <sub>M</sub>	N	0	Р
Name of recipient corporation with which you are connected	Business number	Tax year-end of recipient corporation in which the dividends in column O were received YYYYMMDD	Taxable dividends paid to recipient corporations with which you are connected	Eligible dividends included in column O
400	410	420	430	440
	698 6151 RC0001	2021-12-31	513,380	
2				
			513,380	
			(Total of column O) (	Total of column P)

	86463 9562 RC0002
Part 3 – Taxable dividends paid in the tax year that qualify for a dividend refund (continued) ————————————————————————————————————	
Total taxable dividends paid in the tax year to other than connected corporations	29,879
Eligible dividends included in line 450	
Total taxable dividends paid in the tax year that qualify for a dividend refund (total of column O plus line 450)	543,259
Total eligible dividends paid in the tax year (total of column P <b>plus</b> line 455)	
Total non-eligible taxable dividends paid in the tax year (line 460 <b>minus</b> line 465)	543,259
Complete this part to determine the following amounts in order to calculate the dividend refund.	
Line 465 <b>multiplied</b> by 38 1 / 3 %(enter at amount AA on page 7 of the T2 return)	3A
Line 470 <b>multiplied</b> by 38 1 / 3 % (enter at amount DD on page 7 of the T2 return)	208,249 <sub>3B</sub>
┌ Part 4 – Total dividends paid in the tax year ───────────────────────────────	
Complete this part <b>if</b> the total taxable dividends paid in the tax year that qualify for a dividend refund (line 460) is different from the total div in the tax year.	idends paid
Total taxable dividends paid in the tax year for the purposes of a dividend refund (from above)	543,259
Total dividends paid in the tax year	543,259
Dividends paid out of capital dividend account Capital gains dividends  Dividends paid on shares described in subsection 129(1.2)  Taxable dividends paid to a controlling corporation that was bankrupt at any time in the year  Subtotal (total of lines 510 to 540)	4A
Subtotal (total of lifles 510 to 540)	4A
Total taxable dividends paid in the tax year that qualify for a dividend refund (Line 500 minus amount 4A)	543,259 <sub>4B</sub>
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## Tax Calculation Supplementary – Corporations

Schedule 5

Corporation's name	Business Number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2021-12-31

- Use this schedule if any of the following apply to your corporation during the tax year:
  - it had a permanent establishment in more than one jurisdiction (corporations that have no taxable income should only complete columns A, B, and D in Part 1)
  - it is claiming provincial or territorial tax credits or rebates (see Part 2)
  - it has to pay taxes, other than income tax, for Newfoundland and Labrador or Ontario (see Part 2)
- All legislative references are to the federal Income Tax Regulations (the Regulations).
- For more information, see the T2 Corporation Income Tax Guide.
- For the regulation number to be entered in field 100 of Part 1, see the chart below.

– Part 1 – Alloca 100	ation of ta	xable income		Enter the regulation that app	fies (402 to 413)	
Jurisdiction. Tick yes if your corporation had a permanent establishment in the jurisdiction during the tax year Note 1		<b>B</b> Total salaries and wages paid in jurisdiction	<b>C</b> (B x taxable income) / G	Gross revenue attributable to jurisdiction	E (D.x,taxable income) / H	F Allocation of taxable income (C + E) x 1/2 Nobe 2 (where either G or H is nil, do not multiply by 1/2)
Newfoundland and Labrador	003 Yes	103		143	/	
Newfoundland and Labrador Offshore	Yes	104		144		
Prince Edward Island	005 Yes	105		145		
Nova Scotia	007 Yes	107		147		
Nova Scotia Offshore	008 Yes	108	_	148		
New Brunswick	009 Yes	109		149		
Quebec	O11 Yes	111		151		
Ontario	O13 Yes	113		153		
Manitoba	O15 Yes	115		155		
Saskatchewan	017 Yes	117		157		
Alberta	O19 Yes	119		159		
British Columbia	<b>021</b> Yes	121	7	161		
Yukon	<b>023</b> Yes	123	7	163		
Northwest Territories	<b>025</b> Yes	125		165		
Nunavut	<b>026</b> Yes	126		166		
Outside Canada	<b>027</b> Yes	127		167		
Total		129 G		169 H		

Note 1: Permanent establishment is defined in subsection 400(2).

Note 2: For corporations other than those described under section 402, use the appropriate calculation described in the Regulations to allocate taxable income.

#### Notes:

- 1. After determining the allocation of taxable income, you have to calculate the corporation's provincial or territorial tax payable. For more information on how to calculate the tax for each province or territory, see the instructions for Schedule 5 in the T2 Corporation Income Tax Guide.
- 2. If your corporation has provincial or territorial tax payable, complete Part 2.
- If your corporation is a member of a partnership and the partnership had a permanent establishment in a jurisdiction, select the jurisdiction in Column A and include your proportionate share of the partnership's salaries and wages and gross revenue in columns B and D, respectively.

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Total taxable income	Income eligible for small business deduction	Provincial or territorial allocation of taxable income	Provincial or territorial tax payable before credits	-			
Ontario basic incor	ne tax (from Schedule	e 500)		270			
Ontario small busine	ess deduction (from Sc	chedule 500)	Subtotal (line 270			<b>&gt;</b>	5A
	l tax debits (from Scherio research and deve	edule 506) lopment tax credit (fro	•	<b>276</b> 76 <b>plus</b> line 277)		<b></b>	5B
Gross Ontario tax (a	mount 5A <b>plus</b> amour	nt 5B)		,		· · · · · <u> </u>	5C
Ontario tax credit f Ontario foreign tax Ontario credit unio	credit (from Schedule n tax reduction (from sontributions tax credit (	processing (from Sche 21) Schedule 500)			<i>y</i>	<b>.</b>	5D
			Subtotal (amou	nt/5C <b>minus</b> amount 5	5D) (if negative, ente	er "0")	5E
Ontario research and	d development tax cre	dit (from Schedule 508	3)			416	
Ontario corporate in	come tax payable befo	•	.∕ ninimum tax credit a	nd Ontario community			5F
'	nimum tax credit (fron	n Schedule 510) tax credit for farmers	(from Schedule 2)	· · · · · · · · · · · · · · · · · · ·		418 420	
Ontario corporate in	come tax payable (am	ount 5F <b>minus</b> the tota	al of lines 418 and 4	20) (if negative, enter "0	0")		5G
	minimum tax (from Sc	hedule 510)	om Schedule 512)	278 280			
				78 <b>plus</b> line 280)		<b>&gt;</b>	5H
Total Ontario tax pay	able before refundable	e tax credits (amount 5	<b>plus</b> amount 5H)				51
Ontario co-operati	environmental trust tax ve education tax credit eship training tax credit	t (from Schedule 550)		450 452 454			
Ontario computer ontario film and te		effects tax credit (from Schedule 556) .		456 458			
Ontario interactive Ontario book publi	/ / '	it (from Schedule 560) Schedule 564)		466			
Ontario business-r	esearch institute tax c	redit (from Schedule 5 at tax credit (from Sche	68)	470 472		•	5J
		ax credit (amount 5I nd de this amount on line	ninus amount 5J)			290	
┌ Summary ——							
	x payable or refundab	le tax credits for all pro	ovinces and territorie	s on line 255.			
If the amount on line	255 is positive, enter		territorial tax payable	e on line 760 of the T2 e tax credits on line 812	return.	255	

Schedule 8

Canada Revenue Agence du revenu du Canada

## **Capital Cost Allowance (CCA)**

				•		,				
Corpo	oration's	s name						Business num		ax year-end ar Month Day
Ora	ngevill	e Hydro Limited						86463 9562 RC	0002 2	021-12-31
		e information, see the section called broomstion electing under Regulation			ration Income Tax Gu	iide.		3		
	1		2	3	4	5	6	7	8	9
	Class number *	Description	Undepreciated capital cost (UCC) at the beginning of the year	Cost of acquisitions during the year (new property must be available for use)	Cost of acquisitions from column 3 that are accelerated investment incentive properties (AIIP)	Adjustments and transfers  See note 4	Amount from column 5 that is assistance received on receivable during the year for	Amount from column 5 that is repaid during the year for a property, subsequent to its	Proceeds of dispositions  See note 7	UCC (column 2 plus column 3 plus or minus column 5 minus column 8)
	note 1			See note 2	or zero-emission vehicle (ZEV) See note 3		a property, subsequent to its disposition	disposition See note 6		See note 8
	200		201	203	225	205	221	222	207	
1.	1	Buildings	7,669,849						0	7,669,849
2.	8	Equipment	104,559	8,696	8,696				0	113,255
3.	10	Trucks	285,180			<b>&gt;</b>			0	285,180
4.	45	Computer equipment	7						0	7
5.	47	Electric Distribution Equipment	10,259,419	1,842,794	1,842,794				1,839	12,100,374
6.	50	Computer equipment	13,033	29,188	29,188				0	42,221
7.	43.2	Solar Generation	109	7,110	7,110				0	7,219
8.	14.1		107,102		) ·				0	107,102
9.	1b		5,349						0	5,349
10.	1b	2018 Addition	111,982	5,633	5,633				0	117,615
11.	95	CIP	16,472	21,677	21,677				0	38,149
12.	12			22,675	22,675				0	22,675

1,937,773

18,573,061

Totals

1,937,773

20,508,995

1,839

_											
	1		10	11	12	13	14	15	16	17	18
nur	lass mber * See ote 1	Description	Proceeds of disposition available to reduce the UCC of AllP and ZEV (column 8 plus column 6 minus column 9 plus column 4 minus column 7)	Net capital cost additions of AIIP and ZEV acquired during the year (column 4 minus column 10) (if negative, enter "0")	UCC adjustment for AIIP and ZEV acquired during the year (column 11 <b>multiplied</b> by the relevant factor) See note 9	UCC adjustment for property acquired during the year other than AIIP and ZEV (0.5 multiplied by the result of column 3 minus column 4 minus column 6 plus column 7	CCA rate % See note 11	Recapture of CCA See note 12	Terminal loss See note 13	CCA (for declining balance method, the result of column 9 <b>plus</b> column 13, <b>multiplied</b> by column 14 or a lower amount)	UCC at the end of the year (column 9 <b>minus</b> column 17)
2	200		(if negativé, enter "0")			minus column 8) (if negative, enter "0") See note 10	212	213	215	See note 14 <b>217</b>	220
1	1	Buildings					4		0	306,794	7,363,055
2.	8	Equipment		8,696	4,348		20		0	23,521	89,734
	10	Trucks		3,030	.,5.10		30 /	0	0	85,554	199,626
. —	45	Computer equipment					45	0	0	3	4
	47	Electric Distribution Equipmen	1,839	1,840,955	920,478	٨	8	0	0	1,041,668	11,058,706
3. !	50	Computer equipment	·	29,188	14,594		55	0	0	31,248	10,973
7. 4	3.2	Solar Generation		7,110	7,110		50,	0	0	7,165	54
3. <u>1</u>	4.1						5/)	0	0	7,476	99,626
9:	1b						6	0	0	321	5,028
)	1b	2018 Addition		5,633	2,817		6	0	0	7,226	110,389
19	95	CIP		21,677	10,839		0	0	0		38,149
2	12			22,675			100	0	0	22,675	
		Totals	1,839	1,935,934	960,186					1,533,651	18,975,344

Enter the total of column 15 on line 107 of Schedule 1. Enter the total of column 16 on line 404 of Schedule 1. Enter the total of column 17 on line 403 of Schedule 1.

- Note 1. If a class number has not been provided in Schedule II of the Income Tax Regulations for a particular class of property, use the subsection provided in Regulation 1101. Class numbers followed by a letter indicate the basic rate of the class taking into account the additional deduction allowed. Class 1a: 4% + 6% = 10% (class 1 to 10%), class 1b: 4% + 2% = 6% (class 1 to 6%).
- Note 2. Include any property acquired in previous years that has now become available for use, net of any government assistance received or entitled to be received in the year from a government, municipality or other public authority, or a reduction of capital cost after the application of section 80. This property would have been previously excluded from column 3. List separately any acquisitions of property in the class that are not subject to the 50% rule.

  See Income Tax Folio S3-F4-C1, General Discussion of Capital Cost Allowance, for exceptions to the 50% rule.
- Note 3. An AIIP is a property (other than ZEV) that you acquired after November 20, 2018 and became available for use before 2028. ZEV is, subject to certain exceptions, a motor vehicle included in Class 54 or 55 that you acquired after March 18, 2019 and became available for use before 2028. The Government proposes to create Class 56 for zero-emission automotive equipment and vehicles that currently do not benefit from the accelerated rate provided by Classes 54 and 55. Class 56 would apply to eligible zero-emission automotive equipment and vehicles that are acquired after March 1, 2020, and became available for use before 2028. Columns 4, 10, 11 and 12 also apply for additions of class 56 property. See the T2 Corporation Income Tax Guide for more information.
- Note 4. Enter in column 5, "Adjustments and transfers", amounts that increase or reduce the UCC (column 9). Items that increase the UCC include amounts transferred under section 85, or transferred on amalgamation or winding-up of a subsidiary. Items that reduce the UCC (show amounts that reduce the UCC in brackets) include assistance received or receivable during the year for a property, subsequent to its disposition, if such assistance would have decreased the capital cost of the property by virtue of paragraph 13(7.1)(f). See the T2 Corporation Income Tax Guide for other examples of adjustments and transfers to include in column 5.

  Also include property acquired in a non-arm's length transaction (other than by virtue of a right referred to in paragraph 251(5)(b) of the Act) if the property was a depreciable property acquired by the transferor at least 364 days before the end of your tax year and continuously owned by the transferor until it was acquired by you.
- Note 5. Include all amounts of assistance you received (or were entitled to receive) after the disposition of a depreciable property that would have decreased the capital cost of the property by virtue of paragraph 13(7.1)(f) if received before the disposition.
- Note 6. Include all amounts you have repaid during the year with respect to any legally required repayment, made after the disposition of a corresponding property of:
  - assistance that would have otherwise increased the capital cost of the property under paragraph 13(7.1)(d) and
  - an inducement, assistance or any other amount contemplated in paragraph 12(1)(x) received, that otherwise would have increased the capital cost on the property under paragraph 13(7.4)(b)

Include the UCC of each property of a prescribed class acquired in the course of a corporate reorganization described under paragraph 55(3)(b) of the Act (also known as "butterfly reorganization") or include property acquired in a non-arm's length transaction (other than by virtue of a right referred to in paragraph 251(5)(b) of the Act) if the property was a depreciable property acquired by the transferor until it was acquired by you.

- Note 7. For each property disposed of during the year, deduct from the proceeds of disposition any outlays and expenses to the extent that they were made of incutred for the purpose of making the disposition(s). The amount reported in respect of the property cannot exceed the property's capital cost, unless that property is a timber resource property as defined in subsection 13(21). The proceeds of disposition of a ZEV that has been included in Class 54 and that is subject to the \$55,000 (plus sales taxes) appliances timit will be adjusted based on a factor equal to the capital cost limit of \$55,000 (plus sales taxes) as a proportion of the actual cost of the vehicle.
- Note 8. If the amount in column 5 reduces the undepreciated capital cost (i.e. it is shown in brackets), you must subtract it for the purposes of the calculation. Otherwise, add the amount in column 5 for the purposes of the calculation.
- Note 9. The relevant factors for property of a class in Schedule II. that is AIIP or included in Classes 54 to 56, available for use before 2024 are
  - 2 1/3 for property in Classes 43.1, 54 and 56
  - 1 1/2 for property in Class 55
  - 1 for property in Classes 43.2 and 53
  - 0 for property in Classes 12, 13, 14, and 15, as well as properties that are Canadian vessels included in paragraph \$\$00(1)(v) of the Regulations (see note 14 for additional information) and
  - \_ 0.5 for all other property that is AIIP
- Note 10. The UCC adjustment for property acquired during the year other than AIIP and ZEV (formerly known as the half-year rule or 50% rule) does not apply to certain property (including AIIP). For special rules and exceptions, see Income Tax Folio S3-F4-C1, General Discussion of Capital Cost Allowance.
- Note 11. Enter a rate only if you are using the declining balance method. For any other method (for example the straight-line method, where calculations are always based on the cost of acquisitions), enter N/A. Then enter the amount you are claiming in column 17.
- Note 12. If the amount in column 9 is negative, you have a recapture of CCA. If applicable, enter the negative amount from column 9 in column 15 as a positive. The recapture rules do not apply to passenger vehicles in Class 10.1.
- Note 13. If no property is left in the class at the end of the tax year and there is still a positive amount in the column 9, you have a terminal loss. If applicable, enter the positive amount from column 9 in column 16. The terminal loss rules do not apply to:
  - passenger vehicles in Class 10.1
  - property in Class 14.1, unless you have ceased carrying on the business to which it relates or
  - limited-period franchises, concessions, or licences in Class 14 it, at the time of acquisition, the property was a former property of the transferor or any similar property attributable to the same fixed place of business, and you had jointly elected with the transferor to have the replacement property rules apply, unless certain conditions are met
- Note 14. If the tax year is shorter than 365 days, prorate the CCA claim. Some classes of property do not have to be prorated. See the T2 Corporation Income Tax Guide for more information. For property in class 10.1 disposed of during the year, deduct a maximum of 50% of the regular CCA deduction if you owned the property at the beginning of the tax year. For AllP listed below, the maximum first year allowance you can claim is determined as follows:
  - Class 13: the lesser of 150% of the amount calculated in Schedule III of the Regulations and the UCC at the end of the tax year (before any CCA deduction)
  - Class 14: the lesser of 150% of the allocation for the year of the capital cost of the property apportioned over the remaining life of the property (at the time the cost was incurred) and the UCC at the end of the tax year (before any CCA deduction)
  - Class 15: the lesser of 150% of an amount computed on the basis of a rate per cord, board foot or cubic metre cut in the tax year and the UCC at the end of the tax year (before any CCA deduction)
  - Canadian vessels described under paragraph 1100(1)(v) of the Regulations: the lesser of 50% of the capital cost of the property and the UCC at the end of the tax year (before any CCA deduction)
  - Class 41.2: use a 25% CCA rate. The additional allowance under paragraph 1100(1)(y.2) (for single mine properties) and 1100(1)(ya.2) (for multiple mine properties) of the Regulations is not eligible for the accelerated investment incentive. The additional allowance in respect of natural gas liquefaction under paragraph 1100(1)(yb) of the Regulations is eligible for the accelerated investment incentive.

The AIIP also apply to property (other than a timber resource property) that is a timber limit or a right to cut timber from a limit as well as to industrial mineral mine or a right to remove minerals from an industrial mineral mine. See the Income Tax Regulations for more detail.

T2 SCH 8 (20)

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**SCHEDULE 9** 

#### **RELATED AND ASSOCIATED CORPORATIONS**

Name of corporation	Business Number	Tax year end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2021-12-31

- Complete this schedule if the corporation is related to or associated with at least one other corporation.
- For more information, see the T2 Corporation Income Tax Guide.

	Name	Country of resi- dence (other than Canada)	Business number (see note 1)	Rela- tion- ship code (see note 2)	Number of common shares you own	% of common shares you own	Number of preferred shares you own	% of preferred shares you own	Book value of capital stock
	100	200	300	400	500	550	600	650	700
1.	Corporation of the Town of Orange		10698 6151 RC0001	1					
2.	Corporation of the Township of Eas		NR	1	·		)		
3.	Orangeville Hydro Services Inc.		89454 8015 RC0001	3		~\/			
4.	Orangville Railway Development Cc		86433 3166 RC0001	3			<u> </u>		

Note 1: Enter "NR" if the corporation is not registered or does not have a business number.

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

T2 SCH 9 (11)



## **Continuity of financial statement reserves (not deductible)**

	—— Financial sta	tement reserves (	(not deductible) —		
Description	Balance at the beginning of the year	Transfer on an amalgamation or the wind-up of a subsidiary	Add	Deduct	Balance at the end of the year
1 Allowance for doubtful accts	46,000		46,000	46,000	46,000
2 Employee Future Benefits	346,292		418,481	346,292	418,481
3					
Reserves from Part 2 of Schedule 13			1		
Totals	392,292		464,481	392,292	464,481

The total opening balance plus the total transfers should be entered on line 414 of Schedule 1 as a deduction. The total closing balance should be entered on line 126 of Schedule 1 as an addition.

# Agreement Among Associated Canadian-Controlled Private Corporations to Allocate the Business Limit

- For use by a Canadian-controlled private corporation (CCPC) to identify all associated corporations and to assign a percentage for each associated corporation. This percentage will be used to allocate the business limit for the small business deduction. Information from this schedule will also be used to determine the date the balance of tax is due and to calculate the reduction to the business limit.
- An associated CCPC that has more than one tax year ending in a calendar year must file an agreement for each tax year ending in that calendar year.
- Column 1: Enter the legal name of each of the corporations in the associated group, including those deemed to be associated under subsection 256(2) of the Income Tax Act.
- Column 2: Provide the business number for each corporation (if a corporation is not registered, enter "NR").
- **Column 3:** Enter the association code from the list below that applies to each corporation:
  - 1 Associated for purposes of allocating the business limit (unless association code 5 applies)
  - 2 CCPC that is a **third corporation** as referred to in subsection 256(2) and has filed Schedule 28, Election not to be Associated Through a Third Corporation
  - 3 Non-CCPC that is a third corporation
  - 4 Associated non-CCPC
  - 5 Associated CCPC to which association code 1 does not apply because a third corporation has filed Schedule 28
- **Column 4:** Enter the business limit for the year of each corporation in the associated group. Enter "0" if the corporation has association code 2, 3 or 4 in column 3 (except if the corporation is a cooperative or a credit union eligible for the SBD and it has association code 4).
- Column 5: Assign a percentage to allocate the business limit to each corporation that has association code 1 in column 3. The total of all percentages in column 5 cannot exceed 100%.
- **Column 6:** Enter the business limit allocated to each corporation by multiplying the amount in column by the percentage in column 5. Add all business limits allocated in column 6 and enter the total at line A.

Ensure that the total at line A does not exceed \$500,000.

A II.	acting the business limit	\		//		
	ocating the business limit				025	Year Month Day
Date	filed (do not use this area)				. 025	Year
Enter	the calendar year the agreement applies to				. 050	2021
	an amended agreement for the above calendar year the reement previously filed by any of the associated corpor				. 075	Yes X No
	Name of associated corporations	Business number of associated corporations	3 Asso- ciation code	4 Business limit for the year before the allocation \$	5 Percentage of the business limit % 350	6 Business limit allocated* \$
1	Orangeville Hydro Limited	86463 9562 RC0002	1	500,000	100.0000	500,000
2	Corporation of the Town of Orangeville	10698 6151 RC0001	1	500,000		
3	Corporation of the Township of East Luther Gran	NR	1	500,000		
4	Orangeville Hydro Services Inc.	89454 8015 RC0001	1	500,000		
5	Orangville Railway Development Corporation	86433 3166 RC0001	1	500,000		
				Total	100.0000	500,000 A

#### Business limit reduction under subsection 125(5.1) of the Act

The business limit reduction is calculated in the small business deduction area of the T2 return. One of the factors used in this calculation is the "large corporation amount" at line 415 of the T2 return. The amount at line 415 is determined using the formula 0.225% x (C - \$10,000,000). Another factor is the "adjusted aggregate investment income" from lines 744 and 745 of Schedule 7, Aggregate Investment Income and Income Eligible for the Small Business Deduction. Details of these formulas and variable C are in subsection 125(5.1) of the Act.

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

#### Special rules for business limit

Special rules apply under subsection 125(5) if a CCPC has more than one tax year ending in the same calendar year and it is associated in more than one of those tax years with another CCPC that has a tax year ending in that calendar year. The business limit for the second or later tax year will be equal to the lesser of: the business limit determined for the first tax year ending in the calendar year or the business limit determined for the second or later tax year ending in the same calendar year.

T2 SCH 23 E (19)





Schedule 33

## Taxable Capital Employed in Canada – Large Corporations

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2021-12-31

- Use this schedule in determining if the total taxable capital employed in Canada of the corporation (other than a financial institution or an insurance corporation) and its related corporations is greater than \$10,000,000.
- If the total taxable capital employed in Canada of the corporation and its related corporations is greater than \$10,000,000, file a completed Schedule 33 with your T2 Corporation Income Tax Return no later than six months from the end of the tax year.
- Unless otherwise noted, all legislative references are to the Income Tax Act and the Income Tax Regulations.
- Subsection 181(1) defines the terms financial institution, long-term debt, and reserves
- Subsection 181(3) provides the basis to determine the carrying value of a corporation's assets or any other amount under Part I.3 for its capital, investment allowance, taxable capital, or taxable capital employed in Canada, or for a partnership in which it has an interest.
- If the corporation was a non-resident of Canada throughout the year and carried on a business through a permanent establishment in Canada, go to Part 4,
   Taxable capital employed in Canada.

Part 1 – Capital
Add the following year-end amounts:
Reserves that have not been deducted in calculating income for the year under Part I 464,481
Capital stock (or members' contributions if incorporated without share capital)
Retained earnings 4,055,694
Contributed surplus
Any other surpluses
Deferred unrealized foreign exchange gains
All loans and advances to the corporation
All indebtedness of the corporation represented by bonds, debentures, notes mortgages, hypothecary claims, bankers' acceptances, or similar obligations
Any dividends declared but not paid by the corporation before the end of the year 110
All other indebtedness of the corporation (other than any indebtedness for a lease) that has been outstanding for more than 365 days before the end of the year
The total of all amounts, each of which is the amount, if any, in respect of a partnership in which the corporation held a membership interest at the end of the year, either directly or indirectly through another partnership (see note below)
Subtotal ( <b>add</b> lines 101 to 112) 26,616,711 \ \ 26,616,711 \ A

#### Note:

Line 112 is determined by the formula (A – B) x C/D (as per paragraph 181.2(3)(g)) where:

- A is the total of all amounts that would be determined for lines 101, 107, 108, 109, and 111 in respect of the partnership for its last fiscal period that ends at or before the end of the year if
  - a) those lines applied to partnerships in the same manner that they apply to corporations, and
  - b) those amounts were computed without reference to amounts owing by the partnership
    - (i) to any corporation that held a membership interest in the partnership either directly or indirectly through another partnership, or
    - (ii) to any partnership in which a corporation described in subparagraph (i) held a membership interest either directly or indirectly through another partnership.
- B is the partnership's deferred unrealized foreign exchange losses at the end of the period,
- C is the share of the partnership's income or loss for the period to which the corporation is entitled either directly or indirectly through another partnership, and
- D is the partnership's income or loss for the period.

Deduct the following amounts:  Deferred tax debit balance at the end of the year  Any deficit deducted in calculating its shareholders' equity (including, for this purpose, the amount of any provision for the redemption of preferred shares) at the end of the year  Any deficit deducted in calculating its shareholders' equity (including, for this purpose, the amount of any provision for the redemption of preferred shares) at the end of the year  To the extent that the amount may reasonably be regarded as being included in may of lines 101 to 112 above for the year, any amount deducted under subsection 135(1) in calculating income under Part I for the year.  Deferred unrealized foreign exchange losses at the end of the year  Subtotal (add lines 121 to 124)  Part 2 – Investment allowance  Add the carrying value at the end of the year of the following assets of the corporation:  A share of another corporation (other than a financial institution)  A loan or advance to another corporation (other than a financial institution)  A loan or advance to another corporation (other than a financial institution)  A down, debenfure, note, mortgage, hypothecary claim, or similar obligation of another corporation  A loan or advance to, another corporation (other than a financial institution)  A dividend payable on a share of the capital stock of another corporation  A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim, or similar obligation of a portnership each member of which was, throughout the year, another corporation (other than a financial institution)  A corporation as a state of the capital stock of another corporation (other than a financial institution)  A corporation as a corporation that year carried on towns of a corporation that is exampted to the was, throughout the year, another corporation (other than a financial institution)  A corporation as an interest in a partnership lead of the part (otherwise than a nem-resident corporation (other than a financial institution)  An interest in a par	Part 1 – Capital (continued)		
Deferred tax debit balance at the end of the year Any deficit deducted in calculating the retemption of preferred shares) at the end of the year To the extent that the amount may reasonably be regarded as being included in any of lines 101 to 112 above for the year, any amount deducted under subsection 135(1) in calculating income under Part I for the year.  Deferred unrealized foreign exchange losses at the end of the year  Subtolal (add lines 121 to 124)  Part 2 – Investment allowance  Add the carrying value at the end of the year of the following assets of the corporation: A share of another corporation (other than a financial institution)  A loan or advance to another corporation (other than a financial institution)  A lond, debenture, onte, mortgage, hypothecary claim, or similar obligation of another corporation (other than a financial institution)  A dividend payable on a share of the capital slock of another corporation  A dividend payable on a share of the capital slock of another corporation (other than a financial institution)  A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim or similar obligation of, a partnership each member of which was, throughout the year, another corporation (other than a financial institution)  A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim or similar obligation of, a partnership each member of which was, throughout the year, another corporation (other than a financial institution) that was not exempt from tax under this partnership (see note 2 below)  Investment allowance for the year (add lines 401 to 407)  Notes:  1. Lines 401 to 405 should not include the carrying value of a share of precapital stock of, a dividend payable by, or indebtedness of a corporation that is exempt from tax under this partnership lese note a partnership held either directly or budirectly through another partnership, refer to subsection 181.2(6) for additional rules regarding the carrying value of an interest in a partnership or partnershi		Subtotal A (from page 1)	26,616,711 A
Any deficit deducted in calculating its shareholders' equity (including, for this purpose, the amount of any provision for the redemption of preferred shares) at the end of the year	Deduct the following amounts:		
amount of any provision for the redemption of preferred shares) at the end of the year  10 the extent that the amount may reasonably be regarded as being included in any of lines  101 to 112 above for the year, any amount deducted under subsection 135(1) in calculating income under Part I for the year.  Deferred unrealized foreign exchange losses at the end of the year  Subtotal (add lines 121 to 124)  Part 2 – Investment allowance  Add the carrying value at the end of the year of the following assets of the corporation:  A share of another corporation  A loan or advance to another corporation (other than a financial institution)  402  A down debenture, note, mortgage, hypothecary claim, or similar obligation of another corporation (other than a financial institution)  403  135,504  A dividend payable on a share of the capital stock of another corporation  A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim, or similar obligation of a partnership each member of which was, throughout the year, another corporation (other than a financial institution)  A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim or similar, obligation of a partnership expending the member of which was, throughout the year, another corporation (other than a financial institution)  405  A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim or similar, obligation of a partnership expending the carrying value of a share of the capital stock of, a dividend payable by, or indebtedness of a corporation tax under this Part (otherwise than because of paragraph 181.1(3)(d)), or another partnership desgribed in paragraph 181.2(4)(d.1)  An interest in a partnership (see note 2 below)  Investment allowance for the year (add lines 401 to 407)  Notes:  1. Lines 401 to 405 should not include the carrying value of a share of phecapital stock of, a dividend payable by, or indebtedness of a corporation that is exempt from tax under Part I.3 (other than a non-resident corporation that	Deferred tax debit balance at the end of the year		
101 to 112 above for the year, any amount deducted under subsection 135(1) in calculating income under Part I for the year.  Deferred unrealized foreign exchange losses at the end of the year  Subtotal (add lines 121 to 124)  Part 2 – Investment allowance  Add the carrying value at the end of the year of the following assets of the corporation:  A share of another corporation (other than a financial institution)  A bond, debenture, note, mortgage, hypothecary claim, or similar obligation of another corporation (other than a financial institution)  A loan or advance to another corporation (other than a financial institution)  A dividend payable on a share of the capital stock of another corporation  A load or advance to, or a bond, debenture, note, mortgage, hypothecary claim or similar obligation of another to a financial institution another corporation  A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim or similar obligation of a partnership expert in the member of which was, throughout the year, another corporation (other than a financial finitition) that was not exempt from tax under this Part (otherwise than because of paragraph 181.1(3)(d)), or another partnership described in paragraph 181.2(4)(d.1)  An interest in a partnership (see note 2 below)  Investment allowance for the year (add lines 401 to 407)  Notes:  1. Lines 401 to 405 should not include the carrying value of a share of the year directly or indirectly through another partnership, refer to subsection 181.2(5) for additional rules regarding the carrying value of an interest in a partnership held either directly or indirectly through another partnership, refer to subsection 181.2(6) for special rules that may apply.  Part 3 — Taxable capital  Capital for the year (line 190)  26,616,711 C  Deduct: Investment allowance for the year (line 490)			
Subtotal (add lines 121 to 124)  Part 2 - Investment allowance  Add the carrying value at the end of the year of the following assets of the corporation:  A share of another corporation (ofter than a financial institution)  A bond, debenture, note, mortgage, hypothecary claim, or similar obligation of another corporation (ofter than a financial institution)  A cloan or advance to another corporation (ofter than a financial institution)  A bond, debenture, note, mortgage, hypothecary claim, or similar obligation of another corporation (other than a financial institution)  A dividend payable on a share of the capital stock of another corporation  A cloan or advance to, or a bond, debenture, note, mortgage, hypothecary claim or similar obligation of a pertnership each member of which was, throughout the year, another corporation (other than a financial firstitution)  A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim or similar obligation of a pertnership each member of which was, throughout the year, another corporation (other than a financial firstitution) hat was not exempt from tax under this Part (otherwise than because of paragraph 181.1(3)(d)), or another partnership described in paragraph 181.2(4)(d.1)  An interest in a partnership (see note 2 below)  Investment allowance for the year (add lines 401 to 407)  100 135,504  Notes:  1. Lines 401 to 405 should not include the carrying value of a share of the capital stock of, a dividend payable by, or indebledness of a corporation that is exempt from tax under Part 1.3 (other than a non-resident corporation that at no thye in the year carried on business in Canada through a permanent establishment).  2. Where the corporation has an interest in a partnership held eigher directly or indirectly through another partnership, refer to subsection 181.2(5) for additional rules regarding the carrying value of an interest in a partnership held eigher directly or indirectly through another partnership, refer to subsection 181.2(6) for special ru	101 to 112 above for the year, any amount deducted under subsection 135(1) in calculating		
Capital for the year (amount A minus amount B) (if negative, enter "0")  Part 2 - Investment allowance  Add the carrying value at the end of the year of the following assets of the corporation:  A share of another corporation (other than a financial institution)  A loan or advance to another corporation (other than a financial institution)  A bond, debenture, note, mortgage, hypothecary claim, or similar obligation of another corporation (other than a financial institution)  A dividend payable on a share of the capital stock of another corporation  A dividend payable on a share of the capital stock of another corporation (but than a financial institution)  A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim or similar obligation of a partnership each member of which was, throughout the year, another corporation (other than a financial institution)  A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim or similar obligation of a partnership each member of which was, throughout the year, another corporation (other than a financial institution) that was not exempt from tax under this Part (otherwise than because of paragraph 181.1(3)(d)), or another partnership described in paragraph 181.2(4)(d.1)  An interest in a partnership (see note 2 below)  Investment allowance for the year (add lines 401 to 407)  Notes:  1. Lines 401 to 405 should not include the carrying value of a share of the capital stock, of, a dividend payable by, or indebtedness of a corporation that is exempt from tax under Part I.3 (other than a non-resident corporation that at no time in the year carried on business in Canada through a permanent establishment).  2. Where the corporation has an interest in a partnership held either directly or indirectly through another partnership, refer to subsection 181.2(5) for additional rules regarding the carrying value of an interest in a partnership.  3. Where a trust is used as a condult for loaning money fropy a corporation, to the borrowing corporation.	Deferred unrealized foreign exchange losses at the end of the year		
Part 2 – Investment allowance  Add the carrying value at the end of the year of the following assets of the corporation:  A share of another corporation  A loan or advance to another corporation (other than a financial institution)  A bond, debenture, note, mortgage, hypothecary claim, or similar obligation of another corporation  (other than a financial institution)  A dividend payable on a share of the capital stock of another corporation  A dividend payable on a share of the capital stock of another corporation  A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim or similar obligation of, a partnership each member of which was, throughout the year, another corporation (other than a financial institution) hat was not exempt from tax under this Part (otherwise than because of paragraph 181.1(3)(d)), or another partnership described in paragraph 181.2(4)(d.1)  An interest in a partnership (see note 2 below)  Investment allowance for the year (add lines 401 to 407)  Notes:  1. Lines 401 to 405 should not include the carrying value of a share of the capital stock of, a dividend payable by, or indebtedness of a corporation that is exempt from tax under Part I.3 (other than a non-resident corporation that at no lings in the year carried on business in Canada through a permanent establishment).  2. Where the corporation has an interest in a partnership held either directly or indirectly through another partnership, refer to subsection 181.2(5) for additional rules regarding the carrying value of an interest in a partnership.  3. Where a trust is used as a conduit for loaning money from a corporation to the borrowing corporation (other than a financial institution), the loan will be considered to have been made directly from the lending corporation to the borrowing corporation. Refer to subsection 181.2(6) for special rules that may apply.  Part 3 – Taxable capital  Capital for the year (line 190)  26,616,711 C  Deduct: Investment allowance for the year (line 490)	Subtotal (add lines 121 to 124)	<b>&gt;</b>	В
Add the carrying value at the end of the year of the following assets of the corporation:  A share of another corporation  A loan or advance to another corporation (other than a financial institution)  A bond, debenture, note, mortgage, hypothecary claim, or similar obligation of another corporation (other than a financial institution)  Long-term debt of a financial institution  A dividend payable on a share of the capital stock of another corporation  A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim or similar obligation of, a partnership each member of which was, throughout the year, another corporation (other than a financial institution) hat was not exempt from tax under this Part (otherwise than because of paragraph 181.1(3)(d)), or another partifership described in paragraph 181.2(4)(d.1)  An interest in a partnership (see note 2 below)  Investment allowance for the year (add lines 401 to 407)  Notes:  1. Lines 401 to 405 should not include the carrying value of a share of the capital stock of, a dividend payable by, or indebtedness of a corporation that is exempt from tax under Part I.3 (other than a non-resident corporation that at no time in the year carried on business in Canada through a permanent establishment).  2. Where the corporation has an interest in a partnership held either directly or indirectly through another partnership, refer to subsection 181.2(5) for additional rules regarding the carrying value of an interest in a partnership.  3. Where a trust is used as a conduit for loaning money from a corporation to the borrowing corporation. Refer to subsection 181.2(6) for special rules that may apply.  Part 3 – Taxable capital  Capital for the year (line 190)  26,616,711 C  Deduct: Investment allowance for the year (line 490)	Capital for the year (amount A minus amount B) (if negative, enter "0")	190	26,616,711
Add the carrying value at the end of the year of the following assets of the corporation:  A share of another corporation  A loan or advance to another corporation (other than a financial institution)  A bond, debenture, note, mortgage, hypothecary claim, or similar obligation of another corporation (other than a financial institution)  Long-term debt of a financial institution  A dividend payable on a share of the capital stock of another corporation  A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim or similar obligation of, a partnership each member of which was, throughout the year, another corporation (other than a financial institution) hat was not exempt from tax under this Part (otherwise than because of paragraph 181.1(3)(d)), or another partifership described in paragraph 181.2(4)(d.1)  An interest in a partnership (see note 2 below)  Investment allowance for the year (add lines 401 to 407)  Notes:  1. Lines 401 to 405 should not include the carrying value of a share of the capital stock of, a dividend payable by, or indebtedness of a corporation that is exempt from tax under Part I.3 (other than a non-resident corporation that at no time in the year carried on business in Canada through a permanent establishment).  2. Where the corporation has an interest in a partnership held either directly or indirectly through another partnership, refer to subsection 181.2(5) for additional rules regarding the carrying value of an interest in a partnership.  3. Where a trust is used as a conduit for loaning money from a corporation to the borrowing corporation. Refer to subsection 181.2(6) for special rules that may apply.  Part 3 – Taxable capital  Capital for the year (line 190)  26,616,711 C  Deduct: Investment allowance for the year (line 490)	Part 2 – Investment allowance	$\triangle$	
A share of another corporation  A loan or advance to another corporation (other than a financial institution)  A bond, debenture, note, mortgage, hypothecary claim, or similar obligation of another corporation (other than a financial institution)  A dought of a financial institution  A dividend payable on a share of the capital stock of another corporation  A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim or similar obligation of, a partnership each member of which was, throughout the year, another corporation (other than a financial institution) that was not exempt from tax under this Part (otherwise than because of paragraph 181.1(3)(d)), or another partnership described in paragraph 181.2(4)(d.1)  An interest in a partnership (see note 2 below)  Investment allowance for the year (add lines 401 to 407)  Notes:  1. Lines 401 to 405 should not include the carrying value of a share of the capital stock of, a dividend payable by, or indebtedness of a corporation that is exempt from tax under Part I.3 (other than a non-resident corporation that at no time in the year carried on business in Canada through a permanent establishment).  2. Where the corporation has an interest in a partnership held either directly or indirectly through another partnership, refer to subsection 181.2(5) for additional rules regarding the carrying value of an interest in a partnership.  3. Where a trust is used as a conduit for loaning money from a corporation to the borrowing corporation. Refer to subsection 181.2(6) for special rules that may apply.  Part 3 – Taxable capital  Capital for the year (line 190)  26,616,711 C  Deduct: Investment allowance for the year (line 480)  135,504  Deduct: Investment allowance for the year (line 480)			
A loan or advance to another corporation (other than a financial institution)  A bond, debenture, note, mortgage, hypothecary claim, or similar obligation of another corporation (other than a financial institution)  Long-term debt of a financial institution  A dividend payable on a share of the capital stock of another corporation  A dividend payable on a share of the capital stock of another corporation  A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim or similar obligation of, a partnership each member of which was, throughout the year, another corporation (other than a financial institution) that was not exempt from tax under this Part (otherwise than because of paragraph 181.1(3)(d)), or another partnership described in paragraph 181.2(4)(d.1)  An interest in a partnership (see note 2 below)  Investment allowance for the year (add lines 401 to 407)  Notes:  1. Lines 401 to 405 should not include the carrying value of a share of the papital stock of, a dividend payable by, or indebtedness of a corporation that is exempt from tax under Part I.3 (other than a non-resident corporation that at no time in the year carried on business in Canada through a permanent establishment).  2. Where the corporation has an interest in a partnership held either directly or indirectly through another partnership, refer to subsection 181.2(5) for additional rules regarding the carrying value of an interest in a partnership.  3. Where a trust is used as a conduit for loaning money from a corporation to the borrowing corporation. Refer to subsection 181.2(6) for special rules that may apply.  Part 3 – Taxable capital  Capital for the year (line 190)  26,616,711 C  Deduct: Investment allowance for the year (line 490)	, , , , , , , , , , , , , , , , , , , ,	404	
A bond, debenture, note, mortgage, hypothecary claim, or similar obligation of another corporation (other than a financial institution)  Long-term debt of a financial institution  A dividend payable on a share of the capital stock of another corporation  A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim or similar obligation of, a partnership each member of which was, throughout the year, another corporation (other than a financial institution) that was not exempt from tax under this Part (otherwise than because of paragraph 181.1(3)(d)), or another partnership described in paragraph 181.2(4)(d.1)  An interest in a partnership (see note 2 below)  Investment allowance for the year (add lines 401 to 407)  Notes:  1. Lines 401 to 405 should not include the carrying value of a share of the capital stock of, a dividend payable by, or indebtedness of a corporation that is exempt from tax under Part I.3 (other than a non-resident corporation that at no time in the year carried on business in Canada through a permanent establishment).  2. Where the corporation has an interest in a partnership held either directly or indirectly through another partnership, refer to subsection 181.2(5) for additional rules regarding the carrying value of an interest in a partnership on another related corporation (other than a financial institution), the loan will be considered to have been made directly from the lending corporation to the borrowing corporation. Refer to subsection 181.2(6) for special rules that may apply.  Part 3 – Taxable capital  Capital for the year (line 190)  26,616,711 C  Deduct: Investment allowance for the year (line 490)		) =-	
(other than a financial institution)  Long-term debt of a financial institution  A dividend payable on a share of the capital stock of another corporation  A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim or similar obligation of, a partnership each member of which was, throughout the year, another corporation (other than a financial institution) that was not exempt from tax under this Part (otherwise than because of paragraph 181.1(3)(d)), or another partnership described in paragraph 181.2(4)(d.1)  An interest in a partnership (see note 2 below)  Investment allowance for the year (add lines 401 to 407)  Notes:  1. Lines 401 to 405 should not include the carrying value of a share of the capital stock of, a dividend payable by, or indebtedness of a corporation that is exempt from tax under Part I.3 (other than a non-resident corporation that at no time in the year carried on business in Canada through a permanent establishment).  2. Where the corporation has an interest in a partnership held either directly or indirectly through another partnership, refer to subsection 181.2(5) for additional rules regarding the carrying value of an interest in a partnership.  3. Where a trust is used as a conduit for loaning money from a corporation to another related corporation (other than a financial institution), the loan will be considered to have been made directly from the lending corporation to the borrowing corporation. Refer to subsection 181.2(6) for special rules that may apply.  Part 3 – Taxable capital  Capital for the year (line 190)  26,616,711 C  Deduct: Investment allowance for the year (line 490)		402	
A dividend payable on a share of the capital stock of another corporation  A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim or similar obligation of, a partnership each member of which was, throughout the year, another corporation (other than a financial institution) that was not exempt from tax under this Part (otherwise than because of paragraph 181.1(3)(d)), or another partnership described in paragraph 181.2(4)(d.1)  An interest in a partnership (see note 2 below)  Investment allowance for the year (add lines 401 to 407)  Notes:  1. Lines 401 to 405 should not include the carrying value of a share of the capital stock of, a dividend payable by, or indebtedness of a corporation that is exempt from tax under Part I.3 (other than a non-resident corporation that at no time in the year carried on business in Canada through a permanent establishment).  2. Where the corporation has an interest in a partnership held either directly or indirectly through another partnership, refer to subsection 181.2(5) for additional rules regarding the carrying value of an interest in a partnership.  3. Where a trust is used as a conduit for loaning money from a corporation to the borrowing corporation (other than a financial institution), the loan will be considered to have been made directly from the lending corporation to the borrowing corporation. Refer to subsection 181.2(6) for special rules that may apply.  Part 3 – Taxable capital  Capital for the year (line 190)  26,616,711 C  Deduct: Investment allowance for the year (line 490)			135,504
A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim or similar obligation of, a partnership each member of which was, throughout the year, another corporation (other than a financial institution) that was not exempt from tax under this Part (otherwise than because of paragraph 181.1(3)(d)), or another partnership described in paragraph 181.2(4)(d.1)  An interest in a partnership (see note 2 below)  Investment allowance for the year (add lines 401 to 407)  Notes:  1. Lines 401 to 405 should not include the carrying value of a share of the capital stock of, a dividend payable by, or indebtedness of a corporation that is exempt from tax under Part I.3 (other than a non-resident corporation that at no time in the year carried on business in Canada through a permanent establishment).  2. Where the corporation has an interest in a partnership held either directly or indirectly through another partnership, refer to subsection 181.2(5) for additional rules regarding the carrying value of an interest in a partnership.  3. Where a trust is used as a conduit for loaning money from a corporation to another related corporation (other than a financial institution), the loan will be considered to have been made directly from the lending corporation to the borrowing corporation. Refer to subsection 181.2(6) for special rules that may apply.  Part 3 – Taxable capital  Capital for the year (line 190)  26,616,711 C  Deduct: Investment allowance for the year (line 490)	Long-term debt of a financial institution	404	
member of which was, throughout the year, another corporation (other than a financial institution) that was not exempt from tax under this Part (otherwise than because of paragraph 181.1(3)(d)), or another partnership described in paragraph 181.2(4)(d.1)  An interest in a partnership (see note 2 below)  Investment allowance for the year (add lines 401 to 407)  Notes:  1. Lines 401 to 405 should not include the carrying value of a share of the capital stock of, a dividend payable by, or indebtedness of a corporation that is exempt from tax under Part I.3 (other than a non-resident corporation that at no time in the year carried on business in Canada through a permanent establishment).  2. Where the corporation has an interest in a partnership held either directly or indirectly through another partnership, refer to subsection 181.2(5) for additional rules regarding the carrying value of an interest in a partnership.  3. Where a trust is used as a conduit for loaning money from a corporation to another related corporation (other than a financial institution), the loan will be considered to have been made directly from the lending corporation to the borrowing corporation. Refer to subsection 181.2(6) for special rules that may apply.  Part 3 – Taxable capital  Capital for the year (line 190)  26,616,711 C  Deduct: Investment allowance for the year (line 490)	A dividend payable on a share of the capital stock of another corporation		
Notes:  1. Lines 401 to 405 should not include the carrying value of a share of the capital stock of, a dividend payable by, or indebtedness of a corporation that is exempt from tax under Part 1.3 (other than a non-resident corporation that at no time in the year carried on business in Canada through a permanent establishment).  2. Where the corporation has an interest in a partnership held either directly or indirectly through another partnership, refer to subsection 181.2(5) for additional rules regarding the carrying value of an interest in a partnership.  3. Where a trust is used as a conduit for loaning money from a corporation to another related corporation (other than a financial institution), the loan will be considered to have been made directly from the lending corporation to the borrowing corporation. Refer to subsection 181.2(6) for special rules that may apply.  Part 3 – Taxable capital  Capital for the year (line 190)  26,616,711 C  Deduct: Investment allowance for the year (line 490)	member of which was, throughout the year, another corporation (other than a financial institution) that was tax under this Part (otherwise than because of paragraph 181.1(3)(d)), or another particleship described in	not exempt from	
Notes:  1. Lines 401 to 405 should not include the carrying value of a share of the capital stock of, a dividend payable by, or indebtedness of a corporation that is exempt from tax under Part I.3 (other than a non-resident corporation that at no time in the year carried on business in Canada through a permanent establishment).  2. Where the corporation has an interest in a partnership held either directly or indirectly through another partnership, refer to subsection 181.2(5) for additional rules regarding the carrying value of an interest in a partnership.  3. Where a trust is used as a conduit for loaning money from a corporation to another related corporation (other than a financial institution), the loan will be considered to have been made directly from the lending corporation to the borrowing corporation. Refer to subsection 181.2(6) for special rules that may apply.  Part 3 – Taxable capital  Capital for the year (line 190)  26,616,711 C  Deduct: Investment allowance for the year (line 490)	An interest in a partnership (see note 2 below)		
1. Lines 401 to 405 should not include the carrying value of a share of the capital stock of, a dividend payable by, or indebtedness of a corporation that is exempt from tax under Part I.3 (other than a non-resident corporation that at no time in the year carried on business in Canada through a permanent establishment).  2. Where the corporation has an interest in a partnership held either directly or indirectly through another partnership, refer to subsection 181.2(5) for additional rules regarding the carrying value of an interest in a partnership.  3. Where a trust is used as a conduit for loaning money from a corporation to another related corporation (other than a financial institution), the loan will be considered to have been made directly from the lending corporation to the borrowing corporation. Refer to subsection 181.2(6) for special rules that may apply.  Part 3 – Taxable capital  Capital for the year (line 190)  Capital for the year (line 190)  135,504 D	Investment allowance for the year (add lines 401 to 407)	490	135,504
1. Lines 401 to 405 should not include the carrying value of a share of the capital stock of, a dividend payable by, or indebtedness of a corporation that is exempt from tax under Part I.3 (other than a non-resident corporation that at no time in the year carried on business in Canada through a permanent establishment).  2. Where the corporation has an interest in a partnership held either directly or indirectly through another partnership, refer to subsection 181.2(5) for additional rules regarding the carrying value of an interest in a partnership.  3. Where a trust is used as a conduit for loaning money from a corporation to another related corporation (other than a financial institution), the loan will be considered to have been made directly from the lending corporation to the borrowing corporation. Refer to subsection 181.2(6) for special rules that may apply.  Part 3 – Taxable capital  Capital for the year (line 190)  Capital for the year (line 190)  135,504 D	Notes:		_
additional rules regarding the carrying value of an interest in a partnership.  3. Where a trust is used as a conduit for loaning money from a corporation to another related corporation (other than a financial institution), the loan will be considered to have been made directly from the lending corporation to the borrowing corporation. Refer to subsection 181.2(6) for special rules that may apply.  Part 3 – Taxable capital  Capital for the year (line 190)  26,616,711 C  Deduct: Investment allowance for the year (line 490)	1. Lines 401 to 405 should not include the carrying value of a share of the capital stock of, a dividend payal exempt from tax under Part I.3 (other than a non-resident corporation that at no time in the year carried of	ole by, or indebtedness of a corp on business in Canada through a	oration that is a permanent
considered to have been made directly from the lending corporation to the borrowing corporation. Refer to subsection 181.2(6) for special rules that may apply.  Part 3 – Taxable capital  Capital for the year (line 190)  Deduct: Investment allowance for the year (line 490)  135,504		artnership, refer to subsection 18	31.2(5) for
Capital for the year (line 190)       26,616,711 C         Deduct: Investment allowance for the year (line 490)       135,504 D	considered to have been made directly from the lending corporation to the borrowing corporation. Refer t		
Deduct: Investment allowance for the year (line 490)	Part 3 – Taxable capital		
Deduct: Investment allowance for the year (line 490)	Capital for the year (line 190)		26,616,711 C
			135,504 D
Taxable capital for the year (amount C minus amount D) (if negative, enter "0")			26,481,207

	To be complete	ed by a corporation that was r	resident in Canada at a	any time in the year	
Taxable capital for the year (line 500)	26,481,207 ×	able income earned in Canada 610 Taxable income	1,000 = 1,000	Taxable capital employed in Canada 690	26,481,207
Where a cor to have a tax	rporation's taxable income foxable income for that year o	ating the amount of taxable inco or a tax year is "0," it shall, for th if \$1,000. gulation 8601 should be consid	ome earned in Canada. he purposes of the abov	,	
		by a corporation that was a ned on a business through a p			
held in the year, in the condition Deduct the following am Corporation's indebtedne paragraphs 181.2(3)(c) to	ourse of carrying on any bur nounts: ess at the end of the year [c	lue at the end of the year of an siness during the year through a other than indebtedness describe regarded as relating to a busient in Canada	a permanent establishmed		
described in subsection	181.2(4) of the corporation rrying on any business durir	lue at the end of year of an ass that it used in the year, or held in ng the year through a permaner	in the		
corporation that is a ship personal or movable pro	o or aircraft the corporation operty used or held by the co	lue at the end of year of an ass operated in international traffic, orporation in carrying on any bu in Canada (see note below)	or (\		
		Total deductions (add line	( )	<b>&gt;</b>	E
Taxable capital employ	red in Canada (line 701 mi	nus amount E) (if negative, ent	er "0")		
<b>Note:</b> Complete line 7 year on the inco	13 only if the country in which me from the operation of a	ch the corporation is resident dis ship or aircraft in international tr	d not impose a capital to raffic, of any corporation	ax for the year on similar assets n resident in Canada during the	, or a tax for the year.
		ne small business dedu		ted in the prior year.	
	d in Canada (amount from l				_
Deduct:					10,000,000 G
Calculation for number	as of the small business o	leduction (amount H x 0.225%	•	unt G) (if negative, enter "0")	
Enter this amount at line		reduction (amount in x 0.225%	')	····· <u> </u>	'

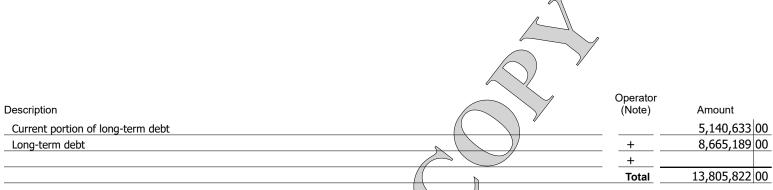
## **Attached Schedule with Total**

Part 1 – All loans and advances to the corporation

Title Part 1 – All loans and advances to the corporation

Explanatory note

See "21 SFP" Tab "BS\_IFRS-F"



**Note**: The calculations are performed one at a time, from the first to the last line, and not according to the priority rules of the operations. For example, the formula 1+2\*3 will not result in the same thing as the formula 1+3\*2.



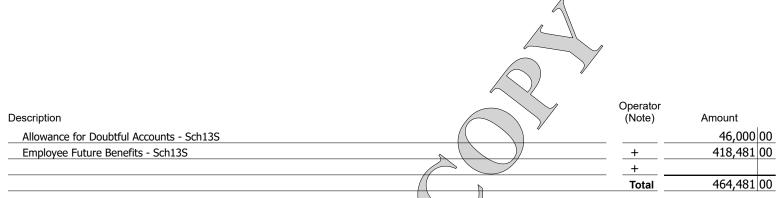
## **Attached Schedule with Total**

Part 1 – Reserves that have not been deducted in calculating income for the year under Part I

Title Part 1 – Reserves that have not been deducted in calculating income for the

Explanatory note

See "21 SFP" Tab "BS\_IFRS-F"



**Note**: The calculations are performed one at a time, from the first to the last line, and not according to the priority rules of the operations. For example, the formula 1+2\*3 will not result in the same thing as the formula 1+3\*2.



Schedule 50

#### **Shareholder Information**

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2021-12-31

- All private corporations must complete this schedule for any shareholder who holds 10% or more of the corporation's common and/or preferred shares.
- Provide only one number (business number, partnership account number, social insurance number or trust number) per shareholder.

	Name of shareholder (after name, indicate in brackets if the shareholder is a corporation, partnership, individual, or trust)	Business number or partnership account number (9 digits, 2 letters, and 4 digits.  If not registered, enter "NR")	Social insurance number (9 digits)	Trust number (T followed by 8 digits)	Percentage common shares	Percentage preferred shares
1	The Corporation of the Town of Orangeville	106986151RC0001			94.500	
2	The Corporation of the Township of East Luther Grand	NR			5.500	
3						
4				,		
5		((				
6						
7						
8						
9						
10						



Schedule 53

Canada Revenue Agence du revenu du Canada

### General Rate Income Pool (GRIP) Calculation

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2021-12-31

On: 2021-12-31

- If you are a Canadian-controlled private corporation (CCPC) or a deposit insurance corporation (DIC), use this schedule to determine the general rate income pool (GRIP).
- Credit unions are **not** required to complete this schedule.
- All legislative references are to the Income Tax Act and the Income Tax Regulations.
- When an eligible dividend was paid in the tax year or there was a change in the GRIP balance, file a completed copy of this schedule with your T2
  Corporation Income Tax Return. Do not send your worksheets with your return, but keep them in your records in case we ask to see them later.
- Subsection 89(1) defines the terms eligible dividend, excessive eligible dividend designation, general-rate income pool, and low rate income pool.

Eligibility for the various additions	
Answer the following questions to determine the corporation's eligibility for the various additions:	
2006 addition	
1. Is this the corporation's first taxation year that includes January 1, 2006?	Yes X No
2. If not, what is the date of the taxation year end of the corporation's first year that includes January 1, 2006? Enter the date and go directly to question 4	2006-12-31
3. During that first year, was the corporation a CCPC or would it have been a CCPC if not for the election of subsection 89(11) ITA?	Yes No
If the answer to question 3 is yes, complete Part "GRIP addition for 2006".	
Change in the type of corporation	
4. Was the corporation a CCPC during its preceding taxation year?	X Yes No
5. Corporations that become a CCPC or a DIC	Yes X No
If the answer to question 5 is yes, complete Part 4.	
Amalgamation (first year of filing after amalgamation)	Yes X No
6. Corporations that were formed as a result of an amalgamation  If the answer to question 6 is yes, answer questions 7 and 8. If the answer is no, go to question 9.	Yes X No
7. Was one or more of the predecessor corporations petither a CCPC nor a DIC?	Yes No
If the answer to question 7 is yes, complete Part 4.	
8. Was one or more of the predecessor corporation a CCPC or a DIC during the taxation year that ended immediately before amalgamation?	Yes No
If the answer to question 8 is yes, complete Part 3.	
Winding-up	
9. Has the corporation wound-up a subsidiary in the preceding taxation year?	Yes X No
If the answer to question 9 is yes, answer questions 10 and 11. If the answer is no, go to Part 1.	
10. Was the subsidiary neither a CCPC nor a DIC during its last taxation year?  If the answer to question 10 is yes, complete Part 4.	Yes No
11. Was the subsidiary a CCPC or a DIC during its last taxation year?  If the answer to question 11 is yes, complete Part 3.	Yes No

Canadä

┌ Part 1 – General rate income pool (GRIP)		
GRIP at the end of the previous tax year	8,608,986	
Taxable income for the year (DICs enter "0")*		
Amount on line 400, 405, 410, and 427 or 428** of the T2 return, whichever is the least*		
Subtotal (line 130 plus line 140) A		
Income taxable at the general corporate rate (line 110 <b>minus</b> amount A) (if negative enter "0")		
After-tax income (line 150 multiplied by 0.72 (the general rate factor for the tax year))		
Eligible dividends received in the tax year  Dividends deductible under section 113 received in the tax year  200 210		
Subtotal (line 200 plus line 210)		В
Becoming a CCPC (amount W5 in Part 4)  Post-amalgamation (total of amount E4 in Part 3 and amount W5 in Part 4)  Post-wind-up (total of amount E4 in Part 3 and amount W5 in Part 4)  Subtotal (add lines 220, 230, and 240)		
Subtotal (add lines 100, 190, 290, and amount B)	8,608,986	С
Eligible dividends paid in the previous tax year  Excessive eligible dividend designations made in the previous tax year  300 310		
(If becoming a CCPC (subsection 89(4) applies), enter "0" on lines 300 and 310.)  Subtotal (line 300 minus line 310)		D
GRIP before adjustment for specified future tax consequences (amount C minus amount D) (amount can be negative) 490	8,608,986	
Total GRIP adjustment for specified future tax consequences to previous tax years (amount L3 in Part 2)		
GRIP at the end of the tax year (line 490 minus line 560)  Enter this amount on line 160 of Schedule 55, Part III.1 Tax on Excessive Eligible Dividend Designations.	8,608,986	
* For lines 110, 130, and 140, the income amount is the amount before considering specified future tax consequences. This phrase is defined in subsection 248(1). It includes the deduction of a loss carryback from subsequent tax years, a reduction of Canadian exploration expenses and Canadian development expenses that were renounced in subsequent tax years (e.g., flow-through share renunciations), reversals of income inclusions where an option is exercised in subsequent tax years, and the effect of certain foreign tax credit adjustments.		
** If your tax year starts before 2019, use line 427. If your tax year starts after 2018, use line 428.		

defined in	subsection 248(1) from	the current tax year. C	any of the previous three therwise, enter "0" on lir	e tax years took into accou ne 560.	int the specified future	e tax consequences
•	vious tax year <u>2020-</u>		_			
	come before specified furrent tax year	uture tax consequence		701,228 A1		
	following amounts be ences from the current		tax			
427 or 42	n line 400, 405, 410, and 8** of the T2 return, r is the least	d 	B1			
Aggregate (line 440 d	e investment income of the T2 return)				A	
Subtota	al (amount B1 <b>plus</b> amo	unt C1)	<u>43,554</u> ►	43,554 D1		
Sub	ototal (amount A1 <b>minus</b>	amount D1) (if negati	ve, enter "0")	657,674	657,674 E1	l
		Futur	e tax consequences th	at occur for the current	year	
		Amo	ount carried back from th	e current year to a prior ye	ear	
	Non-capital loss carry-back (paragraph 111 (1)(a) ITA)	Capital loss carry-back	Restricted farm loss carry-back	Farm loss carry-back	Other	Total carrybacks
Tavahle in	ncome after specified fut	ura tay consequences		F1		
	following amounts aft	•				
427 or 42	n line 400, 405, 410, and 8** of the T2 return, r is the least	i 	G1			
Aggregate (line 440 d	e investment income of the T2 return)					
Subtota	al (amount G1 <b>plus</b> amo	unt H1)		I1		
Su	ıbtotal (amount F1 <b>minu</b>	ı <b>s</b> amount I1) (if negati	ve, enter/"0")	<u> </u>	J1	
		Subtotal (amount E	1 minus amount J1) (if	negative, enter "0")	K1	I
GRIP adjı	ustment for specified f	uture tax consequen	ces to the first previous	s tax year		
-	•	0.72 )	/ / // // /			500

Fait 2	- GRIP aujustilleli	t for specified fut	ure tax consequer	ices to previous ta	x years (continue	eu)
Second p	previous tax year <u>201</u>	9-12-31				
	ncome before specified function tax year		s from 	343,397_A2		
	following amounts bef ences from the current		ax			
427 or 42 whicheve Aggregate (line 440	n line 400, 405, 410, and 8** of the T2 return, r is the least e investment income of the T2 return)		C2			
Subtot	al (amount B2 <b>plus</b> amo	unt C2)	<b>&gt;</b>	D2		
Su	btotal (amount A2 <b>minus</b>	amount D2) (if negative	ve, enter "0")	343,397	<b>343,397</b> E2	
		Future	e tax consequences that	at occur for the current	year	
		Amo	unt carried back from the	e current year to a prior y	ear	
	Non-capital loss carry-back (paragraph 111 (1)(a) ITA)	Capital loss carry-back	Restricted farm loss carry-back	Farm loss carry-back	Other	Total carrybacks
					\ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \	
	ncome after specified futu	·		F2		
Amount of 427 or 42	n line 400, 405, 410, and 8** of the T2 return, r is the least	I				
	e investment income of the T2 return)	<u> </u>	H2			
Subtot	al (amount G2 <b>plus</b> amo	unt H2)	<b>&gt;</b>	12		
Sı	ubtotal (amount F2 <b>minu</b>	s amount I2) (if negativ	ve, enter "0")	<u> </u>	J2	
		Subtotal (amount E	2 minus amount J2) (if r	negative, enter "0")	K2	
(amount l	ustment for specified for <2 multiplied by tax year starts before 20	).72 )				520
		( )				

┌ Part 2 - GRIP adjustmer	nt for specified fut	ure tax conseque	nces to previous	tax years (continue	ed) —————	
Third previous tax year 2018	-			<b>,</b>	,	
Taxable income before specified the current tax year	future tax consequence	s from 	722,320 A3			
Enter the following amounts be consequences from the current	efore specified future t					
Amount on line 400, 405, 410, an 427 or 428** of the T2 return, whichever is the least		В3				
Aggregate investment income (line 440 of the T2 return)	· · · · · · · · · · · · · · · · · · ·	C3				
Subtotal (amount B3 plus amo	ount C3)	<b>&gt;</b>	D3			
Subtotal (amount A3 minus				722,320 E3		
		e tax consequences th				
	Amo	unt carried back from th	e current year to a prio	ryear		
Non-capital loss carry-back (paragraph 111 (1)(a) ITA)	Capital loss carry-back	Restricted farm loss carry-back	Farm loss carry-back	Other	Total carrybacks	
Taxable income after specified full Enter the following amounts after the following amount after the followin	·		F3			
Amount on line 400, 405, 410, an 427 or 428** of the T2 return, whichever is the least		G3				
Aggregate investment income (line 440 of the T2 return)						
Subtotal (amount G3 <b>plus</b> amo	ount H3)	<b>&gt;</b>	I3			
Subtotal (amount F3 minu	<b>us</b> amount I3) (if negativ	ve, enter "0")		J3		
	Subtotal (amount E	3 minus amount J3) (if	negative, enter "0")	K3		
GRIP adjustment for specified f	•			ı	540	
(amount K3 multiplied by Total GRIP adjustment for spec	0.72 )				540	
(add lines 500, 520, and 540) (if I	negative, enter "0")	previous ta				L3
Enter amount L3 on line 560 in Pa		<b>\</b>				
** If your tax year starts before 20	019, use line 427. If you	tax year starts after 20	18, use line 428.			

Part 3 – Worksheet to calculate the GRIP addition post-amalgamation or post-wind-up (predecessor or subsidiary was a CCPC or a DIC in its last tax year)	
nb. 1 Post amalgamation Post wind-up	
Complete this part when there has been an amalgamation (within the meaning assigned by subsection 87(1)) or a wind-up (to which subsection 88(1) applies) and the predecessor or subsidiary corporation was a CCPC or a DIC in its last tax year. The last tax year for a predecessor corporation was its tax year that ended immediately before the amalgamation and for a subsidiary corporation was its tax year during which its assets were distributed to the parent on the wind-up.	
Calculate the GRIP addition of a successor corporation following an amalgamation at the end of its first tax year.	
Calculate the GRIP addition of a parent corporation upon wind-up at the end of the tax year that ends immediately after the tax year in which the parent has received the assets of the subsidiary.	
In the calculation below, <b>corporation</b> means a predecessor or a subsidiary. Complete a separate worksheet for <b>each</b> predecessor and <b>each</b> subsidiary that was a CCPC or a DIC in its last tax year. Keep a copy of this calculation for your records, in case we ask to see it later.	
Corporation's GRIP at the end of its last tax year	A4
Eligible dividends paid by the corporation in its last tax year B4	
Excessive eligible dividend designations made by the corporation in its last tax yearC4	
	D4
GRIP addition post-amalgamation or post-wind-up (predecessor or subsidiary was a CCPC or a DIC in its tast tax year) (amount A4 minus amount D4)	E4
After you complete this calculation for each predecessor and each subsidiary, calculate the total of all the £4 amounts. Enter this total amount on:  — line 230 for post-amalgamation; or  — line 240 for post-wind-up.	

<ul> <li>Part 4 – Worksheet to calculate the GRIP addition (predecessor or subsidiary was not a CC or the corporation is becoming a CCPC</li> </ul>				
<b>nb. 1</b> Corporation becoming a CCPC Post am	nalgamation	Post wind-up		
Complete this part when there has been an amalgamation (within the and the predecessor or subsidiary was not a CCPC or a DIC in its limmediately before the amalgamation and for a subsidiary corporate	ast tax year. The last tax year	for a predecessor corporat	ion was its tax year that ended	)
Calculate the GRIP addition of a successor corporation following ar	amalgamation at the end of	its first tax year.		
Calculate the GRIP addition of a parent corporation upon wind-up a received the assets of the subsidiary.	t the end of the tax year that	ends immediately after the	lax year in which the parent has	
In the calculation below, <b>corporation</b> means a predecessor or a su was not a CCPC or a DIC in its last year. Keep a copy of this calcul			cessor and <b>each</b> subsidiary that	
Cost amount to the corporation of all property immediately before the	ne end of its previous/last tax	year		_ A5
The corporation's money on hand immediately before the end of its	previous/last tax year .			_B5
Total of subsection 111(1) losses that would have been deductible in the previous/last tax year if the corporation had had unlimited incom had realized an unlimited amount of capital gains for the previous/last.	ne from each business carried	s taxable income for d on and each property held	and	
Non-capital losses	C5			
Net capital losses Farm losses Restricted farm losses Limited partnership losses	E5			
Subtotal (add amounts C5 to G5)			H5	
Total of all amounts deducted under subsection 111(1) in calculating	g the corporation's taxable inc	come for the previous/last ta	ıx year:	
Non-capital losses  Net capital losses  Farm losses  Restricted farm losses  Limited partnership losses	J5 K5 L5			
Subtotal ( <b>add</b> amounts I5 to M5)	<b>—</b>		_ N5	
Unused and unexpired losses at the end of the co	(amount H5 <b>minus</b> amount	vear N5)btotal ( <b>add</b> amounts A5, B5		_O5 _P5
All the corporation's debts and other obligations to pay that were outstanding immediately before the end of its previous last tax year	//	· · · ·	_Q5	
Paid-up capital of all the corporation's issued and outstanding share of capital stock immediately before the end of its previous last tax y		· · · ·	_R5	
All the corporation's reserves deducted in its previous/last tax year			_ S5	
The corporation's capital dividend account immediately before the e of its previous/last tax year			 T5	
The corporation's low rate income pool immediately before the end its previous/last tax year	of		U5	
	Subtotal ( <b>add</b> amounts Q5 to	115)	•	V5
GRIP addition post-amalgamation or post-wind-up (predecessor	•		= ————————————————————————————————————	<b>-</b> V3
or the corporation is becoming a CCPC (amount P5 minus amo				=W5
After you complete this worksheet for each predecessor and each s  - line 220 for a corporation becoming a CCPC;  - line 230 for post-amalgamation; or  - line 240 for post-wind-up.	subsidiary, calculate the total	of all the W5 amounts. Ente	r this total amount on:	
· '				

Schedule 55

## Part III.1 Tax on Excessive Eligible Dividend Designations

Fait III. I Tax off Excessive Eligible Dividend	Designations		
Corporation's name	Business number	Tax year-end Year Month Day	
Orangeville Hydro Limited	86463 9562 RC0002	2021-12-31	
• Every corporation resident in Canada that pays a taxable dividend (other than a capital gains dividend the meaning assigned by subsection 130.1(4) or 131(1)) in the tax year must file this schedule.	within Do not	use this area	
<ul> <li>Canadian-controlled private corporations (CCPC) and deposit insurance corporations (DIC) must complete Part 1 of this schedule. All other corporations must complete Part 2.</li> </ul>			
• Every corporation that has paid an eligible dividend must also file Schedule 53, General Rate Income For Calculation, or Schedule 54, Low Rate Income Pool (LRIP) Calculation, whichever is applicable.	Pool (GRIP)		
• File the schedules with your T2 Corporation Income Tax Return no later than six months from the end of tax year.	of the		
All legislative references are to the Income Tax Act and the Income Tax Regulations.			
• Subsection 89(1) defines the terms eligible dividend, excessive eligible dividend designation, gen and low rate income pool.	peral rate income pool,		
• The calculations in Part 1 and Part 2 do not apply if the excessive eligible dividend designation arises to paragraph (c) of the definition of excessive eligible dividend designation in subsection 89(1). This paradividend is paid to artificially maintain or increase the GRIP or to artificially maintain or decrease the LF	graph applies when an eligible	e	
- Part 1 – Canadian-controlled private corporations and deposit insurance corp	orations —		
Taxable dividends paid in the tax year <b>not included</b> in Schedule 3	)		
Taxable dividends paid in the tax year <b>included</b> in Schedule 3	543,259		
Total taxable dividends paid in the tax year	543,259		
Total eligible dividends paid in the tax year			
GRIP at the end of the tax year (line 590 on Schedule 53) (if negative, enter "0")		8,608,986	
Excessive eligible dividend designation (line 150 minus line 160)		A	
Excessive eligible dividend designations elected under subsection 185.1(2) to be treated as ordinary dividend	dends * 180		
Subtotal (amount A <b>minus</b> line 180) B			
Part III.1 tax on excessive eligible dividend designations - CCPC or DIC (amount B multiplied by	20 %) 190		
Enter the amount from line 190 on line 710 of the T2 return.			
Part 2 – Other corporations			
Taxable dividends paid in the tax year <b>not included</b> in Schedule 3			
Taxable dividends paid in the tax year included in Schedule 3			
Total taxable dividends paid in the tax year			
Total excessive eligible dividend designations in the tax year (amount A of Schedule 54)		C	
Excessive eligible dividend designations elected under subsection 185.1(2) to be treated as ordinary dividend	lends * 280		
Subtotal	(amount C <b>minus</b> line 280)	D	
Part III.1 tax on excessive eligible dividend designations – Other corporations (amount D multiplied	<b>d</b> by 20 %) . <b>290</b>		
Enter the amount from line 290 on line 710 of the T2 return.			

<sup>\*</sup> You can elect to treat all or part of your excessive eligible dividend designation as a separate taxable dividend in order to eliminate or reduce the Part III.1 tax otherwise payable. You must file the election on or before the day that is 90 days **after** the day the notice of assessment for Part III.1 tax was sent. We will accept an election before the assessment of the tax.

## **Ontario Corporate Minimum Tax**

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2021-12-31

- File this schedule if the corporation is subject to Ontario corporate minimum tax (CMT). CMT is levied under section 55 of the Taxation Act, 2007 (Ontario), referred to as the "Ontario Act".
- Complete Part 1 to determine if the corporation is subject to CMT for the tax year.
- A corporation not subject to CMT in the tax year is still required to file this schedule if it is deducting a CMT credit, has a CMT credit carryforward, or has a CMT loss carryforward or a current year CMT loss.
- A corporation that has Ontario special additional tax on life insurance corporations (SAT) payable in the tax year must complete Part 4 of this
  schedule even if it is not subject to CMT for the tax year.
- A corporation is exempt from CMT if, throughout the tax year, it was one of the following:
  - 1) a corporation exempt from income tax under section 149 of the federal *Income Tax Act*;
  - 2) a mortgage investment corporation under subsection 130.1(6) of the federal Act;
  - 3) a deposit insurance corporation under subsection 137.1(5) of the federal Act;
  - 4) a congregation or business agency to which section 143 of the federal Act applies;
  - 5) an investment corporation as referred to in subsection 130(3) of the federal Act; or
  - 6) a mutual fund corporation under subsection 131(8) of the federal Act.
- File this schedule with the T2 Corporation Income Tax Return.

_ D	Part 1 – Determination of CMT applicability	
	Part 1 - Determination of Civil applicability	
Tot	tal assets of the corporation at the end of the tax year *	35,048,951
Sh	nare of total assets from partnership(s) and joint venture(s) *	
Tot	tal assets of associated corporations (amount from line 450 on Schedule 511)	50,000,001
Tot	tal assets (total of lines 112 to 116)	85,048,952
Tot	tal revenue of the corporation for the tax year **	36,500,402
Sh	nare of total revenue from partnership(s) and joint venture(s) **	
Tot	tal revenue of associated corporations (amount from line 550 on Schedule 511)	100,000,000
Tot	tal revenue (total of lines 142 to 146)	136,500,402

The corporation is subject to CMT if:

- for tax years ending before July 1, 2010, the total assets at the end of the year of the corporation or the associated group of corporations are more than \$5,000,000, or the total revenue for the year of the corporation or the associated group of corporations is more than \$10,000,000.
- for tax years ending after June 30, 2010, the total assets at the end of the year of the corporation or the associated group of corporations are equal to or more than \$50,000,000, and the total revenue for the year of the corporation or the associated group of corporations is equal to or more than \$100,000,000.
   f the corporation is not subject to CMT, do not complete the romanical parts upless the corporation is deducting a CMT gradit, or has a CMT gradit.

If the corporation is not subject to CMT, do not complete the remaining parts unless the corporation is deducting a CMT credit, or has a CMT credit carryforward, a CMT loss carryforward, a current year CMT loss or SAT payable in the year.

#### \* Rules for total assets

- Report total assets according to generally accounting principles, adjusted so that consolidation and equity methods are not used.
- Do not include unrealized gains and losses on assets and foreign currency gains and losses on assets that are included in net income for accounting purposes but not in income for corporate income tax purposes.
- The amount on line 114 is determined at the end of the last fiscal period of the partnership or joint venture that ends in the tax year of the corporation. Add the proportionate share of the assets of the partnership(s) and joint venture(s), and deduct the recorded asset(s) for the investment in partnerships and joint ventures.
- A corporation's share in a partnership or joint venture is determined under paragraph 54(5)(b) of the Ontario Act and, if the partnership or joint venture had no income or loss, is calculated as if the partnership's or joint venture's income were \$1 million. For a corporation with an indirect interest in a partnership or joint venture, determine the corporation's share according to paragraph 54(5)(c) of the Ontario Act.

#### \*\* Rules for total revenue

- Report total revenue in accordance with generally accepted accounting principles, adjusted so that consolidation and equity methods are not used.
- If the tax year is less than 51 weeks, multiply the total revenue of the corporation or the partnership, whichever applies, by 365 and divide by the number of days in the tax year.
- The amount on line 144 is determined for the partnership or joint venture fiscal period that ends in the tax year of the corporation. If the partnership or joint venture has 2 or more fiscal periods ending in the filing corporation's tax year, **multiply** the sum of the total revenue for each of the fiscal periods by 365 and **divide** by the total number of days in all the fiscal periods.
- A corporation's share in a partnership or joint venture is determined under paragraph 54(5)(b) of the Ontario Act and, if the partnership or joint venture had no income or loss, is calculated as if the partnership's or joint venture's income were \$1 million. For a corporation with an indirect interest in a partnership or joint venture, determine the corporation's share according to paragraph 54(5)(c) of the Ontario Act.

Net income/loss per financial statements *	908,964
Add (to the extent reflected in income/loss):	
Provision for current income taxes/cost of current income taxes	
Provision for deferred income taxes (debits)/cost of future income taxes	
Equity losses from corporations	
Financial statement loss from partnerships and joint ventures	
Other additions (see note below):	
Share of adjusted net income of partnerships and joint ventures **	
Total patronage dividends received, not already included in net income/loss 232	
281 282	
283	
Subtotal 309,123	309,123 A
Deduct (to the extent reflected in income/loss):	<del></del>
Provision for recovery of current income taxes/benefit of current income taxes 320	
Provision for deferred income taxes (credits)/benefit of future income taxes	
Equity income from corporations	
Financial statement income from partnerships and joint ventures	
Dividends deductible under section 112, section 113, or subsection 138(6) of the federal Act	
Dividends not taxable under section 83 of the federal Act (from Schedule 3)	
Gain on donation of listed security or ecological gift	
Accounting gain on transfer of property to a corporation under section 85 or 85.1 of the federal Act ***	
Accounting gain on transfer of property to/from a partnership under section 85 or 97 of the federal Act ****	
Accounting gain on disposition of property under subsection 13(4), subsection 14(6), or section 44 of the federal Act *****	
Accounting gain on a windup under subsection 88(1) of the federal Act or an amalgamation under section 87 of the federal Act	
Other deductions (see note below):	
Share of adjusted net loss of partnerships and joint ventures **	
Tax payable on dividends under subsection 191.1(1) of the federal Act multiplied by 3 Interest deducted/deductible under paragraph 20(1)(c) or (d) of the federal Act, not already included in net income/loss	
Patronage dividends paid (from Schedule 16) not already included in net income/loss 338	
Tax Movement in regulatory account  Tax Movement in regulatory account  234,121	
383         Tax Reclassification         384         37,177           385         OCI         386         62,364	
385 OCI 386 62,364 387	
389 390 > Subtotal 223,662 ▶	223,662 B
Adjusted net income/loss for CMT purposes (line 210 plus amount A minus amount B)	994,425

If the amount on line 490 is positive and the corporation is subject to CMT as determined in Part 1, enter the amount on line 515 in Part 3.

If the amount on line 490 is negative, enter the amount on line 760 in Part 7 (enter as a positive amount).

#### Note

In accordance with Ontario Regulation 37/09, when calculating net income for CMT purposes, accounting income should be adjusted to:

- exclude unrealized gains and losses due to mark-to-market changes or foreign currency changes on specified mark-to-market property (assets only);
- include realized gains and losses on the disposition of specified mark-to-market property not already included in the accounting income, if the
  property is not a capital property or is a capital property disposed in the year or in a previous tax year ended after March 22, 2007.

"Specified mark-to-market property" is defined in subsection 54(1) of the Ontario Act.

These rules also apply to partnerships. A corporate partner's share of a partnership's adjusted income flows through on a proportionate basis to the corporate partner.

#### \* Rules for net income/loss

Banks must report net income/loss as per the report accepted by the Superintendent of Financial Institutions under the federal Bank Act, adjusted so consolidation and equity methods are not used.

### − Part 2 − Calculation of adjusted net income/loss for CMT purposes (continued) ·

- Life insurance corporations must report net income/loss as per the report accepted by the federal Superintendent of Financial Institutions or equivalent provincial insurance regulator, before SAT and adjusted so consolidation and equity methods are not used. If the life insurance corporation is resident in Canada and carries on business in and outside of Canada, multiply the net income/loss by the ratio of the Canadian reserve liabilities divided by the total reserve liability. The reserve liabilities are calculated in accordance with Regulation 2405(3) of the federal Act.
- Other corporations must report net income/loss in accordance with generally accepted accounting principles, except that consolidation and equity methods must not be used. When the equity method has been used for accounting purposes, equity losses and equity income are removed from book income/loss on lines 224 and 324 respectively.
- Corporations, other than insurance corporations, should report net income from line 9999 of the GIFI (Schedule 125) on line 210.
- \*\* The share of the adjusted net income of a partnership or joint venture is calculated as if the partnership or joint venture were a corporation and the tax year of the partnership or joint venture were its fiscal period. For a corporation with an indirect interest in a partnership through one or more partnerships, determine the corporation's share according to clause 54(5)(c) of the Ontario Act.
- \*\*\* A joint election will be considered made under subsection 60(1) of the Ontario Act if there is an entry on line 342, and an election has been made for transfer of property to a corporation under subsection 85(1) of the federal Act.
- \*\*\*\* A joint election will be considered made under subsection 60(2) of the Ontario Act if there is an entry on line 344, and an election has been made under subsection 85(2) or 97(2) of the federal Act.
- \*\*\*\*\* A joint election will be considered made under subsection 61(1) of the Ontario Act if there is an entry on line 346, and an election has been made under subsection 13(4) or 14(6) and/or section 44 of the federal Act.

For more information on how to complete this part, see the T2 Corporation - Income Tax Guide.

, , , , , , , , , , , , , , , , , , ,		_
Part 3 – CMT payable ————————————————————————————————————		_
Adjusted net income for CMT purposes (line 490 in Part 2, if positive)	994,425	
<u> </u>		
Deduct:		
CMT loss available (amount R from Part 7)		
Minus: Adjustment for an acquisition of control *	<u> </u>	
Adjusted CMT loss available	C	
Net income subject to CMT calculation (if negative, enter "0")	994,425	
Amount from Number of days in the tax		
line 520 994,425 xyear before July 1, 2010 x 4 % =	= 1	
Number of days		
in the tax year		
Amount from Number of days in the tax	26.940	
line 520994,425	= 26,849 2	
Number of days in the tax year		
	26.040	
Subtotal (amount 1 plus amount 2)	<u>26,849</u> 3	
Gross CMT: amount on line 3 above x OAF **	<b>540</b> 26,849	
Deduct:		
Foreign tax credit for CMT purposes ***	550	
CMT after foreign tax credit deduction (line 540 minus line 550) (if negative, enter "0")		D
Deduct:		
Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5)		
Net CMT payable (if negative, enter "0"		Ε
Enter amount E on line 278 of Schedule 5, Tax Calculation Supplementary – Corporations, and co		
* Enter the portion of CMT loss available that exceeds the adjusted net income for the tax year control. See subsection 58(3) of the Ontario Act.	from carrying on a business before the acquisition of	
*** Enter "0" on line 550 for life insurance corporations as they are not eligible for this deduction.	For all other corporations, enter the cumulative total	
of amount J for the province of Ontario from Part 9 of Schedule 21 on line 550.		
** Calculation of the Ontario allocation factor (OAF):		
If the provincial or territorial jurisdiction entered on line 750 of the T2 return is "Ontario," enter "1	" on line F.	
If the provincial or territorial jurisdiction entered on line 750 of the T2 return is "multiple," comple	te the following calculation, and enter the result on line F:	
Outside to call the income ****		
Ontario taxable income **** =		
Taxable income *****		
Ontario allocation factor	<u>1.00000</u>	F
**** Enter the amount allocated to Ontario from column F in Part 1 of Schedule 5. If the taxable in taxable income were \$1,000.	come is nil, calculate the amount in column F as if the	
*****Enter the taxable income amount from line 360 or amount Z of the T2 return, whichever appli	es. If the taxable income is nil, enter "1,000".	

Part 4 – Calculation of CMT credit carrytorward
CMT credit carryforward at the end of the previous tax year * G
Deduct:
CMT credit expired *
CMT credit carryforward at the beginning of the current tax year * (see note below)
Add:
CMT credit carryforward balances transferred on an amalgamation or the windup of a subsidiary (see note below)
Deduct:
CMT credit deducted in the current tax year (amount P from Part 5)
Subtotal (amount H <b>minus</b> amount I)
Add:
Net CMT payable (amount E from Part 3)
SAT payable (amount O from Part 6 of Schedule 512)
Subtotal K
CMT credit carryforward at the end of the tax year (amount J plus amount K)
* For the first harmonized T2 return filed with a tax year that includes days in 2009:
- do not enter an amount on line G or line 600;
- for line 620, enter the amount from line 2336 of Ontario CT23 Schedule 101, Corporate Minimum Tax (CMT), for the last tax year that ended in 2008.
For other tax years, enter on line G the amount from line 670 of Schedule 510 from the previous tax year.
Note: If you entered an amount on line 620 or line 650, complete Part 6.
Part 5 – Calculation of CMT credit deducted from Ontario corporate income tax payable ————————————————————————————————————
CMT credit available for the tax year (amount H from Part 4)
Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5)
For a corporation that is not a life insurance corporation:
CMT after foreign tax credit deduction (amount D from Part 3)26,849 2
For a life insurance corporation:
Gross CMT (line 540 from Part 3)
Gross SAT (line 460 from Part 6 of Schedule 512)
The <b>greater</b> of amounts 3 and 4
Deduct: line 2 or line 5, whichever applies: 26,849 6
Subtotal (if negative, enter "0") N
Ontario corporate income tax payable before CMT credit (amount) F6 from Schedule 5)
Deduct:
Total refundable tax credits excluding Ontario qualifying environmental trust tax credit
(amount J6 minus line 450 from Schedule 5)
Subtotal (if negative, enter "0") P O
CMT credit deducted in the current tax year (least of amounts M, N, and O)
Enter amount P on line 418 of Schedule 5 and on line I in Part 4 of this schedule.
Is the corporation claiming a CMT credit earned before an acquisition of control?
If you answered <b>yes</b> to the question at line 675, the CMT credit deducted in the current tax year may be restricted. For information on how the deduction may be restricted, see subsections 53(6) and (7) of the Ontario Act.

### ┌ Part 6 – Analysis of CMT credit available for carryforward by year of origin -

Complete this part if:

- the tax year includes January 1, 2009; or
- the previous tax year-end is deemed to be December 31, 2008, under subsection 249(3) of the federal Act.

Year of origin	CMT credit balance *	]
real of origin	Civil credit balance	
10th previous	680	
tax year		
9th previous	681	
tax year		
8th previous	682	
tax year		
7th previous	683	
tax year		
6th previous	684	
tax year		
5th previous	685	_ \\
tax year		7
4th previous	686	$\nearrow$
tax year		
3rd previous	687	
tax year		
2nd previous	688	
tax year		
1st previous	689	
tax year		
Total **		
	· // /	4

- \* CMT credit that was earned (by the corporation, predecessors of the corporation, and subsidiaries wound up into the corporation) in each of the previous 10 tax years and has not been deducted.
- \*\* Must equal the total of the amounts entered on lines 620 and 650 in Part 4

Note: If you entered an amount on line 720 or line 750, complete Part 8.

Part 7 – Calculation of CMT loss carryforward	
CMT loss carryforward at the end of the previous tax year * Q	
Deduct:	
CMT loss expired *	
CMT loss carryforward at the beginning of the tax year * (see note below)	
Add:	
CMT loss transferred on an amalgamation under section 87 of the federal Act ** (see note below)	
CMT loss available (line 720 <b>plus</b> line 750)	R
Deduct:	
CMT loss deducted against adjusted net income for the tax year (lesser of line 490 (if positive) and line C in Part 3)	
Subtotal (if negative, enter "0")	S
Add:	
Adjusted net loss for CMT purposes (amount from line 490 in Part 2, if <b>negative</b> ) (enter as a positive amount)	
CMT loss carryforward balance at the end of the tax year (amount S plus line 760)	T
* For the first harmonized T2 return filed with a tax year that includes days in 2009:	
<ul> <li>do not enter an amount on line Q or line 700;</li> </ul>	
- for line 720, enter the amount from line 2214 of Ontario CT23 Schedule 101, Corporate Minimum Tax (CMT), for the last tax year that ended in 2008.	
For other tax years, enter on line Q the amount from line 770 of Schedule 510 from the previous tax year.	
** Do not include an amount from a predecessor corporation if it was controlled at any time before the amalgamation by any of the other predecessor corporations.	

### Part 8 – Analysis of CMT loss available for carryforward by year of origin -

Complete this part if:

- the tax year includes January 1, 2009; or
- the previous tax year-end is deemed to be December 31, 2008, under subsection 249(3) of the federal Act.

Year of origin	Balance earned in a tax year ending before March 23, 2007 *	Balance earned in a tax year ending after March 22, 2007 **
10th previous tax year	810	820
9th previous tax year	811	821
8th previous tax year	812	822
7th previous tax year	813	823
6th previous tax year	814	824
5th previous tax year	815	825
4th previous tax year	816	826
3rd previous tax year	817	827
2nd previous tax year	818	828
1st previous tax year		829
Total ***		

<sup>\*</sup> Adjusted net loss for CMT purposes that was earned (by the corporation, by subsidiaries wound up into or amalgamated with the corporation before March 22, 2007, and by other predecessors of the corporation) in each of the previous 10 tax years that ended before March 23, 2007, and has not been deducted.

<sup>\*\*\*</sup> The total of these two columns must equal the total of the amounts entered on lines/720 and 750.



<sup>\*\*</sup> Adjusted net loss for CMT purposes that was earned (by the corporation and its predecessors, but not by a subsidiary predecessor) in each of the previous 20 tax years that ended after March 22, 2007, and has not been deducted.

Agence du revenu du Canada

### **SCHEDULE 511**

# ONTARIO CORPORATE MINIMUM TAX – TOTAL ASSETS AND REVENUE FOR ASSOCIATED CORPORATIONS

Name of corporation	Business Number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2021-12-31

- For use by corporations to report the total assets and total revenue of all the Canadian or foreign corporations with which the filing corporation was associated at any time during the tax year. These amounts are required to determine if the filing corporation is subject to corporate minimum tax.
- Total assets and total revenue include the associated corporation's share of any partnership(s)/joint venture(s) total assets and total revenue.
- Attach additional schedules if more space is required.
- File this schedule with the T2 Corporation Income Tax Return.

	Names of associated corporations	Business number (Canadian corporation only)	Total assets* (see Note 2)	Total revenue** (see Note 2)
	200	(see Note 1) 300	400	500
1 Co	orporation of the Town of Orangeville	10698 6151 RC0001	50,000,000	100,000,000
2 <u>Co</u>	orporation of the Township of East Luther Grand	NR //	0	0
3 Or	rangeville Hydro Services Inc.	89454 8015 RC0001	1	0
4 Or	rangville Railway Development Corporation	86433 3166 RC0001	0	0
		Total	50,000,001	100,000,000

Enter the total assets from line 450 on line 116 in Part 1 of Schedule 510, Ontario Corporate Minimum Tax. Enter the total revenue from line 550 on line 146 in Part 1 of Schedule 510.

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

Note 2: If the associated corporation does not have a tax year that ends in the filing corporation's current tax year but was associated with the filing corporation in the previous tax year of the filing corporation, enter the total revenue and total assets from the tax year of the associated corporation that ends in the previous tax year of the filing corporation.

### \* Rules for total assets

- Report total assets in accordance with generally accounting principles, adjusted so that consolidation and equity methods are not used.
- Include the associated corporation's share of the total assets of partnership(s) and joint venture(s) but exclude the recorded asset(s) for the
  investment in partnerships and joint ventures.
- Exclude unrealized gains and losses on assets that are included in net income for accounting purposes but not in income for corporate income
  tax purposes.

### \*\* Rules for total revenue

- Report total revenue in accordance with generally accepted accounting principles, adjusted so that consolidation and equity methods are not used.
- If the associated corporation has 2 or more tax years ending in the filing corporation's tax year, multiply the sum of the total revenue for each of those tax years by 365 and divide by the total number of days in all of those tax years.
- If the associated corporation's tax year is less than 51 weeks and is the only tax year of the associated corporation that ends in the filing corporation's tax year, multiply the associated corporation's total revenue by 365 and divide by the number of days in the associated corporation's tax year.
- Include the associated corporation's share of the total revenue of partnerships and joint ventures.
- If the partnership or joint venture has 2 or more fiscal periods ending in the associated corporation's tax year, multiply the sum of the total revenue for each of the fiscal periods by 365 and divide by the total number of days in all the fiscal periods.

T2 SCH 511 Canadä

Orangeville Hydro Limited EB-2023-0045

Exhibit 6 - Revenue Requirement and Other Revenue

September 29, 2023

Page **41** of **41** 

# APPENDIX 6-G 2022 PILS TAX RETURN



KPMG LLP 120 Victoria Street South Suite 600 Kitchener ON N2G 0E1 Canada Telephone (519) 747-8800 Fax (519) 747-8811

### **PRIVATE AND CONFIDENTIAL**

Amy Long CFO Orangeville Hydro Limited 400 C Line Orangeville ON L9W 3Z8

May 31, 2023

Dear Long:

### Subject: Orangeville Hydro Limited - Corporate Income Tax Returns

We have enclosed the corporate income tax return(s) (the "Returns") of Orangeville Hydro Limited (the "Company") for the period ended December 31, 2022.

- ☑ T2 Corporation Income Tax Return EXEMPT
- ☑ T183 Information Return for Corporations Filing Electronically

(Federal - to be e-filed with CRA) - EXEMPT

- ☑ T2 Corporations Income Tax Return (to be filed with Ministry of Finance) PILS
- ☑ Instalment Schedule
- ☑ Client copy for your records

We have prepared these Returns based on our understanding of and reliance upon the facts, data, materials, assumptions and other information (collectively, the "Information") provided to us by the Company and/or its representatives, and we have not independently investigated or verified the accuracy or completeness of such Information. We accept no responsibility or liability for any errors attributable to our reliance upon inaccurate or incomplete Information. We recommend that you carefully review the Returns in their entirety to ensure that all of the relevant Information is correctly and completely disclosed.

When you are satisfied that the Returns are in order they must be filed (electronically or in paper format) with the respective taxing authorities by the due date (as set out in the following instructions) if late filing penalties are to be avoided or minimized, or if losses are carried back to a prior taxation year. One copy of each Return should be retained for your records (the "Client Copy") and the remaining copies should be completed by an authorized signing officer of the Company and filed as described below.

We would like to remind you that tax-deductible inter-corporate dividends that are received subsequent to April 20, 2015 and that are otherwise tax-free under Part I of the Income Tax Act may be re-characterized, under an expanded anti-avoidance rule in subsection 55(2) of the Income Tax Act, as capital gains that are subject to tax if, in general terms, there is insufficient safe income on hand.

You have advised us that either there is sufficient safe income on hand to support the position that the anti-avoidance rule does not apply to the inter-corporate dividends reported in the Returns, or that the anti-avoidance rule does not apply to the inter-corporate dividends reported in the Returns and that safe income on hand is not required to support the position that the anti-avoidance rule does not apply. If you wish to engage KPMG to prepare a safe income on hand calculation, please contact us and we would be pleased to discuss this with you.

#### **FOREIGN PROPERTY**

The information return, which reports the Company's specified foreign property, is Form T1135 - *Foreign Income Verification Statement*. Form T1135 should be completed if at any time during 2022 the total cost of all specified foreign property the Company owned or held a beneficial interest in was more than Cdn\$100,000.

According to the information you have provided to us, the Company did not hold specified foreign property at any time in 2022 with a total cost of more than Cdn\$100,000. As such, we have **not** marked an X in box 259 on page 3 of your return and **we have not completed the Form T1135**. If the information on specified foreign property is incorrect, please let us know immediately.

The Form T1135 is due by **June 30, 2023**. The implications of late filing and/or failure to properly report specified foreign property on the Form T1135 and failure to report income from a specified foreign property on your income tax return are substantial. They include significant penalties and an increase to the normal reassessment period by an additional 3 years. Further, the reassessment period extension would impact otherwise statute-barred tax years and would impact the entire income tax return, not just the foreign income and reporting sections.

### **DUE DATE OF RETURNS AND PAYMENTS**

All returns must be filed with the respective taxing authorities by June 30, 2023 if late filing penalties are to be avoided. We recommend the returns be sent by registered mail and the mailing receipt be kept on file in order to have evidence of the date of filing.

Any balances owing must be remitted as soon as possible if interest charges are to be minimized.

# T2 – T183 – INFORMATION RETURN FOR CORPORATIONS FILING ELECTRONICALLY (FEDERAL-EXEMPT)

In order for us to electronically file the Company's corporate exempt income tax return, a signed copy of Form T183CORP – *Information Return for Corporations Filing Electronically* must be returned to us. Please note that we will not electronically file the Company's corporate income tax return until we receive the signed Form T183 Corp.

The Form T183CORP – *Information Return for Corporations Filing Electronically* includes information from your Company's income tax return and all applicable schedules.

### Signature

Form T183CORP – Information Return for Corporations Filing Electronically should be completed and signed

No amount is payable for the 2022 taxation year.

### Mailing

One copy of the signed Form T183 Corp should be returned to KPMG by fax at (519) 747-8811, as soon as possible, no later than June 30, 2023, in order to have the Company's Return filed on or before the due date for filing. We will not electronically file the Return until we receive a copy of the signed T183CORP. The Form T183CORP must not be sent to the CRA.

### T2 - CORPORATION INCOME TAX RETURN - MINISTRY OF FINANCE

### Signature

Form T2, the certification section on page 9 should be completed and signed.

#### Refund

A refund of \$157,405 is claimed and therefore no amount is payable for the **2022** taxation year.

#### Mailing

One copy of the Return and one copy of the Company's financial statements must be <u>received</u> by The Ministry of Finance, HYDRO PIL DIVISION, PO Box 620, 33 King Street West, Oshawa, ON, L1H 8E9 no later than **June 30, 2023**. For greater certainty, KPMG will not be mailing this Return.

### **NOTICES OF ASSESSMENT**

If your Company receives a Notice of Assessment that does not agree with the returns prepared by us, please contact us so that we can determine whether any action should be taken. The Company has only 90 days (180 days in the case of Ontario) from the date of mailing of the Assessment in which to object. Failure to respond within the prescribed time limit will cause the Company to lose its right to object to the Assessment.

### GENERAL RATE INCOME POOL ("GRIP")

Shareholders receiving eligible dividends as compared to non-eligible dividends, are subject to a reduced rate of income tax. Eligible dividends are paid out of the Company's GRIP balance, which at December 31, 2022 is estimated to be \$9,231,306. The supporting calculation is summarized in Schedule 53 of the federal corporate tax return.

In addition, designation of eligible dividends is required, with each shareholder recipient being formally notified in writing <u>at time of payment</u>.

During the year, the Company paid eligible dividends of \$485,664 which is outlined on Schedule 55 of the federal corporate tax return. This dividend reduces the GRIP balance indicated above.

### **INSTALMENTS**

We have prepared and enclose an estimate of tax instalments as applicable for the Company for the taxation year ending on December 31, 2023. The amounts were computed with reference to the Company's taxable income and taxes payable for prior years.

If during the year it is evident that the taxable income or taxable capital for the current year will be substantially less than for the previous taxation year, your instalments may be recalculated. Overpaid instalments may, in certain circumstances, be transferred to other accounts or applied to other liabilities such as payroll withholdings. Please call your KPMG advisor in order that we may determine what course of action should be taken.

In order to avoid interest charges, the tax authorities must receive the instalment payments no later than the date indicated on the attached schedule.

If you have any questions concerning these returns, or if we may be of any further assistance, please feel free to contact us.

Yours truly,

Tony Italiano Partner

**Enclosure** 

### **Federal Tax Instalments**

Feder:	al tax	insta	lments

For the taxation year ended 2023-12-31

**Business number** 86463 9562 RC0002

The following is a list of instalments payable for the current taxation year, and the last column indicates the instalments payable to the Canada Revenue Agency (CRA). The instalments must be paid on each of the dates indicated below, otherwise non-deductible interest might be charged.

You can pay using one of the methods listed at **canada.ca/payments**. However, when a remittance must mandatorily be made using electronic means, use one of the following electronic payment methods:

- a Canadian financial institution's services;
- the CRA's My Payment service, at canada.ca/cra-my-payment;
- a pre-authorized debit agreement set up in the CRA's My Business Account service, at canada.ca/my-cra-business-account;
- a wire transfer.

Do you want to calculate the tax instalments according to the extended payment date (COVID-19)?\*

Yes X No

\* The answer to this question is **Yes** when at least one of the dates entered in the **Monthly instalment workchart** or the **Quarterly instalment** workchart sections is after March 17, 2020, and before September 30, 2020.

### Monthly instalment workchart

Date	Monthly tax instalments	Refund transferred to instalments	Instalments paid	Cumulative difference	Instalments payable
2023-01-31	2,415			)/	2,415
2023-02-28	2,415				2,415
2023-03-31	2,415				2,415
2023-04-30	2,415				2,415
2023-05-31	2,415				2,415
2023-06-30	2,415				2,415
2023-07-31	2,415				2,415
2023-08-31	2,415				2,415
2023-09-30	2,415				2,415
2023-10-31	2,415				2,415
2023-11-30	2,415				2,415
2023-12-31	2,406				2,406
Instalment (COVID-	19)				
Totals	28,97/1				28,971



Canada Revenue Agence du revenu Agency du Canada

### **T2 Corporation Income Tax Return**

200

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

All legislative references on this return are to the federal Income Tax Act and Income Tax Regulations. This return may contain changes that had not yet become law at the time of publication.

Send one completed copy of this return, including schedules and the General Index of Financial Information (GIFI), to your tax centre. You have to file the return within six months after the end of the corporation's tax year.

For more information see **canada.ca/taxes** or Guide T4012, T2 Corporation – Income Tax Guide.

055	Do not use this area

┌ Identification ────	
Business number (BN)	
Corporation's name OO2 Orangeville Hydro Limited	To which tax year does this return apply?  Tax year start  Tax year-end
Address of head office Has this address changed since the last	Year Month Day 2022-01-01  Year Month Day 2022-12-31
time the CRA was notified?	Has there been an acquisition of control resulting in the application of subsection 249/41 since the tax year start on line 060?  If yes, provide the date  Has there been an acquisition of control resulting in the application of subsection 249/41 since the tax year No X  Year Month Day
O15 Orangeville O16 ON Country (other than Canada) Postal or ZIP code O17 CA O18 L9W 3Z8	control was acquired
Mailing address (if different from head office address)  Has this address changed since the last time the CRA was notified?	Is the corporation a professional corporation that is a member of a partnership?
021 c/o	Is this the first year of filing after: Incorporation?
Country (other than Canada)  Postal or ZIP code  027  Location of books and records (if different from head office address)  Has this address changed since the last	Has there been a wind-up of a subsidiary under section 88 during the current tax year?
time the CRA was notified?	Is this the final return up to dissolution?
City Province, territory, or state	If an election was made under section 261, state the functional currency used
O35 Orangeville O36 ON Country (other than Canada) Postal or ZIP code O37 CA O38 L9W 3Z8	Is the corporation a resident of Canada?  15 the corporation a resident of Canada?  16 no, give the country of residence on line 081 and complete and attach Schedule 97.
1 Canadian-controlled private corporation (CCPC)	081
2 Other private corporation 3 Public corporation	Is the non-resident corporation claiming an exemption under an income tax treaty?
4 Corporation controlled by a public corporation  5 Other corporation  (specify)	If the corporation is exempt from tax under section 149, tick one of the following boxes:  1 Exempt under paragraph 149(1)(e) or (I)
(specify)  If the type of corporation changed during the tax year, provide the effective date of the change	2 Exempt under paragraph 149(1)(j) 4 Exempt under other paragraphs of section 149
Do not use t	his area
095 096	898

− Attachments <del></del>		
Financial statement information: Use GIFI schedules 100, 125, and 141.		
Schedules – Answer the following questions. For each yes response, attach the schedule to the T2 return, unless otherwise instructed.		
		Schedule
Is the corporation related to any other corporations?	150 X	9
Is the corporation an associated CCPC?	160 X	23
Is the corporation an associated CCPC that is claiming the expenditure limit?	161	49
Does the corporation have any non-resident shareholders who own voting shares?	151	19
Has the corporation had any transactions, including section 85 transfers, with its shareholders, officers, or employees,		1
other than transactions in the ordinary course of business? Exclude non-arm's length transactions with non-residents	162	11
If you answered <b>yes</b> to the above question, and the transaction was between corporations not dealing at arm's length, were all or substantially all of the assets of the transferor disposed of to the transferee?	163	44
Has the corporation paid any royalties, management fees, or other similar payments to residents of Canada?	164	14
Is the corporation claiming a deduction for payments to a type of employee benefit plan?	165	15
Is the corporation claiming a loss or deduction from a tax shelter?	166	T5004
Is the corporation a member of a partnership for which a partnership account number has been assigned?	167	T5013
Did the corporation, a foreign affiliate controlled by the corporation, or any other corporation or trust that did not deal at arm's length		1
with the corporation have a beneficial interest in a non-resident discretionary trust (without reference to section 94)?	168 169	22
Did the corporation own any shares in one or more foreign affiliates in the tax year?	103	25
Has the corporation made any payments to non-residents of Canada under subsections 202(1) and/or 105(1) of the Income Tax Regulations?	170	29
Did the corporation have a total amount over CAN\$1 million of reportable transactions with non-arm's length non-residents?	171	T106
For private corporations: Does the corporation have any shareholders who own 10% or more of the corporation's common and/or preferred shares?	173 X	50
Has the corporation made payments to, or received amounts from, a retirement compensation plan arrangement during the year?	172	
Does the corporation earn income from one or more Internet web pages or websites?	180	88
Is the net income/loss shown on the financial statements different from the net income/loss for income tax purposes?	201 X	1
Has the corporation made any charitable donations; gifts of cultural or ecological property; or gifts of medicine?	202 X	2
Has the corporation received any dividends or paid any taxable dividends for purposes of the dividend refund?	203 X	3
Is the corporation claiming any type of losses?	204	4
Is the corporation claiming a provincial or territorial tax credit or does it have a permanent establishment		
in more than one jurisdiction?	205 X	5
Has the corporation realized any capital gains or incurred any capital losses during the tax year?	206	6
i) Is the corporation a CCPC and reporting a) income or loss from property (other than dividends deductible on line 320 of the T2 return), b) income from a partnership, c) income from a foreign business, d) income from a personal services business, e) income referred to in clause 125(1)(a)(i)(C) or 125(1)(a)(i)(B), f) aggregate investment income as defined in subsection 129(4), or g) an amount assigned to it under		
subsection 125(3.2) or 125(8); or ii) Is the corporation a member of a partnership and assigning its specified partnership business limit to a designated member under subsection 125(8)?	207	7
Does the corporation have any property that is eligible for capital cost allowance?	208 X	8
Does the corporation have any resource-related deductions?	212	12
Is the corporation claiming deductible reserves?	213	13
Is the corporation claiming a patronage dividend deduction?	216	16
Is the corporation a credit union claiming a deduction for allocations in proportion to borrowing or a provincial credit union tax reduction?	217	17
Is the corporation an investment corporation or a mutual fund corporation?	218	18
Is the corporation carrying on business in Canada as a non-resident corporation?	220	1
	221	20
Is the corporation claiming any federal, provincial, or territorial foreign tax credits, or any federal logging tax credits?	227	21
Does the corporation have any Canadian manufacturing and processing profits?	231	27
Is the corporation claiming an investment tax credit?		31
Is the corporation claiming any scientific research and experimental development (SR&ED) expenditures?	232	T661
Is the total taxable capital employed in Canada of the corporation and its related corporations over \$10,000,000?	233 X	33/34/35
Is the total taxable capital employed in Canada of the corporation and its associated corporations over \$10,000,000?	234 X	
10 mo corporation caraginate group and or managination and the corporation of the corpora	238	38
Is the corporation claiming a Part I tax credit?	242	42
' '	243	43
Is the corporation agreeing to a transfer of the liability for Part VI.1 tax?	244	45
· · · · · · · · · · · · · · · · · · ·	250	39
Is the corporation claiming a Canadian film or video production tax credit?	253	T1131
	254	T1177
Is the corporation claiming a Canadian journalism labour tax credit?	272	58
Is the corporation subject to Part XIII.1 tax? (Show your calculations on a sheet that you identify as Schedule 92.)	255	92

- Attachments (continued) ————————————————————————————————————	s Schedule
Did the corporation have any foreign affiliates in the tax year?	T1134
Did the corporation own or hold specified foreign property where the total cost amount of all such property at any time in the year was	_
more than CAN\$100,000?	T1135
Did the corporation transfer or loan property to a non-resident trust?	T1141
Did the corporation receive a distribution from or was it indebted to a non-resident trust in the year?	T1142
Has the corporation entered into an agreement to allocate assistance for SR&ED carried out in Canada?	T1145
Has the corporation entered into an agreement to transfer qualified expenditures incurred in respect of SR&ED contracts?	T1146
Has the corporation entered into an agreement with other associated corporations for salary or wages of specified employees for SR&ED?	T1174
Did the corporation pay taxable dividends (other than capital gains dividends) in the tax year?	55
Has the corporation made an election under subsection 89(11) not to be a CCPC?	T2002
Has the corporation revoked any previous election made under subsection 89(11)?	T2002 53
Did the corporation (other than a CCPC or DIC) pay eligible dividends, or did its low rate income pool (LRIP) change in the tax year? 269	54
Is the corporation claiming a return of fuel charge proceeds to farmers tax credit?	63
Are you an employer reporting a non-qualified security agreement under subsection 110(1.9)?	59
Is the corporation claiming an air quality improvement tax credit?	65
Is the corporation subject to the additional 1.5% tax on banks and life insurers?	68
- Additional information —	
Did the corporation use the International Financial Reporting Standards (IFRS) when it prepared its financial statements? 270 Yes X	No
Is the corporation inactive?	No X
What is the corporation's main	
revenue-generating business activity? <u>221122</u> <u>Electric Power Distribution</u>	
Specify the principal products mined, manufactured,  284 Hydro distribution  285 100	0.000_%
sold, constructed, or services provided, giving the approximate percentage of the total revenue that each	%
product or service represents.	%
Did the corporation immigrate to Canada during the tax year?	No X
Did the corporation emigrate from Canada during the tax year?	No X
Do you want to be considered as a quarterly instalment remitter if you are eligible?	No
If the corporation was eligible to remit instalments on a quarterly basis for part of the tax year, provide	th Day
the date the corporation ceased to be eligible	
If the corporation's major business activity is construction, did you have any subcontractors during the tax year? Yes	No
- Taxable income	
	37,425 A
Deduct:	37,123 A
Charitable donations from Schedule 2 3,180	
Cultural gifts from Schedule 2	
Ecological gifts from Schedule 2 /	
Gifts of medicine made before Margn 22, 2017, from Schedule 2	
Taxable dividends deductible under sestion 112 of 113, or subsection 138(6) from Schedule 3	
Part VI.1 tax deduction*	
Non-capital losses of previous tax years from Schedule 4	
Net capital losses of previous tax years from Schedule 4	
Restricted farm losses of previous tax years from Schedule 4	
Farm losses of previous tax years from Schedule 4	
Limited partnership losses of previous tax years from Schedule 4	
Prospector's and grubstaker's shares	
Employer deduction for non-qualified securities	
Subtotal 3,180	3,180 B
	34,245 C
Section 110.5 additions or subparagraph 115(1)(a)(vii) additions	<u>5 .,2 .5</u> 0
	34,245
Taxable income for the year from a personal services business	Z.1
* This amount is equal to 3.5 times the Part VI.1 tax payable at line 724 on page 9.	

- Small business deduction ————————————————————————————————————	
Canadian-controlled private corporations (CCPCs) throughout the tax year	
Income eligible for the small business deduction from Schedule 7	<b>400</b> 137,425 A
	405 134,245 B 410 500,000 C
Notes:	
<ol> <li>For CCPCs that are not associated, enter \$ 500,000 on line 410. However, if the corporation's tax year is less than 51 weeks, prorate this amount by the number of days in the tax year divided by 365, and enter the result on line 410.</li> </ol>	
2. For associated CCPCs, use Schedule 23 to calculate the amount to be entered on line 410.	
Business limit reduction	
Taxable capital business limit reduction for tax years starting before April 7, 2022	
Amount C 500,000 × 415 *** 70,833 D = 3,148,133	E1
Taxable capital business limit reduction for tax years starting after April 6, 2022	
Amount C 500,000 × 415 *** 70,833 D =	E2
Amount E1 or amount E2, whichever applies 3,148,133	<b>→</b> 3,148,133 E3
Passive income business limit reduction	
Adjusted aggregate investment income from Schedule 7 **** 417 15,000,000 50,000 =	14,950,000_ F
Amount C 500,000 × Amount F 14,950,000 =	<u>74,750,000</u> G
·	<b>422</b> 74,750,000 н
Reduced business limit (amount C <b>minus</b> amount H) (if negative, enter "0")	426
Business limit the CCPC assigns under subsection 125(3.2) (from line 515 below)	J
Reduced business limit after assignment (amount I minus amount J)	<b>428</b> K
Small business deduction – Amount A, B, C, or K, whichever is the least	430

- Calculate the amount of foreign non-business income tax credit deductible on line 632 without reference to the refundable tax on the CCPC's investment income (line 604) and without reference to the corporate tax reductions under section 123.4.
- \*\* Calculate the amount of foreign business income tax credit deductible on line 636 without reference to the corporation tax reductions under section 123.4.

#### \*\*\* Large corporations

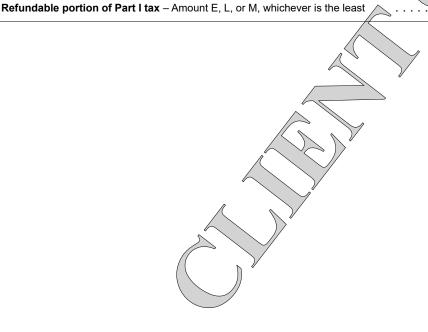
- If the corporation is not associated with any corporations in both the current and previous tax years, the amount to be entered on line 415 is: (total taxable capital employed in Canada for the **prior** year **minus** \$10,000,000) x 0.225%.
- If the corporation is not associated with any corporations in the current tax year, but was associated in the previous tax year, the amount to be entered on line 415 is: (total taxable capital employed in Canada for the **current** year **minus** \$10,000,000) x 0.225%.
- For corporations associated in the current tax year, see Schedule 23 for the special rules that apply.

\*\*\*\* Enter the total adjusted aggregate investment income of the corporation and all associated corporations for each tax year that ended in the preceding calendar year. Each corporation with such income has to file a Schedule 7. For a corporation's first tax year that starts after 2018, this amount is reported at line 744 of the corresponding Schedule 7. Otherwise, this amount is the total of all amounts reported at line 745 of the corresponding Schedule 7 of the corporation for each tax year that ended in the preceding calendar year.

<ul> <li>Small business deduction (continued) ————————————————————————————————————</li></ul>	on 125(3.2)		
L1 Name of corporation receiving the income and assigned amount	L Business number of the corporation receiving the assigned amount	M Income paid under clause 125(1)(a)(i)(B) to the corporation identified in column L <sup>3</sup>	N Business limit assigned to corporation identified in column L <sup>4</sup>
.	490	500	505
1.		otal <b>510</b>	otal <b>515</b>
Notes:		· · · · · · · · · · · · · · · · · · ·	
<ol><li>This amount is [as defined in subsection 125(7) specified cor specified farming or fishing income of the corporation for the yes services or property to a private corporation (directly or indirectly)</li></ol>	ear) from an active busine tly, in any manner whateve	ss of the corporation for the year fr er) if	om the provision of
<ul><li>(A) at any time in the year, the corporation (or one of its sharely shareholders) holds a direct or indirect interest in the private or</li><li>(B) it is not the case that all or substantially all of the corporation</li></ul>	orporation, and		
property to	-		or oversion of sol vious of
<ul> <li>(I) persons (other than the private corporation) with which the</li> <li>(II) partnerships with which the corporation deals at arm's let with the corporation holds a direct or indirect interest.</li> </ul>			t deal at arm's length
<ol> <li>The amount of the business limit you assign to a CCPC canno income referred to in column M in respect of that CCPC and B amount of income referred to in clauses 125(1)(a)(i)(A) or (B) f</li> </ol>	is the portion of the amou	ınt desçri <del>bed</del> in A`that i <b>s</b> ∕deductible	by you in respect of the
General tax reduction for Canadian-controlled p			
Canadian-controlled private corporations throughout the tax	- //	7	124 245
Taxable income from line 360 on page 3			
		·	B
		· · · · · · · · · · · · · · · · · · ·	C
	/	432	D
Amount from line 400, 405, 410, or 428 on page 4, whichever is the			
Aggregate investment income from line 440 on page 6*			F
	Subtotal ( <b>add</b> amo	ounts B to F)	<b>&gt;</b>
/	(2000)		124 245
Amount A <b>minus</b> amount G (if negative, enter "0")	·/·····		
General tax reduction for Canadian-controlled private corporate ramount I on line 638 on page 8.	ations Amount H multip	<b>blied</b> by 13 %	<u>17,452</u>
* Except for a corporation that is, throughout the year, a coopera	tive corporation (within the	e meaning assigned by subsection	136(2)) or a credit union.
General tax reduction  Do not complete this area if you are a Canadian-controlled pr a mutual fund corporation, or any corporation with taxable in	,/ rivate corporation, an inv come that is not subject	restment corporation, a mortgag	e investment corporation, %.
Taxable income from line 360 on page 3		·	
Lesser of amounts 9B and 9H from Part 9 of Schedule 27		· · · · · · · · · · · · · · · · · · ·	K
			 L
Personal services business income		434	 M
	Subtotal ( <b>add</b> amor	unts K to M)	_
	Cubiciai ( <b>ada</b> amoi		
Amount J <b>minus</b> amount N (if negative, enter "0")			
<b>General tax reduction</b> – Amount O <b>multiplied</b> by 13 % . Enter amount P on line 639 on page 8.			

450

 Refundable portion of Part I tax -Canadian-controlled private corporations throughout the tax year Aggregate investment income x 30 2 / 3 % = from Schedule 7 ...... Foreign non-business income tax credit from line 632 on page 8 . . . . . . . . . \_ Foreign investment income 445 x 8 % = C from Schedule 7 ...... Subtotal (amount B minus amount C) (if negative, enter "0") Amount A **minus** amount D (if negative, enter "0") ...... Amount from line 400, 405, 410, or 428 on page 4, whichever is the least ...... Foreign nonbusiness income tax credit from line 632 on x 75 / 29 = page 8 .... Foreign business income tax credit from line 636 on page 8 ... Subtotal (add amounts G to I) \_\_ 13<del>4</del>,245 κ × 41,168 L Subtotal (amount F minus amount J) 30 2 / 3 % = 20,136<sub>M</sub> Part I tax payable minus investment tax credit refund (line 700 minus line 780 from page 9)



Ν

− Refundable dividend tax on hand <del>−−−−−−−−−−−−−−−−−−−−−−−−−−−−−−−−−−−−</del>	
Refundable dividend tax on hand (RDTOH) at the end of the previous tax year	
Dividend refund for the previous tax year	
Net RDTOH transferred on an amalgamation or the wind-up of a subsidiary	
Subtotal (line 460 <b>minus</b> line 465 <b>plus</b> line 480)	A
General rate income pool (GRIP) at the end of the previous tax year (from line 100 of Schedule 53)	В
Total eligible dividends paid in the previous tax year (from line 300 of Schedule 53) C	
Total excessive eligible dividend designation in the previous tax year (from line 310 of Schedule 53) D	
Subtotal (amount C minus amount D) (if negative, enter "0")	E
Net GRIP at the end of the previous tax year (amount B <b>minus</b> amount E) (if negative, enter "0")	
Subtotal (amount F <b>plus</b> amount G)	H
Amount H <b>multiplied</b> by 38 1 / 3 %	
Eligible refundable dividend tax on hand (ERDTOH) at the end of the previous tax year (for the first tax year starting after 2018,	
amount A or I, whichever is less, otherwise, use line 530 of the preceding tax year)	J
Non-eligible refundable dividend tax on hand (NERDTOH) at the end of the previous tax year (for the first tax year starting after	
2018, amount A <b>minus</b> amount I, otherwise, use line 545 of the preceding tax year (if negative, enter "0") 535	K
Part IV tax payable on taxable dividends from connected corporations (amount 2G from Schedule 3)	
Part IV tax payable on eligible dividends from non-connected corporations (amount 2J from Schedule 3) M	
Subtotal (amount L <b>plus</b> amount M)	N
Net ERDTOH transferred on an amalgamation or the wind-up of a subsidiary	0
ERDTOH dividend refund for the previous tax year	P
Refundable portion of Part I tax (from line 450 on page 6)	Q
Part IV tax before deductions (amount 2A from Schedule 3)	
Part IV tax allocated to ERDTOH (amount N)	
Part IV tax reduction due to Part IV.1 tax payable (amount 4D of Schedule 43)	
Subtotal (amount R minus total of amounts S and T)	U
Net NERDTOH transferred on an amalgamation or the wind-up of a subsidiary	V
NERDTOH dividend refund for the previous tax year 575	v W
38 1/3% of the total losses applied against Part IV tax (amount 2D from Schedule 3)	X
Part IV tax payable allocated to NERDTOH, net of losses claimed (amount U <b>minus</b> amount X) (if negative enter "0")	
NERDTOH at the end of the tax year (total of amounts K, Q, V and Y minus amount W) (if negative, enter "0") 545	·
Part IV tax payable allocated to ERDTOH, net of losses claimed amount N minus the amount, if any, by which amount X exceeds amount U) (if negative, enter "0")	Z
ERDTOH at the end of the tax year (total of amounts J,O, and Z minus amount P) (if negative, enter "0") 530	
- Dividend refund	
38 1/3% of total eligible dividends paid in the tax year (amount 3A from Schedule 3)	186,171_AA
ERDTOH balance at the end of the tax year (line 530)	
Eligible dividend refund (amount AA or BB, whichever is less)	cc
38 1/3% of total non-eligible taxable dividends paid in the tax year (amount 3B from Schedule 3)	DD
NERDTOH balance at the end of the tax year (line 545)	EE
Non-eligible dividend refund (amount DD or EE, whichever is less)	FF
Amount DD <b>minus</b> amount EE (if negative, enter "0")	GG
Amount BB <b>minus</b> amount CC (if negative, enter "0")	HH
Additional non-eligible dividend refund (amount GG or HH, whichever is less)	II
Dividend refund – Amount CC plus amount FF plus amount II	JJ
Enter amount JJ on line 784 on page 9.	

r Part I tax	
Base amount Part I tax – Taxable income (from line 360 on page 3) <b>multiplied</b> by 38 %	51,013 A
	A
Additional tax on personal services business income (section 123.5)	
Taxable income from a personal services business	B
Additional tax on banks and life insurers from Schedule 68	c
Recapture of investment tax credit from Schedule 31	D
Calculation for the refundable tax on the Canadian-controlled private corporation's (CCPC) investment income (if it was a CCPC throughout the tax year)	
Aggregate investment income from line 440 on page 6	
Taxable income from line 360 on page 3 134,245 F	
Deduct:	
Amount from line 400, 405, 410, or 428 on page 4, whichever	
is the least G  Net amount (amount F <b>minus</b> amount G) 134,245 H	
Net amount (amount F <b>minus</b> amount G) <u>134,245</u> ► <u>134,245</u> H	
Refundable tax on CCPC's investment income – 10 2 / 3 % of whichever is less: amount E or amount H	1
	51,013 J
Subtotal (add amounts A, B, C, D, and I)	
Deduct:	
Small business deduction from line 430 on page 4	
Federal tax abatement	
Manufacturing and processing profits deduction and zero-emission technology manufacturing	
deduction from Schedule 27  Investment corporation deduction  616 620	
Taxed capital gains 624	
Federal logging tax credit from Schedule 21	
Eligible Canadian bank deduction under section 125.21 641	
Federal qualifying environmental trust tax credit	
Investment tax credit from Schedule 31	20.077 .
Subtotal <b>S</b>	30,877 L
Part Ltay navable Amount Lminus amount L	20,136 м
Part I tax payable – Amount J minus amount L	
Enter amount M on line 700 on page 9.	

### Privacy notice

Personal information (including the SIN) is collected to administer or enforce the Income Tax Act and related programs and activities including administering tax, benefits, audit, compliance, and collection. The information collected may be used or disclosed for the purposes of other federal acts that provide for the imposition and collection of a tax or duty. It may also be disclosed to other federal, provincial, territorial, or foreign government institutions to the extent authorized by law. Failure to provide this information may result in paying interest or penalties, or in other actions. Under the Privacy Act, individuals have a right of protection, access to and correction of their personal information, or to file a complaint with the Privacy Commissioner of Canada regarding the handling of their personal information. Refer to Personal Information Bank CRA PPU 047 on Information about Programs and Information Holdings at canada.ca/cra-information-about-programs.

Summary of tax and credits —	
Federal tax	
Part I tax payable from amount M on page 8	
Part III.1 tax payable from Schedule 55	
Part IV tax payable from Schedule 3	
Part IV.1 tax payable from Schedule 43	
Part VI tax payable from Schedule 38	720
Part VI.1 tax payable from Schedule 43	724
Part VI.2 tax payable from Schedule 67	705
Part XIII.1 tax payable from Schedule 92	707
Part XIV tax payable from Schedule 20	728
	20.426
Add provincial or territorial tax:	Total federal tax20,136
Provincial or territorial jurisdiction	Λ
Net provincial or territorial tax payable (except Quebec and Alberta)	
Deduct other credits:	Total tax payable 770 28,971 A
Investment tax credit refund from Schedule 31	
Dividend refund from amount JJ on page 7	
Federal capital gains refund from Schedule 18	
Federal qualifying environmental trust tax credit refund	
Return of fuel charge proceeds to farmers tax credit from Schedule 63	
Canadian film or video production tax credit (Form T1131)	
	<del></del>
7 iii quality iiiiprovenieni tax ereali iieiii eenealie ee	
Tax withheld at source	
Total payments on which tax has been withheld 801	
Provincial and territorial capital gains refund from Schedule 18	
Provincial and territorial refundable tax credits from Schedule 5	
Tax instalments paid	186,376
Total credits 890	186,376 ► 186,376 B
	,
If the result is negative, you have a retun	d. If the result is positive, you have a <b>balance owing</b> .  Enter the amount below on whichever line applies.
	e CRA does not charge ifference of \$2 or less.
	Therefore of \$2 of less.
Refund code   894   1	Balance owing
	<u> </u>
For information on house or and for direct denseit we to a sold defend direct denseit	For information on how to make your
For information on how to enrol for direct deposit, go to canada ca/cra-direct-deposit.	payment, go to canada.ca/payments.
If the corporation is a Canadian-controlled private corporation throughout the tax year,	
does it qualify for the one-month extension of the date the balance of tax is due?	
If this return was prepared by a tax preparer for a fee, provide their EFILE number	920 G1829
- Certification	
ı, <mark>950 Long 951 Amy</mark>	954 CFO
Last name First name	Position, office, or rank
am an authorized signing officer of the corporation. I certify that I have examined this return, including a the information given on this return is, to the best of my knowledge, correct and complete. I also certify the complete of the corporation of the corporation of the corporation of the corporation.	ccompanying schedules and statements, and that
year is consistent with that of the previous tax year except as specifically disclosed in a statement attack	
<b>955</b> 2023-05-31	<b>956</b> (519) 942-8000
Z.U.Z.J.T.U.J.T.J.1	(813) 3 12 0000
Date (yyyy/mm/dd) Signature of the authorized signing officer of the corpo	
Date (yyyy/mm/dd) Signature of the authorized signing officer of the corports the contact person the same as the authorized signing officer? If <b>no</b> , complete the information below	957 Yes X No
Date (yyyy/mm/dd) Signature of the authorized signing officer of the corpo ls the contact person the same as the authorized signing officer? If <b>no</b> , complete the information below <b>958</b>	957 Yes X No 959
Date (yyyy/mm/dd) Signature of the authorized signing officer of the corpo ls the contact person the same as the authorized signing officer? If <b>no</b> , complete the information below	957 Yes X No
Date (yyyy/mm/dd)  Signature of the authorized signing officer of the corpo  Is the contact person the same as the authorized signing officer? If <b>no</b> , complete the information below  958  Name of other authorized person	957 Yes X No 959
Date (yyyy/mm/dd) Signature of the authorized signing officer of the corporate the contact person the same as the authorized signing officer? If <b>no</b> , complete the information below <b>958</b>	957 Yes X No 959

Financial Statements of

# ORANGEVILLE HYDRO LIMITED

And Independent Auditor's Report thereon Year ended December 31, 2022



KPMG LLP 120 Victoria Street South Suite 600 Kitchener ON N2G 0E1 Canada Tel 519-747-8800 Fax 519-747-8811

### INDEPENDENT AUDITOR'S REPORT

To the Shareholder of Orangeville Hydro Limited

### **Opinion**

We have audited the financial statements of Orangeville Hydro Limited (the Entity), which comprise:

- the statement of financial position as at December 31, 2022
- the statement of comprehensive income for the year then ended
- the statement of changes in equity for the year then ended
- · the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2022 and its financial performance and its cash flows for the year then ended in accordance with International financial reporting standards (IFRS).

### Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our auditor's report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

# Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International financial reporting standards (IFRS), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.



### Page 2

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

### We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
  - The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design
  audit procedures that are appropriate in the circumstances, but not for the purpose of
  expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.



### Page 3

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Chartered Professional Accountants, Licensed Public Accountants

Kitchener, Canada April 21, 2023

KPMG LLP

Statement of Financial Position

December 31, 2022, with comparative information for 2021

	2022	2021
Assets		
Current assets:		
Cash	\$ 1,595,236	\$ 302,534
Accounts receivable (note 3)	4,436,206	4,563,544
Income taxes receivable	172,933	-
Unbilled revenue	3,241,571	2,804,229
Inventory	450,531	357,927
Prepaid expenses	168,244	135,504
Total current assets	10,064,721	8,163,738
Non-current assets:		
Property, plant and equipment (note 4)	24,592,614	22,743,104
Intangible assets (note 5)	205,626	209,422
Total non-current assets	24,798,240	22,952,526
Total assets	34,862,961	31,116,264
Regulatory debit balances (note 7)	4,505,500	3,932,687
Total assets and regulatory balances	\$ 39,368,461	\$ 35,048,951

Statement of Financial Position (continued)

December 31, 2022, with comparative information for 2021

	2022	2021
Liabilities		
Current liabilities:		
Accounts payable and accrued liabilities (note 8)	\$ 6,334,443	\$ 4,916,405
Income taxes payable	<u>-</u>	11,288
Long-term debt due within one year (note 9)	590,827	5,140,633
Customer deposits	200,000	200,000
Other payables	184,341	171,832
Total current liabilities	7,309,611	10,440,158
Non-current liabilities:		
Long-term debt (note 9)	15,540,781	8,665,189
Employee future benefits (note 10)	434,474	418,481
Customer deposits	299,914	314,847
Contributions in aid of construction (note 11)	2,317,945	2,322,027
Deferred tax liability (note 6)	412,695	241,921
Total non current liabilities	19,005,809	11,962,465
Total liabilities	26,315,420	22,402,623
Equity:		
Share capital (note 12)	8,290,714	8,290,714
Accumulated other comprehensive income (loss)	(14,964)	(14,964)
Retained earnings	4,317,609	4,055,694
	12,593,359	12,331,444
Regulatory credit balances (note 7)	459,682	314,884
Total liabilities, equity and regulatory balances	\$ 39,368,461	\$ 35,048,951
	,	, ,
See accompanying notes to financial statements.		
On behalf of the Board:		
Director		Director

Statement of Comprehensive Income

Year ended December 31, 2022, with comparative information for 2021

	2022	2021
Revenue:		
	\$ 31,873,671	\$ 30,406,079
Distribution revenue (note 13)	5,640,664	5,796,532
Other (note 13)	312,396	377,300
	5,953,060	6,173,832
	37,826,731	36,579,911
Operating expenses:		
Cost of power purchased	32,063,987	30,596,804
Operating and maintenance	1,164,462	1,034,443
Billing and collection	1,003,017	1,000,099
General and administrative	1,523,517	1,352,259
Depreciation and amortization	981,573	930,022
Loss on sale of property, plant and equipment and	45 760	06 227
intangible assets	45,768	86,337
	4,718,337	4,403,160
	36,782,324	34,999,964
Income from operating activities	1,044,407	1,579,947
Finance costs (note 15)	(553,390)	(487,681)
Finance income (note 15)	21,878	6,828
Income before income taxes and undernoted items	512,895	1,099,094
Income tax expense (note 6)	(128,874)	(309,123)
Income before the undernoted items	384,021	789,971
Other income (expense):		
Net movement in regulatory balances (other)	427,688	218,534
Tax on net movement in regulatory balances	(64,130)	(37,177)
	363,558	181,357
Net income for the year and net movement in regulatory balances	747,579	971,328
Other comprehensive loss Remeasurement of post-employment benefits, net of tax		(62.364)
Other comprehensive loss for the year	-	(62,364) (62,364)
Total comprehensive income for the year	\$ 747,579	\$ 908,964

Statement of Changes in Equity

Year ended December 31, 2022, with comparative information for 2021

			Retained o	Accumulated other omprehensive	
	5	Share capital	earnings	income (loss)	Total
Balance at January 1, 2021 Net income and net movement in	\$	8,290,714 \$	3,627,624 \$	47,400 \$	11,965,738
regulatory balances		-	971,328	-	971,328
Other comprehensive loss		-	-	(62,364)	(62,364)
Dividends		-	(543,258)	-	(543,258)
Balance at December 31, 2021	\$	8,290,714 \$	4,055,694 \$	(14,964)\$	12,331,444
Balance at January 1, 2022 Net income and net movement in	\$	8,290,714 \$	4,055,694 \$	(14,964)\$	12,331,444
regulatory balances		-	747,579	-	747,579
Dividends		-	(485,664)	-	(485,664)
Balance at December 31, 2022	\$	8,290,714 \$	4,317,609 \$	(14,964)\$	12,593,359

Statement of Cash Flows

Year ended December 31, 2022, with comparative information for 2021

		2022	2021
Cash provided by (used in):			
Operating activities:			
Net Income and net movement in regulatory balances	\$	747,579	\$ 971,328
Items not involving cash:	-	,	•
Depreciation and amortization		1,084,978	1,032,581
Loss on sale of property, plant and equipment and			
intangible assets		45,768	86,337
Net finance costs		531,512	480,853
Income tax expense		128,874	309,123
Tax on net movement in regulatory		64,130	37,177
Employee future benefits		15,993	(12,660)
Contributions received from customers revenue		(00.047)	(07.044)
recognized		(66,847)	(67,211)
		2,551,987	2,837,528
Changes in non-cash operating working capital:		407.000	404.075
Accounts receivable		127,338	131,975
Unbilled revenue		(437,342)	(59,015)
Inventory		(92,604)	5,141
Prepaid expenses Accounts payable and accrued liabilities		(32,740)	2,149 (74,205)
Other payables		1,418,038 12,509	3,325
Customer deposits		(14,933)	(114,872)
Customer deposits			
Interest poid		980,266	(105,502)
Interest paid Interest received		(553,390) 21,878	(487,681) 6,828
Income tax paid		(206,451)	(330,872)
Regulatory balances		(428,015)	(218,535)
regulatory balances		2,366,275	1,701,766
		2,300,273	1,701,700
Financing activities:			
Repayment of long-term debt		(674,214)	(612,959)
Proceeds of long-term debt		3,000,000	1,000,000
Dividends paid		(485,664)	(543,258)
		1,840,122	(156,217)
Tours after a condition of			
Investing activities:		(0.054.404)	(0.064.007)
Purchase of property, plant and equipment		(2,954,194)	(2,264,237)
Proceeds on disposal of property, plant and equipment		3,469	1,839 (22,675)
Purchase of intangible assets Contributions received from customers		(25,735) 62,765	, ,
Contributions received from customers			349,139 (1,935,934)
Increase (decrease) in cash		(2,913,695)	
Cash, beginning of year		1,292,702 302,534	(390,385)
			 692,919
Cash, end of year	\$	1,595,236	\$ 302,534

Notes to Financial Statements

Year ended December 31, 2022

### Reporting entity:

Orangeville Hydro Limited (the "Corporation") is a rate regulated, municipally owned hydro distribution company incorporated under the laws of Ontario, Canada. The address of the Corporation's registered office is 400 C Line, Orangeville, Ontario.

The Corporation delivers electricity and related energy services to residential and commercial customers in the Town of Orangeville and Town of Grand Valley. The Corporation is owned by the Town of Orangeville and Town of Grand Valley.

The financial statements are for the Corporation as at and for the year ended December 31, 2022.

### 1. Basis of presentation:

(a) Statement of compliance:

The Corporation's financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS").

The financial statements were approved by the Board of Directors on April 20, 2023.

(b) Basis of measurement:

These financial statements have been prepared on the historical cost basis, unless otherwise stated.

(c) Functional and presentation currency:

These financial statements are presented in Canadian dollars, which is the Corporation's functional currency.

(d) Use of estimates and judgments:

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and disclosure of contingent assets and liabilities. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future years affected.

Notes to Financial Statements (continued)

Year ended December 31, 2022

### Basis of presentation (continued):

(d) Use of estimates and judgments (continued):

Information about assumptions and estimation uncertainties that have a significant risk of resulting in material adjustment is included in the following notes:

- (i) Note 2(b) measurement of unbilled revenue
- (ii) Notes 4, 5 estimation of useful lives of its property, plant and equipment and intangible assets
- (iii) Note 7 recognition and measurement of regulatory balances
- (iv) Note 10 measurement of defined benefit obligations: key actuarial assumptions
- (v) Note 16 recognition and measurement of provisions and contingencies

### (e) Rate regulation:

The Corporation is regulated by the Ontario Energy Board ("OEB"), under the authority granted by the Ontario Energy Board Act, 1998. Among other things, the OEB has the power and responsibility to approve or set rates for the transmission and distribution of electricity, providing continued rate protection for electricity consumers in Ontario, and ensuring that transmission and distribution companies fulfill obligations to connect and service customers. The OEB may also prescribe license requirements and conditions of service to local distribution companies ("LDCs"), such as the Corporation, which may include, among other things, record keeping, regulatory accounting principles, separation of accounts for distinct businesses, and filing and process requirements for rate setting purposes.

#### Rate setting

#### Distribution revenue

For the distribution revenue included in sale of energy, the Corporation files a "Cost of Service" ("COS") rate application with the OEB every five years where rates are determined through a review of the forecasted annual amount of operating and capital expenditures, debt and shareholder's equity required to support the Corporation's business. The Corporation estimates electricity usage and the costs to service each customer class to determine the appropriate rates to be charged to each customer class. The COS application is reviewed by the OEB and interveners and rates are approved based upon this review, including any revisions resulting from that review.

The application is based on the Annual IR Index option to set rates for 2021. The Corporation was required by the OEB to apply the Annual IR Index method after deferring its COS rate application for three consecutive years. The Annual IR Index is based on inflation less the OEB's highest stretch factor assessment of a distributor's efficiency.

Notes to Financial Statements (continued)

Year ended December 31, 2022

### 1. Basis of presentation (continued):

### (e) Rate regulation (continued):

As a licensed distributor, the Corporation is responsible for billing customers for electricity generated by third parties and the related costs of providing electricity service, such as transmission services and other services provided by third parties. The Corporation is required, pursuant to regulation, to remit such amounts to these third parties, irrespective of whether the Corporation ultimately collects these amounts from customers.

The Corporation last filed a COS application in October 2013 for rates effective May 1, 2014 to April 30, 2019. The Corporation received approval for a deferral of a COS application for 2021 rates. The GDP IPI-FDD for 2022 is 3.7%, the Corporation's productivity factor is nil% and the stretch factor is 0.60%, resulting in a net adjustment of 3.7% to the previous year's rates.

### Electricity rates

The OEB sets electricity prices for low-volume consumers once each year based on an estimate of how much it will cost to supply the province with electricity for the next year. All remaining consumers pay the market price for electricity. The Corporation is billed for the cost of the electricity that its customers use and passes this cost on to the customer at cost without a mark-up.

#### 2. Significant accounting policies:

The accounting policies set out below have been applied consistently in all years presented in these financial statements.

### (a) Financial instruments:

At initial recognition, the Corporation measures its financial assets at fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Subsequent measurement of the financial asset depends on the classification determined on initial recognition. Financial assets are classified as either amortized cost, fair value through other comprehensive income or fair value through profit or loss, depending on its business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. Financial assets are not reclassified subsequent to their initial recognition, unless the Corporation changes its business model for managing financial assets.

Notes to Financial Statements (continued)

Year ended December 31, 2022

### 2. Significant accounting policies (continued):

### (a) Financial instruments (continued):

Financial liabilities are initially measured at fair value, net of transaction costs incurred. They are subsequently carried at amortized cost using the effective interest rate method; any difference between the proceeds (net of transaction costs) and the redemption value is recognized as an adjustment to interest expense over the period of the borrowings.

The Corporation has not entered into derivative instruments.

Hedge accounting has not been used in the preparation of these financial statements.

Cash equivalents include short-term investments with maturities of three months or less when purchased.

### (b) Revenue recognition:

Sale and distribution of electricity

The performance obligations for the sale and distribution of electricity are recognized over time using an output method to measure the satisfaction of the performance obligation. The value of the electricity services transferred to the customer is determined on the basis of cyclical meter readings plus estimated customer usage since the last meter reading date to the end of the year and represents the amount that the Corporation has the right to bill. Revenue includes the cost of electricity supplied, distribution, and any other regulatory charges. The related cost of power is recorded on the basis of power used.

For customer billings related to electricity generated by third parties and the related costs of providing electricity service, such as transmission services and other services provided by third parties, the Corporation has determined that it is acting as a principal for these electricity charges and, therefore, has presented electricity revenue on a gross basis.

### Capital contributions

Developers are required to contribute towards the capital cost of construction of distribution assets in order to provide ongoing service. The developer is not a customer and therefore the contributions are scoped out of IFRS 15 Revenue from Contracts with Customers. Cash contributions, received from developers are recorded as deferred revenue. When an asset other than cash is received as a capital contribution, the asset is initially recognized at its fair value, with a corresponding amount recognized as deferred revenue. The deferred revenue, which represents the Corporation's obligation to continue to provide the customers access to the supply of electricity, is amortized to income on a straight-line basis over the useful life of the related asset.

Notes to Financial Statements (continued)

Year ended December 31, 2022

### 2. Significant accounting policies (continued):

### (b) Revenue recognition (continued):

Certain customers are also required to contribute towards the capital cost of construction of distribution assets in order to provide ongoing service. These contributions fall within the scope of IFRS 15 Revenue from Contracts with Customers. The contributions are received to obtain a connection to the distribution system in order receive ongoing access to electricity. The Corporation has concluded that the performance obligation is the supply of electricity over the life of the relationship with the customer which is satisfied over time as the customer receives and consumes the electricity. Revenue is recognized on a straight-line basis over the useful life of the related asset.

#### Other revenue

Revenue earned from the provision of services is recognized as the service is rendered.

Government grants and the related performance incentive payments under CDM programs are recognized as revenue in the year when there is reasonable assurance that the program conditions have been satisfied and the payment will be received.

### (c) Inventory:

Inventory, the majority of which is consumed by the Corporation in the provision of its services, is valued at the lower of cost and net realizable value, with cost being determined on an average cost basis, and includes expenditures incurred in acquiring the materials and supplies and other costs incurred in bringing them to their existing location and condition.

### (d) Property, plant and equipment:

Items of property, plant and equipment ("PP&E") used in rate-regulated activities and acquired prior to January 1, 2015 are measured at the deemed cost (carrying value as elected under IFRS 1) established on the transition date, less accumulated depreciation. All other items of PP&E are measured at cost, or, where the item is contributed by customers, its fair value, less accumulated depreciation.

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes contracted services, materials and transportation costs, direct labour, overhead costs, borrowing costs and any other costs directly attributable to bringing the asset to a working condition for its intended use.

Borrowing costs on qualifying assets are capitalized as part of the cost of the asset based upon the weighted average cost of debt incurred on the Corporation's borrowings. Qualifying assets are considered to be those that take in excess of 12 months to construct.

Notes to Financial Statements (continued)

Year ended December 31, 2022

### 2. Significant accounting policies (continued):

(d) Property, plant and equipment (continued):

When parts of an item of PP&E have different useful lives, they are accounted for as separate items (major components) of PP&E.

When items of PP&E are retired or otherwise disposed of, a gain or loss on disposal is determined by comparing the proceeds from disposal, if any, with the carrying amount of the item and is included in profit or loss.

Major spare parts and standby equipment are recognized as items of PP&E.

The cost of replacing a part of an item of PP&E is recognized in the net book value of the item if it is probable that the future economic benefits embodied within the part will flow to the Corporation and its cost can be measured reliably. In this event, the replaced part of PP&E is written off, and the related gain or loss is included in profit or loss. The costs of the day-to-day servicing of PP&E are recognized in profit or loss as incurred.

The need to estimate the decommissioning costs at the end of the useful lives of certain assets is reviewed periodically. The Corporation has concluded it does not have any legal or constructive obligation to remove PP&E.

Depreciation is calculated to write off the cost of items of PP&E using the straight-line method over their estimated useful lives, and is generally recognized in profit or loss. Depreciation methods, useful lives, and residual values are reviewed at each reporting date and adjusted prospectively if appropriate. Land is not depreciated. Construction-in-progress assets are not depreciated until the project is complete and the asset is available for use.

The estimated useful lives are as follows:

Asset	Rate
Buildings Distribution equipment Vehicles Other tools and equipment Computer equipment	20-60 years 15-60 years 8-15 years 10-60 years 5 years

Notes to Financial Statements (continued)

Year ended December 31, 2022

### 2. Significant accounting policies (continued):

### (e) Intangible assets:

Intangible assets used in rate-regulated activities and acquired prior to January 1, 2015 are measured at deemed cost (carrying value as elected under IFRS 1) established on the transition date, less accumulated amortization. All other intangible assets are measured at cost.

Computer software that is acquired or developed by the Corporation after January 1, 2015, including software that is not integral to the functionality of equipment purchased which has finite useful lives, is measured at cost less accumulated amortization.

Payments to obtain rights to access land ("land rights") are classified as intangible assets. These include payments made for easements, right of access and right of use over land for which the Corporation does not hold title. Land rights are measured at cost. Management has determined that land rights have an indefinite life. Land rights are tested for impairment when events or circumstances indicate their carrying amount exceeds their fair value. As at December 31, 2022, management has not identified any events or circumstances indicating that land rights are impaired.

Amortization is recognized in profit or loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use. Amortization methods and useful lives of all intangible assets are reviewed at each reporting date and adjusted prospectively if appropriate. The estimated useful lives are:

Asset	Rate
Computer software	5 years

Notes to Financial Statements (continued)

Year ended December 31, 2022

## 2. Significant accounting policies (continued):

## (f) Impairment:

(i) Financial assets measured at amortized cost:

A loss allowance for expected credit losses on financial assets measured at amortized cost is recognized at the reporting date. The loss allowance is measured at an amount equal to the lifetime expected credit losses for the asset.

## (ii) Non-financial assets:

The carrying amounts of the Corporation's non-financial assets, other than materials and supplies and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit" or "CGU"). The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

#### (g) Customer deposits:

Customer deposits represent cash deposits from electricity distribution customers and retailers to guarantee the payment of energy bills. Interest is paid on customer deposits.

Deposits are refundable to customers who demonstrate an acceptable level of credit risk as determined by the Corporation in accordance with policies set out by the OEB or upon termination of their electricity distribution service.

Notes to Financial Statements (continued)

Year ended December 31, 2022

## 2. Significant accounting policies (continued):

### (h) Provisions:

A provision is recognized if, as a result of a past event, the Corporation has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

## (i) Regulatory balances:

Regulatory deferral account debit balances represent costs incurred in excess of amounts billed to the customer at OEB approved rates. Regulatory deferral account credit balances represent amounts billed to the customer at OEB approved rates in excess of costs incurred by the Corporation.

Regulatory deferral account debit balances are recognized if it is probable that future billings in an amount at least equal to the deferred cost will result from inclusion of that cost in allowable costs for rate-making purposes. The offsetting amount is recognized in net movement in regulatory balances in profit or loss or OCI. When the customer is billed at rates approved by the OEB for the recovery of the deferred costs, the customer billings are recognized in revenue. The regulatory deferral debit balance is reduced by the amount of these customer billings with the offset to net movement in regulatory balances in profit or loss or OCI.

The probability of recovery of the regulatory deferral debit account balances is assessed annually based upon the likelihood that the OEB will approve the change in rates to recover the balance. The assessment of likelihood of recovery is based upon previous decisions made by the OEB for similar circumstances, policies or guidelines issued by the OEB, etc. Any resulting impairment loss is recognized in profit or loss in the year incurred. When the Corporation is required to refund amounts to ratepayers in the future, the Corporation recognizes a regulatory deferral account credit balance. The offsetting amount is recognized in net movement in regulatory balances in profit or loss or OCI. The amounts returned to the customers are recognized as a reduction of revenue. The regulatory deferral credit balance is reduced by the amount of these customer repayments with the offset to net movement in regulatory balances in profit or loss or OCI.

Notes to Financial Statements (continued)

Year ended December 31, 2022

### 2. Significant accounting policies (continued):

## (j) Post-employment benefits:

## (i) Pension plan

The Corporation provides a pension plan for all its full-time employees through Ontario Municipal Employees Retirement System ("OMERS"). OMERS is a multi-employer pension plan which operates as the Ontario Municipal Employees Retirement Fund ("the Fund"), and provides pensions for employees of Ontario municipalities, local boards and public utilities. The Fund is a contributory defined benefit pension plan, which is financed by equal contributions from participating employers and employees, and by the investment earnings of the Fund. To the extent that the Fund finds itself in an under-funded position, additional contribution rates may be assessed to participating employers and members.

OMERS is a defined benefit plan. However, as OMERS does not segregate its pension asset and liability information by individual employers, there is insufficient information available to enable the Corporation to directly account for the plan. Consequently, the plan has been accounted for as a defined contribution plan. The Corporation is not responsible for any other contractual obligations other than the contributions. Obligations for contributions to defined contribution pension plans are recognized as an employee benefit expense in profit or loss when they are due.

## (ii) Post-employment benefits, other than pension

The Corporation provides some of its retired employees with life insurance and medical benefits beyond those provided by government sponsored plans.

The obligations for these post-employment benefit plans are actuarially determined by applying the projected unit credit method and reflect management's best estimate of certain underlying assumptions. Remeasurements of the net defined benefit obligations, including actuarial gains and losses and the return on plan assets (excluding interest), are recognized immediately in other comprehensive income. When the benefits of a plan are improved, the portion of the increased benefit relating to past service by employees is recognized immediately in profit or loss.

## (k) Leased assets:

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

For leases and contracts that contain a lease, the Corporation recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost which comprises the initial amount of the lease liability adjusted

Notes to Financial Statements (continued)

Year ended December 31, 2022

## 2. Significant accounting policies (continued):

## (k) Leased assets (continued):

for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Subsequent to initial recognition, the right-of-use asset is recognized at cost less any accumulated depreciation and any accumulated impairment losses, adjusted for certain remeasurements of the corresponding lease liability.

The lease liability is initially measured at the present value of lease payments plus the present value of lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, the Corporation's incremental borrowing rate.

The lease liability is subsequently measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Corporation's estimate of the amount expected to be payable under a residual value guarantee, or if the Corporation changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

#### Short-term leases and low value assets

The Corporation has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Corporation recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

#### (I) Finance income and finance costs:

Finance income is recognized as it accrues in profit or loss, using the effective interest method. Finance income comprises interest earned on cash.

Finance costs comprise interest expense on borrowings and net interest expense on postemployment benefits. Finance costs are recognized in profit or loss unless they are capitalized as part of the cost of qualifying assets.

Notes to Financial Statements (continued)

Year ended December 31, 2022

## 2. Significant accounting policies (continued):

### (m) Income taxes:

The income tax expense comprises current and deferred tax. Income tax expense is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case, it is recognized in equity.

The Corporation is currently exempt from taxes under the Income Tax Act (Canada) and the Ontario Corporations Tax Act (collectively the "Tax Acts"). Under the Electricity Act, 1998, the Corporation makes payments in lieu of corporate taxes to the Ontario Electricity Financial Corporation ("OEFC"). These payments are calculated in accordance with the rules for computing taxable income and taxable capital and other relevant amounts contained in the Tax Acts as modified by the Electricity Act, 1998, and related regulations. Prior to October 1, 2001, the Corporation was not subject to income or capital taxes. Payments in lieu of taxes are referred to as income taxes.

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized in respect of temporary differences between the tax basis of assets and liabilities and their carrying amounts for accounting purposes. Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted, at the reporting date.

### 3. Accounts receivable:

	2022	2021
Trade customer accounts receivable Other receivables Provision uncollectible accounts	\$ 4,024,710 446,496 (35,000)	\$ 4,131,648 477,896 (46,000)
	\$ 4,436,206	\$ 4,563,544

Notes to Financial Statements (continued)

Year ended December 31, 2022

# 4. Property, plant and equipment:

		Land and	Distribution	Other fixed	Construction-	Total
		buildings	equipment	assets	in-progress	TOTAL
Cost of deemed cost						
Balance at January 1, 2022	\$	2,118,927 \$	25,626,322 \$	1,644,441	38,149 \$	29,427,839
Additions	Ψ	38,033	2,845,006	71,155	-	2,954,194
Transfers		-	3,084	-	(3,084)	_,,
Disposals/ retirements		-	(60,141)	(18,593)	-	(78,734)
Balance at December 31, 2022	\$	2,156,960 \$	28,414,271 \$	1,697,003	35,065 \$	32,303,299
Balance at January 1, 2021	•	0.440.000 #	00 570 040 #	4 007 004 4	10.4 <del>7</del> 0.0	07.000.040
Additions	\$	2,113,293 \$	23,572,246 \$	1,667,931 \$	16,472 \$	27,369,942
Transfers		5,634	2,213,609 (21,677)	44,994	- 21,677	2,264,237
Disposals/ retirements		-	(137,856)	(68,484)	21,077	(206,340)
		-	(137,030)	(00,404)	-	(200,340)
Balance at December 31, 2021	\$	2,118,927 \$	25,626,322 \$	1,644,441	38,149 \$	29,427,839
Accumulated depreciation						
Balance at January 1, 2022	\$	643,009 \$	5,195,681 \$	846,045	- \$	6,684,735
Depreciation	Ψ	78,196	836,099	141,889	,	1,056,184
Disposals		-	(19,446)	(10,788)	_	(30,234)
			( -, -,	( -,,		(, - ,
Balance at December 31, 2022	\$	721,205 \$	6,012,334 \$	977,146 \$	- \$	7,710,685
Balance at January 1, 2021	\$	558,816 \$	4,469,818 \$	772,129	5 - \$	5,800,763
Depreciation	Ψ	84,193	777,222	141,375	- ψ	1,002,790
Disposals		-	(51,359)	(67,459)	_	(118,818)
			(0.,000)	(0.,.00)		(1.10,010)
Balance at December 31, 2021	\$	643,009 \$	5,195,681 \$	846,045	- \$	6,684,735
Carrying amounts						
At December 31, 2022	\$	1,435,755 \$	22,401,937 \$	719,857	35,065 \$	24,592,614
At December 31, 2021	Ψ	1,475,918	20,430,641	798,396	38,149	22,743,104
		, -,-	,,-	,	,	, -, -,

Notes to Financial Statements (continued)

Year ended December 31, 2022

# 5. Intangible assets:

	Computer software	Land rights	Total
Cost of deemed cost Balance at January 1, 2022 Additions Disposals	\$ 289,164 25,735 (43,526)	\$ 139,807 - -	\$ 428,971 25,735 (43,526)
Balance at December 31, 2022	\$ 271,373	\$ 139,807	\$ 411,180
Balance at January 1, 2021 Additions Disposals	\$ 404,085 22,675 (137,596)	\$ 139,807 - -	\$ 543,892 22,675 (137,596)
Balance at December 31, 2021	\$ 289,164	\$ 139,807	\$ 428,971
Accumulated amortization Balance at January 1, 2022 Amortization Disposals	\$ 219,549 28,794 (42,789)	\$ - - -	\$ 219,549 28,794 (42,789)
Balance at December 31, 2022	\$ 205,554	\$ -	\$ 205,554
Balance at January 1, 2021 Amortization Disposals	\$ 326,700 29,791 (136,942)	\$ - - -	\$ 326,700 29,791 (136,942)
Balance at December 31, 2021	\$ 219,549	\$ -	\$ 219,549
Carrying amounts At December 31, 2022 At December 31, 2021	\$ 65,819 69,615	\$ 139,807 139,807	\$ 205,626 209,422

Notes to Financial Statements (continued)

Year ended December 31, 2022

6.	Income	tax	expense:
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Current tax expense (recovery):

Current tax expense (recovery)  Deferred tax expense  Income tax expense  \$  Reconciliation of effective tax rate:  Income before taxes  \$  Statutory income tax rates  Expected tax provision on income at statutory rates Increase (decrease) in income taxes resulting from:  Permanent differences	2022 (41,900) 170,774	\$ 2021
Deferred tax expense  Income tax expense \$  Reconciliation of effective tax rate:  Income before taxes \$  Statutory income tax rates  Expected tax provision on income at statutory rates \$ Increase (decrease) in income taxes resulting from:		\$
Reconciliation of effective tax rate:  Income before taxes \$ Statutory income tax rates  Expected tax provision on income at statutory rates \$ Increase (decrease) in income taxes resulting from:		185,002 124,121
Income before taxes \$ Statutory income tax rates  Expected tax provision on income at statutory rates \$ Increase (decrease) in income taxes resulting from:	128,874	\$ 309,123
Statutory income tax rates  Expected tax provision on income at statutory rates Increase (decrease) in income taxes resulting from:		
Statutory income tax rates  Expected tax provision on income at statutory rates Increase (decrease) in income taxes resulting from:	2022	2021
Expected tax provision on income at statutory rates Increase (decrease) in income taxes resulting from:	512,895	\$ 1,099,094
Increase (decrease) in income taxes resulting from:	26.5 %	26.5 %
· · · · · · · · · · · · · · · · · · ·	135,917	\$ 291,260
Other	627	938 7,139
Adjustment for prior years	(7,670)	9,786
Income tax expense \$	128,874	\$ 309,123
Significant components of the Corporation's deferred tax balance	ces:	
	2022	2021
Deferred tax assets (liabilities): Property, plant and equipment Post-employment benefits Other	(536,545) 115,136 8,714	\$ (365,074) 110,897 12,256
<u> </u>	(412,695)	\$ (241,921)

Notes to Financial Statements (continued)

Year ended December 31, 2022

# 7. Regulatory account balances:

Reconciliation of the carrying amount for each class of regulatory balances:

Regulatory deferral account debit balances		January 1, 2022	Additions	Recovery/ reversal	December 31, 2022	Remaining recovery/ reversal years
Retail settlement variances	\$	3,149,419 \$	1,606,387 \$	(1,142,650) \$	\$ 3,613,156	_
Regulatory transition to IFRS	Ψ	165,840	2,811	-	168,651	-
Regulatory variances disposition Deferred income tax		373,502 241,987	- 172,463	(66,557)	306,945 414,450	-
Other		1,939	359	- 2,298		-
9	\$	3,932,687 \$	1,782,020 \$	(1,209,207)	4,505,500	
Regulatory deferral account debit balances		January 1, 2021	Additions	Recovery/ reversal	December 31, 2021	Remaining recovery/ reversal years
Retail settlement						
	\$	3,230,412 \$	1,078,548 \$	(1,159,541) \$	3,149,419	1
IFRS Regulatory variances		165,003	837	-	165,840	-
disposition		257,249	116,253	-	373,502	-
Deferred income tax Other		140,285	101,702	-	241,987	-
Outer		88,993	(87,054)	-	1,939	1
	\$	3,881,942 \$	1,210,286 \$	(1,159,541)	3,932,687	

Notes to Financial Statements (continued)

Year ended December 31, 2022

## 7. Regulatory account balances (continued):

Regulatory deferral account credit balances	January 1, 2022	Additions	Recovery/ reversal	December 31, 2022	Remaining recovery/ reversal years
Retail settlement					
variances	\$ (55,560)\$	- \$	55,560	\$ -	-
Change in asset useful					
lives	20,093	-	-	20,093	-
Other	350,351	89,238	-	439,589	-
	\$ 314,884 \$	89,238 \$	55,560	\$ 459,682	
Regulatory deferral account credit balances	January 1, 2021	Additions	Recovery/ reversal	December 31, 2021	Remaining recovery/ reversal years
Retail settlement					
variances	\$ 202,469 \$	(189,856)\$	(68,173)	\$ (55,560)	1
Change in asset useful					
lives	20,093	-	_	20,093	-
Other	260,112	90,239	-	350,351	1
	\$ 482.674 \$	(99.617)\$	(68.173)	\$ 314.884	

The regulatory balances are recovered or settled through rates approved by the OEB which are determined using estimates of future consumption of electricity by its customers. Future consumption is impacted by various factors including the economy and weather. The Corporation has received approval from the OEB to establish its regulatory balances.

Settlement of the Group 1 deferral accounts is done on an annual basis through application to the OEB. An application has been approved on an interim basis by the OEB to recover \$1,231,694 for the Group 1 deferral accounts for the 2022 rate application. The Corporation received approval for deferral of a COS application for 2022 rates and is completing an Annual IR Index application for 2023 rates. The OEB requires the Corporation to estimate its income taxes when it files a COS application to set its rates. As a result, the Corporation has recognized a regulatory deferral account for the amount of deferred taxes that will ultimately be recovered from/paid back to its customers. This balance will fluctuate as the Corporation's deferred tax balance fluctuates.

Regulatory balances attract interest at OEB prescribed rates, which are based on Bankers' Acceptances three-month rate plus a spread of 25 basis points. In 2022, the rate ranged from 0.57% to 3.87%.

Notes to Financial Statements (continued)

Year ended December 31, 2022

# 8. Accounts payable and accrued liabilities:

	2022	2021
Accounts payable – energy purchases Water and sewer charges payable Other	\$ 2,545,485 992,598 2,796,360	\$ 2,344,531 984,737 1,587,137
	\$ 6,334,443	\$ 4,916,405

# 9. Long-term debt:

	2022	2021
TD Bank term loan payable, interest at 4.87%, payable		
in monthly instalments of \$16,642, due 2027	\$ 2,080,483	\$ 2,372,434
TD Bank term loan payable, interest at 5.07%, payable in monthly instalments of \$13,889, due 2027	2,402,778	2,500,000
TD Bank term loan payable, interest at 3.54%, payable in monthly instalments of \$18,366, due 2024	3,289,652	3,391,640
TD Bank term loan payable, interest at 3.60%, payable in monthly instalments of \$10,118, due 2027	1,679,654	1,739,436
TD Bank term loan payable, interest at 4.20%, payable in monthly instalments of \$10,780, due 2029	, ,	
TD Bank term loan payable, interest at 2.58%, payable	1,803,027	1,855,465
in monthly instalments of \$4,409, due 2025 TD Bank term loan payable, interest at 3.62%, payable	916,809	946,847
in monthly instalments of \$5,071, due 2031  TD Bank term loan payable, interest at 4.92%, payable	972,961	1,000,000
in monthly instalments, due 2027	2,986,244	_
	16,131,608	13,805,822
Less current portion of long-term debt	590,827	5,140,633
	\$ 15,540,781	\$ 8,665,189

The TD Bank term loans holds as security a general security agreement representing a first charge on all assets and undertakings of the Corporation and assignment of general liability insurance for the Corporation.

The agreement with respect to the TD Bank term loans contain certain covenants regarding (i) leverage, (ii) liquidity, (iii) change in status of business, (iv) change in ownership, and (v) limitations on additional debt and encumbrance of assets.

Notes to Financial Statements (continued)

Year ended December 31, 2022

# 9. Long-term debt (continued):

The agreement with TD Bank also contains financial covenants that require the Corporation to maintain a maximum debt to capital ratio of 0.60 to 1 and a minimum debt service coverage ratio of 1.20x to be tested and calculated on a quarterly basis. The Corporation is in compliance with these covenants as at December 31, 2021.

Principal repayments are due as follows:

2023	\$ 590,82	7
2024	3,681,31	6
2025	512,74	2
2026	1,321,37	6
2027	7,687,16	4
Thereafter	2,338,18	3
	\$ 16,131,60	8

## 10. Post-employment benefits:

#### (a) OMERS pension plan:

The Corporation provides a pension plan for its employees through OMERS. The plan is a multi-employer, contributory defined pension plan with equal contributions by the employer and its employees. In 2022, the Corporation made employer contributions of \$196,157 to OMERS (2021 - \$188,253), of which has been recognized in profit or loss. The Corporation estimates that a contribution of \$180,599 to OMERS will be made during the next fiscal year.

As at December 31, 2022, OMERS had approximately 541,000 members, of whom 18 are current employees of the Corporation. The most recently available OMERS annual report is for the year ended December 31, 2022, which reported that the plan was 95% funded, with an unfunded liability of \$6.7 billion. This unfunded liability is likely to result in future payments by participating employers and members.

Notes to Financial Statements (continued)

Year ended December 31, 2022

## 10. Post-employment benefits (continued):

# (b) Post-employment benefits other than pension:

The Corporation pays certain medical and life insurance benefits on behalf of some of its retired employees. The Corporation recognizes these post-employment benefits in the year in which employees' services were rendered. The Corporation is recovering its post-employment benefits in rates based on the expense and remeasurements recognized for post-employment benefit plans.

Reconciliation of the obligation		2021	
Defined benefit obligation, beginning of year	\$	418,481	\$ 346,292
Included in profit or loss:			
Current service cost		18,704	13,459
Interest cost		12,265	13,655
		30,969	27,114
Included in OCI			
Actuarial losses arising from:			
Changes in financial assumptions		-	84,849
		449,450	458,255
Benefits paid		(14,976)	(39,774)
	\$	434,474	\$ 418,481
Actuarial assumptions		2022	2021
Discount (interest) rate		3.00 %	3.00 %
Medical costs		4.40 %	4.40 %
Dental costs		4.70 %	4.70 %

A 1% increase in the assumed discount rate would result in the defined benefit obligation decreasing by \$65,200. A 1% decrease in the assumed discount rate would result in the defined benefit obligation increasing by \$88,900.

Notes to Financial Statements (continued)

Year ended December 31, 2022

## 11. Contributions in aid of construction:

	2022	2021
Contributions in aid of construction, beginning of year Contributions in aid of construction received Contributions in aid of construction recognized as other	\$ 2,322,027 62,765	\$ 2,040,099 349,139
revenue	(66,847)	(67,211)
	\$ 2,317,945	\$ 2,322,027

# 12. Share capital:

	2022	2021
Authorized:		
Unlimited number of common shares		

Issued:

1,000 common shares \$ 8,290,714 \$ 8,290,714

# 13. Revenues:

		2022	2021
Collection and other service charges Water and sewer billing services Rent Other	\$	109,846 23,856 95,173	\$ 104,914 40,566 103,918
Total other revenue	•	83,521 312,396	\$ 127,902 377,300

Notes to Financial Statements (continued)

Year ended December 31, 2022

# 13. Revenues (continued):

In the following table, sale of energy and distribution revenue is disaggregated by type of customer.

	2022	2021
Residential Commercial Other	\$ 16,093,291 21,107,675 313,368	\$ 16,115,251 19,762,951 324,409
	\$ 37,514,334	\$ 36,202,611

# 14. Employee salaries and benefits:

	2022	2021
Salaries, wages and benefits CPP and EI remittances Contributions to OMERS	\$ 2,031,014 81,677 196,157	\$ 1,974,400 75,356 188,253
	\$ 2,308,848	\$ 2,238,009

## 15. Finance income and costs:

	2022	2021
Finance income:		
Interest income on bank deposits	\$ 21,878	\$ 6,828
Finance costs:		
Interest expense on long-term debt	(540,321)	(464,823)
Interest expense on customer deposits	(13,069)	(22,858)
	(553,390)	(487,681)
Net finance costs recognized in profit or loss	\$ (531,512)	\$ (480,853)

Notes to Financial Statements (continued)

Year ended December 31, 2022

## 16. Commitments and contingencies:

Cornerstone Hydro Electric Concepts ("CHEC"):

CHEC is an association of fifteen LDCs modelled after a co-operative to share resources and proficiencies (note 17).

The Corporation may terminate its membership at any time upon the following terms:

- (a) giving written notice 60 days in advance of termination; and
- (b) by making a prepayment in full of the balance of its contract service costs to CHEC. The amount of prepayment cost shall be the total cost which the Corporation would have paid over the three year term of the agreement less amounts already paid by it to the date of the termination. The current three year term for CHEC commitment goes to December 31, 2023. The prepayment cost of termination is a settlement of the Corporation's obligation under the agreement by reason of termination of its membership before the expiry of the term. The amount is liquidated damages and not a penalty for early termination and is intended to leave the remaining members in the same position as if the Corporation had not terminated the agreement. As at December 31, 2022, the obligation to CHEC includes the 2023 to 2025 membership dues of approximately \$48,000 per year, \$144,000 total.

Utility Collaborative Services Inc. ("UCS"):

The Corporation has the right to redeem its shares in UCS (note 17) by retraction upon the following terms:

- (a) notice of such retraction shall be given 120 days prior to the effective date; and
- (b) a redemption fee shall be paid equal to the previous three years' worth of average purchases from UCS for services or products; or in alternative to paying such fees, the Corporation may elect in writing to provide three years' written notice of the retraction, provided that the Corporation continues to receive services at the same or greater average volume as those received at the time the notice was given.

General Liability Insurance:

The Corporation is a member of the Municipal Electric Association Reciprocal Insurance Exchange ("MEARIE"). MEARIE is a pooling of public liability insurance risks of many of the LDCs in Ontario. All members of the pool are subjected to assessment for losses experienced by the pool for the years in which they were members, on a pro-rata basis based on the total of their respective service revenues. As at December 31, 2022, no assessments have been made.

Notes to Financial Statements (continued)

Year ended December 31, 2022

# 17. Related party transactions:

### (a) Parents and ultimate controlling party:

The common shares of Orangeville Hydro Limited are owned by the Town of Orangeville and Town of Grand Valley, the ultimate parents.

### (b) Outstanding balances with related parties:

	2022	2021
Town of Orangeville - receivable Town of Grand Valley - receivable Town of Orangeville - payable Town of Grand Valley - payable	\$ 98,507 - - -	\$ 130,294 12,562 (955,148) (29,589)
	\$ 98,507	\$ (841,881)

#### (c) Transactions with ultimate parents:

The Corporation provides water and sewage billing and collection services to the customers of the Town of Orangeville and Town of Grand Valley, as well as supplying street light energy and street lighting maintenance services to the Town of Orangeville and Town of Grand Valley. Revenue includes \$437,854 (2021 - \$481,855) from the Town of Orangeville and \$34,172 (2021 - \$29,494) from the Town of Grand Valley for these services.

The Corporation also delivers electricity to the Town of Orangeville and Town of Grand Valley throughout the year for the electricity needs of the Towns and its related organizations. Electricity delivery charges are at prices and under terms approved by the OEB. The Corporation also provides additional services to the Towns, including streetlight maintenance services, sentinel lights and water and waste water billing and customer care services.

#### (d) Transactions with related parties:

The Corporation paid \$58,306 (2021 - \$53,140) in fees to Cornerstone Hydro Electric Concepts Association Inc. (CHEC). CHEC is an association of fifteen electricity distribution utilities modeled after a cooperative to share resources and proficiencies.

The Corporation owns 100 common shares, at a cost of \$100, in Utility Collaborative Services Inc. (UCS) which represents a 10% interest. At the time of purchase, due to the immaterial amount, the investment was expensed. The Corporation paid \$260,772 (2021 - \$210,168) in fees to UCS. UCS offers standards-based back office services and the collaboration allows leverage in the reduction of costs for items such as information technology hosting and software licensing.

Notes to Financial Statements (continued)

Year ended December 31, 2022

## 17. Related party transactions (continued):

# (e) Key management personnel:

The key management personnel of the Corporation have been defined as members of its board of directors and executive management team members. The compensation paid during the year is \$491,943 (2021 - \$485,615).

## 18. Financial instruments and risk management:

#### Fair value disclosure:

The carrying values of cash, accounts receivable, unbilled revenue, due from/to related parties and accounts payable and accrued liabilities approximate fair value because of the short maturity of these instruments. The carrying value of the customer deposits approximates fair value because the amounts are payable on demand.

The fair value of the TD Bank long-term debt at December 31, 2022 is \$16,013,927. The fair value is calculated based on the present value of future principal and interest cash flows, discounted at the current rate of interest at the reporting date. The interest rate used to calculate fair value at December 31, 2022 was 4.34%.

#### Financial risks:

The Corporation understands the risks inherent in its business and defines them broadly as anything that could impact its ability to achieve its strategic objectives. The Corporation's exposure to a variety of risks such as credit risk, interest rate risk, and liquidity risk, as well as related mitigation strategies are discussed below.

Notes to Financial Statements (continued)

Year ended December 31, 2022

### 18. Financial instruments and risk management (continued):

## (a) Credit risk:

Financial assets carry credit risk that a counterparty will fail to discharge an obligation which could result in a financial loss. Financial assets held by the Corporation, such as accounts receivable, expose it to credit risk. The Corporation earns its revenue from a broad base of customers located in the Town of Orangeville and Town of Grand Valley.

The carrying amount of accounts receivable is reduced through the use of an allowance for impairment and the amount of the related impairment loss is recognized in profit or loss. Subsequent recoveries of receivables previously provisioned are credited to profit or loss. The balance of the allowance for impairment at December 31, 2022 is \$35,000 (2021 - \$46,000). An impairment loss of \$15,821 (2021 - \$35,839) was recognized during the year.

The Corporation's credit risk associated with accounts receivable is primarily related to payments from distribution customers. At December 31, 2022, approximately \$156,611 (2021 - \$63,286) is considered 60 days past due. The Corporation has over 12,000 customers, the majority of whom are residential. Credit risk is managed through collection of security deposits from customers in accordance with directions provided by the OEB and through credit insurance. As at December 31, 2022, the Corporation holds security deposits in the amount of \$499,914 (2021 - \$514,847) which also includes deposits received from developers.

## (b) Market risk:

Market risks primarily refer to the risk of loss resulting from changes in commodity prices, foreign exchange rates, and interest rates. The Corporation currently does not have any material commodity or foreign exchange risk. The Corporation is exposed to fluctuations in interest rates as the regulated rate of return for the Corporation's distribution business is derived using a complex formulaic approach which is in part based on the forecast for long term Government of Canada bond yields. This rate of return is approved by the OEB as part of the approval of distribution rates.

A 1% increase in the interest rate at December 31, 2022 would have increased interest expense on the long-term debt by \$149,687 (2021 - \$141,133), assuming all other variables remain constant. A 1% decrease in the interest rate would have an equal but opposite effect.

Notes to Financial Statements (continued)

Year ended December 31, 2022

### 18. Financial instruments and risk management (continued):

# (c) Liquidity risk:

The Corporation monitors its liquidity risk to ensure access to sufficient funds to meet operational and investing requirements. The Corporation's objective is to ensure that sufficient liquidity is on hand to meet obligations as they fall due while minimizing interest exposure. The Corporation has access to a \$3,500,000 credit facility and monitors cash balances daily to ensure that a sufficient level of liquidity is on hand to meet financial commitments as they become due. As at December 31, 2022, the Corporation has \$2,170,709 available on this credit facility.

The Corporation also has a facility for \$1,329,291 (the "LC" facility) for the purpose of issuing letters of credit mainly to support the prudential requirements of the IESO, of which \$nil has been drawn and posted with the IESO (2021 - \$nil).

The majority of accounts payable, as reported on the statement of financial position, are due within 30 days.

## (d) Capital disclosures:

The main objectives of the Corporation, when managing capital, are to ensure ongoing access to funding to maintain and improve the electricity distribution system, compliance with covenants related to its credit facilities, prudent management of its capital structure with regard for recoveries of financing charges permitted by the OEB on its regulated electricity distribution business, and to deliver the appropriate financial returns.

The Corporation's definition of capital includes equity and long-term debt. As at December 31, 2022, equity amounts to \$12,593,359 (2021 - \$12,331,446) and long-term debt amounts to \$16,131,608 (2021 - \$13,805,822).

# **Schedule of Instalment Remittances**

Name of corporation	on contact				
Telephone number		_			
Effective		Descri	ption (instalment remittance,		Amount of
interest date		split	payment, assessed credit)		credit
	2022 installmen	nts			186,376
				<i>A</i>	
		Total amount of inc	talments claimed (carry the result	to line 840 of the T2 Peturn)	186,376_ A
		Total amount of ms			<u> </u>
			Total instalments credited	d to the taxation year per T9	<u>186,376</u> в
┌ Transfer —					
A	unala a n	Taxation	A	Effective	Description
Account nu From:	ımber	year end	Amount	interest date	Description
FIOIII.					
To:					
From:					
То:					
From:					
			<u>/</u>		
То:			, /		
From:					
То:					
_					
From:	`				
To:					

# \*

Canada Revenue Agency Agence du revenu du Canada

# **Net Income (Loss) for Income Tax Purposes**

Schedule 1

Corporation's name	Business number	Tax year-end
		Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2022-12-31

- Use this schedule to reconcile the corporation's net income (loss) as reported on the financial statements and its net income (loss) for tax purposes. For more information, see the T2 Corporation Income Tax Guide.
- All legislative references are to the Income Tax Act.

Net in	come (loss) after taxes and extraordinary items from line 9999 of	Schedule 125		747,579 A
Add	:			
Prov	ision for income taxes – current		<b>-41,900</b>	
Prov	ision for income taxes – deferred		102 170,774	
Inter	est and penalties on taxes		103 478	
Amo	rtization of tangible assets		1,084,978	
Loss	on disposal of assets		45,768	
Cha	itable donations and gifts from Schedule 2		3,180	
Non-	deductible meals and entertainment expenses			
Res	erves from financial statements – balance at the end of the year		126 469,474	
		Subtotal of additions	1,734,639	1,734,639
Add	:			
Othe	er additions:			
(	1	2		
	Description	Amount		
	605	295		
1	Inducement under 12(1)(x) ITA	6,000		
2	Paragraph 12(1)(x) - Contributed capital	62,765		
3	Paragraph 12(1)(a) - Customer Deposits	499,914		
4	Tax grouped with change in regulatory	64,130		
	Total of column 2	632,809		
		Subtotal of other additions		632,809 [
		Total additions	2,367,448	2,367,448
Amou	nt A <b>plus</b> line 500			3,115,027
Ded	uct:			
Cap	tal cost allowance from Schedule 8		1,711,132	
Res	erves from financial statements – balance at the beginning of the	year	464,481	
		Subtotal of dedu	uctions 2,175,613 ►	2,175,613
Ded	uct:			
Othe	er deductions:			
Othe	1	2		
	Description	Amount		
	705	395		
1	Amortization of contributed capital	66,847		
2	Subsection 13(7.4) election	62,765		
3	Paragraph 20(1)(m) - Customer Deposits	499,914		
4	Tax movement in reg account	172,463		
	Total of column 2	801,989	<b>396</b> 801,989	

Subto	tal of other deductions 499	<u>801,989</u> ►	801,989 E
	Total deductions 510	2,977,602	2,977,602
Net income (loss) for income tax purposes (amount B minus line 510)			<u>137,425</u> C
Enter amount C on line 300 of the T2 return.			

T2 SCH 1 E (19) Canadä



# **Attached Schedule with Total**

Line 295 - Amount

Title Line 295 – Amount

	Operator	
Description	(Note)	Amount
Short term customer deposit		200,000 00
Long-term Portion of Customer Deposit		299,914 00
	Total	499,914 00

**Note**: The calculations are performed one at a time, from the first to the last line, and not according to the priority rules of the operations. For example, the formula 1+2\*3 will not result in the same thing as the formula 1+3\*2.

# **Attached Schedule with Total**

Line 395 - Amount

Title Line 395 – Amount

	Operator	
Description	(Note)	Amount
Short term customer deposit		200,000 00
Long-term Portion of Customer Deposit		299,914 00
	Total	499,914 00

**Note**: The calculations are performed one at a time, from the first to the last line, and not according to the priority rules of the operations. For example, the formula 1+2\*3 will not result in the same thing as the formula 1+3\*2.

# **Attached Schedule with Total**

Line 103 – Interest and penalties on taxes

Description	Operator (Note)	Amount
2021 Notice of Assessment - Hydro Payment in Lieu - Net Interest		477 55
	+	
	Total	477 55

Note: The calculations are performed one at a time, from the first to the last line, and not according to the priority rules of the operations. For example, the formula 1+2\*3 will not result in the same thing as the formula 1+3\*2.

# **Inducement**

This form is used to calculate inducements that a corporation must add to its income under paragraph 12(1)(x) ITA. If an amount reduces the capital cost of a property, this amount will be indicated in Part "Tax credits whose amount should reduce the capital cost of property."

If you want to transfer an amount to Schedule 1 and include it in the corporation's income for tax purposes, select the corresponding check box in column A. You can also select the option **Select this check box to add all the amounts to income calculated in Schedule 1** to transfer all the amounts to Schedule 1. In either case, the column A check box will be selected for that amount and it will therefore be updated to Schedule 1.

## Tax credits whose amount should be added to income

Onta	rio	
Α		
	Portion of the Ontario research and development tax credit that relates to the prescribed proxy amount (PPA) and portion of the Ontario investment tax credit that relates to contributions made to SR&ED farming organizations	
X	Ontario co-operative education tax credit	6,000
X	Ontario apprenticeship training tax credit	
	Ontario computer animation and special effects tax credit*  * Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Ontario film and television tax credit*	
	* Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Ontario production services tax credit*	
	* Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Ontario interactive digital media tax credit*	
	* Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Ontario book publishing tax credit	
X	Portion of the Ontario innovation tax credit that relates to the prescribed proxy amount (PPA) and portion of the Ontario investment tax credit that relates to contributions made to SR&ED farming organizations	
	Ontario business-research institute tax credit	
	Ontario community food program donation tax credit for farmers	

# Tax credits whose amount should reduce the capital cost of property



Agence du revenu du Canada Schedule 2

## **Charitable Donations and Gifts**

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2022-12-31

- For use by corporations to claim any of the following:
  - the eligible amount of charitable donations to qualified donees
  - the Ontario, Nova Scotia, and British Columbia food donation tax credits for farmers
  - the eligible amount of gifts of certified cultural property
  - the eligible amount of gifts of certified ecologically sensitive land or
  - the additional deduction for gifts of medicine made before March 22, 2017
- All legislative references are to the federal Income Tax Act, unless stated otherwise.
- The eligible amount of a gift is the amount by which the fair market value of the gifted property exceeds the amount of an advantage, if any, for the gift.
- The donations and gifts can be carried forward for 5 years except for gifts of certified ecologically sensitive land made after February 10, 2014, which can be carried forward for 10 years.
- Use this schedule to show a transfer of unused amounts from previous years following an amalgamation or the wind-up of a subsidiary as described under subsections 87(1) and 88(1).
- Subsection 110.1(1.2) provides as follows:
  - Where a particular corporation has undergone an acquisition of control, for tax years that end on or after the acquisition of control, no corporation can claim a deduction for a gift made by the particular corporation to a qualified donee before the acquisition of control.
  - If a particular corporation makes a gift to a qualified donee pursuant to an arrangement under which both the gift and the acquisition of control is
    expected, no corporation can claim a deduction for the gift unless the person acquiring control of the particular corporation is the qualified donee.
- An eligible medical gift made before March 22, 2017, to a qualifying organization for activities outside of anada may be eligible for an additional deduction. Calculate the additional deduction in Part 5.
- File this schedule with your T2 Corporation Income Tax Return.
- For more information, see the T2 Corporation Income Tax Guide.

┌ Part 1 – Charitable dona	tions —		
Charity/Recipient		,	Amount (\$100 or more only)
Family Transition Place			250
Good Friends Fellowship			450
Headwaters			400
Toronto Humane Society		_	100
Ontario SPCA		_	250
Ontario SPCA		_	250
Orangeville Foodbank		_	750
Youth Unlimited		_	250
Knights of Columbus		_	250
The Salvation Arm		_	230
	<u> </u>	 Subto	stal 3,180
		Add: Total donations of less than \$100 ea	ch
		Total donations in current tax ye	ear 3,180

Part 1 - Charitable donations			
	Federal	Québec	Alberta
Charitable donations at the end of the previous tax year	1A		
Charitable donations expired after five tax years* 239			
Charitable donations at the beginning of the current tax year (amount 1A minus line 239)			
Total charitable donations made in the current year	3,180	3,180	3,180
Subtotal (line 250 <b>plus</b> line 210) _	3,180 <sub>1B</sub>		3,180
Subtotal (line 240 <b>plus</b> amoun <u>t 1B)</u>	3,180 1C_	3,180	3,180
Adjustment for an acquisition of control			
Total charitable donations available (amount 1C <b>minus</b> line 255) $$ $$	3,180_1D	3,180	3,180
Amount applied in the current year against taxable income (cannot be more than amount 2H in Part 2)	3,180	3,180	3,180
(enter this amount on line 311 of the T2 return)			
Charitable donations closing balance (amount 1D minus line 260)			
The amount of qualifying donations for the Ontario community food program donation tax credit for farmers included in the amount on line 260 (for donations made after December 31, 2013)			
Ontario community food program donation tax credit for farmers (amount on line 262 <b>multiplied</b> by 25 %)			
Enter amount 1 on line 420 of Schedule 5, Tax Calculation Supplementary – Corpo is less: the Ontario income tax otherwise payable or amount 1. For more information	rations. The maximum you on, see section 103.1.2 of the	can claim in the current y e Taxation Act, 2007 (On	/ear is whichever tario).
The amount of qualifying donations for the Nova Scotia food bank tax credit for farmers included in the amount on line 260 (for donations made after December 31, 2015)			
Nova Scotia food bank tax credit for farmers (amount on line 263 <b>multiplied</b> by 25 %)	2		
Enter amount 2 on line 570 of Schedule 5, Tax Calculation Supplementary—Corpo is less: the Nova Scotia income tax otherwise payable or amount 2. For more information of the contract of the c	rations. The maximum you on the mation, see section 50A of the	can claim in the current yne Nova Scotia Income	/ear is whichever 「ax Act.
The amount of qualifying gifts for the British Columbia farmers food donation tax credit included in the amount on line 260 (for donations made after February 16, 2016, and before January 1, 2024)			
British Columbia farmers' food donation tax credit (amount on line 265 <b>multiplied</b> by 25 %)	3		
Enter amount 3 on line 683 of Schedule 5, Tax Calculation Supplementary – Corpo is less: the British Columbia income tax otherwise payable or amount 3. For more is	rations. The maximum you on formation, see section 20.1	can claim in the current y of the British Columbia	ear is whichever Income Tax Act.
* For federal and Alberta tax purposes, donations and gifts expire after five tax year that ended before March 24, 2006, expire after five tax years; otherwise, donation	rs. For Québec tax purpose ns and gifts expire after twei	s, donations and gifts many tax years.	ade in a tax year

┌ Amounts ca	rried forward – Charitable	donations ———			
Year of origin:			Federal	Québec	Alberta
1 <sup>st</sup> prior year		2021-12-31			
2 <sup>nd</sup> prior year		2020-12-31			
3 <sup>rd</sup> prior year		2019-12-31			
4 <sup>th</sup> prior year		2018-12-31			
5 <sup>th</sup> prior year		2017-12-31			
6 <sup>th</sup> prior year*		2016-12-31			
7 <sup>th</sup> prior year		2015-12-31	_		
8 <sup>th</sup> prior year		2014-12-31	_		
9 <sup>th</sup> prior year		2013-12-31	_		
10 <sup>th</sup> prior year		2012-12-31	_		
11 <sup>th</sup> prior year		2011-12-31	_		
12 <sup>th</sup> prior year		2010-12-31	_		
13 <sup>th</sup> prior year		2009-12-31	_		
14 <sup>th</sup> prior year			7		
15 <sup>th</sup> prior year			<u> </u>		
16 <sup>th</sup> prior year					
17 <sup>th</sup> prior year				<u> </u>	
18 <sup>th</sup> prior year					
19 <sup>th</sup> prior year					
20 <sup>th</sup> prior year					
21 <sup>st</sup> prior year*					
Total (to line A)				<del></del>	
donations and on line 21 <sup>st</sup> prio	Alberta tax purposes, donations an gifts made in a tax year that ended by year expire automatically in the cu	perore March 24, 2006, that rrent tax year.	are included on line 6th prior	in the current tax year. For year and donations and gif	Québec tax purposes, ts that are included
	<b>kimum allowable deduction</b> x purposes <sup>Note 1</sup> <b>multiplied</b> by 75		ions —		103,069 <sub>2</sub> 2A
Taxable capital g under subsection The amount of t	ains arising in respect of gifts of cap ain in respect of a disposition of a no 40(1.01)	tal property included in Part on-qualifying security	Note 2		
Proceeds of dis outlays and exp	enses Note 2	<b>2</b> B			
Capital cost Note	2	/2°C			
Amount 2B or 2	C, whichever is less	235			
Amount on line 2	30 or 235, whichever is less .			2D	
	R	Subtotal (add lines	 225, 227, and amount 2D)  _	2E	
			· -	2E multiplied by 25 % _	2F
				ount 2A <b>plus</b> amount 2F) _	103,069 <sub>2G</sub>
	able deduction for charitable don			• - / =	
1 '	) from Part 1, amount 2G, or net inco			=	3,180 2H
	lit unions, subsection 137(2) states twing and bonus interest.	hat this amount is before th	e deduction of payments pur	suant to allocations in prop	ortion

Note 2: This amount must be prorated by the following calculation, eligible amount of the gift divided by the proceeds of disposition of the gift.

				86463 9562 R
Part 3 – Gi	fts of certified cultural property —	Federal	Québec	Alberta
Gifts of certified	I cultural property at the end of the previous tax year	3A		
Gifts of certified Gifts of certified	I cultural property expired after five tax years*			
	cultural property transferred on an amalgamation of a subsidiary			
Total gifts of cer	rtified cultural property in the current year 410			
include this am	nount on line 112 of Schedule 1)			
	Subtotal (line 450 <b>plus</b> line 410) _	3B		
	Subtotal (line 440 <b>plus</b> amount 3B)	3C		
Amount applied (enter this amou  Gifts of certified (amount 3C mi)  * For federal ar ended before	an acquisition of control  d in the current year against taxable income unt on line 313 of the T2 return)  Subtotal (line 455 plus line 460)  d cultural property closing balance nus amount 3D)  Ad Alberta tax purposes, donations and gifts expire after five tax year March 24, 2006, expire after five tax years; otherwise, donations are  arried forward – Gifts of certified cultural property	ars. For Québec tax purpos	es, donations and gifts r tax years.	made in a tax year tha
	arried forward – Onto of certified cultural property		• "	•••
Year of origin:	2024 42 24	Federal	Québec	Alberta
I <sup>st</sup> prior year				
2 <sup>nd</sup> prior year	2019-12-31			
rd prior year				
th prior year				
th prior year	2016-12-31			
th prior year*	2015-12-31			
<sup>rth</sup> prior year B <sup>th</sup> prior year	2013-12-31	_		
9 <sup>th</sup> prior year	2013-12-31	_		
9 <sup></sup> prior year 10 <sup>th</sup> prior year	2013-12-51	_		
		-		
11 <sup>th</sup> prior year	2011-12-3)	_		

2010-12-31 2009-12-31

12th prior year

13<sup>th</sup> prior year 14<sup>th</sup> prior year 15<sup>th</sup> prior year 16<sup>th</sup> prior year 17<sup>th</sup> prior year 19<sup>th</sup> prior year 20<sup>th</sup> prior year 21<sup>st</sup> prior year

**Total** 

<sup>\*</sup> For federal and Alberta tax purposes, donations and gifts included on line 6<sup>th</sup> prior year expire automatically in the current tax year. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, that are included on line 6<sup>th</sup> prior year and donations and gifts that are included on line 21<sup>st</sup> prior year expire automatically in the current tax year.

Part 4 – Gifts of certified ecologically sensitive land ————			
	Federal	Québec	Alberta
Gifts of certified ecologically sensitive land at the end of the previous tax year Gifts of certified ecologically sensitive land expired after 5 tax years, or after 10 tax years for gifts made after February 10, 2014*  539		4A	
Gifts of certified ecologically sensitive land at the beginning of the current tax year (amount 4A <b>minus</b> line 539)			
Gifts of certified ecologically sensitive land transferred on an amalgamation or the wind-up of a subsidiary			
Total current-year gifts of certified ecologically sensitive land 520			
(include this amount on line 112 of Schedule 1)			
Subtotal (line 550 <b>plus</b> line 520)		4B	
Subtotal (line 540 <b>plus</b> amount 4B)		4C	
Adjustment for an acquisition of control			
Amount applied in the current year against taxable income (enter this amount on line 314 of the T2 return)			
Subtotal (line 555 <b>plus</b> line 560)		4D	
Gifts of certified ecologically sensitive land closing balance (amount 4C minus amount 4D)			
* For federal and Alberta tax purposes, donations and gifts made before February 11 expire after ten tax years. For Québec tax purposes, donations and gifts made dur otherwise, donation and gifts expire after twenty tax years.			

- Amounts ca	arried forward – Gifts of certified ecologically sensition	e land		
Amount of carrie	d forward gifts made on or after February 11, 2014, in the tax year inclu	ding this date		
Year of origin:		Federal	Québec	Alberta
1 <sup>st</sup> prior year				
2 <sup>nd</sup> prior year	2020-12-31	,		
3 <sup>rd</sup> prior year	2019-12(31)	<i>y</i> 		
4 <sup>th</sup> prior year				
5 <sup>th</sup> prior year	2017-12-31			
6 <sup>th</sup> prior year*	2016-12-31			
7 <sup>th</sup> prior year	2015-12-31			
8 <sup>th</sup> prior year	2014-12-31			
9 <sup>th</sup> prior year	<u>2013-12/-31</u>			
10 <sup>th</sup> prior year	<u>2012-12-31</u>			
11 <sup>th</sup> prior year*				
12 <sup>th</sup> prior year				
13 <sup>th</sup> prior year	<u>2009-12-31</u>			
14 <sup>th</sup> prior year				
15 <sup>th</sup> prior year				
16 <sup>th</sup> prior year				
17 <sup>th</sup> prior year				
18 <sup>th</sup> prior year				
19 <sup>th</sup> prior year				
20 <sup>th</sup> prior year	······			
21 <sup>st</sup> prior year*				
Total				

<sup>\*</sup> For federal and Alberta tax purposes, donations and gifts made before February 11, 2014, that are included on line 6<sup>th</sup> prior year and gifts that are included on line 11<sup>th</sup> prior year expire automatically in the current year.

The field "Amount of carried forward gifts made on or after February 11, 2014, in the tax year including this date" is used to distinguish the portion of the gifts made in the tax year straddling February 11, 2014, that expires after ten tax years, from the portion that expires in the current tax year.

For Québec tax purposes, donations and gifts made during a tax year that ended before March 24, 2006, that are included on line 6<sup>th</sup> prior year and gifts that are included on line 21<sup>st</sup> prior year expire automatically in the current tax year.

Additional deduction for gifts of medicine expired after five tax years*  Additional deduction for gifts of medicine made before March 22, 2017  Additional deduction for gifts of medicine made before March 22, 2017  Additional deduction for gifts of medicine made before March 22, 2017  Proceeds of disposition  Cost of gifts of medicine made before March 22, 2017  Subtotal (line 602 minus line 601)  Subtotal (line 602 minus line 601)  Additional deduction for gifts of medicine made before March 22, 2017  Subtotal (line 602 minus line 601)  Additional deduction for gifts of medicine made before March 22, 2017  Subtotal (line 602 minus line 601)  Additional deduction for gifts of medicine made before March 22, 2017  Additional deduction for gifts of medicine made before March 22, 2017  Additional deduction for gifts of medicine made before March 22, 2017  Additional deduction for gifts of medicine made before March 22, 2017  Additional deduction for gifts of medicine made before March 22, 2017  Additional deduction for gifts of medicine made before March 22, 2017  Additional deduction for gifts of medicine for gifts of medicine made before March 22, 2017  Additional deduction for gifts of medicine for gifts of gifts of medicine for gifts of gifts of gifts gibalance gifts gibalance gifts gibalance gifts gibalance gifts gifts of medicine gifts gibalance gifts gifts of medicine gifts gibalance gifts gifts of gifts	Part 5 – Additional deduction for gifts of medicine			
Additional deduction for gifts of medicine expired after five tax years* (Additional deduction for gifts of medicine made before March 22, 2017 (and total deduction for gifts of medicine made before March 22, 2017 (and total deduction for gifts of medicine made before March 22, 2017 (b) (and total deduction for gifts of medicine made before March 22, 2017 (b) (and total deduction for gifts of medicine made before March 22, 2017 (b) (and total gifts of medicine made before March 22, 2017 (b) (b) (and total gifts of medicine made before March 22, 2017 (b) (b) (and total gifts of medicine made before March 22, 2017 (c) (c) (and total gifts of medicine made before March 22, 2017 (c) (d) (d) (d) (d) (d) (d) (d) (d) (d) (d	-	Federal	Québec	Alberta
Additional deduction for gifts of medicine at the beginning of the current tax year (amount 5A minus line 639)  **Modificinal deduction for gifts of medicine made before March 22, 2017:  **Cost of gifts of medicine made before March 22, 2017:  **Cost of gifts of medicine made before March 22, 2017:  **Cost of gifts of medicine made before March 22, 2017:  **Cost of gifts of medicine made before March 22, 2017:  **Subtotal (line 602 minus line 601)  **Additional deduction for gifts  f medicine dedising balance  **Additional deduction for gifts of medicine gifts gi	Additional deduction for gifts of medicine at the end of the previous tax year	5A		
Additional deduction for gifts of medicine made before March 22, 2017:  Proceeds of disposition  Subtotal (line 602 minus line 601)  Subtotal Smultiplied by 50 %  Eligible amount of gifts  Additional deduction for gifts of medicine made before March 22, 2017  Subtotal (line 602 minus line 601)  Selection of gifts of medicine made before March 22, 2017  Subtotal (line 602 minus line 601)  Selection of gifts  Additional deduction for gifts of medicine made before March 22, 2017  Additional deduction for gifts of medicine made before March 22, 2017  Additional deduction for gifts of medicine made before March 22, 2017  Additional deduction for gifts of medicine made before March 22, 2017  Additional deduction for gifts of medicine made before March 22, 2017  Additional deduction for gifts of medicine made before March 22, 2017  Additional deduction for gifts of medicine made before March 22, 2017  Additional deduction for gifts of medicine made before March 22, 2017  Additional deduction for gifts of medicine gifts of medicine made before March 22, 2017  Subtotal (line 650 pitus line 610)  Subtotal (line 650 pitus line 660)	Additional deduction for gifts of medicine at the beginning of the			
Additional deduction for gifts of medicine made before March 22, 2017:    Subtotal (line 602 minus line 601)   56B	current tax year (amount 5A minus line 639)			
Proceeds of disposition Cost of gifts of medicine made before March 22, 2017 Subtotal (line 602 minus line 601) SB  Amount 5B multiplied by 50 % Significant of gifts of medicine made before March 22, 2017  Additional deduction for gifts of medicine made before March 22, 2017  Additional deduction for gifts of medicine made before March 22, 2017  Additional deduction for gifts of medicine made before March 22, 2017  Additional deduction for gifts of medicine made before March 22, 2017  Alberta  Alberta  Alberta  Alberta  Alberta  Alberta  Alberta  Subtotal (line 680 piùs line 610) Subtotal (line 640 piùs amount 50)	Additional deduction for gifts of medicine made before March 22, 2017 ransferred on an amalgamation or the wind-up of a subsidiary			
Cost of gifts of medicine made before March 22, 2017  Subtotal (line 602 minus line 601)  Amount 5B multiplied by 50 %  Eligible amount of gifts  Federal  a	Additional deduction for gifts of medicine made before March 22, 2017:			
Amount 5B multiplied by 50 %	Cost of gifts of medicine made before March 22, 2017			
Eligible amount of gifts  Federal  a	· —		Λ	
Additional deduction for gifts of medicine made before March 22, 2017  Additional deduction for gifts of medicine made before March 22, 2017  Additional deduction for gifts of medicine made before March 22, 2017  Additional deduction for gifts of medicine made before March 22, 2017  Additional deduction for gifts of medicine made before March 22, 2017  Additional deduction for gifts of medicine made before March 22, 2017  Where: a is the lesser of line 601 and amount 5C to is the eligible amount of gifts (line 600) c is the eligible amount of gifts (line 600) c is the proceeds of disposition (line 602)  Subtotal (line 650 piùs line 610) 5D Subtotal (line 630 piùs amount 5D) 5E  Additional deduction for gifts of medicine closing balance desired before March 22, 2017  Subtotal (line 650 piùs line 660) 5F  Additional deduction for gifts of medicine closing balance amount 5E minus amount 5F) 680		00		_
Federal  a  Y  Additional deduction for gifts of medicine made before March 22,  Additional deduction for gifts of medicine made before March 22,  Additional deduction for gifts of medicine made before March 22,  Additional deduction for gifts of medicine made before March 22,  Additional deduction for gifts of medicine made before March 22,  a   Y  Additional deduction for gifts of medicine made before March 22,  a   Enter this amount of gifts (line 600)  Subtotal (line 650 plus line 610)  Subtotal (line 655 plus line 660)				
Before March 22, 2017	of medicine made	<i>-</i>		
Additional deduction for gifts of medicine made before March 22, a 2017  Additional deduction for gifts of medicine made before March 22, a 2017  Additional deduction for gifts of medicine made before March 22, a 2017  Where: a is the lesser of line 601 and amount 5C to is the eligible amount of gifts (line 600) to is the proceeds of disposition (line 602)  Subtotal (line 640 piùs amount 8D) 5E  Addistional deduction for gifts of medicine gifts (line 600) 5E  Subtotal (line 640 piùs amount 8D) 5E  Addistional deduction for gifts of medicine closing balance amount 5E minus amount 5F) 580	before March 22,			
Alberta  Alberta  a	a x ( <u>b</u> ) = 2017 610		)/	
Québec  a				
Alberta  Alditional deduction for gifts (line 650 plus line 610)  Alberta  Alditional deduction for gifts of medicine closing balance  Alberta  Alberta  Alditional deduction for gifts of medicine closing balance  Alberta  Alberta  Alditional deduction for gifts of medicine closing balance  Alberta  Alberta  Alditional deduction for gifts of medicine closing balance  Alberta  Alberta  Alditional deduction for gifts of medicine closing balance  Alberta  Alberta  Alditional deduction for gifts of medicine closing balance  Alberta  Alberta  Alditional deduction for gifts of medicine closing balance  Alberta  Alberta  Alberta  Alditional deduction for gifts of medicine closing balance  Alberta  Alberta  Alberta  Alberta  Alditional deduction for gifts of medicine closing balance  Alberta	of medicine made			
Additional deduction for gifts of medicine made before March 22, a st he lesser of line 601 and amount 5C to is the eligible amount of gifts (line 600) c is the proceeds of disposition (line 602)  Subtotal (line 650 plus amount 5D)  Subtotal (line 640 plus amount 5D)  Subtotal (line 640 plus amount 5D)  Subtotal (line 650 plus line 610)  Subtotal (line 655 plus line 660)				
Alberta  a X (b	a X ( <u>b</u> ) = 2017			
Alberta  a x \begin{pmatrix} b \\ c \end{pmatrix} = 2017  where: a is the lesser of line 601 and amount 5C b is the eligible amount of gifts (line 600) c is the proceeds of disposition (line 602)  Subtotal (line 650 plus line 610) Subtotal (line 650 plus amount \$\mathref{B}\mathref{D}\)  Subtotal (line 650 plus line 610)  Subtotal (line 655 plus line 660)  Amount applied in the current year against taxable income enter this amount on line 315 of the T2 return)  Subtotal (line 655 plus line 660)				
Alberta  a × (b				
where: a is the lesser of line 601 and amount 5C b is the eligible amount of gifts (line 600) c is the proceeds of disposition (line 602)  Subtotal (line 650 plus line 610) Subtotal (line 640 plus amount 8D)  Set line 610 plus amount 8D)  Adjustment for an acquisition of control  Amount applied in the current year against taxable income enter this amount on line 315 of the T2 return)  Subtotal (line 655 plus line 660)  Set line 660 plus line 660)  Set line 660 plus line 660)  Set line 660 plus line 655 plus line 660 plus line 66	ΔΙΝΩΤΈ			
a is the lesser of line 601 and amount 5C b is the eligible amount of gifts (line 600) c is the proceeds of disposition (line 602)  Subtotal (line 650 plus line 610)  Subtotal (line 640 plus amount 8D)  Subtotal (line 640 plus amount 8D)  Set  Adjustment for an acquisition of control  Amount applied in the current year against taxable income enter this amount on line 315 of the T2 return)  Subtotal (line 655 plus line 660)  Subtotal (line 655 plus line 660)  Set  Additional deduction for gifts of medicine closing balance amount 5E minus amount 5F)  Subtotal (line 655 plus line 660)  Set  Subtotal (line 655 plus line 660)	a X (b) = 2017			
a is the lesser of line 601 and amount 5C b is the eligible amount of gifts (line 600) c is the proceeds of disposition (line 602)  Subtotal (line 650 plus line 610)  Subtotal (line 640 plus amount 8D)  Subtotal (line 640 plus amount 8D)  Set  Adjustment for an acquisition of control  Amount applied in the current year against taxable income enter this amount on line 315 of the T2 return)  Subtotal (line 655 plus line 660)  Subtotal (line 655 plus line 660)  Set  Additional deduction for gifts of medicine closing balance amount 5E minus amount 5F)  Subtotal (line 655 plus line 660)  Set  Subtotal (line 655 plus line 660)	\c /			
Subtotal (line 650 plus line 610) Subtotal (line 650 plus line 610) Subtotal (line 640 plus amount 8D)  Subtotal (line 640 plus amount 8D)  Adjustment for an acquisition of control Amount applied in the current year against taxable income enter this amount on line 315 of the T2 return)  Subtotal (kine 655 plus line 660)		_ ,		
Subtotal (line 650 plus line 610)  Subtotal (line 640 plus amount 8D)  Subtotal (line 640 plus amount 8D)  Adjustment for an acquisition of control  Amount applied in the current year against taxable income enter this amount on line 315 of the T2 return)  Subtotal (line 655 plus line 660)  Subtotal (line 655 plus line 660)  Subtotal (line 655 plus line 660)  Additional deduction for gifts of medicine closing balance amount 5E minus amount 5F)  680				
Subtotal (line 650 plus line 610)  Subtotal (line 640 plus amount 3D)  Adjustment for an acquisition of control  Amount applied in the current year against taxable income enter this amount on line 315 of the T2 return)  Subtotal (line 655 plus line 660)  Additional deduction for gifts of medicine closing balance amount 5E minus amount 5F)  680		//		
Subtotal (line 640 plus amount 8D) 5E  Adjustment for an acquisition of control				
Adjustment for an acquisition of control	· / · / ·			
Amount applied in the current year against taxable income	Subtotal (line 640 <b>plus</b> amount 3D)	5E		
Amount applied in the current year against taxable income	Adjustment for an acquisition of control			
enter this amount on line 315 of the T2 return) Subtotal (line 655 plus line 660)  Additional deduction for gifts of medicine closing balance amount 5E minus amount 5F)  680			_	
Additional deduction for gifts of medicine closing balance amount 5E minus amount 5F)	(enter this amount on line 315 of the T2 return)			
Additional deduction for gifts of medicine closing balance amount 5E minus amount 5F)	,	5F		
amount 5E <b>minus</b> amount 5F)				
	(amount 5E <b>minus</b> amount 5F)			
ended before March 19, 2007, expire after five tax years; otherwise, donations and gifts expire after twenty tax years.	* For federal and Alberta tax purposes donations and gifts expire after five tax year	rs. For Québec tax purpose	s, donations and gifts n	nade in a tax year that

Year of origin:			Federal	Québec	Alberta
1 <sup>st</sup> prior year		2021-12-31			
2 <sup>nd</sup> prior year		2020-12-31			
3 <sup>rd</sup> prior year		2019-12-31			
4 <sup>th</sup> prior year		2018-12-31			
5 <sup>th</sup> prior year		2017-12-31			
6 <sup>th</sup> prior year*		2016-12-31			
7 <sup>th</sup> prior year		2015-12-31			
8 <sup>th</sup> prior year		2014-12-31			
9 <sup>th</sup> prior year		2013-12-31			
10 <sup>th</sup> prior year		2012-12-31			
11 <sup>th</sup> prior year		2011-12-31			
12 <sup>th</sup> prior year		2010-12-31			
13 <sup>th</sup> prior year		2009-12-31		2	
14 <sup>th</sup> prior year					
15 <sup>th</sup> prior year					
16 <sup>th</sup> prior year			/		
17 <sup>th</sup> prior year			$\wedge$		
18 <sup>th</sup> prior year					
19 <sup>th</sup> prior year					
20 <sup>th</sup> prior year					
21 <sup>st</sup> prior year*				)/	
Γotal				<u> </u>	
donations and line 21 <sup>st</sup> prior	d Alberta tax purposes, donations and gifts in gifts made in a tax year that ended before Nayear expire automatically in the current tax year expire automatically in the current tax year.	March 19, 2007, that	rior year expire automatic are included on line 6 <sup>th</sup> p	cally in the current tax year. For 0 rior year and donations and gifts	Québec tax purposes, that are included on
	Gifts of musical instruments				
	instruments at the end of the previous tax ye			—	
	f musical instruments expired after twenty tax	years 🛴 🤻		····· —	
	instruments at the beginning of the tax year			····· –	
Add:			<b>&gt;</b>		
	Il instruments transferred on an amalgamatic	on or the wind-up of a	subsidiary		
Total current-y	ear gifts of musical instruments /	ý		<u> </u>	
				Subtotal (line D <b>plus</b> line E)	
Deduct: Adjusti	ment for an acquisition of control	//			
-	sical instruments available			<del>-</del>	
•					
	t applied against taxable income (enter this	1/		<u>-</u>	
3ifts of musical	instruments closing balance			<u></u>	

<b>A</b>	and all formation and the control of the formation and the control of the control	00100 0002 1100002
- Amounts ca	rried forward – Gifts of musical instruments	
Year of origin:		Québec
1 <sup>st</sup> prior year		
2 <sup>nd</sup> prior year	2020-12-31	
B <sup>rd</sup> prior year	2019-12-31	
I <sup>th</sup> prior year	2018-12-31	
5 <sup>th</sup> prior year	2017-12-31	
S <sup>th</sup> prior year*	2016-12-31	
7 <sup>th</sup> prior year	2015-12-31	
B <sup>th</sup> prior year	2014-12-31	
) <sup>th</sup> prior year	2013-12-31	
10 <sup>th</sup> prior year	2012-12-31	
1 <sup>th</sup> prior year	<u></u>	
12 <sup>th</sup> prior year	2010-12-31	
13 <sup>th</sup> prior year	2009-12-31	
14 <sup>th</sup> prior year		
15 <sup>th</sup> prior year		
16 <sup>th</sup> prior year		
17 <sup>th</sup> prior year		
18 <sup>th</sup> prior year		
19 <sup>th</sup> prior year		
20 <sup>th</sup> prior year		
21 <sup>st</sup> prior year*		
Total		
	red in the current year.	
These girls expi	red in the current year.	~ "
2 SCH 2 E (20)		Canada
( )		
	, and the second	

Schedule 3

# Dividends Received, Taxable Dividends Paid, and Part IV Tax Calculation

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2022-12-31

- Corporations must use this schedule to report:
  - non-taxable dividends under section 83
  - deductible dividends under subsection 138(6)
  - taxable dividends deductible from income under section 112, subsection 113(2) and paragraphs 113(1)(a), (a.1), (b) or (d)
  - taxable dividends paid in the tax year that qualify for a dividend refund (see page 3)
- All legislative references are to the federal Income Tax Act.
- The calculations in this schedule apply only to private or subject corporations (as defined in subsection 186(3)).
- A payer corporation is connected with a recipient corporation at any time in a tax year, if at that time the recipient corporation meets either of the following conditions:
  - it controls the payer corporation, other than because of a right referred to in paragraph 251(5)(b)
  - it owns more than 10% of the issued share capital (with full voting rights), and shares that have a fair market value of all shares of the payer corporation
- If you need more space, continue on a separate schedule.
- File this schedule with your T2 Corporation Income Tax Return.
- Column A1 Enter "X" if dividends were received from a foreign source.
   Column F1 Enter the code that applies to the deductible taxable dividend.

## Part 1 – Dividends received in the tax year -

- Do not include dividends received from foreign non-affiliates.
- Complete columns B, C, D, H, H.1, I, I.1, I.2 and L only if the payer corporation is connected.

### Important instructions to follow if the payer corporation is connected

- If your corporation's tax year-end is different than that of the **connected** payer corporation, dividends could have been received from more than one tax year of the payer corporation. If so, **use a separate line** to provide the information according to each tax year of the payer corporation.
- When completing columns J, K and L use the special calculations provided in the notes.

	A A	(  A↑	B,	С	D	E
	Name of payer corporation		Enter 1	Business number	Tax year-end of the	Non-taxable
	(from which the corporation received the dividend)		if payer	of <b>connected</b>	payer corporation in	dividends under
		14	corporation	corporation	which the sections	section 83
			is		112/113 and	
			connected		subsection 138(6)	
		1			dividends in column F	
		4			were paid	
					YYYYMMDD	
	200		205	210	220	230
		+				
1			2			
2			2			
				_,		
		To	tal of colum	<b>In E</b> (enter amount on	line 402 of Schedule 1) $\lfloor$	

– Pa	art 1 – Dividends received i	n the	tax year (continue	ed) ————————————————————————————————————		
	F Taxable dividends deductible from taxable income under section 112, subsections 113(2) and 138(6), and paragraphs 113(1)(a), (a.1), (b), or (d) 1	F1	G Eligible dividends included in column F	H Total taxable dividends paid by the <b>connected</b> payer corporation (line 460 in Schedule 3 for the tax year in column D)	H.1 Total eligible dividends paid by the <b>connected</b> payer corporation (line 465 in Schedule 3 for the tax year in column D)	l Dividend refund of the <b>connected</b> payer corporation (for tax year in column D) <sup>2</sup>
	240		242	250		260
1 2						
				_		
	Eligible dividend refund of the <b>connected</b> payer corporation from its eligible refundable dividend tax on hand (ERDTOH) (amount CC from T2 return for the tax year in column D)	conne	I.2 Iditional non-eligible vidend refund of the ected payer corporation from its ERDTOH ount II from T2 return for the tax year in column D)	J Part IV tax for eligible dividends. Dividends (from column G) multiplied by 38 1/3% <sup>3</sup>	Fart W tax before deductions.  Dividends (from column F)  multiplied by  38 1/3%	L Part IV tax before deductions on taxable dividends received from connected corporations 5
				265	275	280
1 2						
				Total of column L (enter	er amount on line 2E in Part 2)	
<b>-</b>	the distance of the distance o				l D)	4.4
	able dividends received from connec able dividends received from non-co					1A 1B
Ianc	able dividends received from non-co				ount on line 320 of the T2 retur	
Eliai	ble dividends received from connec					1D
_	ble dividends received from non-cor					1E
_	IV tax before deductions on taxable				,	
	all amounts from column K with code			. //	1F	
	IV tax before deductions on taxable				10	
(tota	al amounts from column K with code	2 in co	, ,		1G	1H
Part	IV tax on eligible dividends received	d from		otal (amount 1F <b>plus</b> amount 1 (total amounts from column J		п
with	code 1 in column B)			N	11	
	IV tax on eligible dividends received	d from	non-connected corporat	óns (total amounts from colum	nn 1.I.	
J WII	th code 2 in column B)		Sub	total (amount 1l <b>plus</b> amount	· · ·	1K
Part	IV tax before deductions on taxable	divide				1L
1 li	f taxable dividends are received, ent subject corporation as defined in sub subsection 138(6) dividends.	ter the	amount in column F, but	if the corporation is not subject	ct to Part IV tax (such as a publ	ic corporation other than a oject to Part IV tax on
2 l	f the <b>connected</b> payer corporation's o estimate the payer's dividend refu	tax ye	ear ends after the corpora	ation's balance-due day for the	e tax year (two or three months,	, as applicable), you have
	For eligible dividends received from		-//		column I <b>divided</b> by column H	multiplied by column G.
4 F	For taxable dividends received from	conne	cted corporations, Part	IV tax on dividends is equal to	column I divided by column H	multiplied by column F.
c	For the purpose of calculating your ecorporations (with a tax year starting corporations to the extent that such c	after 2	2018) is equal to the sum	of Part IV tax on eligible divid	ends and non-eligible dividend:	
	Part IV tax before deductions on taxa			· · · · · · · · · · · · · · · · · · ·		( )
(	<ul> <li>i) Part IV tax on eligible dividends re T2 return) divided by line 465 of t</li> </ul>	ceived he <b>cor</b>	I from <b>connected</b> corpore the corporation of the c	rations is equal to amount CC on, <b>multiplied</b> by column G; an	of the <b>connected</b> payer corpor nd	ration (on page 7 of the
(	ii)Part IV tax on non-eligible dividen T2 return) <b>divided</b> by line 470 of t	ds rece he <b>cor</b>	eived from <b>connected</b> connected connected payer corporation	orporations is equal to amount on, <b>multiplied</b> by the differenc	II of the <b>connected</b> payer corp e between columns F and G.	poration (on page 7 of the

- Part 2 – Calculation of Part IV tax payable ————————————————————————————————————			
Part IV tax on dividends received before deductions (amount 1H in part 1)	320	2A <b>&gt;</b>	28
Non-capital losses from previous years claimed to reduce Part IV tax	340		
Total losses applied against Part IV tax (total of lines 330 to	345)	2C	
Amount 2C <b>multiplied</b> by 38 1 / 3 %		360	2D
Part IV tax before deductions on taxable dividends received from connected corporations (total of	column L in part 1)		2E
Amount 4A from Schedule 43  Part IV tax payable on taxable dividends received from connected corporations (amount 2E minus amount 2F, if negative enter "0")		···/·	2F 2G
(enter at amount L on page 7 of the T2 return)			
Part IV tax on eligible dividends received from non-connected corporations (amount 1J in part 1)	·	<u> </u>	2H
Amount 4C from Schedule 43	\ -)	· · · · · · · · · · · · · · · · · · ·	21
Part IV tax payable on taxable dividends received from non-connected corporations (amount 2H minus amount 2I, if negative enter "0")	, <i></i>		2J
(enter at amount M on page 7 of the T2 return)			
- Part 3 – Taxable dividends paid in the tax year that qualify for a dividend	refund ———		
If your corporation's tax year-end is different than that of the recipient corporation with which you are conn one tax year of the recipient corporation. If so, use a separate line to provide the information according to	ected, your corporation each tax year of the re	n could have paid divider cipient corporation.	nds in more than
Name of recipient corporation with which you are connected.  Business number	N Tax year-end of recipient corporation in which the dividends in column O were received YYYYMMDD	O Taxable dividends paid to recipient corporations with which you are connected	P Eligible dividends included in column O
400	420	430	440
1 Corporation of the town of Orangeville 10698 6151 RC0001	2022-12-31	458,952	458,952
2			
		458,952 (Total of column O)	(Total of column P)
		( Iolai oi colullii O)	( IOIAI OI COIUIIII F )

$_{ extsf{ iny Part 3}}$ – Taxable dividends paid in the tax year that qualify for a dividend refund (continued) $$	
Total taxable dividends paid in the tax year to other than connected corporations	<b>450</b> 26,712
Eligible dividends included in line 450	
Total taxable dividends paid in the tax year that qualify for a dividend refund (total of column O <b>plus</b> line 450)	485,664
Total eligible dividends paid in the tax year (total of column P <b>plus</b> line 455)	485,664
Total non-eligible taxable dividends paid in the tax year (line 460 <b>minus</b> line 465)	470
Complete this part to determine the following amounts in order to calculate the dividend refund.	
Line 465 <b>multiplied</b> by 38 1 / 3 %	<u>186,171</u> зд
(enter at amount AA on page 7 of the T2 return)	
Line 470 <b>multiplied</b> by 38 1 / 3 %	3B
(enter at amount DD on page 7 of the T2 return)	
┌ Part 4 – Total dividends paid in the tax year	
Complete this part <b>if</b> the total taxable dividends paid in the tax year that qualify for a dividend refund (line 460) is different from the in the tax year.	total dividends paid
Total taxable dividends paid in the tax year for the purposes of a dividend refund (from above)	485,664
Other dividends paid in the tax year (total of 510 to 540)	
Total dividends paid in the tax year	485,664
Dividends paid out of capital dividend account	
Capital gains dividends	
Dividends paid on shares described in subsection 129(1.2)	
at any time in the year	
Subtotal (total of lines 510 to 540)	4A
Total taxable dividends paid in the tax year that qualify for a dividend refund (Line 500 minus amount 4A)	485,664 <sub>4B</sub>
i iolai lavanie uividendo paid in liie lax year liial quanny ior a dividend reidilla (Line 380 miliads amount 4A)	4D



# Tax Calculation Supplementary – Corporations

Schedule 5

Corporation's name	Business Number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2022-12-31

- Use this schedule if any of the following apply to your corporation during the tax year:
  - it had a permanent establishment in more than one jurisdiction (corporations that have no taxable income should only complete columns A, B, and D in Part 1)
  - it is claiming provincial or territorial tax credits or rebates (see Part 2)
  - it has to pay taxes, other than income tax, for Newfoundland and Labrador or Ontario (see Part 2)
- All legislative references are to the federal Income Tax Regulations (the Regulations).
- For more information, see the T2 Corporation Income Tax Guide.
- For the regulation number to be entered in field 100 of Part 1, see the chart below.

– Part 1 – Alloca 100	ation of ta	xable income		Enter the regulation that app	fies (402 to 413)	
A Jurisdictio Tick yes if your corp a permanent estal in the jurisdic during the tax y		<b>B</b> Total salaries and wages paid in jurisdiction	C (B x taxable income) / G	Gross revenue attributable to jurisdiction	E (D.x.taxable income) / H	F Allocation of taxable income (C + E) x 1/2 **Nble 2 (where either G or H is nil, do not multiply by 1/2)
Newfoundland and Labrador	003 Yes	103		143	1	
Newfoundland and Labrador Offshore	004 Yes	104		144		
Prince Edward Island	005 Yes	105		145		
Nova Scotia	<b>007</b> Yes	107		147		
Nova Scotia Offshore	008 Yes	108	_	148		
New Brunswick	009 Yes	109		149		
Quebec	O11 Yes	111		151		
Ontario	013 Yes	113		153		
Manitoba	<b>015</b> Yes	115		155		
Saskatchewan	<b>017</b> Yes	117		157		
Alberta	<b>019</b> Yes	119		159		
British Columbia	<b>021</b> Yes	121	7	161		
Yukon	<b>023</b> Yes	123		163		
Northwest Territories	<b>025</b> Yes	125		165		
Nunavut	<b>026</b> Yes	126		166		
Outside Canada	<b>027</b> Yes	127		167		
Total		129 G		169 H		

Note 1: Permanent establishment is defined in subsection 400(2).

Note 2: For corporations other than those described under section 402, use the appropriate calculation described in the Regulations to allocate taxable income.

# Notes:

- 1. After determining the allocation of taxable income, you have to calculate the corporation's provincial or territorial tax payable. For more information on how to calculate the tax for each province or territory, see the instructions for Schedule 5 in the T2 Corporation Income Tax Guide.
- 2. If your corporation has provincial or territorial tax payable, complete Part 2.
- If your corporation is a member of a partnership and the partnership had a permanent establishment in a jurisdiction, select the jurisdiction in Column A and include your proportionate share of the partnership's salaries and wages and gross revenue in columns B and D, respectively.

Canadä

¬ Part 2 – Ontario tax payable, tax credits, and rebates -

Total taxable income	Income eligible for small business deduction	Provincial or territorial allocation of taxable income	Provincial or territorial tax payable before credits			
134,245	i	134,245	15,438			
Ontario basic inc	ome tax (from Schedu	le 500)			15,438	
Ontario small busii	ness deduction (from S	Schedule 500)	Subtotal (line 270 mir		15,438	15,438
	tax debits (from Sche	dule 506) opment tax credit (from	Schedule 508)	276 277		
			Subtotal (line 276 <b>p</b>	lus line 277)	<b>&gt;</b>	;
ross Ontario tax (a	mount 5A <b>plus</b> amoun	t 5B)			· · · · · · · · · · · · · · · · · · ·	15,438
Ontario resource ta	ax credit (from Schedu	le 504)		404		
Ontario tax credit f	or manufacturing and p	orocessing (from Sched	lule 502)	406		
Ontario foreign tax	credit (from Schedule	21)		408		
Ontario credit unio	n tax reduction (from S	Schedule 500)		410		
Ontario political co	ntributions tax credit (f	rom Schedule 525)		415		
	C	Ontario non-refundable	tax credits (total of lines	s 404 to 415)	<u> </u>	
			Subtotal (amount 50	minus amount 50)	(if negative, enter "0")	15,438
		114 (for one Oak and also 500)		Jinius amount by		137.130
	·	dit (from Schedule 508)			<del></del>	
		re Ontario corporate mi <b>minus</b> line 416) (if neg	,		· · · · · · · · · · · · · · · · · · ·	15,438
ntario corporate mi	nimum tax credit (from	Schedule 510)			418	
ntario community f	ood program donation	tax credit for farmers (f	rom Schedule 2) .		420	
ntario corporate ind	come tax payable (amo	ount 5F <b>minus</b> the total	of lines 418 and 420)	if negative, enter "0")		<u>15,438</u> s
Ontario corporate i	minimum tax (from Sch	nedule 510)		278	1,884	
Ontario special add	ditional tax on life insur	ance corporations (fror	n Schedule 512)	280		
			Subtotal (line 278 p	lus line 280)	1,884	1,884
ntal Ontario tax nav	able before refundable	e tax credits (amount 50	a nius amount 5H)			17,322
			<b>S</b>			/
. , ,	environmental trust tax		//	450	0.407	
•		. , ,	/		8,487	
• • •		(from Schedule 552)				
			Schedule 554)	450		
	levision tax credit (from services tax credit (from	. \ //				
•		\ / '				
	shing tax credit (from S	`    '				
	tax credit (from Sched	_ // '				
	,	redit (from Schedule 56				
		•	ule 570)			
		•	tax credits (total of lines	·	8,487	8,487
of Ontonio torre	alala annaferratalat		·			8,835
		<b>x credit</b> (amount 5I <b>mi</b> de this amount on line 2	,		<u>290</u>	0,033
Summary —						
-	c payable or refundable	e tax credits for all prov	inces and territories on	line 255.		
et provincial and	erritorial tax payable	or refundable tax cre	dits		255	8,835

Schedule 8

# Canada Revenue Agence du revenu du Canada

# **Capital Cost Allowance (CCA)**

Corporation's name	Business number	Tax year-end
Orangeville Hydro Limited	86463 9562 RC0002	Year Month Day 2022-12-31
For more information, see the section called "Capital Cost Allowance" in the T2 Corporation Income Tax Guide.	$\Lambda$	
Is the corporation electing under Regulation 1101(5q)?  Yes No X		
- Part 1 – Agreement between associated eligible persons or partnerships (EPOPs)		
Are you associated in the tax year with one or more EPOPs with which you have entered into an agreement under subsection 1104(3.3) of the Regulation	ions?	105 Yes X No
If you answered <b>yes</b> , complete Part 1. Otherwise, go to Part 2.		
Enter a percentage assigned to each associated EPOP (including your corporation) as determined in the agreement.		
This percentage will be used to allocate the immediate expensing limit. The total of all the percentages assigned under the agreement should not exceed associated group has an immediate expensing limit of nil. For more information about the immediate expensing limit, see note 12 in Part 2.	ed 100%. If the total is more than	ı 100%, then the
	2	3
Name of EPOP	Z   Identification	
Name of 21 of	See note	assigned
110	115	
1. Orangeville Hydro Limited	864639562RC00	002 100.000
2. Corporation of the Town of Orangeville	106986151RC00	001
3. Corporation of the Township of East Luther Grand	NR	
4. Orangville Railway Development Corporation	864333166RC00	001
		Total 100.000
Immediate expensing limit allocated to the corporation (see note 2)		1,500,000
Note 1: The identification number is the social insurance number, business pumber, or partnership account number of the EPOP.		
Note 2: If the total of column 3 is more than 100%, enter 0		

. 1 '			2	3	4	5	6	7	8
Class number See note 3	Description		Undepreciated capital cost (UCC) at the beginning of the year	Cost of acquisitions during the year (new property must be available for use)	Cost of acquisitions from column 3 that are designated immediate expensing property (DIEP)	Adjustments and transfers See <b>note 6</b>	Amount from column 5 that is assistance received or receivable during the year for a property, subsequent to its disposition	Amount from column 5 that is repaid during the year for a property, subsequent to its disposition See <b>note 8</b>	Proceeds of dispositions See note 9
200			201	See <b>note 4</b>	See <b>note 5</b>	205	See note 7	222	207
	Duildings			200	202	200			201
1	Buildings		7,363,055	20.006	20.006				
8 10	Equipment Trucks		89,734	29,996	29,996		<i></i>		
45	Computer equipment		199,626						
47			11,058,706	2,785,323					3,4
50	Electric Distribution Equipment  Computer equipment		10,973	41,159	41,159				
43.2	Solar Generation		54	41,139	41,139				
14.1	Solai Generation		99,626						
1b			5,028						
1b	2018 Addition		110,389	38,033					
95	CIP		38,149	30,033		-3,084			
12	CIT		30/113	25,735	25,735	3,001			
		Totals	18,975,344	2,920,246	96,890	-3,084			3,4
1		9	10	The state of the s	12	13	14	15	16
Class number	Description	Proceeds of dispositions of the DIEP (enter amount from column 8 that relates to the DIEP reported in column 4)	(column 2 plus column 3 plus column 3 plus column 5 minus column 8)  See note 10	UCC of the DIEP (enter the UCC amount that relates to the DIEP reported in column 4) See note 11	Immediate expensing See <b>note 12</b>	Cost of acquisitions on remainder of Class (column 3 minus column 14 plus column 11 minus column 12)	Cost of acquisitions from column 13 that are accelerated investment incentive properties (AIIP) or properties included in Classes 54 to 56 See <b>note 13</b>	Remaining UCC (column 10 minus column 12) (if negative, enter "0")	Proceeds of disposition available to reduce the UCC of AlIP and proper included in Classes 54 to 56 (column 8 minus column 9 plus column 13 plus column 14 minus column 17 (if negative, enter "0")
		234		236	238		225		
1	Buildings		7,363,055					7,363,055	
8	Equipment		119,730	29,996	29,996			89,734	
10	Trucks		199,626					199,626	
	1	1	4					4	
45 47	Computer equipment  Electric Distribution Equipment		13,840,560			2,785,323	2,785,323	13,840,560	3,

	1		9	10	11	12	13	14	15	16
	Class number	Description	Proceeds of dispositions of the DIEP (enter amount from column 8 that relates to the DIEP reported in column 4)	UCC (column 2 plus column 3 plus or minus column 5 minus column 5	UCC of the DIEP (enter the UCC amount that relates to the DIEP reported in column 4) See note 11	Immediate expensing See note 12	Cost of acquisitions on remainder of Class (column 3 minus column 14 plus column 12)	Cost of acquisitions from column 13 that are accelerated investment incentive properties (AIIP) or properties included in Classes 54 to 56  See note 13	Remaining UCC (column 10 minus column 12) (if negative, enter "0")	Proceeds of disposition available to reduce the UCC of AIIP and property included in Classes 54 to 56 (column 8 minus column 9 plus column 13 plus column 14 minus column 7) (if negative, enter "0")
7.	43.2	Solar Generation		54				<u> </u>	54	
8.	14.1			99,626					99,626	
9.	1b			5,028					5,028	
10.	1b	2018 Addition		148,422			38,033	38,033	148,422	
11.	95	CIP		35,065					35,065	
12.	12			25,735	25,735	25,735				
		Totals		21,889,037	96,890	96,890	2,823,356	2,823,356	21,792,147	3,469

## ¬ Part 2 – CCA calculation (continued)

-1	, ,	17	10	19	20	24	22	22	24
7	Description		18		20	21		23	24
Class number	Description	Net capital cost additions of AIIP and property included in Classes 54 to 56 acquired during the year (column 14 <b>minus</b> column 16) (if negative, enter "0")	UCC adjustment for AIIP and property included in Classes 54 to 56 acquired during the year (column 17 multiplied by the relevant factor)  See note 15	UCC adjustment for property acquired during the year other than AIIP and property included in Classes 54 to 56 (0.5 multiplied by the result of column 13 minus column 14 minus column 6 plus column 7 minus column 8 plus column 9) (if negative, enter "0")	CCA rate % See note 17	Recapture of CCA See note 18		CCA (for declining balance method, the result of column 15 plus column 18 minus column 19, multiplied by column 20, or a lower amount, plus column 12) See note 20	UCC at the end of the year (column 10 <b>minus</b> column 23)
				224	212	213	215	217	220
1	Buildings				4/(	0	0	294,522	7,068,5
8	Equipment				20	0	0	47,943	71,7
10	Trucks				30/	0	0	59,888	139,7
45	Computer equipment				45	0	0	2	
47	Electric Distribution Equipment	2,781,854	1,390,927		8	0	0	1,218,519	12,622,0
50	Computer equipment				55	0	0	47,194	4,9
43.2	Solar Generation				50	0	0	27	
14.1					5	0	0	6,954	92,6
1b					6	0	0	302	4,7
1b	2018 Addition	38,033	19,017		6	0	0	10,046	138,3
95	CIP				0	0	0		35,0
12					100	0	0	25,735	
		Totals 2,819,887	1,409,944					1,711,132	20,177,9

Enter the total of column 21 on line 107 of Schedule 1.

Enter the total of column 22 on line 404 of Schedule 1.

Enter the total of column 23 on line 403 of Schedule 1.

Note 3: If a class number has not been provided in Schedule II of the Income Tax Regulations for a particular class of property, use the subsection provided in Regulation 1101.

Note 4: Include any property acquired in previous years that has new become available for use, net of any government assistance received or entitled to be received in the year from a government, municipality or other public authority, or a reduction of capital cost after the application of section 80. This property would have been previously excluded from column 3. List separately any acquisitions of property in the class that are not subject to the 50% rule. See Income Tax Folio S3-F4-C1, General Discussion of Capital Cost Allowance, for exceptions to the 50% rule.

Note 5: A DIEP reported in column 4 is a property acquired after April 18) 2021, by a corporation that was a Canadian-controlled private corporation (CCPC) throughout the year, which became available for use in the tax year (before 2024) and was designated as such on or before the day/that is 12 months after the filing-due date for the tax year to which the designation relates. It includes all capital property subject to the CCA rules, if certain conditions are met, other than property included in Classes 1 to 6, 14.1, 17, 47, 49, and 51. A property can only qualify as DIEP in the year in which it becomes available for use. See subsection 1104(3.1) of the Regulations for more information.

Note 6: Enter in column 5, "Adjustments and transfers", amounts that increase or reduce the UCC (column 10). Items that increase the UCC include amounts transferred under section 85, or transferred on amalgamation or winding-up of a subsidiary. Items that reduce the UCC (show amounts that reduce the UCC in brackets) include assistance received or receivable during the year for a property, subsequent to its disposition, if such assistance would have decreased the capital cost of the property by virtue of paragraph 13(7.1)(f). See the T2 Corporation Income Tax Guide for other examples of adjustments and transfers to include in column 5.

Also include property acquired in a non-arm's length transaction (other than by virtue of a right referred to in paragraph 251(5)(b) of the Act) if the property was a depreciable property acquired by the transferor until it was acquired by you.

Note 7: Include all amounts of assistance you received (or were entitled to receive) after the disposition of a depreciable property that would have decreased the capital cost of the property by virtue of paragraph 13(7.1)(f) if received before the disposition.

#### Part 2 – CCA calculation (continued)

- Note 8: Include all amounts you have repaid during the year for any legally required repayment, made after the disposition of a corresponding property, of:
  - assistance that would have otherwise increased the capital cost of the property under paragraph 13(7.1)(d) and
  - = an inducement, assistance, or any other amount contemplated in paragraph 12(1)(x) received, that otherwise would have increased the capital cost of the property under paragraph 13(7.4)(b)

Include the UCC of each property of a prescribed class acquired in the course of a corporate reorganization described under paragraph 55(3)(b) of the Act (also known as "butterfly reorganization") or include property acquired in a non-arm's length transaction (other than by virtue of a right referred to in paragraph 251(5)(b) of the Act) if the property was a depreciable property acquired by the transferor less than 364 days before the end of your tax year and continuously owned by the transferor until it was acquired by you.

- For each property disposed of during the year, deduct from the proceeds of disposition any outlays and expenses to the extent that they were made or incurred for the purpose of making the disposition(s). The amount reported Note 9: in respect of the property cannot exceed the property's capital cost, unless that property is a timber resource property as defined in subsection 13(21).
  - If the cost of a zero-emission passenger vehicle (or a passenger vehicle that was, at any time, a DIEP) exceeds the prescribed amount, the proceeds of disposition will be adjusted based on a factor equal to the prescribed amount as a proportion of the actual cost of the vehicle.
- Note 10: If the amount in column 5 (as shown in brackets) reduces the undepreciated capital cost, you must subtract it for the purposes of the calculation. Otherwise, add the angount in column 5 for the purposes of the calculation.
- Note 11: The only amounts incurred before April 19, 2021, to be included in this column are certain inventory purchases from arm's length persons or partnerships where the conditions in paragraphs 1100(0,3)(a) to (c) are met.
- Note 12: Immediate expensing applies to a DIEP included in column 11. The total immediate expensing for the tax year (total of column 12) should not exceed the lesser of
  - 1. Immediate expensing limit: it is equal to one of the following five amounts, whichever is applicable:
  - \$1.5 million, if you are not associated with any other EPOP in the tax year
  - amount from line 125, if you are associated in the tax year with one or more EPOPs
  - nil, if the total of the percentages assigned in Part 1 is more than 100% or you are associated in the tax year with one or more EPOPs and have not filed an agreement in prescribed form as required under subsection 1104(3.3) of the Regulations
  - the amount determined under subsection 1104(3.5) of the Regulations for any second or subsequent tax years ending in a calendar year, if you have two or priore tax years ending in the calendar year in which you are associated with another EPOP that has a tax year ending in that calendar year
  - any amount allocated by the minister under subsection 1104(3.4) of the Regulations

The immediate expensing limit has to be prorated if your tax year is less than 365 days. You cannot carry forward any unused amount of the immediate expensing limit.

- 2. UCC of the DIEP: total of column 11
- You have to maintain the CCPC status throughout the relevant tax year in order to claim the immediate expensing.
- Note 13: An AIIP is a property (other than property included in Classes 54 to 56) that you acquired after November 20, 2018, and that became available for use before 2028.
  - Classes 54 and 55 include zero-emission vehicles that you acquired after March 18, 2019, and that became available for use before 2028.

Class 56 applies to eligible zero-emission automotive equipment and vehicles (other than motor vehicles) that are acquired after March 1, 2020, and that became available for use before 2028.

- See the T2 Corporation Income Tax Guide for more information.
- Note 14: Include only elements from columns 6 and 7 that are not related to the DIEP.
- Note 15: The relevant factors for property of a class in Schedule II, that is an AIIP or included in Classes 54 to 36. available for use before 2024 are:
  - \_ 2 1/3 for property in Classes 43.1, 54, and 56
  - \_ 1 1/2 for property in Class 55
  - \_ 1 for property in Classes 43.2 and 53
  - 0 for property in Classes 12, 13, 14, and 15, as well as properties that are Canadian vessels included in paragraph 1100(1)(v) of the Regulations (see note 20 for additional information) and
  - 0.5 for all other property that is an AIIP



#### Part 2 – CCA calculation (continued)

- Note 16: The UCC adjustment for property acquired during the year (formerly known as the half-year rule or 50% rule) does not apply to certain property (including AIIP, property included in Classes 54 to 56, and property to which the immediate expensing was applied). Include only elements from columns 6 and 7 that are not related to the DIEP.

  For special rules and exceptions, see Income Tax Folio S3-F4-C1, General Discussion of Capital Cost Allowance.
- Note 17: Enter a rate only if you are using the declining balance method. For any other method (for example, the straight-line method, where calculations are always based on the cost of acquisitions), enter N/A. Then enter the amount you are claiming in column 23.
- Note 18: If the amount in column 10 is negative, you have a recapture of CCA. If applicable, enter the negative amount from column 10 in column 21 as a positive. The recapture rules do not apply to passenger vehicles in Class 10.1. However, they do apply to a passenger vehicle that was, at any time, a DIEP.
- Note 19: If no property is left in the class at the end of the tax year and there is still a positive amount in the column 10, you have a terminal loss. If applicable, enter the positive amount from column 10 in column 22. The terminal loss rules do not apply to:
  - passenger vehicles in Class 10.1
  - \_ property in Class 14.1, unless you have ceased carrying on the business to which it relates
  - limited-period franchises, concessions, or licences in Class 14 if, at the time of acquisition, the property was a former property of the transferor or any similar property attributable to the same fixed place of business, and you had jointly elected with the transferor to have the replacement property rules apply, unless certain conditions are met
- Note 20: If the tax year is shorter than 365 days, prorate the CCA claim. Some classes of property do not have to be prorated. See the T2 Corporation Income Tax Guide for more information. For property in class 10.1 disposed of during the year, deduct a maximum of 50% of the regular CCA deduction if you owned the property at the beginning of the tax year. For AHP listed below, the maximum first year allowance you can claim is determined as follows:
  - \_ Class 13: the lesser of 150% of the amount calculated in Schedule III of the Regulations and the UCC at the end of the tax year (before any CCA deduction)
  - Class 14: the lesser of 150% of the allocation for the year of the capital cost of the property apportioned over the remaining life of the property (at the time the cost was incurred) and the UCC at the end of the tax year (before any CCA deduction)
  - Class 15: the lesser of 150% of an amount computed on the basis of a rate per cord, board foot, or cubic metre cut in the tax year and the UCS at the end of the tax year (before any CCA deduction)
  - \_ Canadian vessels described under paragraph 1100(1)(v) of the Regulations: the lesser of 50% of the capital cost of the property, and the UCC at the end of the tax year (before any CCA deduction)
  - Class 41.2: use a 25% CCA rate. The additional allowance under paragraphs 1100(1)(y.2) (for single mine properties) and 1100(1)(yb.) (for multiple mine properties) of the Regulations is not eligible for the accelerated investment incentive. The additional allowance in respect of natural gas liquefaction under paragraph 1100(1)(yb.) of the Regulations is eligible for the accelerated investment incentive.

The AIIP also apply to property (other than a timber resource property) that is a timber limit or a right to cut timber from a limit as well as to industrial mineral mine or a right to remove minerals from an industrial mineral mine. See the Income Tax Regulations for more detail.



**SCHEDULE 9** 

# **RELATED AND ASSOCIATED CORPORATIONS**

Name of corporation	Business Number	Tax year end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2022-12-31

- Complete this schedule if the corporation is related to or associated with at least one other corporation.
- For more information, see the T2 Corporation Income Tax Guide.

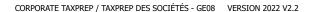
	Name	Country of resi- dence (other than Canada)	Business number (see note 1)	Rela- tion- ship code (see note 2)	Number of common shares you own	% of common shares you own	Number of preferred shares you own	% of preferred shares you own	Book value of capital stock
	100	200	300	400	500	550	600	650	700
1.	Corporation of the Town of Orange		10698 6151 RC0001	1					
2.	Corporation of the Township of Eas		NR	1					
3.	Orangville Railway Development Cc		86433 3166 RC0001	3		12 V/			

Note 1: Enter "NR" if the corporation is not registered or does not have a business number.

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







# **Continuity of financial statement reserves (not deductible)**

		—— Financial sta	tement reserves (	not deductible) —		
	Description	Balance at the beginning of the year	Transfer on an amalgamation or the wind-up of a subsidiary	Add	Deduct	Balance at the end of the year
1	Allowance for doubtful accts	46,000			11,000	35,000
2	Employee Future Benefits	418,481		15,993		434,474
3					A	
	Reserves from Part 2 of Schedule 13			1		
	Totals	464,481		15,993	11,000	469,474

The total opening balance plus the total transfers should be entered on line 414 of Schedule 1 as a deduction. The total closing balance should be entered on line 126 of Schedule 1 as an addition.

Schedule 23

# Agreement Among Associated Canadian-Controlled Private Corporations to Allocate the Business Limit

- For use by a Canadian-controlled private corporation (CCPC) to identify all associated corporations and to assign a percentage for each associated corporation. This percentage will be used to allocate the business limit for the small business deduction. Information from this schedule will also be used to determine the date the balance of tax is due and to calculate the reduction to the business limit.
- An associated CCPC that has more than one tax year ending in a calendar year must file an agreement for each tax year ending in that calendar year.
- Column 1: Enter the legal name of each of the corporations in the associated group, including those deemed to be associated under subsection 256(2) of the Income Tax Act.
- Column 2: Provide the business number for each corporation (if a corporation is not registered, enter "NR").
- Column 3: Enter the association code from the list below that applies to each corporation:
  - 1 Associated for purposes of allocating the business limit (unless association code 5 applies)
  - 2 CCPC that is a **third corporation** as referred to in subsection 256(2) and has filed Schedule 28, Election not to be Associated Through a Third Corporation
  - 3 Non-CCPC that is a third corporation
  - 4 Associated non-CCPC
  - 5 Associated CCPC to which association code 1 does not apply because a third corporation/has filed Schedule 28
- **Column 4:** Enter the business limit for the year of each corporation in the associated group. Enter "0" if the corporation has association code 2, 3 or 4 in column 3 (except if the corporation is a cooperative or a credit union eligible for the SBD and it has association code 4).
- Column 5: Assign a percentage to allocate the business limit to each corporation that has association code 1 in column 3. The total of all percentages in column 5 cannot exceed 100%.
- **Column 6:** Enter the business limit allocated to each corporation by multiplying the amount in column by the percentage in column 5. Add all business limits allocated in column 6 and enter the total at line A.

Ensure that the total at line A does not exceed \$500,000.

- Alle	ocating the business limit —————			/		
Date	filed (do not use this area)				. 025	Year Month Day
			<b>?</b>			Year
Enter	the calendar year the agreement applies to				. 050	2022
	s an amended agreement for the above calendar year the reement previously filed by any of the associated corpor				. 075	Yes X No
	//					
	1	1 2	3	4	5	6
	Name of associated corporations	Business	Asso-	Business limit	Percentage	Business
		number of associated	ciation code	for the year before the allocation	of the business	limit allocated*
		corporations	code	\$	limit %	\$
	100	200	300		350	400
1	Orangeville Hydro Limited	86463 9562 RC0002	1	500,000	100.0000	500,000
2	Corporation of the Town of Orangeville	10698 6151 RC0001	1	500,000		
3	Corporation of the Township of East Luther Gran	NR	1	500,000		
4	Orangville Railway Development Corporation	86433 3166 RC0001	1	500,000		
				Total	100.0000	500,000 A

#### Business limit reduction under subsection 125(5.1) of the Act

The business limit reduction is calculated in the small business deduction area of the T2 return. One of the factors used in this calculation is the "large corporation amount" at line 415 of the T2 return. The amount at line 415 is determined using the formula 0.225% x (C - \$10,000,000). Another factor is the "adjusted aggregate investment income" from lines 744 and 745 of Schedule 7, Aggregate Investment Income and Income Eligible for the Small Business Deduction. Details of these formulas and variable C are in subsection 125(5.1) of the Act.

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

# Special rules for business limit

Special rules apply under subsection 125(5) if a CCPC has more than one tax year ending in the same calendar year and it is associated in more than one of those tax years with another CCPC that has a tax year ending in that calendar year. The business limit for the second or later tax year will be equal to the lesser of: the business limit determined for the first tax year ending in the calendar year or the business limit determined for the second or later tax year ending in the same calendar year.

T2 SCH 23 E (19)





Schedule 33

# Taxable Capital Employed in Canada – Large Corporations

Corporation's name	Business number	Tax year-end Year Month Dav
Orangeville Hydro Limited	86463 9562 RC0002	2022-12-31

- Use this schedule in determining if the total taxable capital employed in Canada of the corporation (other than a financial institution or an insurance corporation) and its related corporations is greater than \$10,000,000.
- If the total taxable capital employed in Canada of the corporation and its related corporations is greater than \$10,000,000, file a completed Schedule 33 with your T2 Corporation Income Tax Return no later than six months from the end of the tax year.
- Unless otherwise noted, all legislative references are to the Income Tax Act and the Income Tax Regulations.
- Subsection 181(1) defines the terms financial institution, long-term debt, and reserves.
- Subsection 181(3) provides the basis to determine the carrying value of a corporation's assets or any other amount under Part I.3 for its capital, investment
  allowance, taxable capital, or taxable capital employed in Canada, or for a partnership in which it has an interest.
- If the corporation was a non-resident of Canada throughout the year and carried on a business through a permanent establishment in Canada, go to Part 4,
   Taxable capital employed in Canada.

Part 1 – Capital
Add the following year-end amounts:
Reserves that have not been deducted in calculating income for the year under Part I 469,474
Capital stock (or members' contributions if incorporated without share capital)
Retained earnings 4,317,609
Contributed surplus
Any other surpluses
Deferred unrealized foreign exchange gains
All loans and advances to the corporation
All indebtedness of the corporation represented by bonds, debentures, notes mortgages, hypothecary claims, bankers' acceptances, or similar obligations
Any dividends declared but not paid by the corporation before the end of the year 110
All other indebtedness of the corporation (other than any indebtedness for a lease) that has been outstanding for more than 365 days before the end of the year
The total of all amounts, each of which is the amount, if any, in respect of a partnership in which the corporation held a membership interest at the end of the year, either directly or indirectly through another partnership (see note below)
Subtotal ( <b>add</b> lines 101 to 112) <b>29,209,405</b> ► 29,209,405 A

#### Note:

Line 112 is determined by the formula (A - B) x C/D (as per paragraph 181.2(3)(g)) where:

- A is the total of all amounts that would be determined for line's 101, 107, 108, 109, and 111 in respect of the partnership for its last fiscal period that ends at or before the end of the year if
  - a) those lines applied to partnerships in the same manner that they apply to corporations, and
  - b) those amounts were computed without reference to amounts owing by the partnership
    - (i) to any corporation that held a member ship interest in the partnership either directly or indirectly through another partnership, or
    - (ii) to any partnership in which a corporation described in subparagraph (i) held a membership interest either directly or indirectly through another partnership.
- B is the partnership's deferred unrealized foreign exchange losses at the end of the period,
- C is the share of the partnership's income or loss for the period to which the corporation is entitled either directly or indirectly through another partnership, and
- D is the partnership's income or loss for the period.

┌ Part 1 – Capital (continued) ──────		
Sı	ubtotal A (from page 1)	29,209,405 A
Deduct the following amounts:		
Deferred tax debit balance at the end of the year		
Any deficit deducted in calculating its shareholders' equity (including, for this purpose, the amount of any provision for the redemption of preferred shares) at the end of the year		
To the extent that the amount may reasonably be regarded as being included in any of lines 101 to 112 above for the year, any amount deducted under subsection 135(1) in calculating income under Part I for the year.		
Deferred unrealized foreign exchange losses at the end of the year		
Subtotal ( <b>add</b> lines 121 to 124)	<b>&gt;</b>	В
Capital for the year (amount A minus amount B) (if negative, enter "0")	190	29,209,405
┌ Part 2 – Investment allowance		
Add the carrying value at the end of the year of the following assets of the corporation:		
A share of another corporation	401	
A loan or advance to another corporation (other than a financial institution)	402	
A bond, debenture, note, mortgage, hypothecary claim, or similar obligation of another corporation (other than a financial institution)	403	168,244
Long-term debt of a financial institution		
A dividend payable on a share of the capital stock of another corporation	405	
A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim or similar obligation of, a partner member of which was, throughout the year, another corporation (other than a financial institution) that was not tax under this Part (otherwise than because of paragraph 181.1(3)(d)), or another partnership described in paragraph 181.2(4)(d.1)		
An interest in a partnership (see note 2 below)	407	
Investment allowance for the year (add lines 401 to 407)	490	168,244
Notes:  1. Lines 401 to 405 should not include the carrying value of a share of the capital stock of, a dividend payable be exempt from tax under Part I.3 (other than a non-resident corporation that at no time in the year carried on be establishment).		
2. Where the corporation has an interest in a partnership held either directly or indirectly through another partner additional rules regarding the carrying value of an interest in a partnership.	ership, refer to subsection 18	31.2(5) for
3. Where a trust is used as a conduit for loaning money from a corporation to another related corporation (other considered to have been made directly from the lending corporation to the borrowing corporation. Refer to su apply.		
Part 3 – Taxable capital		
Capital for the year (line 190)		29,209,405 c
		168,244 D
Taxable capital for the year (amount C minus amount D) (if negative, enter "0")		29,041,161

	To be completed by a c	corporation that was reside	ent in Canada at an	y time in the year	
Taxable capital for the year (line 500)	Taxable inco 29,041,161 x in Cal Taxable	nada 610	<u>134,245</u> = en 134,245	Taxable capital nployed in Canada 690 _	29,041,161
Where a corp     to have a tax	601 gives details on calculating the poration's taxable income for a tax y table income for that year of \$1,000 of an airline corporation, Regulation	ear is "0," it shall, for the pur	arned in Canada. poses of the above	·	
		rporation that was a non-re business through a perma			
held in the year, in the co <b>Deduct</b> the following amon Corporation's indebtedne paragraphs 181.2(3)(c) to	of which is the carrying value at the burse of carrying on any business do ounts: ess at the end of the year [other than to (f)] that may reasonably be regard on a permanent establishment in Ca	uring the year through a perm n indebtedness described in led as relating to a business	nanent establishmen any of it carried		
described in subsection 1	of which is the carrying value at the 181.2(4) of the corporation that it us rying on any business during the ye	ed in the year, or held in the ear through a permanent	712		
corporation that is a ship personal or movable prop	of which is the carrying value at the or aircraft the corporation operated perty used or held by the corporation a permanent establishment in Canad	in international traffic, or n in carrying on any business		)	
	Tot	tal deductions (add lines 7	, 712, and 713) =	<b>&gt;</b> _	E
Taxable capital employe	ed in Canada (line 701 minus amo	ount E) (if negative, enter "0")	\\\	790	
	3 only if the country in which the come from the operation of a ship or a				
Part 5 – Calculation	on for purposes of the sma	all business deduction	ì		
This part is applicable t	to corporations that are not assoc	ciated in the current year, b	out were associate	d in the prior year.	
Taxable capital employed	d in Canada (amount from line 690)				F
Deduct:				t G) (if negative, enter "0") _	10,000,000 G
Calculation for purpose Enter this amount at line	es of the small business deduction 415 of the T2 return.	. '\ ' //		· · · · · · · · · · · · · · · · =	i

# **Attached Schedule with Total**

Part 1 – All loans and advances to the corporation

Title Part 1 – All loans and advances to the corporation

	Operator	
Description	(Note)	Amount
Current portion of long-term debt - FS		590,827 00
Long-term debt		15,540,781 00
	Total	16,131,608 00

**Note**: The calculations are performed one at a time, from the first to the last line, and not according to the priority rules of the operations. For example, the formula 1+2\*3 will not result in the same thing as the formula 1+3\*2.

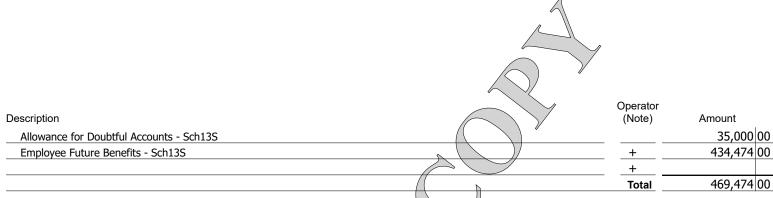
# **Attached Schedule with Total**

Part 1 – Reserves that have not been deducted in calculating income for the year under Part I

Title Part 1 – Reserves that have not been deducted in calculating income for the

Explanatory note

See Sch13S - Ending Balance



Note: The calculations are performed one at a time, from the first to the last line, and not according to the priority rules of the operations. For example, the formula 1+2\*3 will not result in the same thing as the formula 1+3\*2.

Schedule 50

# **Shareholder Information**

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2022-12-31

- All private corporations must complete this schedule for any shareholder who holds 10% or more of the corporation's common and/or preferred shares.
- Provide only one number (business number, partnership account number, social insurance number or trust number) per shareholder.

Name of sh (after name, indic if the shareholder partnership, indi	ate in brackets s a corporation, idual, or trust)	Business number or partnership account number (9 digits, 2 letters, and 4 digits.  If not registered, enter "NR")	Social insurance number (9 digits)	Trust number (T followed by 8 digits)	Percentage common shares	Percentage preferred shares
ration of the Towr	of Orangeville	106986151RC0001			94.500	
	ship of East Luther Grand	NR			5.500	
dion or the form	omp or Last Latiner Grana				3.300	
		//				
		1				
			<i>                                     </i>			



Schedule 55

Part III.1 Tax on Excessive Eligible Dividend	Designa	itions	
Corporation's name	Busines	ss number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002 2022		
<ul> <li>Every corporation resident in Canada that pays a taxable dividend (other than a capital gains dividend the meaning assigned by subsection 130.1(4) or 131(1)) in the tax year must file this schedule.</li> </ul>	within	Do not	use this area
<ul> <li>Canadian-controlled private corporations (CCPC) and deposit insurance corporations (DIC) must complete Part 1 of this schedule. All other corporations must complete Part 2.</li> </ul>			
<ul> <li>Every corporation that has paid an eligible dividend must also file Schedule 53, General Rate Income Calculation, or Schedule 54, Low Rate Income Pool (LRIP) Calculation, whichever is applicable.</li> </ul>	Pool (GRIP)		
• File the schedules with your T2 Corporation Income Tax Return no later than six months from the end tax year.	of the		
All legislative references are to the Income Tax Act and the Income Tax Regulations.			
<ul> <li>Subsection 89(1) defines the terms eligible dividend, excessive eligible dividend designation, get and low rate income pool.</li> </ul>	neral rate inco	ome pool,	
<ul> <li>The calculations in Part 1 and Part 2 do not apply if the excessive eligible dividend designation arises paragraph (c) of the definition of excessive eligible dividend designation in subsection 89(1). This para dividend is paid to artificially maintain or increase the GRIP or to artificially maintain or decrease the CRIP.</li> </ul>	graph applies		3
Part 1 – Canadian-controlled private corporations and deposit insurance corp	oorations -		
Taxable dividends paid in the tax year <b>not included</b> in Schedule 3	<u>)</u>		
Taxable dividends paid in the tax year <b>included</b> in Schedule 3	485,6	564	
Total taxable dividends paid in the tax year	485,6	<u> 564</u>	
Total eligible dividends paid in the tax year		150	485,664
GRIP at the end of the tax year (line 590 on Schedule 53) (if negative, enter "0")		160	9,231,306
Excessive eligible dividend designation (line 150 minus line 160)			
Excessive eligible dividend designations elected under subsection 185.1(2) to be treated as ordinary dividend	dends *	180	
Subtota	al (amount A <b>m</b>	ninus line 180)	
Part III.1 tax on excessive eligible dividend designations – CCPC or DIC (amount B multiplied by	20 %)	190	
Enter the amount from line 190 on line 710 of the T2 return.			
Part 2 – Other corporations			
Taxable dividends paid in the tax year <b>not included</b> in Schedule 3			
Taxable dividends paid in the tax year <b>included</b> in Schedule 3			
Total taxable dividends paid in the tax year		_	
Total excessive eligible dividend designations in the tax year (amount A of Schedule 54)			
Excessive eligible dividend designations elected under subsection 185.1(2) to be treated as ordinary divi	dends *	280	
Subtota	ıl (amount C <b>m</b>	ninus line 280)	
Part III.1 tax on excessive eligible dividend designations – Other corporations (amount D multiplie	<b>d</b> by	20 %) . <b>290</b>	

Enter the amount from line 290 on line 710 of the T2 return.

<sup>\*</sup> You can elect to treat all or part of your excessive eligible dividend designation as a separate taxable dividend in order to eliminate or reduce the Part III.1 tax otherwise payable. You must file the election on or before the day that is 90 days after the day the notice of assessment for Part III.1 tax was sent. We will accept an election before the assessment of the tax.

# **Ontario Corporation Tax Calculation**

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2022-12-31

- Use this schedule if your corporation had a **permanent establishment** (as defined in section 400 of the federal Income Tax Regulations) in Ontario at any time in the tax year and had Ontario taxable income in the year.
- Legislative references are to the federal Income Tax Act and Income Tax Regulations.
- This schedule is a worksheet only and is not required to be filed with your T2 Corporation Income Tax Return.

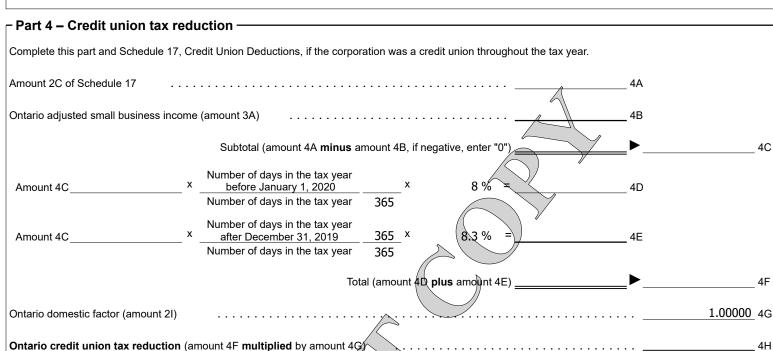
Part 1 – Ontario basic income tax	
Ontario taxable income Note 1	134,245_ 14
Ontario basic rate of tax for the year	<b>11.5</b> % 1E
Ontario basic income tax (amount 1A multiplied by amount 1B) Note 2	15,438_10
Note 1 If your corporation had a permanent establishment only in Ontario, enter the amount from line 360, from page 3 of the Otherwise, enter the taxable income allocated to Ontario from column F in Part 1 of Schedule 5.	e T2 return.
Note 2 If your corporation had a permanent establishment in more than one jurisdiction or is claiming an Ontario tax credit in basic income tax, or Ontario corporate minimum tax or Ontario special additional tax on life insurance corporations part on line 270 of Schedule 5, Tax Calculation Supplementary – Corporations. Otherwise, enter it on line 760 of the T2 re	ayable, enter amount 1C
Part 2 – Ontario small business deduction (OSBD)	
Complete this part if your corporation claimed the federal small business deduction under subsection 125(1).	
Line 400 of the T2 return	<u>425</u> 2A
Line 405 of the T2 return	<u>245</u> 2B
Line 410 of the T2 return	
Line 415 of the T2 return	
Amount 2C Amount 2D	
500,000 × 70,833 = 3,148,133 2E	
11,250	
Line 515 of the T2 return	
Subtotal (amount 2C minus amount 2E minus amount 2F)	2G
Amount 2A, 2B or 2G whichever is the least	2h
Ontario domestic factor (ODF): Taxable income for Ontario Note 3 134,245.00 =	1.00000 21
Taxable income for all provinces Note 1 134,245	
Amount 2H multiplied by amount 2l	
Ontario taxable income (amount 1)	<u>245</u> 2К
Ontario small business income (amount 2J or 2K, whichever is less)	2L
Ontario small business deduction for the year	
Number of days in the tax year  Amount 2I	014
Amount 2L Xbefore January 1, 2020 X	2M
Number of days in the tax year	
Amount 2L xafter December 31, 2019365_ x 8.3 % =	2N
Number of days in the tax year 365	
Ontario small business deduction for the year (amount 2M <b>plus</b> amount 2N)	20
Enter amount 20 on line 402 of Schedule 5.	
Note 3 Enter amount 1A.	
Note 4 Includes the territories and the offshore jurisdictions for Nova Scotia and Newfoundland and Labrador.	

### Part 3 – Ontario adjusted small business income -

Complete this part if your corporation was a Canadian-controlled private corporation throughout the tax year and is claiming the Ontario tax credit for manufacturing and processing or the Ontario credit union tax reduction.

Ontario adjusted small business income (amount 1A or 2H, whichever is the least)

Enter amount 3A at amount 4B in Part 4 of this schedule or at amount 2E in Part 2 of Schedule 502, Ontario Tax Credit for Manufacturing and Processing, whichever applies.



Enter amount 4H on line 410 of Schedule 5.

# **Ontario Corporate Minimum Tax**

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2022-12-31

- File this schedule if the corporation is subject to Ontario corporate minimum tax (CMT). CMT is levied under section 55 of the Taxation Act, 2007 (Ontario), referred to as the "Ontario Act".
- Complete Part 1 to determine if the corporation is subject to CMT for the tax year.
- A corporation not subject to CMT in the tax year is still required to file this schedule if it is deducting a CMT credit, has a CMT credit carryforward, or has a CMT loss carryforward or a current year CMT loss.
- A corporation that has Ontario special additional tax on life insurance corporations (SAT) payable in the tax year must complete Part 4 of this
  schedule even if it is not subject to CMT for the tax year.
- A corporation is exempt from CMT if, throughout the tax year, it was one of the following:
  - 1) a corporation exempt from income tax under section 149 of the federal *Income Tax Act*;
  - 2) a mortgage investment corporation under subsection 130.1(6) of the federal Act;
  - 3) a deposit insurance corporation under subsection 137.1(5) of the federal Act;
  - 4) a congregation or business agency to which section 143 of the federal Act applies;
  - 5) an investment corporation as referred to in subsection 130(3) of the federal Act; or
  - 6) a mutual fund corporation under subsection 131(8) of the federal Act.
- File this schedule with the T2 Corporation Income Tax Return.

¬ Part 1 – Determination of CMT applicability ——		
Part 1 - Determination of Civil applicability		
Total assets of the corporation at the end of the tax year *		39,368,461
Share of total assets from partnership(s) and joint venture(s) *		
Total assets of associated corporations (amount from line 450 on	n Schedule 511)	50,000,000
Total assets (total of lines 112 to 116)	<u> </u>	89,368,461
Total revenue of the corporation for the tax year **		37,802,841
Share of total revenue from partnership(s) and joint venture(s) **	144	
Total revenue of associated corporations (amount from line 550 c		100,000,000
Total revenue (total of lines 142 to 146)		137,802,841

The corporation is subject to CMT if:

- for tax years ending before July 1, 2010, the total assets at the end of the year of the corporation or the associated group of corporations are more than \$5,000,000, or the total revenue for the year of the corporation or the associated group of corporations is more than \$10,000,000.
- for tax years ending after June 30, 2010, the total assets at the end of the year of the corporation or the associated group of corporations are equal to or more than \$50,000,000, and the total revenue for the year of the corporation or the associated group of corporations is equal to or more than \$100,000,000.

If the corporation is not subject to CMT, do not complete the remaining parts unless the corporation is deducting a CMT credit, or has a CMT credit carryforward, a CMT loss carryforward, a current year CMT loss or SAT payable in the year.

#### \* Rules for total assets

- Report total assets according to generally accounting principles, adjusted so that consolidation and equity methods are not used.
- Do not include unrealized gains and losses on assets and foreign currency gains and losses on assets that are included in net income for accounting purposes but not in income for corporate income tax purposes.
- The amount on line 114 is determined at the end of the last fiscal period of the partnership or joint venture that ends in the tax year of the corporation. Add the proportionate share of the assets of the partnership(s) and joint venture(s), and deduct the recorded asset(s) for the investment in partnerships and joint ventures.
- A corporation's share in a partnership or joint venture is determined under paragraph 54(5)(b) of the Ontario Act and, if the partnership or joint venture had no income or loss, is calculated as if the partnership's or joint venture's income were \$1 million. For a corporation with an indirect interest in a partnership or joint venture, determine the corporation's share according to paragraph 54(5)(c) of the Ontario Act.

# \*\* Rules for total revenue

- Report total revenue in accordance with generally accepted accounting principles, adjusted so that consolidation and equity methods are not used.
- If the tax year is less than 51 weeks, multiply the total revenue of the corporation or the partnership, whichever applies, by 365 and divide by the number of days in the tax year.
- The amount on line 144 is determined for the partnership or joint venture fiscal period that ends in the tax year of the corporation. If the partnership or joint venture has 2 or more fiscal periods ending in the filing corporation's tax year, **multiply** the sum of the total revenue for each of the fiscal periods by 365 and **divide** by the total number of days in all the fiscal periods.
- A corporation's share in a partnership or joint venture is determined under paragraph 54(5)(b) of the Ontario Act and, if the partnership or joint venture had no income or loss, is calculated as if the partnership's or joint venture's income were \$1 million. For a corporation with an indirect interest in a partnership or joint venture, determine the corporation's share according to paragraph 54(5)(c) of the Ontario Act.

Part 2 – Adjusted net income/loss for CMT purposes  Net income/loss per financial statements *	7,579
Add (to the extent reflected in income/loss):	
Provision for current income taxes/cost of current income taxes	
Provision for deferred income taxes (debits)/cost of future income taxes	
Equity losses from corporations	
Financial statement loss from partnerships and joint ventures	
Other additions (see note below):	
Share of adjusted net income of partnerships and joint ventures **	
Total patronage dividends received, not already included in net income/loss	
281 282	
283	
	),774 A
Deduct (to the extent reflected in income/loss):	
Provision for recovery of current income taxes/benefit of current income taxes 320	
Provision for deferred income taxes (credits)/benefit of future income taxes	
Equity income from corporations	
Financial statement income from partnerships and joint ventures	
Dividends deductible under section 112, section 113, or subsection 138(6) of the federal Act	
Dividends not taxable under section 83 of the federal Act (from Schedule 3)	
Gain on donation of listed security or ecological gift	
Accounting gain on transfer of property to a corporation under section 85 or 85.1 of the federal Act ***	
Accounting gain on transfer of property to/from a partnership under section 85 or 97 of the federal Act ****	
Accounting gain on disposition of property under subsection 13(4), subsection 14(6), or section 44 of the federal Act *****	
Accounting gain on a windup under subsection 88(1) of the federal Act or an amalgamation under section 87 of the federal Act	
Other deductions (see note below):	
Share of adjusted net loss of partnerships and joint ventures **	
Tax payable on dividends under subsection 191.1(1) of the federal Act multiplied by 3 334	
Patronage dividends paid (from Schedule 16) not already ingluded in net income/loss	
381 Tax movement in regulatory account 382 170,774	
383 Tax reclassification 384 64,130	
385	
387 388	
389	
	5,804 B
	י.טטד א

If the amount on line 490 is positive and the corporation is subject to CMT as determined in Part 1, enter the amount on line 515 in Part 3.

If the amount on line 490 is negative, enter the amount on line 760 in Part 7 (enter as a positive amount).

# Note

In accordance with Ontario Regulation 37/09, when calculating net income for CMT purposes, accounting income should be adjusted to:

- exclude unrealized gains and losses due to mark-to-market changes or foreign currency changes on specified mark-to-market property (assets only);
- include realized gains and losses on the disposition of specified mark-to-market property not already included in the accounting income, if the
  property is not a capital property or is a capital property disposed in the year or in a previous tax year ended after March 22, 2007.

"Specified mark-to-market property" is defined in subsection 54(1) of the Ontario Act.

These rules also apply to partnerships. A corporate partner's share of a partnership's adjusted income flows through on a proportionate basis to the corporate partner.

#### \* Rules for net income/loss

Banks must report net income/loss as per the report accepted by the Superintendent of Financial Institutions under the federal Bank Act, adjusted so consolidation and equity methods are not used.

# Part 2 – Calculation of adjusted net income/loss for CMT purposes (continued)

- Life insurance corporations must report net income/loss as per the report accepted by the federal Superintendent of Financial Institutions or equivalent provincial insurance regulator, before SAT and adjusted so consolidation and equity methods are not used. If the life insurance corporation is resident in Canada and carries on business in and outside of Canada, multiply the net income/loss by the ratio of the Canadian reserve liabilities divided by the total reserve liability. The reserve liabilities are calculated in accordance with Regulation 2405(3) of the federal Act.
- Other corporations must report net income/loss in accordance with generally accepted accounting principles, except that consolidation and equity methods must not be used. When the equity method has been used for accounting purposes, equity losses and equity income are removed from book income/loss on lines 224 and 324 respectively.
- Corporations, other than insurance corporations, should report net income from line 9999 of the GIFI (Schedule 125) on line 210.
- \*\* The share of the adjusted net income of a partnership or joint venture is calculated as if the partnership or joint venture were a corporation and the tax year of the partnership or joint venture were its fiscal period. For a corporation with an indirect interest in a partnership through one or more partnerships, determine the corporation's share according to clause 54(5)(c) of the Ontario Act.
- \*\*\* A joint election will be considered made under subsection 60(1) of the Ontario Act if there is an entry on line 342, and an election has been made for transfer of property to a corporation under subsection 85(1) of the federal Act.
- \*\*\*\* A joint election will be considered made under subsection 60(2) of the Ontario Act if there is an entry on line 344, and an election has been made under subsection 85(2) or 97(2) of the federal Act.
- \*\*\*\*\* A joint election will be considered made under subsection 61(1) of the Ontario Act if there is an entry on line 346, and an election has been made under subsection 13(4) or 14(6) and/or section 44 of the federal Act.

For more information on how to complete this part, see the T2 Corporation - Income Tax Guide.

Part 3 – CMT payable ————————————————————————————————————	
Adjusted net income for CMT purposes (line 490 in Part 2, if positive) 51	641,549
<u> </u>	
Deduct:	
CMT loss available (amount R from Part 7)	
Minus: Adjustment for an acquisition of control *	
Adjusted CMT loss available	C
Net income subject to CMT calculation (if negative, enter "0")	641,549
Amount from Number of days in the tax	
line 520 641,549 xyear before July 1, 2010 x 4 % =	= 1
Number of days in the tax year	
III tile tax year	
Amount from Number of days in the tax Ville 1 line 520 641,549 × year after June 30, 2010 365 × 2.7 % =	= 17,322 <sub>2</sub>
line 520 641,549	= 17,322 2
in the tax year	
	17.222
Subtotal (amount <b>plus</b> amount)2)	17,322 3
Gross CMT: amount on line 3 above x OAF **	540 17,322
Deduct:	
Foreign tax credit for CMT purposes ***	
CMT after foreign tax credit deduction (line 540/minus line 550) (if negative, enter "0")	
Deduct:	
Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5)	
Net CMT payable (if negative, enter "0")	
Enter amount E on line 278 of Schedule 5, Tax Calculation Supplementary - Corporations, and co	emplete Part 4.
* Enter the portion of CMT loss available that exceeds the adjusted net income for the tax year control. See subsection 58(3) of the Ontario Act.	from carrying on a business before the acquisition of
*** Enter "0" on line 550 for life insurance corporations as they are not eligible for this deduction.	For all other corporations, enter the cumulative total
of amount J for the province of Ontario from Part 9 of Schedule 21 on line 550.	
** Calculation of the Ontario allocation factor (OAF):	
If the provincial or territorial jurisdiction entered on line 750 of the T2 return is "Ontario," enter "1"	" on line F.
If the provincial or territorial jurisdiction entered on line 750 of the T2 return is "multiple," complet	te the following calculation, and enter the result on line F:
Ontario taxable income **** =	
Taxable income *****	
Ontario allocation factor	1.00000 F
**** Enter the amount allocated to Ontario from column F in Part 1 of Schedule 5. If the taxable income were \$1,000.	<del></del>
*****Enter the taxable income amount from line 360 or amount Z of the T2 return, whichever applie	es. If the taxable income is nil, enter "1,000".

Part 4 – Calculation of CMT credit carrytorward
CMT credit carryforward at the end of the previous tax year * G
Deduct:   CMT credit expired *
CMT credit carryforward at the beginning of the current tax year * (see note below)
Add:
CMT credit carryforward balances transferred on an amalgamation or the windup of a subsidiary (see note below) 650
CMT credit available for the tax year (amount on line 620 <b>plus</b> amount on line 650)
Deduct:   CMT credit deducted in the current tax year (amount P from Part 5)
Subtotal (amount H minus amount I)
Add:
Net CMT payable (amount E from Part 3)
SAT payable (amount O from Part 6 of Schedule 512)
Subtotal
CMT credit carryforward at the end of the tax year (amount J plus amount K)
* For the first harmonized T2 return filed with a tax year that includes days in 2009:
- do not enter an amount on line G or line 600;
- for line 620, enter the amount from line 2336 of Ontario CT23 Schedule 101, Corporate Minimum Tax (CMT), for the last tax year that ended in 2008.
For other tax years, enter on line G the amount from line 670 of Schedule 510 from the previous tax year.
Note: If you entered an amount on line 620 or line 650, complete Part 6.
┌ Part 5 – Calculation of CMT credit deducted from Ontario corporate income tax payable ──────────
CMT credit available for the tax year (amount H from Part 4)
Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5) 15,438 1
For a corporation that is not a life insurance corporation:
CMT after foreign tax credit deduction (amount D from Part 3)
For a life insurance corporation:
Gross CMT (line 540 from Part 3)
Gross SAT (line 460 from Part 6 of Schedule 512)
The <b>greater</b> of amounts 3 and 4
Deduct: line 2 or line 5, whichever applies: 17,322 6
Subtotal (if negative, enter "0") N
Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5) 15,438
Deduct:
Total refundable tax credits excluding Ontario qualifying environmental trust tax credit (amount J6 minus line 450 from Schedule 5)
Subtotal (if negative, enter "0") 6,951 ► 6,951 ○
CMT credit deducted in the current tax year (least of amounts M, N, and O)
Enter amount P on line 418 of Schedule 5 and on line I in Part 4 of this schedule.
Is the corporation claiming a CMT credit earned before an acquisition of control?
If you answered <b>yes</b> to the question at line 675, the CMT credit deducted in the current tax year may be restricted. For information on how the deduction may be restricted, see subsections 53(6) and (7) of the Ontario Act.

# ┌ Part 6 – Analysis of CMT credit available for carryforward by year of origin -

Complete this part if:

- the tax year includes January 1, 2009; or
- the previous tax year-end is deemed to be December 31, 2008, under subsection 249(3) of the federal Act.

Year of origin	CMT credit balance *	
10th previous tax year	680	
9th previous tax year	681	
8th previous tax year	682	
7th previous tax year	683	
6th previous tax year	684	A
5th previous tax year	685	
4th previous tax year	686	
3rd previous tax year	687	Ť
2nd previous tax year	688	
1st previous tax year	689	
Total **		

- \* CMT credit that was earned (by the corporation, predecessors of the corporation, and subsidiaries wound up into the corporation) in each of the previous 10 tax years and has not been deducted.
- \*\* Must equal the total of the amounts entered on lines 620 and 650 in Part 4

Note: If you entered an amount on line 720 or line 750, complete Part 8.

Part 7 – Calculation of CMT loss carryforward	_
CMT loss carryforward at the end of the previous tax year *	
Deduct:	
CMT loss expired *	
CMT loss carryforward at the beginning of the tax year * (see note below) > 720	
Add:	
CMT loss transferred on an amalgamation under section 87 of the federal Act ** (see note below)	
CMT loss available (line 720 <b>plus</b> line 750)	ť
Deduct:	
CMT loss deducted against adjusted net income for the tax year (lesser of line 490 (if positive) and line C in Part 3)	
Subtotal (if negative, enter "0") S	į
Add:	
Adjusted net loss for CMT purposes (amount from line 490 in Part 2, if <b>negative</b> ) (enter as a positive amount)	
CMT loss carryforward balance at the end of the tax year (amount S <b>plus</b> line 760)	,
* For the first harmonized T2 return filed with a tax year that includes days in 2009:	
<ul> <li>do not enter an amount on line Q or tine 700;</li> </ul>	
- for line 720, enter the amount from line 2214 of Ontario CT23 Schedule 101, Corporate Minimum Tax (CMT), for the last tax year that ended in 2008.	
For other tax years, enter on line Q the amount from line 770 of Schedule 510 from the previous tax year.	
** Do not include an amount from a predecessor corporation if it was controlled at any time before the amalgamation by any of the other predecessor corporations.	

# Part 8 – Analysis of CMT loss available for carryforward by year of origin -

Complete this part if:

- the tax year includes January 1, 2009; or
- the previous tax year-end is deemed to be December 31, 2008, under subsection 249(3) of the federal Act.

Year of origin	Balance earned in a tax year ending before March 23, 2007 *	Balance earned in a tax year ending after March 22, 2007 **
10th previous tax year	810	820
9th previous tax year	811	821
8th previous tax year	812	822
7th previous tax year	813	823
6th previous tax year	814	824
5th previous tax year	815	825
4th previous tax year	816	826
3rd previous tax year	817	827
2nd previous tax year	818	828
1st previous tax year		829
Total ***		

- \* Adjusted net loss for CMT purposes that was earned (by the corporation, by subsidiaries wound up into or amalgamated with the corporation before March 22, 2007, and by other predecessors of the corporation) in each of the previous 10 tax years that ended before March 23, 2007, and has not been deducted.
- \*\* Adjusted net loss for CMT purposes that was earned (by the corporation and its predecessors, but not by a subsidiary predecessor) in each of the previous 20 tax years that ended after March 22, 2007, and has not been deducted.
- \*\*\* The total of these two columns must equal the total of the amounts entered on lines/720 and 750.



**SCHEDULE 511** 

# ONTARIO CORPORATE MINIMUM TAX – TOTAL ASSETS AND REVENUE FOR ASSOCIATED CORPORATIONS

Name of corporation	Business Number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2022-12-31

- For use by corporations to report the total assets and total revenue of all the Canadian or foreign corporations with which the filing corporation was associated at any time during the tax year. These amounts are required to determine if the filing corporation is subject to corporate minimum tax.
- Total assets and total revenue include the associated corporation's share of any partnership(s)/joint venture(s) total assets and total revenue.
- Attach additional schedules if more space is required.
- File this schedule with the T2 Corporation Income Tax Return.

	Names of associated corporations	Business number (Canadian corporation only) (see Note 1)	Total assets* (see Note 2)	Total revenue** (see Note 2)
	200	300	400	500
1	Corporation of the Town of Orangeville	10698 6151 RC0001	50,000,000	100,000,000
2	Corporation of the Township of East Luther Grand	NR /	0	0
3	Orangville Railway Development Corporation	86433 3166 RC0001	0	0
		Total	50,000,000	100,000,000

Enter the total assets from line 450 on line 116 in Part 1 of Schedule 510, Ontario Corporate Minimum Tax. Enter the total revenue from line 550 on line 146 in Part 1 of Schedule 510.

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

Note 2: If the associated corporation does not have a tax year that ends in the filing corporation's current tax year but was associated with the filing corporation in the previous tax year of the filing corporation, enter the total revenue and total assets from the tax year of the associated corporation that ends in the previous tax year of the filing corporation.

# \* Rules for total assets

- Report total assets in accordance with generally accepted accounting principles, adjusted so that consolidation and equity methods are not used.
- Include the associated corporation's share of the total assets of partnership(s) and joint venture(s) but exclude the recorded asset(s) for the investment in partnerships and joint ventures.
- Exclude unrealized gains and losses on assets that are included in net income for accounting purposes but not in income for corporate income tax purposes.

# \*\* Rules for total revenue

- Report total revenue in accordance with generally accepted accounting principles, adjusted so that consolidation and equity methods are not used.
- If the associated corporation has 2 or more tax years ending in the filing corporation's tax year, multiply the sum of the total revenue for each of those tax years by 365 and divide by the total number of days in all of those tax years.
- If the associated corporation's tax year is less than 51 weeks and is the only tax year of the associated corporation that ends in the filing corporation's tax year, multiply the associated corporation's total revenue by 365 and divide by the number of days in the associated corporation's tax year.
- Include the associated corporation's share of the total revenue of partnerships and joint ventures.
- If the partnership or joint venture has 2 or more fiscal periods ending in the associated corporation's tax year, multiply the sum of the total revenue for each of the fiscal periods by 365 and divide by the total number of days in all the fiscal periods.

T2 SCH 511 Canadä

### **SCHEDULE 550**

# **ONTARIO CO-OPERATIVE EDUCATION TAX CREDIT**

Name of corporation	Business Number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2022-12-31

- Use this schedule to claim an Ontario co-operative education tax credit (CETC) under section 88 of the Taxation Act, 2007 (Ontario).
- The CETC is a refundable tax credit that is equal to an eligible percentage (10% to 30%) of the eligible expenditures incurred by a corporation for a qualifying work placement. The maximum credit amount is \$1,000 for each qualifying work placement ending before March 27, 2009, and \$3,000 for each qualifying work placement beginning after March 26, 2009. For a qualifying work placement that straddles March 26, 2009, the maximum credit amount is prorated.
- Eligible expenditures are salaries and wages (including taxable benefits) paid or payable to a student in a qualifying work placement, or fees paid or payable to an employment agency for services performed by the student in a qualifying work placement. These expenditures must be paid on account of employment or services, as applicable, at a permanent establishment of the corporation in Ontario. Expenditures for a work placement (WP) are not eligible expenditures if they are greater than the amounts that would be paid to an arm's length employee.
- A WP must meet all of the following conditions to be a qualifying work placement:
  - the student performs employment duties for a corporation under a qualifying co-operative education program (QCEP);
  - the WP has been developed or approved by an eligible educational institution as a suitable learning situation
  - the terms of the WP require the student to engage in productive work;
  - the WP is for a period of at least 10 consecutive weeks or, in the case of an internship program, not less than 8 consecutive months and not more than 16 consecutive months;
  - the student is paid for the work performed in the WP;
  - the corporation is required to supervise and evaluate the job performance of the student in the WP;
  - the institution monitors the student's performance in the WP; and
  - the institution has certified the WP as a qualifying work placement.
- Make sure you keep a copy of the letter of certification from the Ontario eligible educational institution containing the name of the student, the employer, the institution, the term of the WP, and the name/discipline of the QCEP to support the claim. Do not submit the letter of certification with the T2 Corporation Income Tax Return.
- File this schedule with the T2 Corporation Income Tax Return.

┌ Part 1 – Corporate information ────────────────────────────────────	
Part 1 - Corporate information	
110 Name of person to contact for more information	120 Telephone number including area code
Amy Long	(519) 942-8000
Is the claim filed for a CETC earned through a partnership?*	
If you answered <b>yes</b> to the question at line 150, what is the name of the partnership?	
Enter the percentage of the partnership s CETC allocated to the corporation	
* When a corporate member of a partnership is claiming an amount for eligible partnership as if the partnership were a corporation. Each corporate partner the partner's share of the partnership's CETC. The allocated amounts can	er, other than a limited partner, should file a separate Schedule 550 to claim

Part 2 – Eligibility ————————————————————————————————————		
1. Did the corporation have a permanent establishment in Ontario in the tax year?	1 Yes X	2 No
2. Was the corporation exempt from tax under Part III of the <i>Taxation Act</i> , 2007 (Ontario)?	1 Yes	2 No <b>X</b>
If you answered <b>no</b> to question 1 or <b>yes</b> to question 2, then the corporation is <b>not eligible</b> for the CETC.		

# - Part 3 - Eligible percentage for determining the eligible amount

Corporation's salaries and wages paid in the previous tax year \*

2,238,009

For eligible expenditures incurred before March 27, 2009:

- If line 300 is \$400.000 or less, enter 15% on line 310.
- If line 300 is \$600,000 or more, enter 10% on line 310.
- If line 300 is more than \$400,000 and less than \$600,000, enter the percentage on line 310 using the following formula:

# Eligible percentage for determining the eligible amount

**310** 10.000 %

For eligible expenditures incurred after March 26, 2009:

- If line 300 is \$400,000 or less, enter 30% on line 312.
- If line 300 is \$600,000 or more, enter 25% on line 312.
- If line 300 is more than \$400,000 and less than \$600,000, enter the percentage on line 312 using the following formula

#### Eligible percentage for determining the eligible amount

**312** 25.000 %

\* If this is the first tax year of an amalgamated corporation and subsection 88(9) of the faxation Act, 2007 (Ontario) applies, enter the salaries and wages paid in the previous tax year by the predecessor corporations.

# - Part 4 – Calculation of the Ontario co-operative education tax credit

Complete a separate entry for each student for each qualifying work placement that ended in the corporation's tax year. If a qualifying work placement would otherwise exceed four consecutive months, divide the WP into periods of four consecutive months and enter each full period of four consecutive months as a separate WP. If the WP does not divide equally into four-month periods and if the period that is less than 4 months is 10 or more consecutive weeks, then enter that period as a separate WP. If that period is less than 10 consecutive weeks, then include it with the WP for the last period of 4 consecutive months. Consecutive WPs with two or more associated corporations are deemed to be with only one corporation, as designated by the corporations.

	Name of university, college, or other eligible educational institution	<b>B</b> Name of qualifying  co-operative education program		
	400			
1.	Conestoga College	Powerline Technician (0736	C) program	
2.	Conestoga College	Powerline Technician (0736C) program		
3.	The University of Guelph	Management Economics & Finance		
4.				
	Name of student	D Start date of WP (see note 1 below)	E End date of WP (see note 2 below)	
	410	430	435	
1.	Curtis Green	2022-05-01	2022-08-31	
2.	Mitchell Rahn	2022-01-01	2022-04-30	
3.	Mathias Nixon	2022-05-01	2022-08-08	
4.				

Note 1: When the WP has been divided into separate periods because it exceeds four consecutive months, enter the start date for the separate WP.

Note 2: When the WP has been divided into separate periods because it exceeds four consecutive months, enter the end date for the separate WP.

# Part 4 – Calculation of the Ontario co-operative education tax credit (continued)

	F1		F2		x	Y
	Eligible expenditures before	Eligible	Eligible expenditures after	Eligible	Number of consecutive	Total number of consecutive
	March 27, 2009	percentage	March 26, 2009	percentage	weeks of the WP completed	weeks of the student's WP
	(see note 1 below)	before	(see note 1 below)	after	by the student before	(see note 3 below)
		March 27, 2009		March 26, 2009	March 27, 2009	
		(from line 310		(from line 310a	(see note 3 below)	
	450	in Part 3)	452	in Part 3)		
1.		10.000 %	12,944	25.000 %		17
2.		10.000 %	11,981	25.000 %		17
3.		10.000 %	9,968	25.000 %		14
4.		10.000 %		25.000 %		

	G Eligible amount (eligible expenditures multiplied by eligible percentage) (see note 2 below)  460	H Maximum CETC per WP (see note 3 below)	I CETC on eligible expenditures (column G or H, whichever is less)	CETC on repayment of government assistance (see note 4 below)	K CETC for each WP (column I or column J)
1.	3,236	3,000	3,000		3,000
2.	2,995	3,000	2,995		2,995
3.	2,492	3,000	2,492		2,492
4.					

Ontario co-operative education tax credit (total of amounts in column K) 500 8,487 L

or, if the corporation answered **yes** at line 150 in Part 1, determine the partner's share of amount L:

Amount L x percentage on line 170 in Part 1

<u>%</u> =

М

Enter amount L or M, whichever applies, on line 452 of Schedule 5, Tax Salculation Supplementary – Corporations. If you are filing more than one Schedule 550, add the amounts from line L or M, whichever applies, on all the schedules and enter the total amount on line 452 of Schedule 5.

- Note 1: Reduce eligible expenditures by all government assistance, as defined under subsection 88(21) of the *Taxation Act*, 2007 (Ontario), that the corporation has received, is entitled to receive, or may reasonably expect to receive, for the eligible expenditures, on or before the filing due date of the *T2 Corporation Income Tax Return* for the lax year.
- Note 2: Calculate the eligible amount (Column G) using the following formula:

Column G = (column F1 x percentage on line 310) + (column F2 x percentage on line 312)

Note 3: If the WP ends before March 27, 2009, the maximum credit amount for the WP is \$1,000.

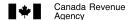
If the WP begins after March 26, 2009, the maximum credit amount for the WP is \$3,000.

If the WP begins before March 27, 2009, and ends after March 26, 2009, calculate the maximum credit amount using the following formula:

 $(\$1,000 \times X/Y) + [\$3,000 \times (Y - X)/Y]$ 

where "X" is the number of consecutive weeks of the WP completed by the student before March 27, 2009, and "Y" is the total number of consecutive weeks of the student's WP.

Note 4: When claiming a CETC for repayment of government assistance, complete a **separate entry** for each repayment and complete columns A to E and J and K with the details for the previous year WP in which the government assistance was received. Include the amount of government assistance repaid in the tax year multiplied by the eligible percentage for the tax year in which the government assistance was received, to the extent that the government assistance reduced the CETC in that tax year.



# **Information Return for Corporations Filing Electronically**

- Do not send this form to the Canada Revenue Agency (CRA) unless we ask for it. We will not keep or return this form.
- Complete this return for every initial and amended T2 Corporation Income Tax Return electronically filed with the CRA on your behalf.
- By completing Part 2 and signing Part 3, you acknowledge that, under the federal Income Tax Act, you have to keep all records used to prepare your T2 Corporation Income Tax Return, and provide this information to us on request.
- Part 4 must be completed by either you or the electronic transmitter of your T2 Corporation Income Tax Return.
- · Give the signed original of this return to the transmitter and keep a copy in your own records for six years.
- We are responsible for ensuring the confidentiality of your electronically filed tax information only after we have acgepted your return.

Part 1 − Identification —						
Corporation's name			Business number			
Orangeville Hydro Limited			86463 9562 RC0002			
l lax	onth Day Tax 01-01 year-end	Year Month Day	Is this an amended return?	Yes X No		
Get your CRA mail electronical	ly delivered in My Business Accoun	t at <u>canada.ca/my-cra</u>	-business-account (optional)			
Email address:						
notices and other correspondence when they are available in My Bus	I understand that by providing an email address, I am <b>registering</b> the corporation to receive email notifications from the CRA. I understand and agree that all notices and other correspondence eligible for electronic delivery will no longer be printed and mailed. The CRA will notify the corporation at this email address when they are available in My Business Account and requiring immediate attention. They will be presumed to have been received on the date that the email is sent. For more information, see <b>canada.ca/cra-business-email-notifications</b> .					
Part 2 – Declaration  Enter the following amounts, if applicable, from the T2 return for the tax year noted above:						
Net income or loss for income General Index of Financial Info	tax purposes from Schedule 1, financiormation (GIFI) (line 300)			137,425		
Part I tax payable (line 700)		<u>)</u>				
Part III.1 tax payable (line 710	1)					
Part IV tax payable (line 712)						
Part IV.1 tax payable (line 716	i)					
Part VI tax payable (line 720)	· · · · · · · · · · · · · · · · · · ·					
Part VI.1 tax payable (line 724	i)					
Part XIV tax payable (line 728	) (					
Net provincial and territorial ta	x payable (line 760)					

, Long	Amy		CFO	
Last nam	ne	First name	Pos	sition, office, or rank
and statements, and that the info	ormation given on the T2 return and alculating income for this tax year is	re examined the T2 Corporation Inco this T183 Corp information return is consistent with that of the previous	to the best of my know	ledge, correct and complete.
	response to any errors Canada Rev	T2 Corporation Income Tax Return enue Agency identifies. This authori		
				(519) 942-8000
Date (yyyy/mm/dd)	Signature of an auth	orized signing officer of the corporation		Telephone number
The CRA will accept an electroni	c signature if it is applied in accorda	nce with the guidance specified by t	he CRA.	
Part 4 – Transmitter ide	ntification —————			
The following transmitter has ele	ctronically filed the tax return of the	corporation identified in Part 1		
KPMG LLP		30.70.20.00.00	G1	829
KI FIG ELI	Name of person or firm	7/	-)/	filer number
	. tame of person of mini			
- Privacy notice ———				
Dereand information is called to	d for the numerous of the administrat	ion or experience of the Income To	w Ast and related progr	ama and activities including
administering tax, benefits, audi	t. compliance. and collection. The ir	ion or enforcement of the Income Ta formation collected may be used or	disclosed for purposes	of other federal acts that provi
for the imposition and collection	of a tax or duty. It may also be disc	osed to other federal, provincial, ter	ritorial, or foreign gover	nment institutions to the exten
authorized by law. Failure to pro	ovide this information may result in in	iterest payable, penalties, or other a to file a complaint with the Privacy	ctions. Under the Priva	cy Act, individuals have a right
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		/		

Canada Revenue Agence du revenu du Canada

#### **T2 Corporation Income Tax Return**

200

#### EXEMPT FROM TAX

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

All legislative references on this return are to the federal Income Tax Act and Income Tax Regulations. This return may contain changes that had not yet become law at the time of publication.

Send one completed copy of this return, including schedules and the General Index of Financial Information (GIFI), to your tax centre. You have to file the return within six months after the end of the corporation's tax year.

For more information see **canada.ca/taxes** or Guide T4012, T2 Corporation – Income Tax Guide.

055	Do not use this area

┌ Identification ────		
Business number (BN) 001 86463 9562 RC0002		
Corporation's name	To which tax year does this return apply?	
002 Orangeville Hydro Limited	Tax year start Tax year-end	
	Year Month Dav Year Month Day	
Address of head office Has this address changed since the last	060 2022-01-01 061 2022-12-31	
time the CRA was notified?	Has there been an acquisition of control	_
If <b>yes</b> , complete lines 011 to 018.	resulting in the application of	
011 400 C Line	subsection 249/4) since the tax year	v
012	start on line 060?	X
City Province, territory, or state	If <b>yes</b> , provide the date Year Month Day	
015 Orangeville 016 ON	control was acquired	
Country (other than Canada)  Postal or ZIP code	Is the date on line 061 a deemed	
017 CA 018 L9W 3Z8	tax year-end according to	_
Mailing address (if different from head office address)	subsection 249(3.1)?	X
Has this address changed since the last	Is the corporation a professional	
time the CRA was notified? 020 Yes No X	corporation that is a member of	_
If <b>yes</b> , complete lines 021 to 028.	a partnership?	X
021 c/o	Is this the first year of filing after:	
022		X
023		X
City Province, territory, or state	If <b>yes</b> , complete lines 030 to 038 and attach Schedule 24.	
025		
Country (other than Canada) Postal or ZIP gode	Has there been a wind-up of a subsidiary under section 88 during the	
027	current tax year?	X
Location of books and records (if different from head office address)	If <b>yes</b> , complete and attach Schedule 24.	_
	Is this the final tax year	
Has this address changed since the last time the CRA was notified?	before amalgamation? 076 Yes No	X
If <b>yes</b> , complete lines 031 to 038.	Is this the final return up to	
	dissolution? 078 Yes No	X
031 400 C Line	If an election was made under	
032	section 261, state the functional	
City Province territory, or state	currency used 079	
035 Orangeville 036 ON	Is the corporation a resident of Canada? 080 Yes X No	
Country (other than Canada) Postal or ZIP code	_ ·	
037 CA 038 L9W 3Z8	If <b>no</b> , give the country of residence on line 081 and complete and attach Schedule 97.	
040 Type of corporation at the end of the tax year (tick one)	081	
X 1 Canadian-controlled private corporation (CCPC)	Is the non-resident corporation	-
2 Other private corporation	claiming an exemption under	<u></u>
	· — · — — — — — — — — — — — — — — — — —	X
3 Public corporation	If <b>yes</b> , complete and attach Schedule 91.	
4 Corporation controlled by a public corporation	If the corporation is exempt from tax under section 149, tick one of	
5 Other corporation	the following boxes:	
(specify)	085 1 Exempt under paragraph 149(1)(e) or (l)	
If the type of corporation changed during	2 Exempt under paragraph 149(1)(j)	
the tax year, provide the effective  Year Month Day	X 4 Exempt under other paragraphs of section 149	
date of the change		
Do not use ti	is area	
	898	
095 096	090	

┌ Attachments ─────────────		
Financial statement information: Use GIFI schedules 100, 125, and 141.		
Schedules – Answer the following questions. For each yes response, attach the schedule to the T2 return, unless otherwise instructed.		
,		Schedule
is an observation related to any other benefits and the second of the se	150 X	9
S and solphisms and additional solution	160 X	23
Is the corporation an associated CCPC that is claiming the expenditure limit?	161	49
Does the corporation have any non-resident shareholders who own voting shares?	151	19
Has the corporation had any transactions, including section 85 transfers, with its shareholders, officers, or employees,		
,	162	11
If you answered <b>yes</b> to the above question, and the transaction was between corporations not dealing at arm's length, were all or substantially all of the assets of the transferor disposed of to the transferee?	163	44
Has the corporation paid any royalties, management fees, or other similar payments to residents of Canada?	164	14
Is the corporation claiming a deduction for payments to a type of employee benefit plan?	165	15
	166	T5004
Is the corporation a member of a partnership for which a partnership account number has been assigned?	167	T5013
Did the corporation, a foreign affiliate controlled by the corporation, or any other corporation or trust that did not deal at arm's length		
with the corporation have a beneficial interest in a non-resident discretionary trust (without reference to section 94)?	168 169	22
January of the control of the contro	103	25
Has the corporation made any payments to non-residents of Canada under subsections 202(1) and/or 105(1) of the Income Tax Regulations?	170	29
The state of the s	171	T106
For private corporations: Does the corporation have any shareholders who own 10% or more of the corporation's common and/or preferred shares?	173 X	50
Has the corporation made payments to, or received amounts from, a retirement compensation plan arrangement during the year?	172	
	180	88
	201 X	1
	202 X	2
· · · · · · · · · · · · · · · · · · ·	203 X	3
The are so possible and a second a second and a second an	204	4
Is the corporation claiming a provincial or territorial tax credit or does it have a permanent establishment		-
in more than one jurisdiction?	205	5
	206	6
i) Is the corporation a CCPC and reporting a) income or loss from property (other than dividends deductible on line 320 of the T2 return), b)	,,	
income from a partnership, c) income from a foreign business, d) income from a personal services business, e) income referred to in clause 125(1)(a)(i)(C) or 125(1)(a)(i)(B), f) aggregate investment income as defined in subsection 129(4), or g) an amount assigned to it under subsection 125(3.2) or 125(8); or		
ii) Is the corporation a member of a partnership and assigning its specified partnership business limit to a designated member under subsection 125(8)?	207	7
1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 -	208 X	8
	212	12
Book and corporation have any recognition related according.	213	13
, , , )/	216	16
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	218	17
	220	18
is the desperation dailying on business in cultural descriptions.	221	20
To the desperation damning any reaction, provincial, or terminal tereign tax creation, or any reaction regging tax creation.		21
posses the sorperation have any scandard management processing prome.	227	27
is the desperation claiming an invocament tax ordate.	231	31
in an original state of the sta	232	T661
1 1 7 2	233 X	33/34/35
	234 X	
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the desperation drawning at art has broad.	242	42
	243	43
10 4.0 00 00 00 00 4.0 00 00 00 00 00 00 00 00 00 00 00 00 0	244	45
For financial institutions: Is the corporation a member of a related group of financial institutions with one or more members subject to gross Part VI tax?	250	39
	253	T1131
	254	T1177
	272	58
	255	92

· Attachments (continued) ————————————————————————————————————	Yes Schedule
Did the corporation have any foreign affiliates in the tax year?	<b>1</b> T1134
Did the corporation own or hold specified foreign property where the total cost amount of all such property, at any time in the year, was	
more than CAN\$100,000?	
Did the corporation transfer or loan property to a non-resident trust?	
Did the corporation receive a distribution from or was it indebted to a non-resident trust in the year?	
Has the corporation entered into an agreement to allocate assistance for SR&ED carried out in Canada?	
Has the corporation entered into an agreement to transfer qualified expenditures incurred in respect of SR&ED contracts?	
	<b>—</b>
Did the corporation pay taxable dividends (other than capital gains dividends) in the tax year?  Has the corporation made an election under subsection 89(11) not to be a CCPC?	
Has the corporation revoked any previous election made under subsection 89(11)?  Did the corporation (CCPC or deposit insurance corporation (DIC)) pay eligible dividends, or did its  general rate income pool (GRIP) change in the tax year?  26	
Did the corporation (other than a CCPC or DIC) pay eligible dividends, or did its low rate income pool (LRIP) change in the tax year? 26	9 54
s the corporation claiming a return of fuel charge proceeds to farmers tax credit?	63
Are you an employer reporting a non-qualified security agreement under subsection 110(1.9)?	<b>4</b> 59
Is the corporation claiming an air quality improvement tax credit?	<b>6</b> 5
Is the corporation subject to the additional 1.5% tax on banks and life insurers?	68
- Additional information	
	K No
Is the corporation inactive? Yes	No X
What is the corporation's main	
revenue-generating business activity? <u>221122</u> Electric Power Distribution	
Specify the principal products mined, manufactured, sold, constructed, or services provided, giving the	100.000 %
approximate percentage of the total revenue that each	%
product or service represents.	%
Did the corporation immigrate to Canada during the tax year?	No X
Did the corporation emigrate from Canada during the tax year?	No X
Do you want to be considered as a quarterly instalment remitter if you are eligible?	No
If the corporation was eligible to remit instalments on a quarterly basis for part of the tax year, provide the date the corporation ceased to be eligible	r Month Day
If the corporation's major business activity is construction, did you have any subcontractors during the tax year? 295 Yes	No
- Taxable income	
Net income or (loss) for income tax purposes from Schedule 1, financial statements, or GIFI	137,425 A
Charitable donations from Schedule 2	
Cultural gifts from Schedule 2	
Ecological gifts from Schedule 2	
Gifts of medicine made before March 22, 2017, from Schedule 2	
Part VI.1 tax deduction*	
Non-capital losses of previous tax years from Schedule 4	
Net capital losses of previous tax years from Schedule 4	
Restricted farm losses of previous tax years from Schedule 4	
Farm losses of previous tax years from Schedule 4	
Limited partnership losses of previous tax years from Schedule 4	
Prospector's and grubstaker's shares	
Employer deduction for non-qualified securities	
Subtotal	3,180 B
Subtotal (amount A <b>minus</b> amount B) (if negative, enter "0")	134,245 C
Section 110.5 additions or subparagraph 115(1)(a)(vii) additions	
Taxable income (amount C plus amount D)	134,245
Taxable income for the year from a personal services business	Z.1
* This amount is equal to 3.5 times the Part VI 1 tax payable at line 724 on page 9	

- Small business	deduction ————						_
Canadian-controlled	private corporations (CCPCs) through	out the tax year					
Income eligible for the	small business deduction from Schedule				400	137,425	Α
minus 4 times the a federal law, is exempt		,	, because of		405	F00 000	В
Business limit (see not	tes 1 and 2 below)				410	500,000	C
Notes:							
	e not associated, enter \$ 500,000 on lin amount by the number of days in the tax		•	,			
2. For associated CC	PCs, use Schedule 23 to calculate the ar	mount to be entered	on line 410.				
Business limit reduc	tion						
Taxable capital bu	usiness limit reduction for tax years st	arting before April	7, 2022	Λ			
Amount C	500,000 × <b>415</b> ***	70,833	D =	3\148	<u>,133</u> E1		
		11,250					
Taxable capital bu	usiness limit reduction for tax years st	arting after April 6,	2022		$\checkmark$		
Amount C	500,000 × <b>415</b> ***	70,833	D =		E2		
		90,000	4				
	Amo	ount E1 or amount E	2, whichever applie	es 3,148	,133 🕨	3,148,133	Ξ3
Passive income b	ousiness limit reduction						
Adjusted aggregate	e investment income from Schedule 7 ***	* 417	15,000,000 -	50,00	0 =	14,950,000	F
Amount C	500,000 × Amount F	14,950,00	00 =	<i></i>	<u></u>	74,750,000	G
	100,000						
			The greater of a	amount E3 and amou	ınt G <b>422</b>	74,750,000	Н
Reduced business lim	it (amount C <b>minus</b> amount H) (if negativ	/e, enter "0")			426		ı
Business limit the CCF	PC assigns under subsection 125(3.2) (fro	om line 515 below)	,				J
Reduced business lin	mit after assignment (amount I minus a	amount J)			428		K
Small business dedu	iction - Amount A, B, C, or K, whichever	is the least		× 19 %	% = <b>430</b>		
Enter amount from line	e 430 at amount K on page 8.						

- Calculate the amount of foreign non-business income tax credit deductible on line 632 without reference to the refundable tax on the CCPC's investment income (line 604) and without reference to the corporate tax reductions under section 123.4.
- \*\* Calculate the amount of foreign business income tax credit deductible on line 636 without reference to the corporation tax reductions under section 123.4.

#### \*\*\* Large corporations

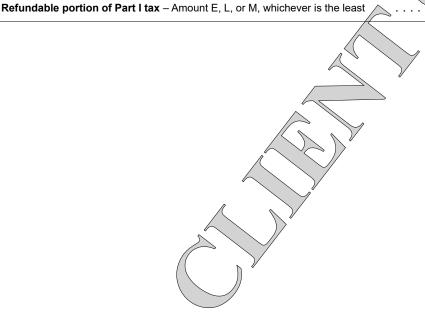
- If the corporation is not associated with any corporations in both the current and previous tax years, the amount to be entered on line 415 is: (total taxable capital employed in Canada for the **prior** year **minus** \$10,000,000) x 0.225%.
- If the corporation is not associated with any corporations in the current tax year, but was associated in the previous tax year, the amount to be entered on line 415 is: (total taxable capital employed in Canada for the **current** year **minus** \$10,000,000) x 0.225%.
- For corporations associated in the current tax year, see Schedule 23 for the special rules that apply.

\*\*\*\* Enter the total adjusted aggregate investment income of the corporation and all associated corporations for each tax year that ended in the preceding calendar year. Each corporation with such income has to file a Schedule 7. For a corporation's first tax year that starts after 2018, this amount is reported at line 744 of the corresponding Schedule 7. Otherwise, this amount is the total of all amounts reported at line 745 of the corresponding Schedule 7 of the corporation for each tax year that ended in the preceding calendar year.

<ul> <li>Small business deduction (continued)</li> <li>Specified corporate income and assignment under subsection</li> </ul>	on 125(3.2)		
L1 Name of corporation receiving the income and assigned amount	L Business number of the corporation receiving the assigned amount	M Income paid under clause 125(1)(a)(i)(B) to the corporation identified in column L <sup>3</sup>	N Business limit assigned to corporation identified in column L <sup>4</sup>
	490	500	505
1.		otal <b>510</b> T	otal <b>515</b>
Notes:			<del></del>
<ol><li>This amount is [as defined in subsection 125(7) specified conspecified farming or fishing income of the corporation for the yearvices or property to a private corporation (directly or indirectly)</li></ol>	ear) from an active busine	ss of the corporation for the year fr	om the provision of
(A) at any time in the year, the corporation (or one of its share shareholders) holds a direct or indirect interest in the private of	corporation, and		
<ul><li>(B) it is not the case that all or substantially all of the corporati property to</li></ul>	ion's income for the year fro	om an active business is from the p	provision of services or
<ul> <li>(I) persons (other than the private corporation) with which th</li> <li>(II) partnerships with which the corporation deals at arm's le with the corporation holds a direct or indirect interest.</li> </ul>			t deal at arm's length
<ol> <li>The amount of the business limit you assign to a CCPC cannot income referred to in column M in respect of that CCPC and E amount of income referred to in clauses 125(1)(a)(i)(A) or (B)</li> </ol>	B is the portion of the amou	ınt desçri <del>bed</del> in A`that`is∕deductible	by you in respect of the
General tax reduction for Canadian-controlled p			
Canadian-controlled private corporations throughout the tax	- //	→ <u> </u>	
Faxable income from line 360 on page 3			
		·	B
		432	_ C
			_ D
Amount from line 400, 405, 410, or 428 on page 4, whichever is t Aggregate investment income from line 440 on page 6*			
aggregate investment income from the 440 on page 0		<u>'</u>	
	Subtotal (add amo	unts B to F)	<b>■</b> ▶
Amount A <b>minus</b> amount G (if negative, enter "0")			
General tax reduction for Canadian-controlled private corpor	Pations Amount H multin	aliad by 13 %	
Enter amount I on line 638 on page 8.	$\geq$		
* Except for a corporation that is, throughout the year, a cooperation	ative corporation (within the	e meaning assigned by subsection	136(2)) or a credit union.
General tax reduction  Do not complete this area if you are a Canadian-controlled plan mutual fund corporation, or any corporation with taxable in	rivate corporation, an inv ncome that is not subject	restment corporation, a mortgag to the corporation tax rate of 38	e investment corporation, %.
Taxable income from line 360 on page 3			
Lesser of amounts 9B and 9H from Part 9 of Schedule 27		· · · · · · · · · · <u> </u>	K
			 _ L
Personal services business income		434	M
	Subtotal ( <b>add</b> amo	unts K to M)	<b>•</b>
			<del></del>
Amount J <b>minus</b> amount N (if negative, enter "0")			
<b>General tax reduction</b> – Amount O <b>multiplied</b> by 13 %  Enter amount P on line 639 on page 8.			· · · · · <u> </u>

450

 Refundable portion of Part I tax -Canadian-controlled private corporations throughout the tax year Aggregate investment income x 30 2 / 3 % = from Schedule 7 ...... Foreign non-business income tax credit from line 632 on page 8 · · · · · · · · \_\_ Foreign investment income 445 \_\_\_\_ x 8 % = C from Schedule 7 ...... Subtotal (amount B minus amount C) (if negative, enter "0") Amount A **minus** amount D (if negative, enter "0") ...... Amount from line 400, 405, 410, or 428 on page 4, whichever is the least ....... Foreign nonbusiness income tax credit from line 632 on x 75 / 29 = page 8 .... Foreign business income tax credit from line 636 on page 8 ... Subtotal (add amounts G to I) \_\_ 13<del>4</del>,245 κ × 30 2 / 3 % = Subtotal (amount F minus amount J) Part I tax payable minus investment tax credit refund (line 700 minus line 780 from page 9).



Ν

− Refundable dividend tax on hand <del></del>	
Refundable dividend tax on hand (RDTOH) at the end of the previous tax year	
Dividend refund for the previous tax year	
Net RDTOH transferred on an amalgamation or the wind-up of a subsidiary	
Subtotal (line 460 <b>minus</b> line 465 <b>plus</b> line 480)	A
General rate income pool (GRIP) at the end of the previous tax year (from line 100 of Schedule 53)	В
Total eligible dividends paid in the previous tax year (from line 300 of Schedule 53)	
Total excessive eligible dividend designation in the previous tax year (from line 310 of Schedule 53) D	
Subtotal (amount C minus amount D) (if negative, enter "0")	E
Net GRIP at the end of the previous tax year (amount B <b>minus</b> amount E) (if negative, enter "0") F GRIP transferred on an amalgamation or the wind-up of a subsidiary (total of lines 230 and 240 of Schedule 53)	
Subtotal (amount F <b>plus</b> amount G)	H
Amount H <b>multiplied</b> by 38 1 / 3 %	
Eligible refundable dividend tax on hand (ERDTOH) at the end of the previous tax year (for the first tax year starting after 2018,	
amount A or I, whichever is less, otherwise, use line 530 of the preceding tax year)	J
Non-eligible refundable dividend tax on hand (NERDTOH) at the end of the previous tax year (for the first tax year starting after	
2018, amount A <b>minus</b> amount I, otherwise, use line 545 of the preceding tax year (it negative, enter "0")	K
Part IV tax payable on taxable dividends from connected corporations (amount 2G from Schedule 3).	
Part IV tax payable on eligible dividends from non-connected corporations (amount 2J from Schedule 3) M	
Subtotal (amount L plus amount M)	N
Net ERDTOH transferred on an amalgamation or the wind-up of a subsidiary	0
ERDTOH dividend refund for the previous tax year	P
Refundable portion of Part I tax (from line 450 on page 6)	Q
Part IV tax before deductions (amount 2A from Schedule 3)	
Part IV tax allocated to ERDTOH (amount N)	
Part IV tax reduction due to Part IV.1 tax payable (amount 4D of Schedule 43) T	
Subtotal (amount R minus total of amounts S and T)	U
Net NERDTOH transferred on an amalgamation or the wind-up of a subsidiary	V
NERDTOH dividend refund for the previous tax year	W
38 1/3% of the total losses applied against Part IV tax (amount 20 from Schedule 3)	X
Part IV tax payable allocated to NERDTOH, net of losses claimed (amount U minus amount X) (if negative enter "0")	Y
NERDTOH at the end of the tax year (total of amounts K, Q, V and Y minus amount W) (if negative, enter "0")	
ERDTOH at the end of the tax year (total of amounts J, O, and Z minus amount P) (if negative, enter "0")	
- Dividend refund	
38 1/3% of total eligible dividends paid in the tax year (amount 3A from Schedule 3)	AA
ERDTOH balance at the end of the tax year (line 530)	BB
Eligible dividend refund (amount AA or BB, whichever is less)	CC
38 1/3% of total non-eligible taxable dividends paid in the tax year (amount 3B from Schedule 3)	186,171 DD
NERDTOH balance at the end of the tax year (line 545)  Non-eligible dividend refund (amount DD or EE, whichever is less)	FF
· · · · · · · · · · · · · · · · · · ·	
Amount DD <b>minus</b> amount EE (if negative, enter "0")  Amount BB <b>minus</b> amount CC (if negative, enter "0")	<u>186,171</u> GG
· · · · · · · · · · · · · · · · · · ·	HH II
Additional non-eligible dividend refund (amount GG or HH, whichever is less)	
Dividend refund – Amount CC plus amount FF plus amount II  Enter amount JJ on line 784 on page 9.	JJ

- Part I tax	
Base amount Part I tax – Taxable income (from line 360 on page 3) multiplied by 38 %	Α
Additional tax on personal services business income (section 123.5)	
Taxable income from a personal services business	В
Additional tax on banks and life insurers from Schedule 68	С
Recapture of investment tax credit from Schedule 31	D
Calculation for the refundable tax on the Canadian-controlled private corporation's (CCPC) investment income (if it was a CCPC throughout the tax year)	
Aggregate investment income from line 440 on page 6	
Taxable income from line 360 on page 3 F	
Deduct:	
Amount from line 400, 405, 410, or 428 on page 4, whichever is the least	
Net amount (amount F <b>minus</b> amount G) H	
Refundable tax on CCPC's investment income – 10 2 / 3 % of whichever is less: amount E or amount H	, I , J
Deduct:	
Small business deduction from line 430 on page 4	
Federal tax abatement	
Manufacturing and processing profits deduction and zero-emission technology manufacturing deduction from Schedule 27	
Investment corporation deduction	
Federal foreign non-business income tax credit from Schedule 21	
Federal foreign business income tax credit from Schedule 21	
General tax reduction for CCPCs from amount I on page 5	
General tax reduction from amount P on page 5	
Federal logging tax credit from Schedule 21	
Eligible Canadian bank deduction under section 125.21	
Federal qualifying environmental trust tax credit	
Investment tax credit from Schedule 31	
Subtotal	. L
Part I tax payable – Amount J minus amount L	M
Enter amount M on line 700 on page 9	

#### Privacy notice

Personal information (including the SIN) is collected to administer or enforce the Income Tax Act and related programs and activities including administering tax, benefits, audit, compliance, and collection. The information collected may be used or disclosed for the purposes of other federal acts that provide for the imposition and collection of a tax or duty. It may also be disclosed to other federal, provincial, territorial, or foreign government institutions to the extent authorized by law. Failure to provide this information may result in paying interest or penalties, or in other actions. Under the Privacy Act, individuals have a right of protection, access to and correction of their personal information, or to file a complaint with the Privacy Commissioner of Canada regarding the handling of their personal information. Refer to Personal Information Bank CRA PPU 047 on Information about Programs and Information Holdings at canada.ca/cra-information-about-programs.

<ul> <li>Summary of tax and credits ——</li> </ul>			
Federal tax			
Part I tax payable from amount M on page 8			
Part III.1 tax payable from Schedule 55			
Part IV tax payable from Schedule 3			
Part IV.1 tax payable from Schedule 43			
Part VI tax payable from Schedule 38			
Part VI.1 tax payable from Schedule 43			
Part VI.2 tax payable from Schedule 67			
Part XIII.1 tax payable from Schedule 92			
Part XIV tax payable from Schedule 20			728
Add provincial or territorial tax:			Total federal tax
Provincial or territorial jurisdiction (if more than one jurisdiction, enter "multiple"	and complete Schedule 5)		<u></u>
Net provincial or territorial tax payable (excep	t Quebec and Alberta)		760
Deduct other credits:		Total ta	payable 770 A
Investment tax credit refund from Schedule 3	1	780	<u></u>
Dividend refund from amount JJ on page 7		784	
Federal capital gains refund from Schedule 1	8		
Federal qualifying environmental trust tax cre	dit refund		
Return of fuel charge proceeds to farmers tax	credit from Schedule 63	795	
Canadian film or video production tax credit (	Form T1131)		
Film or video production services tax credit (F	Form T1177)	797	
Canadian journalism labour tax credit from So	chedule 58		
Air quality improvement tax credit from Scheo	dule 65		
Tax withheld at source			
Total payments on which tax has been with	held <b>801</b>		
Provincial and territorial capital gains refund f	rom Schedule 18	808	
Provincial and territorial refundable tax credits	s from Schedule 5	812	
Tax instalments paid		840	
		Total credits 890	B
		Balance (amount A <b>n</b>	ninus amount B)
	If the result is no		t is positive, you have a <b>balance owing</b> .
		Enter the	amount below on whichever line applies.
		Generally, the CRA does r	
		or refund a difference of \$	o2 or less.
Refund code 894 1	Refund	Balance o	owing
	<b>✓ ✓ ✓</b>		<b>\</b>
For information on how to enrol for direct depo	osit, go to canada ca/cra-direct	-deposit.	For information on how to make your
Kultura and the state of the st			payment, go to <u>canada.ca/payments</u> .
If the corporation is a Canadian-controlled or does it qualify for the one-month extension of	the date the balance of tax is d	tax year, ue?	896 Yes No X
If this return was prepared by a tax preparer f			<b>920</b> G1829
ii tiiis retuiri was prepared by a tax preparer i	or a rec., provide their Er ree na	THISCI	31023
- Certification	))		
	<u> </u>		
I, 950 Long	951 Amy	954 CF	
Last name am an authorized signing officer of the corpora the information given on this return is, to the b year is consistent with that of the previous tax	ation. I certify that I have examir est of my knowledge, correct an	d complete. I also certify that the method	od of calculating income for this tax
<b>955</b> 2023-05-31	-		<b>956</b> (519) 942-8000
Date (yyyy/mm/dd)	Signature of the authorized s	signing officer of the corporation	Telephone number
Is the contact person the same as the authoriz	zed signing officer? If <b>no</b> , compl	ete the information below	957 Yes X No
958			959
	Name of other authorized pers	son	Telephone number
Language of correspondence.	angua da aarraanan da		
Language of correspondence – La Indicate your language of correspondence by			990 1

Agence du revenu du Canada

**SCHEDULE 100** 

#### **GENERAL INDEX OF FINANCIAL INFORMATION - GIFI**

Form identifier 100	GENERAL INDEX OF FINANCIAL INFORMATION – GIFI				
Corporation's name		Business number	Tax year end Year Month Day		
Orangeville Hydro Limited		86463 9562 RC0002	2022-12-31		

#### **Balance sheet information**

Account	Description	GIFI	Current year	Prior year
Assets –				
	Total current assets	1599 +	10,064,721	8,163,738
	Total tangible capital assets	2008 +	32,303,299	29,427,839
	Total accumulated amortization of tangible capital assets	2009 -	7,710,685	6,684,73
	Total intangible capital assets	2178	411,180	428,97
	Total accumulated amortization of intangible capital assets	2179 –	205,554	219,549
	Total long-term assets	2589 +	<u>// 4,505,500</u>	3,932,687
	_* Assets held in trust	<b>2590</b> <del>)/</del> _		
	Total assets (mandatory field)	2599 =	39,368,461	35,048,95
Liabilities				
	Total current liabilities	3139 +	7,309,611	10,440,15
	Total long-term liabilities	3450 +	19,465,491	12,277,34
	* Subordinated debt	3460 +		
	* Amounts held in trust	3470 +		
	Total liabilities (mandatory field)	3499 = _	26,775,102	22,717,50
Sharehol	der equity			
	Total shareholder equity (mandatory field)	3620 +	12,593,359	12,331,44
	Total liabilities and shareholder equity	3640 = _	39,368,461	35,048,95
Retained	earnings			
	Retained earnings/deficit – end (mandatory field)	3849 =	4,317,609	4,055,69

Operating name

Agence du revenu du Canada

0001

#### **SCHEDULE 125**

#### **GENERAL INDEX OF FINANCIAL INFORMATION - GIFI** Form identifier 125 Corporation's name Business number Tax year-end Year Month Day Orangeville Hydro Limited 86463 9562 RC0002 2022-12-31 Income statement information Description **GIFI**

Description of Sequence nu	f the operation		$\langle \rangle$	
Account	Description	GIFI	Current year	Prior year
Income s	tatement information			
	Total sales of goods and services	8089 +	37,514,335	36,202,61
	Cost of sales	8518 -	32,063,987	30,596,80
	Gross profit/loss	8519 =	5,450,348	5,605,80
	Cost of sales	8518 +	32,063,987	30,596,80
	Total operating expenses	9367 +	5,225,959	4,804,50
	Total expenses (mandatory field)	9368 =	37,289,946	35,401,30
	_ Total revenue (mandatory field)	8299 +	37,802,841	36,500,40
	Total expenses (mandatory field)	9368 -	37,289,946	35,401,30
	Net non-farming income	9369 =	512,895	1,099,09
	Total farm revenue (mandatory field) Total farm expenses (mandatory field) Net farm income	9659 + 9898 9899 =		
	Net income/loss before taxes and extraordinary items	9970 =	512,895	1,099,09
	_ Total – other comprehensive income	9998 =		-62,36
Extraordi	nary items and income (linked to Schedule 140)			
	_ Extraordinary item(s)	9975 –		
	_ Legal settlements	9976 –		
	_ Unrealized gains/losses	9980 +	262.550	101 31
	Unusual items	9985 — 9990 —	-363,558	-181,35
	_ Current income taxes	9990 9995 -	-41,900 170,774	185,00
	_ Future (deferred) income tax provision	9998 +	170,774	124,12 -62,36
	_ Total – Other comprehensive income	9999 =	747 570	908,96
	Net income/loss after taxes and extraordinary items (mandatory field)	- <u> </u>	747,579	908,9

Schedule 141

#### Canada Revenue Agency

Agence du revenu du Canada

#### **Notes Checklist**

Corporation's name	Business number	Tax Year End Year Month Day	
Orangeville Hydro Limited	86463 9562 RC0002	2022-12-31	

- Fill out this schedule to identify who prepared or reported on the financial statements, the extent of their involvement and to identify the type of information contained in the notes to the financial statements. If the person preparing the tax return is not the person referred to above, they must still complete Parts 1, 2, 3, 4 and 5, as applicable.
- For more information, see Guide RC4088, General Index of Financial Information (GIFI) and T4012, T2 Corporation Income Tax Guide.
- Complete this schedule and include it with your T2 return along with the other GIFI schedules.

Part 1 – Information on the person who prepared or reported on the financial statements ————————————————————————————————————
Were financial statements prepared?  If you answered <b>no</b> , go to part 5.
Does the person who prepared or reported on the financial statements have an accounting professional designation? 095 Yes X No
Is that person connected* with the corporation?
Note: If that person does not have an accounting professional designation or is connected with the corporation, go to part 4.
* A person connected with a corporation can be: (i) a shareholder of the corporation who owns more than 10% of the common shares; (ii) a director, an officer, or an employee of the corporation; or (iii) a person not dealing at arm's length with the corporation.
□ Part 2 – Type of involvement with the financial statements
Choose the option that represents the highest level of involvement of the person referred to in part 1:
Completed an auditor's report1
Completed a review engagement report
Conducted a compilation engagement
Other
¬ Part 3 − Reservations
If you selected option 1 or 2 under Type of involvement with the financial statements above, answer the following question:
Has the person referred to in part 1 expressed a reservation? No X
□ Part 4 – Other information
Were notes to the financial statements prepared?
If <b>yes</b> , complete lines 104 to 107 below:
Are subsequent events mentioned in the notes? No
Is contingent liability information mentioned in the notes?
Is information regarding commitments mentioned in the notes?
Does the corporation have investments in joint venture(s) or partnership(s)?

Part 4 – Other information (continued)						
Impairment and fair value changes						
In any of the following assets, was an amount recognized in net incorresult of an impairment loss in the tax year, a reversal of an impairment change in fair value during the tax year?		ous tax year, or a	200 Yes	No X		
If <b>yes</b> , enter the amount recognized:	In net income Increase (decrease)	In OCI Increase (decrease)				
Property, plant, and equipment		211				
Intangible assets		216				
Investment property						
Biological assets						
Financial instruments		231				
Other		236				
Financial instruments						
Did the corporation derecognize any financial instrument(s) during the corporation of the corporation of the corporation derecognize any financial instrument (s) during the corporation derecognize and corporation derecognized and corporation der	he tax year (other than trade re	eceivables)?	<b>250</b> Yes	No X		
Did the corporation apply hedge accounting during the tax year?						
Did the corporation discontinue hedge accounting during the tax year	ar?	············	<b>260</b> Yes	No X		
Adjustments to opening equity						
Was an amount included in the opening balance of retained earning recognize a change in accounting policy, or to adopt a new accounting			<b>265</b> Yes	No X		
If <b>yes</b> , you have to maintain a separate reconciliation.						
Part 5 – Information on the person who prepared	the information return					
If the person that prepared the information return has an accounting associated with the financial statements in part 1 above, choose one			110			
Financial statements provided by client				<b>X</b> 1		
Prepared the information return and the financial information contains	ained therein			2		

# General Index of Financial Information Notes to the financial statements

Election Under section 1101(5b.1)

Pursuant to Regulation 1101(5b.1) the taxpayer elects to include in a

separate class the cost of building additions in accordance with Regulation

1100(a.2) which at least 90% of the space is used for non-residential use.

ORANGEVILLE HYDRO LIMITED

Notes to Financial Statements

Year ended December 31, 2022

Reporting entity:

Orangeville Hydro Limited (the "Corporation") is a rate regulated,

municipally owned hydro

distribution company incorporated under the laws of Ontario, Canada. The

address of the

Corporation's registered office is 400 C Line, Orangeville, Ontario

The Corporation delivers electricity and related energy services  $t_{\phi}$ 

residential and commercial

customers in the Town of Orangeville and Town of Grand Valley. The

Corporation is owned by the Town of Orangeville and Town of Grand Valley.

The financial statements are for the Corporation as at and for the year ended December 31, 2022.1. Basis of presentation:

(a) Statement of compliance:

The Corporation's financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS").

The financial statements were approved by the Board of Directors on April 20, 2023.(b) Basis of measurement:

These financial statements have been prepared on the historical cost basis, unlessotherwise stated.

(c) Functional and presentation currency:

These financial statements are presented in Canadian dollars, which is the Corporation's functional currency.

(d) Use of estimates and judgments:

The preparation of financial statements in conformity with IFRS requires management to

make judgments, estimates and assumptions that affect the application of accounting

policies and the reported amounts of assets, liabilities, income and expenses and disclosure of contingent assets and diabilities. Actual results may differ from thoseestimates.

Estimates and underlying assumptions are reviewed on an ongoing basis.

Revisions to

accounting estimates are recognized in the year in which the estimates are revised and inany future years affected.

Information about assumptions and estimation uncertainties that have a significant risk of

resulting in material adjustment is included in the following notes:

- (i) Note 2(b) measurement of unbilled revenue
- (ii) Notes 4, 5 estimation of useful lives of its property, plant and equipment and intangible assets
- (iii) Note 7 recognition and measurement of regulatory balances
- (iv) Note 10 measurement of defined benefit obligations: key actuarial assumptions
- (v) Note 16 recognition and measurement of provisions and contingencies
- (e) Rate regulation:

The Corporation is regulated by the Ontario Energy Board ("OEB"), under the authority

granted by the Ontario Energy Board Act, 1998. Among other things, the OEB has the  $\,$ 

# General Index of Financial Information Notes to the financial statements

power and responsibility to approve or set rates for the transmission and distribution of

electricity, providing continued rate protection for electricity consumers in Ontario, and

ensuring that transmission and distribution companies fulfill obligations to connect and

service customers. The OEB may also prescribe license requirements and conditions of

service to local distribution companies ("LDCs"), such as the Corporation, which mayinclude, among other things, record keeping, regulatory accounting principles, separation

of accounts for distinct businesses, and filing and process requirements for rate settingpurposes.

Rate setting

Distribution revenue

effective May 1,

For the distribution revenue included in sale of energy, the Corporation files a "Cost of

Service" ("COS") rate application with the OEB every five years where rates

determined through a review of the forecasted annual amount of operating and capital expenditures, debt and shareholder's equity required to support the Corporation's

business. The Corporation estimates electricity usage and the costs to service each

customer class to determine the appropriate rates to be charged to each customer class.

The COS application is reviewed by the OEB and interverers and rates are approved

based upon this review, including any revisions resulting from that review. The application is based on the Annual Index option to set rates for 2021.

Corporation was required by the OEB to apply the Annual IR Index method after deferring

its COS rate application for three consecutive years. The Annual IR Index is based on

inflation less the OEB's highest stretch factor assessment of a distributor's efficiency.

As a licensed distributor the Corporation is responsible for billing customers for electricity

generated by third parties and the related costs of providing electricity service, such as

transmission services and other services provided by third parties. The Corporation is

required, pursuant to regulation, to remit such amounts to these third parties, irrespective

of whether the Corporation ultimately collects these amounts from customers. The Corporation last filed a COS application in October 2013 for rates

2014 to April 30, 2019. The Corporation received approval for a deferral of a COSapplication for 2021 rates. The GDP IPI-FDD for 2022 is 3.7%, the Corporation's

productivity factor is nil% and the stretch factor is 0.60%, resulting in a net adjustment of 3.7% to the previous year's rates. Electricity rates

The OEB sets electricity prices for low-volume consumers once each year based on an

# General Index of Financial Information Notes to the financial statements

estimate of how much it will cost to supply the province with electricity for the next year. All

remaining consumers pay the market price for electricity. The Corporation is billed for the  $\ensuremath{\mathsf{E}}$ 

cost of the electricity that its customers use and passes this cost on to the customer at costwithout a mark-up.

2. Significant accounting policies:

The accounting policies set out below have been applied consistently in all years presented in these financial statements.

(a) Financial instruments:

At initial recognition, the Corporation measures its financial assets at fair value plus, in the

case of a financial asset not at fair value through profit or loss, transaction costs that are

directly attributable to the acquisition of the financial asset. Transaction costs of financial

assets carried at fair value through profit or loss are expensed in profit or

Subsequent measurement of the financial asset depends on the classification determined

on initial recognition. Financial assets are classified as either amortized cost, fair value

through other comprehensive income or fair value through profit or loss, depending on its

business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. Financial assets are not reclassified subsequent to

their initial recognition, unless the Corporation changes its business model for managingfinancial assets.

Financial liabilities are initially measured at fair value, net of transaction costs incurred.

They are subsequently carried at amortized cost using the effective interest rate method;

any difference between the proceeds (net of transaction costs) and the redemption value is

recognized as an adjustment to interest expense over the period of the borrowings. The Corporation has not entered into derivative instruments. Hedge accounting has not been used in the preparation of these financial

Cash equivalents include short-term investments with maturities of three months or lesswhen purchased.

(b) Revenue recognition:

statements.

Sale and distribution of electricity

The performance obligations for the sale and distribution of electricity are recognized over

time using an output method to measure the satisfaction of the performance obligation.

The value of the electricity services transferred to the customer is determined on the basis

of cyclical meter readings plus estimated customer usage since the last meter reading date

to the end of the year and represents the amount that the Corporation has the right to bill.

Revenue includes the cost of electricity supplied, distribution, and any other regulatory  $% \left( 1\right) =\left( 1\right) +\left( 1\right) +$ 

charges. The related cost of power is recorded on the basis of power used.

# General Index of Financial Information Notes to the financial statements

For customer billings related to electricity generated by third parties and the related costs

of providing electricity service, such as transmission services and other services provided

by third parties, the Corporation has determined that it is acting as a principal for these

electricity charges and, therefore, has presented electricity revenue on a gross basis. Capital contributions

Developers are required to contribute towards the capital cost of construction of

distribution assets in order to provide ongoing service. The developer is not a customer

and therefore the contributions are scoped out of IFRS 15 Revenue from Contracts with

Customers. Cash contributions, received from developers are recorded as deferred

revenue. When an asset other than cash is received as a capital contribution, the asset is

initially recognized at its fair value, with a corresponding amount

recognized as deferred revenue, which represents the Corporation's obligation

to provide the customers access to the supply of electricity, is amortized to income on astraight-line basis over the useful life of the related asset.

Certain customers are also required to contribute towards the capital cost of construction of distribution assets in order to provide ongoing service. These contributions fall within

the scope of IFRS 15 Revenue from Contracts with Customers. The contributions are received to obtain a connection to the distribution system in order receive

ongoing access

to electricity. The Corporation has concluded that the performance obligation is the supply

of electricity over the life of the relationship with the customer which is satisfied over time

as the customer receives and consumes the electricity. Revenue is recognized on astraight-line basis over the useful life of the related asset.

Other revenue

Revenue earned from the provision of services is recognized as the service is rendered.

Government grants and the related performance incentive payments under CDM programs

are recognized as revenue in the year when there is reasonable assurance that the program conditions have been satisfied and the payment will be received.

(c) Inventory:

Inventory, the majority of which is consumed by the Corporation in the provision of its

services, is valued at the lower of cost and net realizable value, with cost being determined

on an average cost basis, and includes expenditures incurred in acquiring the  $\max$ 

and supplies and other costs incurred in bringing them to their existing location and condition.

(d) Property, plant and equipment:

Items of property, plant and equipment ("PP&E") used in rate-regulated activities and

# General Index of Financial Information Notes to the financial statements

acquired prior to January 1, 2015 are measured at the deemed cost (carrying value as

elected under IFRS 1) established on the transition date, less accumulated depreciation.

All other items of PP&E are measured at cost, or, where the item is contributed bycustomers, its fair value, less accumulated depreciation.

Cost includes expenditures that are directly attributable to the acquisition of the asset. The

cost of self-constructed assets includes contracted services, materials and transportation

costs, direct labour, overhead costs, borrowing costs and any other costs directly

attributable to bringing the asset to a working condition for its intended

Borrowing costs on qualifying assets are capitalized as part of the cost of the asset based

upon the weighted average cost of debt incurred on the Corporation's borrowings.

Qualifying assets are considered to be those that take in excess of 2 months to construct.

When parts of an item of PP&E have different useful lives, they are accounted for asseparate items (major components) of PP&E.

When items of PP&E are retired or otherwise disposed of, a gain or loss on disposal is

determined by comparing the proceeds from disposal, if any, with the carrying amount of the item and is included in profit of loss.

Major spare parts and standby equipment are fee gnized/as items of PP&E.

The cost of replacing a part of an item of PP&E is recognized in the net book value of the

item if it is probable that the future economic benefits embodied within the part will flow to

the Corporation and its cost can be measured reliably. In this event, the replaced part of

PP&E is written off, and the related gain or loss is included in profit or loss. The costs of

the day-to-day servicing of PASE are recognized in profit or loss as incurred. The need to estimate the decommissioning costs at the end of the useful lives of certain

assets is reviewed periodically. The Corporation has concluded it does not have any legalor constructive obligation to remove PP&E.

Depreciation is calculated to write off the cost of items of PP&E using the straight-line

method over their estimated useful lives, and is generally recognized in profit or loss.

Depreciation methods, useful lives, and residual values are reviewed at each reporting

date and adjusted prospectively if appropriate. Land is not depreciated. Construction-inprogress

assets are not depreciated until the project is complete and the asset is available for use.

The estimated useful lives are as follows:

Asset Rate

Buildings 20-60 years

Distribution equipment 15-60 years

Vehicles 8-15 years

Other tools and equipment 10-60 years

# General Index of Financial Information Notes to the financial statements

Computer equipment 5 years

(e) Intangible assets:

Intangible assets used in rate-regulated activities and acquired prior to January 1, 2015

are measured at deemed cost (carrying value as elected under IFRS 1) established on the

transition date, less accumulated amortization. All other intangible assets are measured atcost.

Computer software that is acquired or developed by the Corporation after January 1, 2015,

including software that is not integral to the functionality of equipment purchased which has

finite useful lives, is measured at cost less accumulated amortization. Payments to obtain rights to access land ("land rights") are classified as intangible assets.

These include payments made for easements, right of access and right of use over land

for which the Corporation does not hold title. Land rights are measured at cost. Management has determined that land rights have an indefinite life. Land rights are tested

for impairment when events or circumstances indicate their carrying amount exceeds their

fair value. As at December 31, 2022, management has not identified any events orcircumstances indicating that land rights are impaired.

Amortization is recognized in profit or loss on a straight-line basis over the estimated

useful lives of intangible assets from the date that they are available for use. Amortization

methods and useful lives of all intangible ssets are reviewed at each reporting date and

adjusted prospectively if appropriate. The estimated useful lives are:

Asset Rate

Computer software 5 years

- (f) Impairment:
- (i) Financial assets measured at amortized cost:
- A loss allowance for expected credit losses on financial assets measured at amortized

cost is recognized at the reporting date. The loss allowance is measured at an amountequal to the lifetime expected credit losses for the asset.

(ii) Non-financial assets

The carrying amounts of the Corporation's non-financial assets, other than materials

and supplies and deferred tax assets, are reviewed at each reporting date to determine

whether there is any indication of impairment. If any such indication exists, then theasset's recoverable amount is estimated.

For the purpose of impairment testing, assets are grouped together into the smallest

group of assets that generates cash inflows from continuing use that are largely

independent of the cash inflows of other assets or groups of assets (the "cashgenerating"  $\ensuremath{\text{cash}}$ 

unit" or "CGU"). The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the  $\frac{1}{2}$ 

estimated future cash flows are discounted to their present value using a

# General Index of Financial Information Notes to the financial statements

#### pre-tax

discount rate that reflects current market assessments of the time value of money andthe risks specific to the asset.

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds

its estimated recoverable amount. Impairment losses are recognized in profit or loss.

An impairment loss is reversed only to the extent that the asset's carrying

amount does not exceed the carrying amount that would have been determined, net of depreciationor amortization, if no impairment loss had been recognized.

(g) Customer deposits:

Customer deposits represent cash deposits from electricity distribution customers and

retailers to guarantee the payment of energy bills. Interest is paid on customer deposits.

Deposits are refundable to customers who demonstrate an acceptable level of credit risk

as determined by the Corporation in accordance with policies set out by the OEB or upontermination of their electricity distribution service.

#### (h) Provisions:

A provision is recognized if, as a result of a past event, the corporation has a present legal

or constructive obligation that can be estimated reliably, and it is probable that an outflow

of economic benefits will be required to settle the obligation. Provisions are determined by

discounting the expected future cash flows at a pre-tax rate that reflects current market

assessments of the time value of money and the risks specific to the liability.(i) Regulatory balances:

Regulatory deferral account debit balances represent costs incurred in excess of amounts

billed to the customer at OEB approved rates. Regulatory deferral account credit balances

represent amounts billed to the customer at OEB approved rates in excess of costsincurred by the Corporation.

Regulatory deferral account debit balances are recognized if it is probable that future

billings in an amount at least equal to the deferred cost will result from inclusion of that cost

in allowable costs for rate-making purposes. The offsetting amount is recognized in net

movement in regulatory balances in profit or loss or OCI. When the customer is billed at

rates approved by the OEB for the recovery of the deferred costs, the customer billings are  $\frac{1}{2}$ 

recognized in revenue. The regulatory deferral debit balance is reduced by the amount of

these customer billings with the offset to net movement in regulatory balances in profit orloss or OCI.

The probability of recovery of the regulatory deferral debit account balances is assessed

annually based upon the likelihood that the OEB will approve the change in rates to  $% \left( 1\right) =\left( 1\right) +\left( 1\right)$ 

recover the balance. The assessment of likelihood of recovery is based upon

# General Index of Financial Information Notes to the financial statements

previous

decisions made by the OEB for similar circumstances, policies or guidelines issued by the  $\ensuremath{\mathsf{CP}}$ 

OEB, etc. Any resulting impairment loss is recognized in profit or loss in the year incurred.

When the Corporation is required to refund amounts to ratepayers in the future, the

Corporation recognizes a regulatory deferral account credit balance. The offsetting amount

is recognized in net movement in regulatory balances in profit or loss or  ${\sf OCL}$  . The

amounts returned to the customers are recognized as a reduction of revenue.

regulatory deferral credit balance is reduced by the amount of these customer repayments

with the offset to net movement in regulatory balances in profit or loss or OCI.

- (j) Post-employment benefits:
- (i) Pension plan

The Corporation provides a pension plan for all its full time employees through Ontario

Municipal Employees Retirement System ("OMERS"). OMERS is a multi-employer pension plan which operates as the Ontario Municipal Employees Retirement Fund ("the Fund"), and provides pensions for employees of Ontario municipalities, localboards and public utilities. The Fund is a Contributory defined benefit pension plan,

which is financed by equal contributions from participating employers and employees,

and by the investment earnings of the Fund. To the extent that the Fund finds itself in

an under-funded position, additional contribution rates may be assessed to participating employers and members.

OMERS is a defined benefit plan. However, as OMERS does not segregate its pensionasset and liability information by individual employers, there is insufficient information

available to enable the Corporation to directly account for the plan. Consequently, the

plan has been accounted for as a defined contribution plan. The Corporation is notresponsible for any other contractual obligations other than the contributions.

Obligations for contributions to defined contribution pension plans are recognized as anemployee benefit expense in profit or loss when they are due.

(ii) Post-employment benefits, other than pension

The Corporation provides some of its retired employees with life insurance and medicalbenefits beyond those provided by government sponsored plans. The obligations for these post-employment benefit plans are actuarially determined by

applying the projected unit credit method and reflect management's best estimate of

certain underlying assumptions. Remeasurements of the net defined benefit obligations, including actuarial gains and losses and the return on plan assets(excluding interest), are recognized immediately in other comprehensive income. When the benefits of a plan are improved, the portion of the increased benefit relating

to past service by employees is recognized immediately in profit or loss.

(k) Leased assets:

# General Index of Financial Information Notes to the financial statements

At inception of a contract, the Company assesses whether a contract is, or contains, a

lease. A contract is, or contains, a lease if the contract conveys the right to control the use

to control the use of an identified asset for a period of time in exchange for consideration.

For leases and contracts that contain a lease, the Corporation recognizes a right-of-use

asset and a lease liability at the lease commencement date. The right-of-use asset is

initially measured at cost which comprises the initial amount of the lease liability adjusted

for any lease payments made at or before the commencement date, plus any initial direct

costs incurred and an estimate of costs to dismantle and remove the underlying asset or to

restore the underlying asset or the site on which it is located less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the

commencement date to the earlier of the end of the useful life of the right-of-use asset or

the end of the lease term. The estimated useful lives of right of use assets are determined

on the same basis as those of property, plant and equipment. Subsequent to initial recognition, the right-of-use asset is recognized at cost less any accumulated depreciation

and any accumulated impairment losses, adjusted for certain remeasurements of the corresponding lease liability.

The lease liability is initially measured at the present value of lease payments plus the

present value of lease payments that are not paid at the commencement date, discounted

using the interest rate implicit in the lease, or if that rate cannot be readily determined, the Corporation's incremental borrowing rate.

The lease liability is subsequently measured at amortized cost using the effective interest

method. It is remeasured when there is a change in future lease payments arising from a

change in an index or rate, if the re is a change in the Corporation's estimate of the amount

expected to be payable under a residual value guarantee, or if the Corporation changes its

assessment of whether it will exercise a purchase, extension or termination option. When

the lease liability is remeasured in this way, a corresponding adjustment is made to the  $\ensuremath{\mathsf{L}}$ 

carrying amount of the right-of-use asset, or is recorded in profit or loss if the carryingamount of the right-of-use asset has been reduced to zero.

Short-term leases and low value assets

The Corporation has elected not to recognize right-of-use assets and lease liabilities for  $\ensuremath{\mathsf{I}}$ 

short-term leases that have a lease term of 12 months or less and leases of low-value

assets. The Corporation recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(1) Finance income and finance costs:

#### General Index of Financial Information Notes to the financial statements

Notes to the financial statements Finance income is recognized as it accrues in profit or loss, using the effective interestmethod. Finance income comprises interest earned on cash. Finance costs comprise interest expense on borrowings and net interest expense on postemployment benefits. Finance costs are recognized in profit or loss unless they are capitalized as part of the cost of qualifying assets. (m) Income taxes: The income tax expense comprises current and deferred tax. Income tax expense isrecognized in profit or loss except to the extent that it relates to items recognized directly inequity, in which case, it is recognized in equity. The Corporation is currently exempt from taxes under the Income Tax Act, (Canada) and the Ontario Corporations Tax Act (collectively the "Tax Acts"). Under the Electricity Act, 1998, the Corporation makes payments in lieu of corporate taxes to the Ontario Electricity Financial Corporation ("OEFC"). These payments are calculated in accordance with the rules for computing taxable income and taxable capital and other relevant amountscontained in the Tax Acts as modified by the Electricity Act, 1998, and related regulations. Prior to October 1, 2001, the Corporation was not subject to income or capital taxes. Payments in lieu of taxes are referred to as income taxes. Current tax comprises the expected tax payable of receivable on the taxable income or loss for the year, using tax rates enacted or substant vely enacted at the reporting date, and any adjustment to tax payable in respect of previous years. Deferred tax is recognized in respect of temporary differences between the tax basis of assets and liabilities and their carrying amounts for accounting purposes. Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that, it is probable that future taxable profits will be available against which they can be used. Deferred tax is measured at the tax rates expected to be applied to tempogary differences when they reverse, using tax ratesenacted or substantively enacted, at the reporting date. 3. Accounts receivable: 2022 2021 Trade customer accounts receivable \$ 4,024,710 \$ 4,131,648 Other receivables 446,496 477,896 Provision uncollectible accounts (35,000) (46,000) \$ 4,436,206 \$ 4,563,544 4. Property, plant and equipment: Land and buildings Distribution equipment Other fixed assets

Constructioninprogress Total Cost of deemed cost

#### General Index of Financial Information

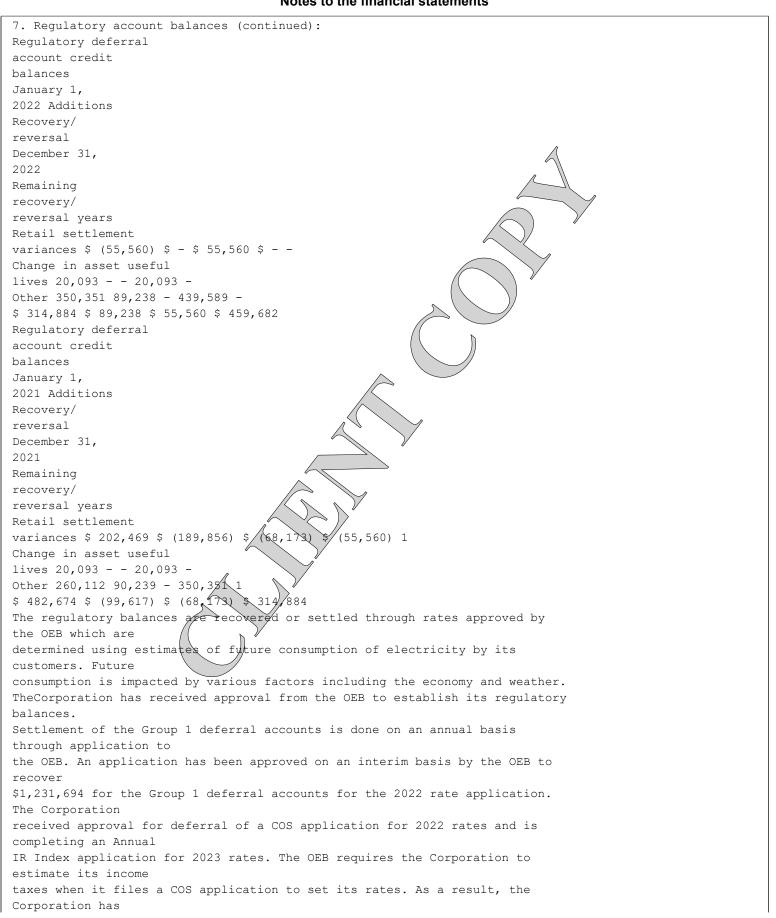
#### Notes to the financial statements

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Balance at January 1, 2022 $ 2,118,927 $ 25,626,322 $ 1,644,441 $ 38,149 $
29,427,839Additions 38,033 2,845,006 71,155 - 2,954,194
Transfers -3,084 - (3,084) -
Disposals/ retirements - (60,141) (18,593) - (78,734)
Balance at December 31, 2022 $ 2,156,960 $ 28,414,271 $ 1,697,003 $ 35,065 $
32,303,299
Balance at January 1, 2021 $ 2,113,293 $ 23,572,246 $ 1,667,931 $ 16,472 $
27,369,942Additions 5,634 2,213,609 44,994 - 2,264,237
Transfers - (21,677) - 21,677 -
Disposals/ retirements - (137,856) (68,484) - (206,340)
Balance at December 31, 2021 $ 2,118,927 $ 25,626,322 $ 1,644,441 $ 38,
29,427,839Accumulated depreciation
Balance at January 1, 2022 $ 643,009 $ 5,195,681 $ 846,045 $ - $ 6,684,785
Depreciation 78,196 836,099 141,889 - 1,056,184
Disposals - (19,446) (10,788) - (30,234)
Balance at December 31, 2022 $ 721,205 $ 6,012,334 $ 977,146 $
                                                               $ 5,800,763
Balance at January 1, 2021 $ 558,816 $ 4,469,818 $ 772,129 $
Depreciation 84,193 777,222 141,375 - 1,002,790
Disposals - (51,359) (67,459) - (118,818)
Balance at December 31, 2021 $ 643,009 $ 5,195,681 $ 846,045 $
Carrying amounts
At December 31, 2022 $ 1,435,755 $ 22,401,937 $ 719,857 $ 35,069 $ 24,592,614
At December 31, 2021 1,475,918 20,430,641 798,396 38,149 22,743,104
5. Intangible assets:
Computer
software Land rights Total
Cost of deemed cost
Balance at January 1, 2022 $ 289,164 $ 139,807 $ 428,971
Additions 25,735 - 25,735
Disposals (43,526) - (43,526)
                                       $ 139,807 $ 411,180
Balance at December 31, 2022 $ 271,37/3
Balance at January 1, 2021 $ 404,08,5
                                     $ 139,807/$ 543,892
Additions 22,675 - 22,675
Disposals (137,596) - (137,596)
Balance at December 31, 2021 \ 289,164 \ 139,807 \ 428,971
Accumulated amortization
Balance at January 1, 2022
                             219,549
Amortization 28,794 - 28,794
Disposals (42,789) - (42,789)
Balance at December 31, 2022 $ 205,554 $ - $ 205,554
Balance at January 1, 2021 $326,700 $ - $ 326,700
Amortization 29,791 - 29,791
Disposals (136,942) - (136,942)
Balance at December 31, 2021 $ 219,549 $ - $ 219,549
Carrying amounts
At December 31, 2022 $ 65,819 $ 139,807 $ 205,626
At December 31, 2021 69,615 139,807 209,422
6. Income tax expense:
Current tax expense (recovery):
2022 2021
Current tax expense (recovery) $ (41,900) $ 185,002
Deferred tax expense 170,774 124,121
Income tax expense $ 128,874 $ 309,123
Reconciliation of effective tax rate:
2022 2021
Income before taxes $ 512,895 $ 1,099,094
```

# General Index of Financial Information Notes to the financial statements

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Statutory income tax rates 26.5 \% 26.5 \%
Expected tax provision on income at statutory rates $ 135,917 $ 291,260
Increase (decrease) in income taxes resulting from:
Permanent differences 627 938
Other - 7,139
Adjustment for prior years (7,670) 9,786
Income tax expense $ 128,874 $ 309,123
Significant components of the Corporation's deferred tax balances:
2022 2021
Deferred tax assets (liabilities):
Property, plant and equipment $ (536,545) $ (365,074)
Post-employment benefits 115,136 110,897
Other 8,714 12,256
$ (412,695) $ (241,921)
7. Regulatory account balances:
Reconciliation of the carrying amount for each class of regulatory balances:
Regulatory deferral
account debit balances
January 1,
2022 Additions
Recovery/
reversal
December 31,
2022
Remaining
recovery/
reversal years
Retail settlement
variances $ 3,149,419 $ 1,606,387 $ (1,142,550)
                                                   3,613,156 -
Regulatory transition to
IFRS 165,840 2,811 - 168,651 -
Regulatory variances
disposition 373,502 - (66,557) 30%,945
Deferred income tax 241,987 172,463 - 414,450
Other 1,939 359 - 2,298 -
$ 3,932,687 $ 1,782,020 $ (1,209,207) $
                                        4,505,500
Regulatory deferral
account debit balances
January 1,
2021 Additions
Recovery/
reversal
December 31,
2021
Remaining
recovery/
reversal years
Retail settlement
variances $ 3,230,412 $ 1,078,548 $ (1,159,541) $ 3,149,419 1
Regulatory transition to
IFRS 165,003 837 - 165,840 -
Regulatory variances
disposition 257,249 116,253 - 373,502 -
Deferred income tax 140,285 101,702 - 241,987 -
Other 88,993 (87,054) - 1,939 1
$ 3,881,942 $ 1,210,286 $ (1,159,541) $ 3,932,687
```

# General Index of Financial Information Notes to the financial statements



# General Index of Financial Information Notes to the financial statements

recognized a regulatory deferral account for the amount of deferred taxes that will ultimately be recovered from/paid back to its customers. This balance will fluctuate as the Corporation'sdeferred tax balance fluctuates. Regulatory balances attract interest at OEB prescribed rates, which are based on Bankers' Acceptances three-month rate plus a spread of 25 basis points. In 2022, the rate ranged from 0.57% to 3.87%. 8. Accounts payable and accrued liabilities: 2022 2021 Accounts payable - energy purchases \$ 2,545,485 \$ 2,344,531 Water and sewer charges payable 992,598 984,737 Other 2,796,360 1,587,137 \$ 6,334,443 \$ 4,916,405 9. Long-term debt: 2022 2021 TD Bank term loan payable, interest at 4.87%, payable in monthly instalments of \$16,642, due 2027 \$ 2,080,483 \$ 2,3 $\sqrt{2}$ 434 TD Bank term loan payable, interest at 5.07%, payable in monthly instalments of \$13,889, due 2027 2,402,778 2,500,000 TD Bank term loan payable, interest at 3.54%, payable in monthly instalments of \$18,366, due 2024 3,289,652 3,391,64 TD Bank term loan payable, interest at 3.60%, payable in monthly instalments of \$10,118, due 2027 1,679,654 1,739,436 TD Bank term loan payable, interest at 4.20%, payable in monthly instalments of \$10,780, due 2029 1/808,027 1,855,465 TD Bank term loan payable, interest at 2.58%, payable in monthly instalments of \$4,409, due 2025/916,809 946,847 TD Bank term loan payable, interest at 3.62%, payable in monthly instalments of \$5,071, due 2034 972 961 1,000,000 TD Bank term loan payable, interest 3/4/92%, payable in monthly instalments, due 2027 2,986,244 16,131,608 13,805,822 Less current portion of long-term debt 590/827 5,140,633 \$ 15,540,781 \$ 8,665,189 The TD Bank term loans holds as security a general security agreement representing a first charge on all assets and andertakings of the Corporation and assignment of general liabilityinsurance for the Corporation. The agreement with respect to the TD Bank term loans contain certain covenants regarding (i) leverage, (ii) liquidity, (iii) change in status of business, (iv) change in ownership, and (v)limitations on additional debt and encumbrance of assets. The agreement with TD Bank also contains financial covenants that require the Corporation to maintain a maximum debt to capital ratio of 0.60 to 1 and a minimum debt service coverage ratio of 1.20x to be tested and calculated on a quarterly basis. The Corporation is in compliance with these covenants as at December 31, 2021. Principal repayments are due as follows: 2023 \$ 590,827 2024 3,681,316 2025 512,742 2026 1,321,376 2027 7,687,164

Thereafter 2,338,183

# General Index of Financial Information Notes to the financial statements

\$ 16,131,608 10. Post-employment benefits: (a) OMERS pension plan: The Corporation provides a pension plan for its employees through OMERS. The plan is a multi-employer, contributory defined pension plan with equal contributions by the employer and its employees. In 2022, the Corporation made employer contributions of \$196,157 to OMERS (2021 - \$188,253), of which has been recognized in profit or loss. The Corporation estimates that a contribution of \$180,599 to OMERS will be made during thenext fiscal year. As at December 31, 2022, OMERS had approximately 541,000 members, of whom 18 arecurrent employees of the Corporation. The most recently available QMPRS annual report is for the year ended December 31, 2022, which reported that the plan funded, with an unfunded liability of \$6.7 billion. This unfunded liability likely to result in futurepayments by participating employers and members. (b) Post-employment benefits other than pension: The Corporation pays certain medical and life insurance benefits on behalf of retired employees. The Corporation recognizes these post-employment benefits in theyear in which employees' services were rendered. The Corporation is recovering its postemployment benefits in rates based on the expense and remeasurements recognized for post-employment benefit plans. Reconciliation of the obligation 2022 2021/ Defined benefit obligation, beginning of year \$ 418,481 \$ 346,292 Included in profit or loss: Current service cost 18,704 13,459 Interest cost 12,265 13,655 30,969 27,114 Included in OCI Actuarial losses arising from: Changes in financial assumptions - 84,849 449,450 458,255 Benefits paid (14,976) (3% \$ 434,474 \$ 418,481 Actuarial assumptions 2022 2021 Discount (interest) rate 3.00 Medical costs 4.40 % 4.40 Dental costs 4.70 % 4.70 % A 1% increase in the assumed discount rate would result in the defined benefit obligation decreasing by \$65,200. A 1% decrease in the assumed discount rate would result in the defined benefit obligation increasing by \$88,900. 11. Contributions in aid of construction: 2022 2021 Contributions in aid of construction, beginning of year \$ 2,322,027 \$ 2,040,099Contributions in aid of construction received 62,765 349,139 Contributions in aid of construction recognized as other revenue (66,847) (67,211) \$ 2,317,945 \$ 2,322,027 12. Share capital: 2022 2021

# General Index of Financial Information Notes to the financial statements

Authorized: Unlimited number of common shares 1,000 common shares \$ 8,290,714 \$ 8,290,714 13. Revenues: 2022 2021 Collection and other service charges \$ 109,846 \$ 104,914 Water and sewer billing services 23,856 40,566 Rent 95,173 103,918 Other 83,521 127,902 Total other revenue \$ 312,396 \$ 377,300 13. Revenues (continued): In the following table, sale of energy and distribution revenue is disaggregated by type ofcustomer. 2022 2021 Residential \$ 16,093,291 \$ 16,115,251 Commercial 21,107,675 19,762,951 Other 313,368 324,409 \$ 37,514,334 \$ 36,202,611 14. Employee salaries and benefits: 2022 2021 Salaries, wages and benefits \$ 2,031,014 \$ 1,974,400 CPP and EI remittances 81,677 75,356 Contributions to OMERS 196,157 188,253 \$ 2,308,848 \$ 2,238,009 15. Finance income and costs: 2022 2021 Finance income: Interest income on bank deposits \$ 21,878 Finance costs: Interest expense on long-term debt (5/40,321) (4/4,823)Interest expense on customer deposits (13,089) (553,390) (487,681) Net finance costs recognized in profit or Yoss \$ (531,512) \$ (480,853) 16. Commitments and contingencies: Cornerstone Hydro Electric Concepts (CAEC"): CHEC is an association of fifteen LDO modelled after a co-operative to share resources and proficiencies (note 17) The Corporation may terminate its membership at any time upon the following terms: (a) giving written notice 60 days in advance of termination; and (b) by making a prepayment in full of the balance of its contract service costs to CHEC. The amount of prepayment cost shall be the total cost which the Corporation would have paid over the three year term of the agreement less amounts already paid by it to the date of the termination. The current three year term for CHEC commitment goes to December 31, 2023. The prepayment cost of termination is a settlement of the Corporation's obligation under the agreement by reason of termination of its membership before the expiry of the term. The amount is liquidated damages and not a penalty for early termination and is leave the remaining members in the same position as if the Corporation had not terminated

# General Index of Financial Information Notes to the financial statements

the agreement. As at December 31, 2022, the obligation to CHEC includes the 2023 to 2025membership dues of approximately \$48,000 per year, \$144,000 total. Utility Collaborative Services Inc. ("UCS"):

The Corporation has the right to redeem its shares in UCS (note 17) by retraction upon thefollowing terms:

- (a) notice of such retraction shall be given 120 days prior to the effective date; and
- (b) a redemption fee shall be paid equal to the previous three years' worth of average

purchases from UCS for services or products; or in alternative to paying such fees, the

Corporation may elect in writing to provide three years' written notice of the retraction,

provided that the Corporation continues to receive services at the same or greater averagevolume as those received at the time the notice was given General Liability Insurance:

The Corporation is a member of the Municipal Electric Association Reciprocal Insurance

Exchange ("MEARIE"). MEARIE is a pooling of public liability insurance risks of many of the

LDCs in Ontario. All members of the pool are subjected to assessment for losses experienced

by the pool for the years in which they were members, on a pro-rata basis based on the total of

their respective service revenues. As at December 31, 2022, no assessments have beenmade.

- 17. Related party transactions:
- (a) Parents and ultimate controlling party:

The common shares of Orangeville Hydro Limited are owned by the Town of Orangevilleand Town of Grand Valley, the ultimate parents.

(b) Outstanding balances with related parties:

2022 2021

Town of Orangeville - receivable \$ 98,507 \$ 230,294

Town of Grand Valley - receivable - 12,562)

Town of Orangeville - payable \_- (955, 148)

Town of Grand Valley - payable - (29,58%)

\$ 98,507 \$ (841,881)

(c) Transactions with ultimate parents:

The Corporation provides water and sewage billing and collection services to the customers of the Town of Orangeville and Town of Grand Valley, as well as supplying

street light energy and street lighting maintenance services to the Town of Orangeville and

Town of Grand Valley. Revenue includes \$437,854 (2021 - \$481,855) from the Town of

Orangeville and \$34,172 (2021 - \$29,494) from the Town of Grand Valley for these services.

The Corporation also delivers electricity to the Town of Orangeville and Town of Grand

Valley throughout the year for the electricity needs of the Towns and its related  $\ensuremath{\mathsf{T}}$ 

organizations. Electricity delivery charges are at prices and under terms approved by the  $\,$ 

 $\ensuremath{\mathsf{OEB}}.$  The Corporation also provides additional services to the Towns, including streetlight

maintenance services, sentinel lights and water and waste water billing and

# General Index of Financial Information Notes to the financial statements

customer careservices.

(d) Transactions with related parties:

The Corporation paid \$58,306 (2021 - \$53,140) in fees to Cornerstone Hydro ElectricConcepts Association Inc. (CHEC). CHEC is an association of fifteen electricity distribution

utilities modeled after a cooperative to share resources and proficiencies.

The Corporation owns 100 common shares, at a cost of \$100, in Utility Collaborative

Services Inc. (UCS) which represents a 10% interest. At the time of purchase due to the

immaterial amount, the investment was expensed. The Corporation paid \$2,0,772 (2021 -

\$210,168) in fees to UCS. UCS offers standards-based back office services and the collaboration allows leverage in the reduction of costs for items such as information technology hosting and software licensing.

- 17. Related party transactions (continued):
- (e) Key management personnel:

The key management personnel of the Corporation have been defined as members of its

board of directors and executive management team members. The compensation paidduring the year is \$491,943 (2021 - \$485,615).

18. Financial instruments and risk management:

Fair value disclosure:

The carrying values of cash, accounts receivable, unbilled revenue, due from/to related parties

and accounts payable and accrued liabilities approximate fair value because of the short

maturity of these instruments. The carrying value of the customer deposits approximates fairvalue because the amounts are payable on demand.

The fair value of the TD Bank long-term cobt at December 31, 2022 is \$16,013,927. The fair

value is calculated based on the present value of future principal and interest cash flows,

discounted at the current rate of interest at the reporting date. The interest rate used tocalculate fair value at December 31, 2022 was 4.34%.

Financial risks:

The Corporation understands the risks inherent in its business and defines them broadly as

anything that could impact its ability to achieve its strategic objectives. The Corporation's

exposure to a variety of risks such as credit risk, interest rate risk, and liquidity risk, as well asrelated mitigation strategies are discussed below.

- 18. Financial instruments and risk management (continued):
- (a) Credit risk:

Financial assets carry credit risk that a counterparty will fail to discharge an obligation

which could result in a financial loss. Financial assets held by the Corporation, such as

accounts receivable, expose it to credit risk. The Corporation earns its revenue from a

broad base of customers located in the Town of Orangeville and Town of Grand Valley.

The carrying amount of accounts receivable is reduced through the use of an allowance for  $\ensuremath{\mathsf{I}}$ 

impairment and the amount of the related impairment loss is recognized in profit or loss.

# General Index of Financial Information Notes to the financial statements

Subsequent recoveries of receivables previously provisioned are credited to profit or loss.

The balance of the allowance for impairment at December 31, 2022 is \$35,000 (2021 -\$46,000). An impairment loss of \$15,821 (2021 - \$35,839) was recognized

during theyear.

The Corporation's credit risk associated with accounts receivable is primarily related to

payments from distribution customers. At December 31, 2022, approximately  $\not$  \$156,611

(2021 - \$63,286) is considered 60 days past due. The Corporation has over 12,000customers, the majority of whom are residential. Credit risk is managed through collection

of security deposits from customers in accordance with directions provided by the OEB

and through credit insurance. As at December 31, 2022, the Corporation holds security

deposits in the amount of \$499,914 (2021 - \$514,847) which also includes deposits received from developers.

(b) Market risk:

Market risks primarily refer to the risk of loss resulting from changes in commodity prices,

foreign exchange rates, and interest rates. The Corporation currently does not have any

material commodity or foreign exchange risk. The Corporation is exposed to fluctuations in

interest rates as the regulated rate of return for the Corporation's distribution business is

derived using a complex formulaic approach which is in part based on the forecast for long

term Government of Canada bond yields. This rate of return is approved by the OEB aspart of the approval of distribution rates.

A 1% increase in the interest rate at December 31, 2022 would have increased interest

expense on the long-term debt by \$149,687 (2021 - \$141,133), assuming all other

variables remain constant. A 18 decrease in the interest rate would have an equal butopposite effect.

(c) Liquidity risk:

The Corporation monitors its liquidity risk to ensure access to sufficient funds to meet

operational and investing requirements. The Corporation's objective is to ensure that

sufficient liquidity is on hand to meet obligations as they fall due while  $\min \min$  interest

exposure. The Corporation has access to a \$3,500,000 credit facility and monitors cash

balances daily to ensure that a sufficient level of liquidity is on hand to  $\mbox{meet financial}$ 

commitments as they become due. As at December 31, 2022, the Corporation has \$2,170,709 available on this credit facility.

The Corporation also has a facility for \$1,329,291 (the "LC" facility) for the purpose of

issuing letters of credit mainly to support the prudential requirements of the IESO, of which\$nil has been drawn and posted with the IESO (2021 - \$nil). The majority of accounts payable, as reported on the statement of financial

# General Index of Financial Information Notes to the financial statements

position, aredue within 30 days.

(d) Capital disclosures:

The main objectives of the Corporation, when managing capital, are to ensure ongoingaccess to funding to maintain and improve the electricity distribution system, compliance

with covenants related to its credit facilities, prudent management of its capital structure

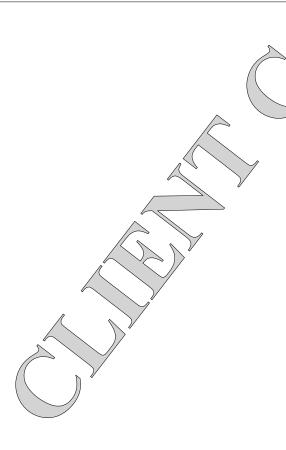
with regard for recoveries of financing charges permitted by the OEB on its regulated

electricity distribution business, and to deliver the appropriate financial returns.

The Corporation's definition of capital includes equity and long-term debt.

As at December

31, 2022, equity amounts to \$12,593,359 (2021 - \$12,331,446) and long-term debtamounts to \$16,131,608 (2021 - \$13,805,822).



#### \*

Canada Revenue Agency Agence du revenu du Canada

#### **Net Income (Loss) for Income Tax Purposes**

Schedule 1

Corporation's name	Business number	Tax year-end
		Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2022-12-31

- Use this schedule to reconcile the corporation's net income (loss) as reported on the financial statements and its net income (loss) for tax purposes. For more information, see the T2 Corporation Income Tax Guide.
- All legislative references are to the Income Tax Act.

Net in	come (loss) after taxes and extraordinary items from line 9999 of	Schedule 125		747,579 A
Add	:			
Prov	ision for income taxes – current		<b>-41,900</b>	
Prov	ision for income taxes – deferred		102 170,774	
Inter	est and penalties on taxes		103 478	
Amo	rtization of tangible assets		1,084,978	
Loss	on disposal of assets		45,768	
Cha	ritable donations and gifts from Schedule 2		3,180	
Non	deductible meals and entertainment expenses			
Res	erves from financial statements – balance at the end of the year		126 469,474	
		Subtotal of additions	1,734,639	1,734,639
Add	:			
Othe	er additions:			
• • • • • • • • • • • • • • • • • • • •	1	2	))	
	Description	Amount		
	605	295		
1	Inducement under 12(1)(x) ITA	6,000		
2	Paragraph 12(1)(x) - Contributed capital	62,765		
3	Paragraph 12(1)(a) - Customer Deposits	499,914		
4	Tax grouped with change in regulatory	64,130		
	Total of column 2	632,809		
		Subtotal of other additions	-	632,809 [
		Total additions	2,367,448	2,367,448
Amou	nt A <b>plus</b> line 500			3,115,027
Ded	uct:			
Сар	tal cost allowance from Schedule 8		1,711,132	
Res	erves from financial statements – balance at the beginning of the	year	414 464,481	
		Subtotal of dedu	uctions 2,175,613 ►	2,175,613
Ded	uct:			
Otha	er deductions:			
Othic	1	2		
	Description	Amount		
	705	395		
1	Amortization of contributed capital	66,847		
2	Subsection 13(7.4) election	62,765		
3	Paragraph 20(1)(m) - Customer Deposits	499,914		
4	Tax movement in reg account	172,463	_ <u></u>	
	Total of column 2	801,989	<b>396</b> 801,989	

Subto	tal of other deductions 499	<u>801,989</u> ►	801,989 E
	Total deductions 510	2,977,602	2,977,602
Net income (loss) for income tax purposes (amount B minus line 510)			<u>137,425</u> C
Enter amount C on line 300 of the T2 return.			

T2 SCH 1 E (19) Canadä



Line 295 - Amount

Title Line 295 – Amount

	Operator	
Description	(Note)	Amount
Short term customer deposit		200,000 00
Long-term Portion of Customer Deposit		299,914 00
	+	
	Total	499,914 00

Line 395 - Amount

Title Line 395 – Amount

	Operator	
Description	(Note)	Amount
Short term customer deposit		200,000 00
Long-term Portion of Customer Deposit		299,914 00
	Total	499,914 00

Line 103 – Interest and penalties on taxes

Description	Operator (Note)	Amount
2021 Notice of Assessment - Hydro Payment in Lieu - Net Interest		477 55
	+	
	Total	477 55

### **Inducement**

This form is used to calculate inducements that a corporation must add to its income under paragraph 12(1)(x) ITA. If an amount reduces the capital cost of a property, this amount will be indicated in Part "Tax credits whose amount should reduce the capital cost of property."

If you want to transfer an amount to Schedule 1 and include it in the corporation's income for tax purposes, select the corresponding check box in column A. You can also select the option **Select this check box to add all the amounts to income calculated in Schedule 1** to transfer all the amounts to Schedule 1. In either case, the column A check box will be selected for that amount and it will therefore be updated to Schedule 1.

#### Tax credits whose amount should be added to income

Onta	rio	
Α		
	Portion of the Ontario research and development tax credit that relates to the prescribed proxy amount (PPA) and portion of the Ontario investment tax credit that relates to contributions made to SR&ED farming organizations	
X	Ontario co-operative education tax credit	6,000
X	Ontario apprenticeship training tax credit	
	Ontario computer animation and special effects tax credit*  * Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Ontario film and television tax credit*	
	* Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Ontario production services tax credit*	
	* Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Ontario interactive digital media tax credit*	
	* Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Ontario book publishing tax credit	
X	Portion of the Ontario innovation tax credit that relates to the prescribed proxy amount (PPA) and portion of the Ontario investment tax credit that relates to contributions made to SR&ED farming organizations	
	Ontario business-research institute tax credit	
	Ontario community food program donation tax credit for farmers	

## Tax credits whose amount should reduce the capital cost of property



Schedule 2

#### **Charitable Donations and Gifts**

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2022-12-31

- For use by corporations to claim any of the following:
  - the eligible amount of charitable donations to qualified donees
  - the Ontario, Nova Scotia, and British Columbia food donation tax credits for farmers
  - the eligible amount of gifts of certified cultural property
  - the eligible amount of gifts of certified ecologically sensitive land or
  - the additional deduction for gifts of medicine made before March 22, 2017
- All legislative references are to the federal Income Tax Act, unless stated otherwise.
- The eligible amount of a gift is the amount by which the fair market value of the gifted property exceeds the amount of an advantage, if any, for the gift.
- The donations and gifts can be carried forward for 5 years except for gifts of certified ecologically sensitive land made after February 10, 2014, which can be carried forward for 10 years.
- Use this schedule to show a transfer of unused amounts from previous years following an amalgamation or the wind-up of a subsidiary as described under subsections 87(1) and 88(1).
- Subsection 110.1(1.2) provides as follows:
  - Where a particular corporation has undergone an acquisition of control, for tax years that end on or after the acquisition of control, no corporation can claim a deduction for a gift made by the particular corporation to a qualified donee before the acquisition of control.
  - If a particular corporation makes a gift to a qualified donee pursuant to an arrangement under which both the gift and the acquisition of control is
    expected, no corporation can claim a deduction for the gift unless the person acquiring control of the particular corporation is the qualified donee.
- An eligible medical gift made before March 22, 2017, to a qualifying organization for activities outside of anada may be eligible for an additional deduction. Calculate the additional deduction in Part 5.
- File this schedule with your T2 Corporation Income Tax Return.
- For more information, see the T2 Corporation Income Tax Guide.

┌ Part 1 – Charitable dona	tions —		
Charity/Recipient		,	Amount (\$100 or more only)
Family Transition Place			250
Good Friends Fellowship			450
Headwaters			400
Toronto Humane Society		_	100
Ontario SPCA		_	250
Ontario SPCA		_	250
Orangeville Foodbank		_	750
Youth Unlimited		_	250
Knights of Columbus		_	250
The Salvation Arm		_	230
	<u> </u>	 Subto	stal 3,180
		Add: Total donations of less than \$100 ea	ch
		Total donations in current tax ye	ear 3,180

Part 1 - Charitable donations			
	Federal	Québec	Alberta
Charitable donations at the end of the previous tax year	1A		
Charitable donations expired after five tax years* 239			
Charitable donations at the beginning of the current tax year (amount 1A minus line 239)			
Total charitable donations made in the current year	3,180	3,180	3,180
Subtotal (line 250 <b>plus</b> line 210) _	3,180 <sub>1B</sub>		3,180
Subtotal (line 240 <b>plus</b> amoun <u>t 1B)</u>	3,180 1C_	3,180	3,180
Adjustment for an acquisition of control			
Total charitable donations available (amount 1C <b>minus</b> line 255) $$ $$	3,180_1D	3,180	3,180
Amount applied in the current year against taxable income (cannot be more than amount 2H in Part 2)	3,180	3,180	3,180
(enter this amount on line 311 of the T2 return)			
Charitable donations closing balance (amount 1D minus line 260)			
The amount of qualifying donations for the Ontario community food program donation tax credit for farmers included in the amount on line 260 (for donations made after December 31, 2013)			
Ontario community food program donation tax credit for farmers (amount on line 262 <b>multiplied</b> by 25 %)			
Enter amount 1 on line 420 of Schedule 5, Tax Calculation Supplementary – Corpo is less: the Ontario income tax otherwise payable or amount 1. For more information	rations. The maximum you on, see section 103.1.2 of the	can claim in the current y e Taxation Act, 2007 (On	/ear is whichever tario).
The amount of qualifying donations for the Nova Scotia food bank tax credit for farmers included in the amount on line 260 (for donations made after December 31, 2015)			
Nova Scotia food bank tax credit for farmers (amount on line 263 <b>multiplied</b> by 25 %)	2		
Enter amount 2 on line 570 of Schedule 5, Tax Calculation Supplementary—Corpo is less: the Nova Scotia income tax otherwise payable or amount 2. For more information of the contract of the c	rations. The maximum you on the mation, see section 50A of the	can claim in the current yne Nova Scotia Income	/ear is whichever 「ax Act.
The amount of qualifying gifts for the British Columbia farmers food donation tax credit included in the amount on line 260 (for donations made after February 16, 2016, and before January 1, 2024)			
British Columbia farmers' food donation tax credit (amount on line 265 <b>multiplied</b> by 25 %)	3		
Enter amount 3 on line 683 of Schedule 5, Tax Calculation Supplementary – Corpo is less: the British Columbia income tax otherwise payable or amount 3. For more is	rations. The maximum you on formation, see section 20.1	can claim in the current y of the British Columbia	ear is whichever Income Tax Act.
* For federal and Alberta tax purposes, donations and gifts expire after five tax year that ended before March 24, 2006, expire after five tax years; otherwise, donation	rs. For Québec tax purposens and gifts expire after twe	s, donations and gifts many tax years.	ade in a tax year

┌ Amounts ca	rried forward – Charitable	donations ———			
Year of origin:			Federal	Québec	Alberta
1 <sup>st</sup> prior year		2021-12-31			
2 <sup>nd</sup> prior year		2020-12-31			
3 <sup>rd</sup> prior year		2019-12-31			
4 <sup>th</sup> prior year		2018-12-31			
5 <sup>th</sup> prior year		2017-12-31			
6 <sup>th</sup> prior year*		2016-12-31			
7 <sup>th</sup> prior year		2015-12-31	_		
8 <sup>th</sup> prior year		2014-12-31	_		
9 <sup>th</sup> prior year		2013-12-31	_		
10 <sup>th</sup> prior year		2012-12-31	_		
11 <sup>th</sup> prior year		2011-12-31	_		
12 <sup>th</sup> prior year		2010-12-31	_		
13 <sup>th</sup> prior year		2009-12-31	_		
14 <sup>th</sup> prior year			7		
15 <sup>th</sup> prior year			<u> </u>		
16 <sup>th</sup> prior year					
17 <sup>th</sup> prior year				<u> </u>	
18 <sup>th</sup> prior year					
19 <sup>th</sup> prior year					
20 <sup>th</sup> prior year					
21 <sup>st</sup> prior year*					
Total (to line A)				<del></del>	
donations and on line 21 <sup>st</sup> prio	Alberta tax purposes, donations an gifts made in a tax year that ended by year expire automatically in the cu	perore March 24, 2006, that rrent tax year.	are included on line 6th prior	in the current tax year. For year and donations and gif	Québec tax purposes, ts that are included
	<b>kimum allowable deduction</b> x purposes <sup>Note 1</sup> <b>multiplied</b> by 75		ions —		103,069 <sub>2</sub> 2A
Taxable capital g under subsection The amount of t	ains arising in respect of gifts of cap ain in respect of a disposition of a no 40(1.01)	tal property included in Part on-qualifying security	Note 2		
Proceeds of dis outlays and exp	enses Note 2	<b>2</b> B			
Capital cost Note	2	/2°C			
Amount 2B or 2	C, whichever is less	235			
Amount on line 2	30 or 235, whichever is less .			2D	
	R	Subtotal (add lines	 225, 227, and amount 2D)  _	2E	
			· -	2E multiplied by 25 % _	2F
				ount 2A <b>plus</b> amount 2F) _	103,069 <sub>2G</sub>
	able deduction for charitable don			• - / =	
1 '	) from Part 1, amount 2G, or net inco			=	3,180 2H
	lit unions, subsection 137(2) states twing and bonus interest.	hat this amount is before th	e deduction of payments pur	suant to allocations in prop	ortion

Note 2: This amount must be prorated by the following calculation, eligible amount of the gift divided by the proceeds of disposition of the gift.

				86463 9562 R
Part 3 – Gi	fts of certified cultural property —	Federal	Québec	Alberta
Gifts of certified	I cultural property at the end of the previous tax year	3A		
Gifts of certified Gifts of certified	I cultural property expired after five tax years*			
	cultural property transferred on an amalgamation of a subsidiary			
Total gifts of cer	rtified cultural property in the current year 410			
include this am	nount on line 112 of Schedule 1)			
	Subtotal (line 450 <b>plus</b> line 410) _	3B		
	Subtotal (line 440 <b>plus</b> amount 3B)	3C		
Amount applied (enter this amou  Gifts of certified (amount 3C mi)  * For federal ar ended before	an acquisition of control  d in the current year against taxable income unt on line 313 of the T2 return)  Subtotal (line 455 plus line 460)  d cultural property closing balance nus amount 3D)  Ad Alberta tax purposes, donations and gifts expire after five tax year March 24, 2006, expire after five tax years; otherwise, donations are  arried forward – Gifts of certified cultural property	ars. For Québec tax purpos	es, donations and gifts r tax years.	made in a tax year tha
	arried forward – Onto of certified cultural property		• "	•••
Year of origin:	2024 42 24	Federal	Québec	Alberta
I <sup>st</sup> prior year				
2 <sup>nd</sup> prior year	2019-12-31			
rd prior year				
th prior year				
th prior year	2017-12-37			
th prior year*	2015-12-31			
<sup>rth</sup> prior year B <sup>th</sup> prior year	2013-12-31	_		
9 <sup>th</sup> prior year	2013-12-31	_		
9 <sup></sup> prior year 10 <sup>th</sup> prior year	2013-12-51	_		
		-		
11 <sup>th</sup> prior year	2011-12-3)	_		

2010-12-31 2009-12-31

12<sup>th</sup> prior year

13<sup>th</sup> prior year 14<sup>th</sup> prior year 15<sup>th</sup> prior year 16<sup>th</sup> prior year 17<sup>th</sup> prior year 19<sup>th</sup> prior year 20<sup>th</sup> prior year 21<sup>st</sup> prior year

**Total** 

<sup>\*</sup> For federal and Alberta tax purposes, donations and gifts included on line 6<sup>th</sup> prior year expire automatically in the current tax year. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, that are included on line 6<sup>th</sup> prior year and donations and gifts that are included on line 21<sup>st</sup> prior year expire automatically in the current tax year.

Part 4 – Gifts of certified ecologically sensitive land ————			
	Federal	Québec	Alberta
Gifts of certified ecologically sensitive land at the end of the previous tax year Gifts of certified ecologically sensitive land expired after 5 tax years, or after 10 tax years for gifts made after February 10, 2014*  539		4A	
Gifts of certified ecologically sensitive land at the beginning of the current tax year (amount 4A <b>minus</b> line 539)			
Gifts of certified ecologically sensitive land transferred on an amalgamation or the wind-up of a subsidiary			
Total current-year gifts of certified ecologically sensitive land 520			
(include this amount on line 112 of Schedule 1)			
Subtotal (line 550 <b>plus</b> line 520)		4B	
Subtotal (line 540 <b>plus</b> amount 4B)		4C	
Adjustment for an acquisition of control			
Amount applied in the current year against taxable income (enter this amount on line 314 of the T2 return)			
Subtotal (line 555 <b>plus</b> line 560)		4D	
Gifts of certified ecologically sensitive land closing balance (amount 4C minus amount 4D)			
* For federal and Alberta tax purposes, donations and gifts made before February 11 expire after ten tax years. For Québec tax purposes, donations and gifts made dur otherwise, donation and gifts expire after twenty tax years.			

- Amounts ca	arried forward – Gifts of certified ecologically sensition	e land		
Amount of carrie	d forward gifts made on or after February 11, 2014, in the tax year inclu	ding this date		
Year of origin:		Federal	Québec	Alberta
1 <sup>st</sup> prior year				
2 <sup>nd</sup> prior year	2020-12-31	,		
3 <sup>rd</sup> prior year	2019-12(31)	<i>y</i> 		
4 <sup>th</sup> prior year				
5 <sup>th</sup> prior year	2017-12-31			
6 <sup>th</sup> prior year*	2016-12-31			
7 <sup>th</sup> prior year	2015-12-31			
8 <sup>th</sup> prior year	2014-12-31			
9 <sup>th</sup> prior year	<u>2013-12/-31</u>			
10 <sup>th</sup> prior year	<u>2012-12-31</u>			
11 <sup>th</sup> prior year*				
12 <sup>th</sup> prior year				
13 <sup>th</sup> prior year	<u>2009-12-31</u>			
14 <sup>th</sup> prior year				
15 <sup>th</sup> prior year				
16 <sup>th</sup> prior year				
17 <sup>th</sup> prior year				
18 <sup>th</sup> prior year				
19 <sup>th</sup> prior year				
20 <sup>th</sup> prior year	······			
21 <sup>st</sup> prior year*				
Total				

<sup>\*</sup> For federal and Alberta tax purposes, donations and gifts made before February 11, 2014, that are included on line 6<sup>th</sup> prior year and gifts that are included on line 11<sup>th</sup> prior year expire automatically in the current year.

The field "Amount of carried forward gifts made on or after February 11, 2014, in the tax year including this date" is used to distinguish the portion of the gifts made in the tax year straddling February 11, 2014, that expires after ten tax years, from the portion that expires in the current tax year.

For Québec tax purposes, donations and gifts made during a tax year that ended before March 24, 2006, that are included on line 6<sup>th</sup> prior year and gifts that are included on line 21<sup>st</sup> prior year expire automatically in the current tax year.

Additional deduction for gifts of medicine expired after five tax years*  Additional deduction for gifts of medicine made before March 22, 2017  Additional deduction for gifts of medicine made before March 22, 2017  Additional deduction for gifts of medicine made before March 22, 2017  Proceeds of disposition  Cost of gifts of medicine made before March 22, 2017  Subtotal (line 602 minus line 601)  Subtotal (line 602 minus line 601)  Additional deduction for gifts of medicine made before March 22, 2017  Subtotal (line 602 minus line 601)  Additional deduction for gifts of medicine made before March 22, 2017  Subtotal (line 602 minus line 601)  Additional deduction for gifts of medicine made before March 22, 2017  Additional deduction for gifts of medicine made before March 22, 2017  Additional deduction for gifts of medicine made before March 22, 2017  Additional deduction for gifts of medicine made before March 22, 2017  Additional deduction for gifts of medicine made before March 22, 2017  Additional deduction for gifts of medicine made before March 22, 2017  Additional deduction for gifts of medicine for gifts of medicine made before March 22, 2017  Additional deduction for gifts of medicine for gifts of gifts of medicine for gifts of gifts of gifts gibalance gifts gibalance gifts gibalance gifts gibalance gifts gifts of medicine gifts gibalance gifts gifts of medicine gifts gibalance gifts gifts of gifts	Part 5 – Additional deduction for gifts of medicine			
Additional deduction for gifts of medicine expired after five tax years* (Additional deduction for gifts of medicine made before March 22, 2017 (and total deduction for gifts of medicine made before March 22, 2017 (and total deduction for gifts of medicine made before March 22, 2017 (b) (and total deduction for gifts of medicine made before March 22, 2017 (b) (and total deduction for gifts of medicine made before March 22, 2017 (b) (and total gifts of medicine made before March 22, 2017 (b) (b) (and total gifts of medicine made before March 22, 2017 (b) (b) (and total gifts of medicine made before March 22, 2017 (c) (c) (and total gifts of medicine made before March 22, 2017 (c) (d) (d) (d) (d) (d) (d) (d) (d) (d) (d	<del>-</del>	Federal	Québec	Alberta
Additional deduction for gifts of medicine at the beginning of the current tax year (amount 5A minus line 639)  **Modificinal deduction for gifts of medicine made before March 22, 2017:  **Cost of gifts of medicine made before March 22, 2017:  **Cost of gifts of medicine made before March 22, 2017:  **Cost of gifts of medicine made before March 22, 2017:  **Cost of gifts of medicine made before March 22, 2017:  **Subtotal (line 602 minus line 601)  **Additional deduction for gifts  f medicine dedising balance  **Additional deduction for gifts of medicine gifts gi	Additional deduction for gifts of medicine at the end of the previous tax year	5A		
Additional deduction for gifts of medicine made before March 22, 2017:  Proceeds of disposition  Subtotal (line 602 minus line 601)  Subtotal Standitional deduction for gifts of medicine made before March 22, 2017:  Subtotal (line 602 minus line 601)  Subtotal Standitional deduction for gifts of medicine made before March 22, 2017  Subtotal (line 602 minus line 601)  Subtotal (line 603 minus line 601)  Subtotal (line 603 minus line 601)  Additional deduction for gifts of medicine made before March 22, 2017  Additional deduction for gifts of medicine made before March 22, 2017  Additional deduction for gifts of medicine made before March 22, 2017  Additional deduction for gifts of medicine made before March 22, 2017  Additional deduction for gifts of medicine made before March 22, 2017  Additional deduction for gifts of medicine made before March 22, 2017  Subtotal (line 650 piùs line 610)  Subtotal (line 650 piùs line 660)	Additional deduction for gifts of medicine at the beginning of the			
Additional deduction for gifts of medicine made before March 22, 2017:    Subtotal (line 602 minus line 601)   56B	current tax year (amount 5A minus line 639)			
Proceeds of disposition Cost of gifts of medicine made before March 22, 2017 Subtotal (line 602 minus line 601) SB  Amount 5B multiplied by 50 % Significant of gifts of medicine made before March 22, 2017  Additional deduction for gifts of medicine made before March 22, 2017  Additional deduction for gifts of medicine made before March 22, 2017  Additional deduction for gifts of medicine made before March 22, 2017  Additional deduction for gifts of medicine made before March 22, 2017  Alberta  Alberta  Alberta  Alberta  Alberta  Alberta  Alberta  Subtotal (line 680 piùs line 610) Subtotal (line 640 piùs amount of gifts (line 600) Subtotal (line 640 piùs amount 50)	Additional deduction for gifts of medicine made before March 22, 2017 ransferred on an amalgamation or the wind-up of a subsidiary			
Cost of gifts of medicine made before March 22, 2017  Subtotal (line 602 minus line 601)  Amount 5B multiplied by 50 %  Eligible amount of gifts  Federal  a	Additional deduction for gifts of medicine made before March 22, 2017:			
Amount 5B multiplied by 50 %	Cost of gifts of medicine made before March 22, 2017			
Eligible amount of gifts  Federal  a	· —		Λ	
Additional deduction for gifts of medicine made before March 22, 2017  Additional deduction for gifts of medicine made before March 22, 2017  Additional deduction for gifts of medicine made before March 22, 2017  Additional deduction for gifts of medicine made before March 22, 2017  Additional deduction for gifts of medicine made before March 22, 2017  Additional deduction for gifts of medicine made before March 22, 2017  Where: a is the lesser of line 601 and amount 5C b is the eligible amount of gifts (line 600) c is the eligible amount of gifts (line 600) c is the proceeds of disposition (line 602)  Subtotal (line 650 piùs line 610) 5D Subtotal (line 650 piùs amount 5D) 5E  Additional deduction for gifts of medicine closing balance elamount 5E minus amount 5F)  Subtotal (line 655 plus line 660) 5F		00		_
Federal  a  Y  Additional deduction for gifts of medicine made before March 22,  Additional deduction for gifts of medicine made before March 22,  Additional deduction for gifts of medicine made before March 22,  Additional deduction for gifts of medicine made before March 22,  Additional deduction for gifts of medicine made before March 22,  a   Y  Additional deduction for gifts of medicine made before March 22,  a   Enter this amount of gifts (line 600)  Subtotal (line 650 plus line 610)  Subtotal (line 655 plus line 660)				
Before March 22, 2017	of medicine made	<i>-</i>		
Additional deduction for gifts of medicine made before March 22, a 2017  Additional deduction for gifts of medicine made before March 22, a 2017  Additional deduction for gifts of medicine made before March 22, a 2017  Where: a is the lesser of line 601 and amount 5C to is the eligible amount of gifts (line 600) to is the proceeds of disposition (line 602)  Subtotal (line 640 piùs amount 8D) 5E  Addistional deduction for gifts of medicine gifts (line 600) 5E  Subtotal (line 640 piùs amount 8D) 5E  Addistional deduction for gifts of medicine closing balance amount 5E minus amount 5F) 580	before March 22,			
Alberta  Alberta  a	a x ( <u>b</u> ) = 2017 610		)/	
Québec  a				
Alberta  Alditional deduction for gifts (line 650 plus line 610)  Alberta  Alditional deduction for gifts of medicine closing balance  Alberta  Alberta  Alditional deduction for gifts of medicine closing balance  Alberta  Alberta  Alditional deduction for gifts of medicine closing balance  Alberta  Alberta  Alditional deduction for gifts of medicine closing balance  Alberta  Alberta  Alditional deduction for gifts of medicine closing balance  Alberta  Alberta  Alditional deduction for gifts of medicine closing balance  Alberta  Alberta  Alditional deduction for gifts of medicine closing balance  Alberta  Alberta  Alberta  Alditional deduction for gifts of medicine closing balance  Alberta  Alberta  Alberta  Alberta  Alditional deduction for gifts of medicine closing balance  Alberta	of medicine made			
Additional deduction for gifts of medicine made before March 22, a st he lesser of line 601 and amount 5C to is the eligible amount of gifts (line 600) c is the proceeds of disposition (line 602)  Subtotal (line 650 plus amount 5D)  Subtotal (line 640 plus amount 5D)  Subtotal (line 640 plus amount 5D)  Subtotal (line 650 plus line 610)  Subtotal (line 655 plus line 660)				
Alberta  a X (b	a X ( <u>b</u> ) = 2017			
Alberta  a x \begin{pmatrix} b \\ c \end{pmatrix} = 2017  where: a is the lesser of line 601 and amount 5C b is the eligible amount of gifts (line 600) c is the proceeds of disposition (line 602)  Subtotal (line 650 plus line 610) Subtotal (line 650 plus amount \$\mathcal{B}\mathcal{D}\) Subtotal (line 650 plus line 610)  Subtotal (line 655 plus line 660)  Amount applied in the current year against taxable income enter this amount on line 315 of the T2 return)  Subtotal (line 655 plus line 660)				
Alberta  a × (b				
where: a is the lesser of line 601 and amount 5C b is the eligible amount of gifts (line 600) c is the proceeds of disposition (line 602)  Subtotal (line 650 plus line 610) Subtotal (line 640 plus amount 8D)  Set line 610 plus amount 8D)  Adjustment for an acquisition of control  Amount applied in the current year against taxable income enter this amount on line 315 of the T2 return)  Subtotal (line 655 plus line 660)  Set line 660 plus line 660)  Set line 660 plus line 660)  Set line 660 plus line 655 plus line 660 plus line 66	ΔΙΝΩΤΈ			
a is the lesser of line 601 and amount 5C b is the eligible amount of gifts (line 600) c is the proceeds of disposition (line 602)  Subtotal (line 650 plus line 610)  Subtotal (line 640 plus amount 8D)  Subtotal (line 640 plus amount 8D)  Set  Adjustment for an acquisition of control  Amount applied in the current year against taxable income enter this amount on line 315 of the T2 return)  Subtotal (line 655 plus line 660)  Subtotal (line 655 plus line 660)  Set  Additional deduction for gifts of medicine closing balance amount 5E minus amount 5F)  Subtotal (line 655 plus line 660)  Set  Subtotal (line 655 plus line 660)	a X (b) = 2017			
a is the lesser of line 601 and amount 5C b is the eligible amount of gifts (line 600) c is the proceeds of disposition (line 602)  Subtotal (line 650 plus line 610)  Subtotal (line 640 plus amount 8D)  Subtotal (line 640 plus amount 8D)  Set  Adjustment for an acquisition of control  Amount applied in the current year against taxable income enter this amount on line 315 of the T2 return)  Subtotal (line 655 plus line 660)  Subtotal (line 655 plus line 660)  Set  Additional deduction for gifts of medicine closing balance amount 5E minus amount 5F)  Subtotal (line 655 plus line 660)  Set  Subtotal (line 655 plus line 660)	\c /			
Subtotal (line 650 plus line 610) Subtotal (line 650 plus line 610) Subtotal (line 640 plus amount 8D)  Subtotal (line 640 plus amount 8D)  Adjustment for an acquisition of control Amount applied in the current year against taxable income enter this amount on line 315 of the T2 return)  Subtotal (kine 655 plus line 660)		_ ,		
Subtotal (line 650 plus line 610)  Subtotal (line 640 plus amount 8D)  Subtotal (line 640 plus amount 8D)  Adjustment for an acquisition of control  Amount applied in the current year against taxable income enter this amount on line 315 of the T2 return)  Subtotal (line 655 plus line 660)  Subtotal (line 655 plus line 660)  Subtotal (line 655 plus line 660)  Additional deduction for gifts of medicine closing balance amount 5E minus amount 5F)  680				
Subtotal (line 650 plus line 610)  Subtotal (line 640 plus amount 3D)  Adjustment for an acquisition of control  Amount applied in the current year against taxable income enter this amount on line 315 of the T2 return)  Subtotal (line 655 plus line 660)  Additional deduction for gifts of medicine closing balance amount 5E minus amount 5F)  680		//		
Subtotal (line 640 plus amount 8D) 5E  Adjustment for an acquisition of control				
Adjustment for an acquisition of control	· / · / · /			
Amount applied in the current year against taxable income	Subtotal (line 640 <b>plus</b> amount 3D)	5E		
Amount applied in the current year against taxable income	Adjustment for an acquisition of control			
enter this amount on line 315 of the T2 return) Subtotal (line 655 plus line 660)  Additional deduction for gifts of medicine closing balance amount 5E minus amount 5F)  680			_	
Additional deduction for gifts of medicine closing balance amount 5E minus amount 5F)	(enter this amount on line 315 of the T2 return)			
Additional deduction for gifts of medicine closing balance amount 5E minus amount 5F)	,	5F		
amount 5E <b>minus</b> amount 5F)				
	(amount 5E <b>minus</b> amount 5F)			
ended before March 19, 2007, expire after five tax years; otherwise, donations and gifts expire after twenty tax years.	* For federal and Alberta tax purposes donations and gifts expire after five tax year	rs. For Québec tax purpose	s, donations and gifts n	nade in a tax year that

Year of origin:			Federal	Québec	Alberta
1 <sup>st</sup> prior year		2021-12-31			
2 <sup>nd</sup> prior year		2020-12-31			
3 <sup>rd</sup> prior year		2019-12-31			
4 <sup>th</sup> prior year		2018-12-31			
5 <sup>th</sup> prior year		2017-12-31			
6 <sup>th</sup> prior year*		2016-12-31			
7 <sup>th</sup> prior year		2015-12-31			
8 <sup>th</sup> prior year		2014-12-31			
9 <sup>th</sup> prior year		2013-12-31			
10 <sup>th</sup> prior year		2012-12-31			
11 <sup>th</sup> prior year		2011-12-31			
12 <sup>th</sup> prior year		2010-12-31			
13 <sup>th</sup> prior year		2009-12-31		2	
14 <sup>th</sup> prior year					
15 <sup>th</sup> prior year					
16 <sup>th</sup> prior year			/		
17 <sup>th</sup> prior year			$\wedge$		
18 <sup>th</sup> prior year					
19 <sup>th</sup> prior year					
20 <sup>th</sup> prior year					
21 <sup>st</sup> prior year*				)/	
Γotal				// <del></del> -	
donations and line 21 <sup>st</sup> prior	d Alberta tax purposes, donations and gifts in gifts made in a tax year that ended before Nayear expire automatically in the current tax year expire automatically in the current tax year.	March 19, 2007, that	rior year expire automatic are included on line 6 <sup>th</sup> p	cally in the current tax year. For 0 rior year and donations and gifts	Québec tax purposes, that are included on
	Gifts of musical instruments				
	instruments at the end of the previous tax ye			—	
	f musical instruments expired after twenty tax	years 🛴 🤻		····· —	
	instruments at the beginning of the tax year			····· –	
Add:			<b>&gt;</b>		
	Il instruments transferred on an amalgamatic	on or the wind-up of a	subsidiary		
Total current-y	ear gifts of musical instruments /	ý		<u> </u>	
				Subtotal (line D <b>plus</b> line E)	
Deduct: Adjusti	ment for an acquisition of control	//			
-	sical instruments available			<del>-</del>	
•					
	t applied against taxable income (enter this	1/		<u>-</u>	
3ifts of musical	instruments closing balance			· · · · · · · · · · · · · · · · · · <u> </u>	

<b>A</b>	and additional and the adjusted by the second and t	00100 0002 1100002
- Amounts ca	rried forward – Gifts of musical instruments	
Year of origin:		Québec
1 <sup>st</sup> prior year		
2 <sup>nd</sup> prior year	2020-12-31	
B <sup>rd</sup> prior year	2019-12-31	
I <sup>th</sup> prior year	2018-12-31	
5 <sup>th</sup> prior year	2017-12-31	
S <sup>th</sup> prior year*	2016-12-31	
7 <sup>th</sup> prior year	2015-12-31	
B <sup>th</sup> prior year	2014-12-31	
o <sup>th</sup> prior year	2013-12-31	
10 <sup>th</sup> prior year	2012-12-31	
1 <sup>th</sup> prior year	<u></u>	
12 <sup>th</sup> prior year	2010-12-31	
3 <sup>th</sup> prior year	2009-12-31	
14 <sup>th</sup> prior year		
15 <sup>th</sup> prior year		
16 <sup>th</sup> prior year		
17 <sup>th</sup> prior year		
18 <sup>th</sup> prior year		
19 <sup>th</sup> prior year		
20 <sup>th</sup> prior year		
21 <sup>st</sup> prior year*		
Total		
	ired in the current year.	
These girls expi	Ted in the current year.	~ "
2 SCH 2 E (20)		Canad'a
. ,		

Schedule 3

# Dividends Received, Taxable Dividends Paid, and Part IV Tax Calculation

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2022-12-31

- Corporations must use this schedule to report:
  - non-taxable dividends under section 83
  - deductible dividends under subsection 138(6)
  - taxable dividends deductible from income under section 112, subsection 113(2) and paragraphs 113(1)(a), (a.1), (b) or (d)
  - taxable dividends paid in the tax year that qualify for a dividend refund (see page 3)
- All legislative references are to the federal Income Tax Act.
- The calculations in this schedule apply only to private or subject corporations (as defined in subsection 186(3)).
- A payer corporation is connected with a recipient corporation at any time in a tax year, if at that time the recipient corporation meets either of the following conditions:
  - it controls the payer corporation, other than because of a right referred to in paragraph 251(5)(b)
  - it owns more than 10% of the issued share capital (with full voting rights), and shares that have a fair market value of all shares of the payer corporation
- If you need more space, continue on a separate schedule.
- File this schedule with your T2 Corporation Income Tax Return.
- Column A1 Enter "X" if dividends were received from a foreign source.
   Column F1 Enter the code that applies to the deductible taxable dividend.

#### Part 1 – Dividends received in the tax year -

- Do not include dividends received from foreign non-affiliates.
- Complete columns B, C, D, H, H.1, I, I.1, I.2 and L only if the payer corporation is connected.

#### Important instructions to follow if the payer corporation is connected

- If your corporation's tax year-end is different than that of the **connected** payer corporation, dividends could have been received from more than one tax year of the payer corporation. If so, **use a separate line** to provide the information according to each tax year of the payer corporation.
- When completing columns J, K and L use the special calculations provided in the notes.

	A A	(  A↑	B,	С	D	E					
	Name of payer corporation		Enter 1	Business number	Tax year-end of the	Non-taxable					
	(from which the corporation received the dividend)		if payer	of <b>connected</b>	payer corporation in	dividends under					
		14	corporation	corporation	which the sections	section 83					
			is		112/113 and						
			connected		subsection 138(6)						
		1			dividends in column F						
		4			were paid						
					YYYYMMDD						
	200		205	210	220	230					
		+									
1			2								
2			2								
				_,							
	Total of column E (enter amount on line 402 of Schedule 1)										

– Pa	art 1 – Dividends received i	n the	tax year (continue	ed) ————————————————————————————————————				
	F Taxable dividends deductible from taxable income under section 112, subsections 113(2) and 138(6), and paragraphs 113(1)(a), (a.1), (b), or (d) 1	F1	G Eligible dividends included in column F	H Total taxable dividends paid by the <b>connected</b> payer corporation (line 460 in Schedule 3 for the tax year in column D)	H.1 Total eligible dividends paid by the <b>connected</b> payer corporation (line 465 in Schedule 3 for the tax year in column D)	l Dividend refund of the <b>connected</b> payer corporation (for tax year in column D) <sup>2</sup>		
	240		242	250		260		
1 2								
				_				
	Eligible dividend refund of the <b>connected</b> payer corporation from its eligible refundable dividend tax on hand (ERDTOH) (amount CC from T2 return for the tax year in column D)	conne	I.2 Iditional non-eligible vidend refund of the ected payer corporation from its ERDTOH ount II from T2 return for the tax year in column D)	J Part IV tax for eligible dividends. Dividends (from column G) multiplied by 38 1/3% <sup>3</sup>	Fart W tax before deductions.  Dividends (from column F)  multiplied by  38 1/3%	L Part IV tax before deductions on taxable dividends received from connected corporations 5		
				265	275	280		
1 2								
				Total of column L (enter	er amount on line 2E in Part 2)			
<b>-</b>	the distance of the distance o					4.4		
	able dividends received from connec able dividends received from non-co					1A 1B		
Ianc	able dividends received from non-co				ount on line 320 of the T2 retur			
Eliai	ble dividends received from connec					1D		
_	ble dividends received from non-cor					1E		
_	IV tax before deductions on taxable				,			
	all amounts from column K with code			. //	1F			
	IV tax before deductions on taxable				10			
(tota	al amounts from column K with code	2 in co	, ,		1G	1H		
Part	IV tax on eligible dividends received	d from		otal (amount 1F <b>plus</b> amount 1 (total amounts from column J		п		
with	code 1 in column B)			N	11			
	IV tax on eligible dividends received	d from	non-connected corporat	óns (total amounts from colum	nn 1.I.			
J WII	th code 2 in column B)		Sub	total (amount 1l <b>plus</b> amount	· · ·	1K		
Part	IV tax before deductions on taxable	divide				1L		
1 li	f taxable dividends are received, ent subject corporation as defined in sub subsection 138(6) dividends.	ter the	amount in column F, but	if the corporation is not subject	ct to Part IV tax (such as a publ	ic corporation other than a oject to Part IV tax on		
2 l	f the <b>connected</b> payer corporation's	tax ye	ear ends after the corpora	ation's balance-due day for the	e tax year (two or three months,	, as applicable), you have		
to estimate the payer's dividend refund when you calculate the corporation's Part IV tax payable.  3 For eligible dividends received from <b>connected</b> corporations, Part IV tax on dividends is equal to column I <b>divided</b> by column H <b>multiplied</b> by column G.								
4 F	For taxable dividends received from	conne	cted corporations, Part	IV tax on dividends is equal to	column I divided by column H	multiplied by column F.		
c	5 For the purpose of calculating your eligible refundable dividend tax on hand (ERDTOH), Part IV tax on taxable dividends received from <b>connected</b> corporations (with a tax year starting after 2018) is equal to the sum of Part IV tax on eligible dividends and non-eligible dividends received from <b>connected</b> corporations to the extent that such dividends caused a dividend refund to those corporations from their ERDTOH.							
	Part IV tax before deductions on taxa			· · · · · · · · · · · · · · · · · · ·		( )		
(	<ul> <li>i) Part IV tax on eligible dividends re T2 return) divided by line 465 of t</li> </ul>	ceived he <b>cor</b>	I from <b>connected</b> corpore to the corporation of th	rations is equal to amount CC on, <b>multiplied</b> by column G; an	of the <b>connected</b> payer corpor nd	ration (on page 7 of the		
(	(ii)Part IV tax on non-eligible dividends received from <b>connected</b> corporations is equal to amount II of the <b>connected</b> payer corporation (on page 7 of the T2 return) <b>divided</b> by line 470 of the <b>connected</b> payer corporation, <b>multiplied</b> by the difference between columns F and G.							

- Part 2 – Calculation of Part IV tax payable ————				
Part IV tax on dividends received before deductions (amount 1H in part 1)	)		2A	
Part IV.I tax payable on dividends subject to Part IV tax (from line 360 of S	Schedule 43)	320		
Subtota	al (amount 2A <b>minus</b> line	320)	<b>&gt;</b>	
Non-capital losses from previous years claimed to reduce Part IV tax  Current-year farm loss claimed to reduce Part IV tax		330 335 340 345		
Total losses applied against Part IV	/ tax (total of lines 330 to	345)	2C	
Amount 2C multiplied by 38 1 / 3 %				
Part IV tax payable (amount 2B minus amount 2D, if negative enter "0")				
enter amount on line 712 of the T2 return)		Λ		
f your tax year begins after 2018, complete the following part to determ	ine the required amount o	of Part IV taxes pay	able in order to calcula	ate the eligible
efundable dividend tax on hand (ERDTOH) at the end of the tax year.		1	7/	_
Part IV tax before deductions on taxable dividends received from connect		column L in part 1)	· · · · · · · · · · · · · · · · · · ·	
Amount 4A from Schedule 43  Part IV tax payable on taxable dividends received from connected co			· · ·}·/· · · · · · · · · · · · · · · ·	
enter at amount L on page 7 of the T2 return)				
Part IV tax on eligible dividends received from non-connected corporation	s (amount 1J in part 1)	<b></b>		
Amount 4C from Schedule 43			<u> </u>	
Part IV tax payable on taxable dividends received from non-connected				
(amount 2H <b>minus</b> amount 2I, if negative enter "0")			· · · · · · · · · · · · · · · · · · ·	
enter at amount in on page 7 of the 12 fetum)				
Part 3 - Taxable dividends paid in the tax year that qu	alify for a dividend	refund ———		
If your corporation's tax year-end is different than that of the recipient corporat			s could have poid dividens	la in mara than
one tax year of the recipient corporation. If so, use a separate line to provide t	he information according to e	each tax year of the re	cipient corporation.	is in more than
	Ma	N	0	P
Name of recipient corporation with which you are connected.	Business number	Tax year-end of	Taxable dividends	Eligible
		recipient	paid to recipient	dividends
		corporation in which the	corporations with which you are	included in column O
		dividends in	connected	Columni
		column O were	Connected	
	$\bigvee$	received		
		YYYYMMDD		
400	410	420	430	440
	<del></del>			
1 Corporation of the town of Orangeville	10698 6151 RC0001	2022-12-31	458,952	
2		I	450.055	
			458,952 (Table of salvers O)	Tatal of actions 5'
			(Total of column O) (	iotal of column P)

$_{ extsf{ iny Part 3}}$ – Taxable dividends paid in the tax year that qualify for a dividend refund (continued) $$	
Total taxable dividends paid in the tax year to other than connected corporations	26,712
Eligible dividends included in line 450	
Total taxable dividends paid in the tax year that qualify for a dividend refund (total of column O plus line 450)	485,664
Total eligible dividends paid in the tax year (total of column P <b>plus</b> line 455)	
Total non-eligible taxable dividends paid in the tax year (line 460 <b>minus</b> line 465)	485,664
Complete this part to determine the following amounts in order to calculate the dividend refund.	
Line 465 <b>multiplied</b> by 38 1 / 3 %	3A
(enter at amount AA on page 7 of the T2 return)	
Line 470 multiplied by 38 1 / 3 %	186,171 <sub>3B</sub>
(enter at amount DD on page 7 of the T2 return)	
┌ Part 4 – Total dividends paid in the tax year	
. \	
Complete this part <b>if</b> the total taxable dividends paid in the tax year that qualify for a dividend refund (line 460) is different from the total divider in the tax year.	ds paid
	405.664
Total taxable dividends paid in the tax year for the purposes of a dividend refund (from above)	485,664
Other dividends paid in the tax year (total of 510 to 540)  Total dividends paid in the tax year  500	485,664
	405,004
Dividends paid out of capital dividend account	
Capital gains dividends	
Dividends paid on shares described in subsection 129(1.2)	
Taxable dividends paid to a controlling corporation that was bankrupt at any time in the year	
Subtotal (total of lines 510 to 540)	4A
	405.664
Total taxable dividends paid in the tax year that qualify for a dividend refund (Line 500 minus amount 4A)	485,664 <sub>4B</sub>



## Tax Calculation Supplementary – Corporations

Schedule 5

Corporation's name	Business Number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2022-12-31

- Use this schedule if any of the following apply to your corporation during the tax year:
  - it had a permanent establishment in more than one jurisdiction (corporations that have no taxable income should only complete columns A, B, and D in Part 1)
  - it is claiming provincial or territorial tax credits or rebates (see Part 2)
  - it has to pay taxes, other than income tax, for Newfoundland and Labrador or Ontario (see Part 2)
- All legislative references are to the federal Income Tax Regulations (the Regulations).
- For more information, see the T2 Corporation Income Tax Guide.
- For the regulation number to be entered in field 100 of Part 1, see the chart below.

Part 1 – Allocation of taxable income  Enter the regulation that applies (402 to a second context)						o 413)		
A Jurisdictio Tick yes if your corp a permanent estal in the jurisdic during the tax y		<b>B</b> Total salaries and wages paid in jurisdiction	C (B x taxable income) / G	Gross revenue attributable to jurisdiction	E (D.x.taxable income) / H	F Allocation of taxable income (C + E) x 1/2 **Nble 2 (where either G or H is nil, do not multiply by 1/2)		
Newfoundland and Labrador	003 Yes	103		143	1			
Newfoundland and Labrador Offshore	004 Yes	104		144				
Prince Edward Island	005 Yes	105		145				
Nova Scotia	<b>007</b> Yes	107		147				
Nova Scotia Offshore	008 Yes	108	_	148				
New Brunswick	009 Yes	109		149				
Quebec	O11 Yes	111		151				
Ontario	013 Yes	113		153				
Manitoba	<b>015</b> Yes	115		155				
Saskatchewan	<b>017</b> Yes	117		157				
Alberta	<b>019</b> Yes	119		159				
British Columbia	<b>021</b> Yes	121	7	161				
Yukon	<b>023</b> Yes	123		163				
Northwest Territories	<b>025</b> Yes	125		165				
Nunavut	<b>026</b> Yes	126		166				
Outside Canada	<b>027</b> Yes	127		167				
Total		129 G		169 H				

Note 1: Permanent establishment is defined in subsection 400(2).

Note 2: For corporations other than those described under section 402, use the appropriate calculation described in the Regulations to allocate taxable income.

#### Notes:

- 1. After determining the allocation of taxable income, you have to calculate the corporation's provincial or territorial tax payable. For more information on how to calculate the tax for each province or territory, see the instructions for Schedule 5 in the T2 Corporation Income Tax Guide.
- 2. If your corporation has provincial or territorial tax payable, complete Part 2.
- If your corporation is a member of a partnership and the partnership had a permanent establishment in a jurisdiction, select the jurisdiction in Column A and include your proportionate share of the partnership's salaries and wages and gross revenue in columns B and D, respectively.

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¬ Part 2 – Ontario tax payable, tax credits, and rebates —

				_		
Total taxable income	Income eligible for small business deduction	Provincial or territorial allocation of taxable income	Provincial or territorial tax payable before credits			
				-		
		L				
	ome tax (from Schedu	*				
Ontario small busin	ess deduction (from S	chedule 500)		402		5.4
			Subtotal (line 270	minus line 402)		5A
Ontario transitional	tax debits (from Sche	dule 506)		276		
Recapture of Ontar	io research and devel	opment tax credit (fron	n Schedule 508)	<b>277</b>		
			Subtotal (line 27	6 <b>plus</b> line 277)	<b>△</b>	5B
Gross Ontario tax (an	nount 5A <b>plus</b> amoun	5B)			`.\ <u>.</u>	5C
Ontario resource ta	x credit (from Schedul	e 504)		404		
	or manufacturing and p	,	dule 502)	406		
Ontario foreign tax	credit (from Schedule	21)	· · · · · · · · · · · · · · · · · · ·	408	<del></del>	
Ontario credit union	tax reduction (from S	chedule 500)		410		
Ontario political cor	ntributions tax credit (f	om Schedule 525)		415		
	C	ntario non-refundable	tax credits (total of li	nes 404 to 415)	<b>&gt;</b>	5D
			Subtotal (amoun	t 5C minus amount 5D) (if no	egative, enter "0")	5E
Ontario research and	development tax cred	lit (from Schodulo 508	•		416	
	·	•	•			
	ome tax payable betol r farmers (amount 5E			Ontario community food pro	ogram 	5F
Ontario corporate mir	nimum tax credit (from	Schedule 510)				
Ontario community fo	od program donation	tax credit for farmers (	from Schedule 2)		420	
Ontario corporate ince	ome tax payable (amo	unt 5F <b>minus</b> the tota	l of lines 418 and 42	(if negative, enter "0") .		5G
Ontario corporate n	ninimum tax (from Sch	edule 510)		<u>278</u>		
Ontario special add	itional tax on life insur	ance corporations (fro	m Schedule 512)	280		
			Subtotal (line 27	8 <b>plus</b> line 280)	<b>&gt;</b>	5H
Total Ontario tax paya	able before refundable	tax credits (amount\\$	G <b>plus</b> amount 5H)			51
Ontario qualifying e	nvironmental trust tax	credit	$\rightarrow$	450		
. , ,	e education tax credit			452		
	ship training tax credit		,	454		
	nimation and special	` . '/		456		
·	evision tax credit (from	///		458		
	services tax credit tre	. \ //		460		
	digital media tax/qredi			462		
Ontario book publis	hing tax credit (from S	schedule 564)		466		
Ontario innovation t	tax credit (from Sched	ule 566)		468		
Ontario business-re	esearch institute tax cr	edit (from Schedule 56	88)	470		
Ontario regional op	portunities investment		· ·			
		Ontario refundable	tax credits (total of li	nes 450 to 472)	<b>&gt;</b>	5J
Net Ontario tax paya	able or refundable ta	x credit (amount 5l m	inus amount 5J)		290	
(if a credit, enter amo	unt in brackets) Includ	e this amount on line	255.			<u>.</u>
Summary ——						
-	payable or refundable	e tax credits for all pro	vinces and territories	on line 255.		
Net provincial and to	erritorial tax payable	or refundable tax cr	edits		255	
•				on line 760 of the T2 return.	<del></del>	
				tax credits on line 812 of the	T2 return.	

Schedule 8

# Canada Revenue Agence du revenu du Canada

# **Capital Cost Allowance (CCA)**

Corporation's name	Business number	Tax year-end
Orangeville Hydro Limited	86463 9562 RC0002	Year Month Day 2022-12-31
For more information, see the section called "Capital Cost Allowance" in the T2 Corporation Income Tax Guide.	$\Lambda$	
Is the corporation electing under Regulation 1101(5q)?  Yes No X		
- Part 1 – Agreement between associated eligible persons or partnerships (EPOPs)		
Are you associated in the tax year with one or more EPOPs with which you have entered into an agreement under subsection 1104(3.3) of the Regulation	ions?	105 Yes X No
If you answered <b>yes</b> , complete Part 1. Otherwise, go to Part 2.		
Enter a percentage assigned to each associated EPOP (including your corporation) as determined in the agreement.		
This percentage will be used to allocate the immediate expensing limit. The total of all the percentages assigned under the agreement should not exceed associated group has an immediate expensing limit of nil. For more information about the immediate expensing limit, see note 12 in Part 2.	ed 100%. If the total is more than	ı 100%, then the
	2	3
Name of EPOP		
Name of 21 of	See note	assigned
110	115	
1. Orangeville Hydro Limited	864639562RC00	002 100.000
2. Corporation of the Town of Orangeville	106986151RC00	001
3. Corporation of the Township of East Luther Grand	NR	
4. Orangville Railway Development Corporation	864333166RC00	001
		Total 100.000
Immediate expensing limit allocated to the corporation (see note 2)		1,500,000
Note 1: The identification number is the social insurance number, business pumber, or partnership account number of the EPOP.		
Note 2: If the total of column 3 is more than 100%, enter 0		

. 1 '			2	3	4	5	6	7	8
Class number See note 3	Description		Undepreciated capital cost (UCC) at the beginning of the year	Cost of acquisitions during the year (new property must be available for use)	Cost of acquisitions from column 3 that are designated immediate expensing property (DIEP)	Adjustments and transfers See <b>note 6</b>	Amount from column 5 that is assistance received or receivable during the year for a property, subsequent to its disposition	Amount from column 5 that is repaid during the year for a property, subsequent to its disposition See <b>note 8</b>	Proceeds of dispositions See note 9
200			201	See <b>note 4</b>	See <b>note 5</b>	205	See note 7	222	207
	Duildings			200	202	200			201
1	Buildings		7,363,055	20.006	20.006				
8 10	Equipment Trucks		89,734	29,996	29,996		<i></i>		
45	Computer equipment		199,626						
47			11,058,706	2,785,323					3,4
50	Electric Distribution Equipment  Computer equipment		10,973	41,159	41,159				
43.2	Solar Generation		54	41,139	41,139				
14.1	Solai Generation		99,626						
1b			5,028						
1b	2018 Addition		110,389	38,033					
95	CIP		38,149	30,033		-3,084			
12	CIT		30/113	25,735	25,735	3,001			
		Totals	18,975,344	2,920,246	96,890	-3,084			3,4
1		9	10	The state of the s	12	13	14	15	16
Class number	Description	Proceeds of dispositions of the DIEP (enter amount from column 8 that relates to the DIEP reported in column 4)	(column 2 plus column 3 plus column 3 plus column 5 minus column 8)  See note 10	UCC of the DIEP (enter the UCC amount that relates to the DIEP reported in column 4) See note 11	Immediate expensing See <b>note 12</b>	Cost of acquisitions on remainder of Class (column 3 minus column 14 plus column 11 minus column 12)	Cost of acquisitions from column 13 that are accelerated investment incentive properties (AIIP) or properties included in Classes 54 to 56 See <b>note 13</b>	Remaining UCC (column 10 minus column 12) (if negative, enter "0")	Proceeds of disposition available to reduce the UCC of AlIP and proper included in Classes 54 to 56 (column 8 minus column 9 plus column 13 plus column 14 minus column 14 minus column 7) (if negative, enter "0")
		234		236	238		225		
1	Buildings		7,363,055					7,363,055	
8	Equipment		119,730	29,996	29,996			89,734	
10	Trucks		199,626					199,626	
	1	1	4					4	
45 47	Computer equipment  Electric Distribution Equipment		13,840,560			2,785,323	2,785,323	13,840,560	3,

	1		9	10	11	12	13	14	15	16
	Class number	Description	Proceeds of dispositions of the DIEP (enter amount from column 8 that relates to the DIEP reported in column 4)	UCC (column 2 plus column 3 plus or minus column 5 minus column 5	UCC of the DIEP (enter the UCC amount that relates to the DIEP reported in column 4) See note 11	Immediate expensing See note 12	Cost of acquisitions on remainder of Class (column 3 minus column 14 plus column 12)	Cost of acquisitions from column 13 that are accelerated investment incentive properties (AIIP) or properties included in Classes 54 to 56  See note 13	Remaining UCC (column 10 minus column 12) (if negative, enter "0")	Proceeds of disposition available to reduce the UCC of AIIP and property included in Classes 54 to 56 (column 8 minus column 9 plus column 13 plus column 14 minus column 7) (if negative, enter "0")
7.	43.2	Solar Generation		54				<u> </u>	54	
8.	14.1			99,626					99,626	
9.	1b			5,028					5,028	
10.	1b	2018 Addition		148,422			38,033	38,033	148,422	
11.	95	CIP		35,065					35,065	
12.	12			25,735	25,735	25,735				
		Totals		21,889,037	96,890	96,890	2,823,356	2,823,356	21,792,147	3,469

#### ¬ Part 2 – CCA calculation (continued)

-1	, ,	17	10	19	20	24	22	22	24
7	Description		18		20	21		23	24
Class number	Description	Net capital cost additions of AIIP and property included in Classes 54 to 56 acquired during the year (column 14 <b>minus</b> column 16) (if negative, enter "0")	UCC adjustment for AIIP and property included in Classes 54 to 56 acquired during the year (column 17 multiplied by the relevant factor)  See note 15	UCC adjustment for property acquired during the year other than AIIP and property included in Classes 54 to 56 (0.5 multiplied by the result of column 13 minus column 14 minus column 6 plus column 7 minus column 8 plus column 9) (if negative, enter "0")	CCA rate % See note 17	Recapture of CCA See note 18		CCA (for declining balance method, the result of column 15 plus column 18 minus column 19, multiplied by column 20, or a lower amount, plus column 12) See note 20	UCC at the end of the year (column 10 <b>minus</b> column 23)
				224	212	213	215	217	220
1	Buildings				4/(	0	0	294,522	7,068,5
8	Equipment				20	0	0	47,943	71,7
10	Trucks				30/	0	0	59,888	139,7
45	Computer equipment				45	0	0	2	
47	Electric Distribution Equipment	2,781,854	1,390,927		8	0	0	1,218,519	12,622,0
50	Computer equipment				55	0	0	47,194	4,9
43.2	Solar Generation				50	0	0	27	
14.1					5	0	0	6,954	92,6
1b					6	0	0	302	4,7
1b	2018 Addition	38,033	19,017		6	0	0	10,046	138,3
95	CIP				0	0	0		35,0
12					100	0	0	25,735	
		Totals 2,819,887	1,409,944					1,711,132	20,177,9

Enter the total of column 21 on line 107 of Schedule 1.

Enter the total of column 22 on line 404 of Schedule 1.

Enter the total of column 23 on line 403 of Schedule 1.

Note 3: If a class number has not been provided in Schedule II of the Income Tax Regulations for a particular class of property, use the subsection provided in Regulation 1101.

Note 4: Include any property acquired in previous years that has new become available for use, net of any government assistance received or entitled to be received in the year from a government, municipality or other public authority, or a reduction of capital cost after the application of section 80. This property would have been previously excluded from column 3. List separately any acquisitions of property in the class that are not subject to the 50% rule. See Income Tax Folio S3-F4-C1, General Discussion of Capital Cost Allowance, for exceptions to the 50% rule.

Note 5: A DIEP reported in column 4 is a property acquired after April 18 2021, by a corporation that was a Canadian-controlled private corporation (CCPC) throughout the year, which became available for use in the tax year (before 2024) and was designated as such on or before the day that is 12 months after the filing-due date for the tax year to which the designation relates. It includes all capital property subject to the CCA rules, if certain conditions are met, other than property included in Classes 1 to 6, 14.1, 17, 47, 49, and 51. A property can only qualify as DIEP in the year in which it becomes available for use. See subsection 1104(3.1) of the Regulations for more information.

Note 6: Enter in column 5, "Adjustments and transfers", amounts that increase or reduce the UCC (column 10). Items that increase the UCC include amounts transferred under section 85, or transferred on amalgamation or winding-up of a subsidiary. Items that reduce the UCC (show amounts that reduce the UCC in brackets) include assistance received or receivable during the year for a property, subsequent to its disposition, if such assistance would have decreased the capital cost of the property by virtue of paragraph 13(7.1)(f). See the T2 Corporation Income Tax Guide for other examples of adjustments and transfers to include in column 5.

Also include property acquired in a non-arm's length transaction (other than by virtue of a right referred to in paragraph 251(5)(b) of the Act) if the property was a depreciable property acquired by the transferor until it was acquired by you.

Note 7: Include all amounts of assistance you received (or were entitled to receive) after the disposition of a depreciable property that would have decreased the capital cost of the property by virtue of paragraph 13(7.1)(f) if received before the disposition.

#### Part 2 – CCA calculation (continued)

- Note 8: Include all amounts you have repaid during the year for any legally required repayment, made after the disposition of a corresponding property, of:
  - assistance that would have otherwise increased the capital cost of the property under paragraph 13(7.1)(d) and
  - = an inducement, assistance, or any other amount contemplated in paragraph 12(1)(x) received, that otherwise would have increased the capital cost of the property under paragraph 13(7.4)(b)

Include the UCC of each property of a prescribed class acquired in the course of a corporate reorganization described under paragraph 55(3)(b) of the Act (also known as "butterfly reorganization") or include property acquired in a non-arm's length transaction (other than by virtue of a right referred to in paragraph 251(5)(b) of the Act) if the property was a depreciable property acquired by the transferor less than 364 days before the end of your tax year and continuously owned by the transferor until it was acquired by you.

- For each property disposed of during the year, deduct from the proceeds of disposition any outlays and expenses to the extent that they were made or incurred for the purpose of making the disposition(s). The amount reported Note 9: in respect of the property cannot exceed the property's capital cost, unless that property is a timber resource property as defined in subsection 13(21).
  - If the cost of a zero-emission passenger vehicle (or a passenger vehicle that was, at any time, a DIEP) exceeds the prescribed amount, the proceeds of disposition will be adjusted based on a factor equal to the prescribed amount as a proportion of the actual cost of the vehicle.
- Note 10: If the amount in column 5 (as shown in brackets) reduces the undepreciated capital cost, you must subtract it for the purposes of the calculation. Otherwise, add the amount in column 5 for the purposes of the calculation.
- Note 11: The only amounts incurred before April 19, 2021, to be included in this column are certain inventory purchases from arm's length persons or partnerships where the conditions in paragraphs 1100(0,3)(a) to (c) are met.
- Note 12: Immediate expensing applies to a DIEP included in column 11. The total immediate expensing for the tax year (total of column 12) should not exceed the lesser of
  - 1. Immediate expensing limit: it is equal to one of the following five amounts, whichever is applicable:
  - \$1.5 million, if you are not associated with any other EPOP in the tax year
  - amount from line 125, if you are associated in the tax year with one or more EPOPs
  - nil, if the total of the percentages assigned in Part 1 is more than 100% or you are associated in the tax year with one or more EPOPs and have not filed an agreement in prescribed form as required under subsection 1104(3.3) of the Regulations
  - the amount determined under subsection 1104(3.5) of the Regulations for any second or subsequent tax years ending in a calendar year, if you have two or priore tax years ending in the calendar year in which you are associated with another EPOP that has a tax year ending in that calendar year
  - any amount allocated by the minister under subsection 1104(3.4) of the Regulations

The immediate expensing limit has to be prorated if your tax year is less than 365 days. You cannot carry forward any unused amount of the immediate expensing limit.

- 2. UCC of the DIEP: total of column 11
- You have to maintain the CCPC status throughout the relevant tax year in order to claim the immediate expensing.
- Note 13: An AIIP is a property (other than property included in Classes 54 to 56) that you acquired after November 20, 2018, and that became available for use before 2028.
  - Classes 54 and 55 include zero-emission vehicles that you acquired after March 18, 2019, and that became available for use before 2028.

Class 56 applies to eligible zero-emission automotive equipment and vehicles (other than motor vehicles) that are acquired after March 1, 2020, and that became available for use before 2028.

- See the T2 Corporation Income Tax Guide for more information.
- Note 14: Include only elements from columns 6 and 7 that are not related to the DIEP.
- Note 15: The relevant factors for property of a class in Schedule II, that is an AIIP or included in Classes 54 to 36. available for use before 2024 are:
  - \_ 2 1/3 for property in Classes 43.1, 54, and 56
  - \_ 1 1/2 for property in Class 55
  - \_ 1 for property in Classes 43.2 and 53
  - 0 for property in Classes 12, 13, 14, and 15, as well as properties that are Canadian vessels included in paragraph 1100(1)(v) of the Regulations (see note 20 for additional information) and
  - 0.5 for all other property that is an AIIP



#### Part 2 – CCA calculation (continued)

- Note 16: The UCC adjustment for property acquired during the year (formerly known as the half-year rule or 50% rule) does not apply to certain property (including AIIP, property included in Classes 54 to 56, and property to which the immediate expensing was applied). Include only elements from columns 6 and 7 that are not related to the DIEP.

  For special rules and exceptions, see Income Tax Folio S3-F4-C1, General Discussion of Capital Cost Allowance.
- Note 17: Enter a rate only if you are using the declining balance method. For any other method (for example, the straight-line method, where calculations are always based on the cost of acquisitions), enter N/A. Then enter the amount you are claiming in column 23.
- Note 18: If the amount in column 10 is negative, you have a recapture of CCA. If applicable, enter the negative amount from column 10 in column 21 as a positive. The recapture rules do not apply to passenger vehicles in Class 10.1. However, they do apply to a passenger vehicle that was, at any time, a DIEP.
- Note 19: If no property is left in the class at the end of the tax year and there is still a positive amount in the column 10, you have a terminal loss. If applicable, enter the positive amount from column 10 in column 22. The terminal loss rules do not apply to:
  - passenger vehicles in Class 10.1
  - \_ property in Class 14.1, unless you have ceased carrying on the business to which it relates
  - limited-period franchises, concessions, or licences in Class 14 if, at the time of acquisition, the property was a former property of the transferor or any similar property attributable to the same fixed place of business, and you had jointly elected with the transferor to have the replacement property rules apply, unless certain conditions are met
- Note 20: If the tax year is shorter than 365 days, prorate the CCA claim. Some classes of property do not have to be prorated. See the T2 Corporation Income Tax Guide for more information. For property in class 10.1 disposed of during the year, deduct a maximum of 50% of the regular CCA deduction if you owned the property at the beginning of the tax year. For AHP listed below, the maximum first year allowance you can claim is determined as follows:
  - \_ Class 13: the lesser of 150% of the amount calculated in Schedule III of the Regulations and the UCC at the end of the tax year (before any CCA deduction)
  - Class 14: the lesser of 150% of the allocation for the year of the capital cost of the property apportioned over the remaining life of the property (at the time the cost was incurred) and the UCC at the end of the tax year (before any CCA deduction)
  - Class 15: the lesser of 150% of an amount computed on the basis of a rate per cord, board foot, or cubic metre cut in the tax year and the UCS at the end of the tax year (before any CCA deduction)
  - \_ Canadian vessels described under paragraph 1100(1)(v) of the Regulations: the lesser of 50% of the capital cost of the property, and the UCC at the end of the tax year (before any CCA deduction)
  - Class 41.2: use a 25% CCA rate. The additional allowance under paragraphs 1100(1)(y.2) (for single mine properties) and 1100(1)(yb.) (for multiple mine properties) of the Regulations is not eligible for the accelerated investment incentive. The additional allowance in respect of natural gas liquefaction under paragraph 1100(1)(yb.) of the Regulations is eligible for the accelerated investment incentive.

The AIIP also apply to property (other than a timber resource property) that is a timber limit or a right to cut timber from a limit as well as to industrial mineral mine or a right to remove minerals from an industrial mineral mine. See the Income Tax Regulations for more detail.



**SCHEDULE 9** 

### **RELATED AND ASSOCIATED CORPORATIONS**

Name of corporation	Business Number	Tax year end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2022-12-31

- Complete this schedule if the corporation is related to or associated with at least one other corporation.
- For more information, see the T2 Corporation Income Tax Guide.

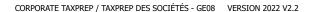
	Name	Country of resi- dence (other than Canada)	Business number (see note 1)	Rela- tion- ship code (see note 2)	Number of common shares you own	% of common shares you own	Number of preferred shares you own	% of preferred shares you own	Book value of capital stock
	100	200	300	400	500	550	600	650	700
1.	Corporation of the Town of Orange		10698 6151 RC0001	1					
2.	Corporation of the Township of Eas		NR	1					
3.	Orangville Railway Development Cc		86433 3166 RC0001	3		12 V/			

Note 1: Enter "NR" if the corporation is not registered or does not have a business number.

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







# **Continuity of financial statement reserves (not deductible)**

		—— Financial sta	tement reserves (	not deductible) —		
	Description	Balance at the beginning of the year	Transfer on an amalgamation or the wind-up of a subsidiary	Add	Deduct	Balance at the end of the year
1	Allowance for doubtful accts	46,000			11,000	35,000
2	Employee Future Benefits	418,481		15,993		434,474
3					A	
	Reserves from Part 2 of Schedule 13			1		
	Totals	464,481		15,993	11,000	469,474

The total opening balance plus the total transfers should be entered on line 414 of Schedule 1 as a deduction. The total closing balance should be entered on line 126 of Schedule 1 as an addition.

Schedule 23

# Agreement Among Associated Canadian-Controlled Private Corporations to Allocate the Business Limit

- For use by a Canadian-controlled private corporation (CCPC) to identify all associated corporations and to assign a percentage for each associated corporation. This percentage will be used to allocate the business limit for the small business deduction. Information from this schedule will also be used to determine the date the balance of tax is due and to calculate the reduction to the business limit.
- An associated CCPC that has more than one tax year ending in a calendar year must file an agreement for each tax year ending in that calendar year.
- Column 1: Enter the legal name of each of the corporations in the associated group, including those deemed to be associated under subsection 256(2) of the Income Tax Act.
- Column 2: Provide the business number for each corporation (if a corporation is not registered, enter "NR").
- Column 3: Enter the association code from the list below that applies to each corporation:
  - 1 Associated for purposes of allocating the business limit (unless association code 5 applies)
  - 2 CCPC that is a **third corporation** as referred to in subsection 256(2) and has filed Schedule 28, Election not to be Associated Through a Third Corporation
  - 3 Non-CCPC that is a third corporation
  - 4 Associated non-CCPC
  - 5 Associated CCPC to which association code 1 does not apply because a third corporation/has filed Schedule 28
- **Column 4:** Enter the business limit for the year of each corporation in the associated group. Enter "0" if the corporation has association code 2, 3 or 4 in column 3 (except if the corporation is a cooperative or a credit union eligible for the SBD and it has association code 4).
- Column 5: Assign a percentage to allocate the business limit to each corporation that has association code 1 in column 3. The total of all percentages in column 5 cannot exceed 100%.
- **Column 6:** Enter the business limit allocated to each corporation by multiplying the amount in column by the percentage in column 5. Add all business limits allocated in column 6 and enter the total at line A.

Ensure that the total at line A does not exceed \$500,000.

- Alle	ocating the business limit —————			/		
Date	filed (do not use this area)				. 025	Year Month Day
			<b>?</b>			Year
Enter	the calendar year the agreement applies to				. 050	2022
	s an amended agreement for the above calendar year the reement previously filed by any of the associated corpor				. 075	Yes X No
	//					
	1	1 2	3	4	5	6
	Name of associated corporations	Business	Asso-	Business limit	Percentage	Business
		number of associated	ciation code	for the year before the allocation	of the business	limit allocated*
		corporations	code	\$	limit %	\$
	100	200	300		350	400
1	Orangeville Hydro Limited	86463 9562 RC0002	1	500,000	100.0000	500,000
2	Corporation of the Town of Orangeville	10698 6151 RC0001	1	500,000		
3	Corporation of the Township of East Luther Gran	NR	1	500,000		
4	Orangville Railway Development Corporation	86433 3166 RC0001	1	500,000		
				Total	100.0000	500,000 A

#### Business limit reduction under subsection 125(5.1) of the Act

The business limit reduction is calculated in the small business deduction area of the T2 return. One of the factors used in this calculation is the "large corporation amount" at line 415 of the T2 return. The amount at line 415 is determined using the formula 0.225% x (C - \$10,000,000). Another factor is the "adjusted aggregate investment income" from lines 744 and 745 of Schedule 7, Aggregate Investment Income and Income Eligible for the Small Business Deduction. Details of these formulas and variable C are in subsection 125(5.1) of the Act.

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

#### Special rules for business limit

Special rules apply under subsection 125(5) if a CCPC has more than one tax year ending in the same calendar year and it is associated in more than one of those tax years with another CCPC that has a tax year ending in that calendar year. The business limit for the second or later tax year will be equal to the lesser of: the business limit determined for the first tax year ending in the calendar year or the business limit determined for the second or later tax year ending in the same calendar year.

T2 SCH 23 E (19)





Schedule 33

## Taxable Capital Employed in Canada – Large Corporations

Corporation's name	Business number	Tax year-end Year Month Dav
Orangeville Hydro Limited	86463 9562 RC0002	2022-12-31

- Use this schedule in determining if the total taxable capital employed in Canada of the corporation (other than a financial institution or an insurance corporation) and its related corporations is greater than \$10,000,000.
- If the total taxable capital employed in Canada of the corporation and its related corporations is greater than \$10,000,000, file a completed Schedule 33 with your T2 Corporation Income Tax Return no later than six months from the end of the tax year.
- Unless otherwise noted, all legislative references are to the Income Tax Act and the Income Tax Regulations.
- Subsection 181(1) defines the terms financial institution, long-term debt, and reserves.
- Subsection 181(3) provides the basis to determine the carrying value of a corporation's assets or any other amount under Part I.3 for its capital, investment
  allowance, taxable capital, or taxable capital employed in Canada, or for a partnership in which it has an interest.
- If the corporation was a non-resident of Canada throughout the year and carried on a business through a permanent establishment in Canada, go to Part 4,
   Taxable capital employed in Canada.

Part 1 – Capital
Add the following year-end amounts:
Reserves that have not been deducted in calculating income for the year under Part I 469,474
Capital stock (or members' contributions if incorporated without share capital)
Retained earnings 4,317,609
Contributed surplus
Any other surpluses
Deferred unrealized foreign exchange gains
All loans and advances to the corporation
All indebtedness of the corporation represented by bonds, debentures, notes mortgages, hypothecary claims, bankers' acceptances, or similar obligations
Any dividends declared but not paid by the corporation before the end of the year 110
All other indebtedness of the corporation (other than any indebtedness for a lease) that has been outstanding for more than 365 days before the end of the year
The total of all amounts, each of which is the amount, if any, in respect of a partnership in which the corporation held a membership interest at the end of the year, either directly or indirectly through another partnership (see note below)
Subtotal ( <b>add</b> lines 101 to 112) <b>29,209,405</b> ► 29,209,405 A

#### Note:

Line 112 is determined by the formula (A - B) x C/D (as per paragraph 181.2(3)(g)) where:

- A is the total of all amounts that would be determined for line's 101, 107, 108, 109, and 111 in respect of the partnership for its last fiscal period that ends at or before the end of the year if
  - a) those lines applied to partnerships in the same manner that they apply to corporations, and
  - b) those amounts were computed without reference to amounts owing by the partnership
    - (i) to any corporation that held a member ship interest in the partnership either directly or indirectly through another partnership, or
    - (ii) to any partnership in which a corporation described in subparagraph (i) held a membership interest either directly or indirectly through another partnership.
- B is the partnership's deferred unrealized foreign exchange losses at the end of the period,
- C is the share of the partnership's income or loss for the period to which the corporation is entitled either directly or indirectly through another partnership, and
- D is the partnership's income or loss for the period.

┌ Part 1 – Capital (continued) ──────		
Sı	ubtotal A (from page 1)	29,209,405 A
Deduct the following amounts:		
Deferred tax debit balance at the end of the year		
Any deficit deducted in calculating its shareholders' equity (including, for this purpose, the amount of any provision for the redemption of preferred shares) at the end of the year		
To the extent that the amount may reasonably be regarded as being included in any of lines 101 to 112 above for the year, any amount deducted under subsection 135(1) in calculating income under Part I for the year.		
Deferred unrealized foreign exchange losses at the end of the year		
Subtotal ( <b>add</b> lines 121 to 124)	<b>&gt;</b>	В
Capital for the year (amount A minus amount B) (if negative, enter "0")	190	29,209,405
┌ Part 2 – Investment allowance		
Add the carrying value at the end of the year of the following assets of the corporation:		
A share of another corporation	401	
A loan or advance to another corporation (other than a financial institution)	402	
A bond, debenture, note, mortgage, hypothecary claim, or similar obligation of another corporation (other than a financial institution)	403	168,244
Long-term debt of a financial institution		
A dividend payable on a share of the capital stock of another corporation	405	
A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim or similar obligation of, a partner member of which was, throughout the year, another corporation (other than a financial institution) that was not tax under this Part (otherwise than because of paragraph 181.1(3)(d)), or another partnership described in paragraph 181.2(4)(d.1)		
An interest in a partnership (see note 2 below)	407	
Investment allowance for the year (add lines 401 to 407)	490	168,244
Notes:  1. Lines 401 to 405 should not include the carrying value of a share of the capital stock of, a dividend payable be exempt from tax under Part I.3 (other than a non-resident corporation that at no time in the year carried on be establishment).		
2. Where the corporation has an interest in a partnership held either directly or indirectly through another partner additional rules regarding the carrying value of an interest in a partnership.	ership, refer to subsection 18	31.2(5) for
3. Where a trust is used as a conduit for loaning money from a corporation to another related corporation (other considered to have been made directly from the lending corporation to the borrowing corporation. Refer to suapply.		
Part 3 – Taxable capital		
Capital for the year (line 190)		29,209,405 c
		168,244 D
Taxable capital for the year (amount C minus amount D) (if negative, enter "0")		29,041,161

	To be comple	ted by a corporation that was i	resident in Canada at	any time in the year	
Taxable capital for the year (line 500)	29,041,161 ×	xable income earned in Canada 610 Taxable income	1,000 =	Taxable capital employed in Canada 690 _	29,041,161
Where a cor to have a ta	rporation's taxable income xable income for that year	ulating the amount of taxable inco for a tax year is "0," it shall, for t of \$1,000. degulation 8601 should be consid	ome earned in Canada. he purposes of the abo	ve calculation, be deemed	
		d by a corporation that was a r ried on a business through a p			
held in the year, in the or <b>Deduct</b> the following am Corporation's indebtedne paragraphs 181.2(3)(c) to	ourse of carrying on any b nounts: ess at the end of the year	ralue at the end of the year of an usiness during the year through a control of the than indebtedness described be regarded as relating to a bustinent in Canada	a permanent establishmed in any of incess it carried		
described in subsection	181.2(4) of the corporatio rrying on any business du	ralue at the end of year of an ass n that it used in the year, or held ring the year through a permaner	in the		
corporation that is a ship personal or movable pro	o or aircraft the corporation perty used or held by the	ralue at the end of year of an ass n operated in international traffic, corporation in carrying on any bu nt in Canada (see note below)	or (\		
Taxable capital employ	<b>red in Canada</b> (line 701 n	Total deductions (add line		<b>&gt;</b>	E
		nich the corporation is resident di a ship or aircraft in international to			
– Part 5 – Calculati	on for purposes of	the small business dedu	ction —		
This part is applicable	to corporations that are	not associated in the current y	// /ear, but were associa	ted in the prior year.	
Taxable capital employe <b>Deduct:</b>	d in Canada (amount fron	′ /			F 10,000,000 G
Outside the or for a community	and the small bustoness			unt G) (if negative, enter "0") =	Н
Enter this amount at line		deduction (amount H x 0.225%	)	=	'

Part 1 – All loans and advances to the corporation

Title Part 1 – All loans and advances to the corporation

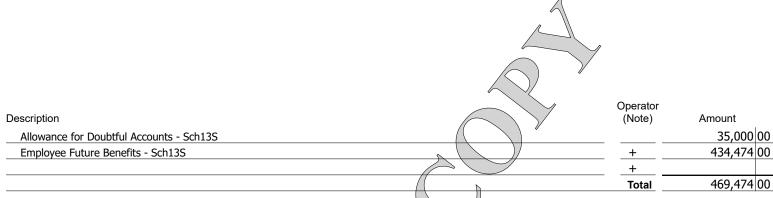
	Operator	
Description	(Note)	Amount
Current portion of long-term debt - FS		590,827 00
Long-term debt		15,540,781 00
	Total	16,131,608 00

Part 1 – Reserves that have not been deducted in calculating income for the year under Part I

Title Part 1 – Reserves that have not been deducted in calculating income for the

Explanatory note

See Sch13S - Ending Balance



Schedule 50

#### **Shareholder Information**

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2022-12-31

- All private corporations must complete this schedule for any shareholder who holds 10% or more of the corporation's common and/or preferred shares.
- Provide only one number (business number, partnership account number, social insurance number or trust number) per shareholder.

Name of sh (after name, indic if the shareholder partnership, indi	ate in brackets s a corporation, idual, or trust)	Business number or partnership account number (9 digits, 2 letters, and 4 digits.  If not registered, enter "NR")	Social insurance number (9 digits)	Trust number (T followed by 8 digits)	Percentage common shares	Percentage preferred shares
ration of the Towr	of Orangeville	106986151RC0001			94.500	
	ship of East Luther Grand	NR			5.500	
dion or the form	omp or Last Latiner Grana				3.300	
		//				
		1				
			<i>                                     </i>			



Schedule 55

## Part III.1 Tax on Excessive Eligible Dividend Designations

Tartini. I Tax on Excessive Engiste Dividend	Designati	0113	
Corporation's name	Business	number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002 2022-12-31		2022-12-31
• Every corporation resident in Canada that pays a taxable dividend (other than a capital gains dividend the meaning assigned by subsection 130.1(4) or 131(1)) in the tax year must file this schedule.	within	Do not	use this area
<ul> <li>Canadian-controlled private corporations (CCPC) and deposit insurance corporations (DIC) must complete Part 1 of this schedule. All other corporations must complete Part 2.</li> </ul>			
• Every corporation that has paid an eligible dividend must also file Schedule 53, General Rate Income I Calculation, or Schedule 54, Low Rate Income Pool (LRIP) Calculation, whichever is applicable.	Pool (GRIP)		
• File the schedules with your T2 Corporation Income Tax Return no later than six months from the end tax year.	of the		
• All legislative references are to the Income Tax Act and the Income Tax Regulations.			
• Subsection 89(1) defines the terms eligible dividend, excessive eligible dividend designation, ger and low rate income pool.	neral rate incon	ne pool,	
• The calculations in Part 1 and Part 2 do not apply if the excessive eligible dividend designation arises paragraph (c) of the definition of excessive eligible dividend designation in subsection 89(1). This para dividend is paid to artificially maintain or increase the GRIP or to artificially maintain or decrease the Life	graph applies w		3
- Part 1 – Canadian-controlled private corporations and deposit insurance corp	orations —		
Taxable dividends paid in the tax year <b>not included</b> in Schedule 3	)/	_	
Taxable dividends paid in the tax year <b>included</b> in Schedule 3	485,66	<u>4</u>	
Total taxable dividends paid in the tax year	485,66	<u>4</u>	
Total eligible dividends paid in the tax year		150	
GRIP at the end of the tax year (line 590 on Schedule 53) (if negative, enter "0")		160	
Excessive eligible dividend designation (line 150 minus line 160)			A
Excessive eligible dividend designations elected under subsection 185.1(2) to be treated as ordinary dividend	dends *	180	
Subtota	l (amount A <b>mir</b>	<b>us</b> line 180)	B
Part III.1 tax on excessive eligible dividend designations – CCPC or DIC (amount B multiplied by	20 %) .	190	
Enter the amount from line 190 on line 710 of the T2 return.			
Part 2 – Other corporations			
Taxable dividends paid in the tax year <b>not included</b> in Schedule 3		_	
Taxable dividends paid in the tax year included in Schedule 3		_	
Total taxable dividends paid in the tax year		=	
Total excessive eligible dividend designations in the tax year (amount A of Schedule 54)			C
Excessive eligible dividend designations elected under subsection 185.1(2) to be treated as ordinary dividendesignations.	dends *	280	
Subtota	l (amount C <b>mi</b> r	us line 280)	D
Part III.1 tax on excessive eligible dividend designations – Other corporations (amount D multiplie	<b>d</b> by 20	290	
Enter the amount from line 290 on line 710 of the T2 return.			

<sup>\*</sup> You can elect to treat all or part of your excessive eligible dividend designation as a separate taxable dividend in order to eliminate or reduce the Part III.1 tax otherwise payable. You must file the election on or before the day that is 90 days **after** the day the notice of assessment for Part III.1 tax was sent. We will accept an election before the assessment of the tax.

### **Ontario Corporate Minimum Tax**

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2022-12-31

- File this schedule if the corporation is subject to Ontario corporate minimum tax (CMT). CMT is levied under section 55 of the Taxation Act, 2007 (Ontario), referred to as the "Ontario Act".
- Complete Part 1 to determine if the corporation is subject to CMT for the tax year.
- A corporation not subject to CMT in the tax year is still required to file this schedule if it is deducting a CMT credit, has a CMT credit carryforward, or has a CMT loss carryforward or a current year CMT loss.
- A corporation that has Ontario special additional tax on life insurance corporations (SAT) payable in the tax year must complete Part 4 of this
  schedule even if it is not subject to CMT for the tax year.
- A corporation is exempt from CMT if, throughout the tax year, it was one of the following:
  - 1) a corporation exempt from income tax under section 149 of the federal *Income Tax Act*;
  - 2) a mortgage investment corporation under subsection 130.1(6) of the federal Act;
  - 3) a deposit insurance corporation under subsection 137.1(5) of the federal Act;
  - 4) a congregation or business agency to which section 143 of the federal Act applies;
  - 5) an investment corporation as referred to in subsection 130(3) of the federal Act; or
  - 6) a mutual fund corporation under subsection 131(8) of the federal Act.
- File this schedule with the T2 Corporation Income Tax Return.

¬ Part 1 – Determination of CMT applicability ——		
Part 1 - Determination of Civil applicability		
Total assets of the corporation at the end of the tax year *		39,368,461
Share of total assets from partnership(s) and joint venture(s) *		
Total assets of associated corporations (amount from line 450 on	n Schedule 511)	50,000,000
Total assets (total of lines 112 to 116)	<u> </u>	89,368,461
Total revenue of the corporation for the tax year **		37,802,841
Share of total revenue from partnership(s) and joint venture(s) **	144	
Total revenue of associated corporations (amount from line 550 c		100,000,000
Total revenue (total of lines 142 to 146)		137,802,841

The corporation is subject to CMT if:

- for tax years ending before July 1, 2010, the total assets at the end of the year of the corporation or the associated group of corporations are more than \$5,000,000, or the total revenue for the year of the corporation or the associated group of corporations is more than \$10,000,000.
- for tax years ending after June 30, 2010, the total assets at the end of the year of the corporation or the associated group of corporations are equal to or more than \$50,000,000, and the total revenue for the year of the corporation or the associated group of corporations is equal to or more than \$100,000,000.

If the corporation is not subject to CMT, do not complete the remaining parts unless the corporation is deducting a CMT credit, or has a CMT credit carryforward, a CMT loss carryforward, a current year CMT loss or SAT payable in the year.

#### \* Rules for total assets

- Report total assets according to generally accounting principles, adjusted so that consolidation and equity methods are not used.
- Do not include unrealized gains and losses on assets and foreign currency gains and losses on assets that are included in net income for accounting purposes but not in income for corporate income tax purposes.
- The amount on line 114 is determined at the end of the last fiscal period of the partnership or joint venture that ends in the tax year of the corporation. Add the proportionate share of the assets of the partnership(s) and joint venture(s), and deduct the recorded asset(s) for the investment in partnerships and joint ventures.
- A corporation's share in a partnership or joint venture is determined under paragraph 54(5)(b) of the Ontario Act and, if the partnership or joint venture had no income or loss, is calculated as if the partnership's or joint venture's income were \$1 million. For a corporation with an indirect interest in a partnership or joint venture, determine the corporation's share according to paragraph 54(5)(c) of the Ontario Act.

#### \*\* Rules for total revenue

- Report total revenue in accordance with generally accepted accounting principles, adjusted so that consolidation and equity methods are not used.
- If the tax year is less than 51 weeks, multiply the total revenue of the corporation or the partnership, whichever applies, by 365 and divide by the number of days in the tax year.
- The amount on line 144 is determined for the partnership or joint venture fiscal period that ends in the tax year of the corporation. If the partnership or joint venture has 2 or more fiscal periods ending in the filing corporation's tax year, **multiply** the sum of the total revenue for each of the fiscal periods by 365 and **divide** by the total number of days in all the fiscal periods.
- A corporation's share in a partnership or joint venture is determined under paragraph 54(5)(b) of the Ontario Act and, if the partnership or joint venture had no income or loss, is calculated as if the partnership's or joint venture's income were \$1 million. For a corporation with an indirect interest in a partnership or joint venture, determine the corporation's share according to paragraph 54(5)(c) of the Ontario Act.

Part 2 – Adjusted net income/loss for CMT purposes  Net income/loss per financial statements *	7,579
Add (to the extent reflected in income/loss):	
Provision for current income taxes/cost of current income taxes	
Provision for deferred income taxes (debits)/cost of future income taxes	
Equity losses from corporations	
Financial statement loss from partnerships and joint ventures	
Other additions (see note below):	
Share of adjusted net income of partnerships and joint ventures **	
Total patronage dividends received, not already included in net income/loss	
281 282	
283	
	),774 A
Deduct (to the extent reflected in income/loss):	
Provision for recovery of current income taxes/benefit of current income taxes 320	
Provision for deferred income taxes (credits)/benefit of future income taxes	
Equity income from corporations	
Financial statement income from partnerships and joint ventures	
Dividends deductible under section 112, section 113, or subsection 138(6) of the federal Act	
Dividends not taxable under section 83 of the federal Act (from Schedule 3)	
Gain on donation of listed security or ecological gift	
Accounting gain on transfer of property to a corporation under section 85 or 85.1 of the federal Act ***	
Accounting gain on transfer of property to/from a partnership under section 85 or 97 of the federal Act ****	
Accounting gain on disposition of property under subsection 13(4), subsection 14(6), or section 44 of the federal Act *****	
Accounting gain on a windup under subsection 88(1) of the federal Act or an amalgamation under section 87 of the federal Act	
Other deductions (see note below):	
Share of adjusted net loss of partnerships and joint ventures **	
Tax payable on dividends under subsection 191.1(1) of the federal Act multiplied by 3 334	
Patronage dividends paid (from Schedule 16) not already ingluded in net income/loss	
381 Tax movement in regulatory account 382 170,774	
383 Tax reclassification 384 64,130	
385	
387 388	
389	
	5,804 B
	י.טטד א

If the amount on line 490 is positive and the corporation is subject to CMT as determined in Part 1, enter the amount on line 515 in Part 3.

If the amount on line 490 is negative, enter the amount on line 760 in Part 7 (enter as a positive amount).

### Note

In accordance with Ontario Regulation 37/09, when calculating net income for CMT purposes, accounting income should be adjusted to:

- exclude unrealized gains and losses due to mark-to-market changes or foreign currency changes on specified mark-to-market property (assets only);
- include realized gains and losses on the disposition of specified mark-to-market property not already included in the accounting income, if the
  property is not a capital property or is a capital property disposed in the year or in a previous tax year ended after March 22, 2007.

"Specified mark-to-market property" is defined in subsection 54(1) of the Ontario Act.

These rules also apply to partnerships. A corporate partner's share of a partnership's adjusted income flows through on a proportionate basis to the corporate partner.

#### \* Rules for net income/loss

Banks must report net income/loss as per the report accepted by the Superintendent of Financial Institutions under the federal Bank Act, adjusted so consolidation and equity methods are not used.

#### Part 2 – Calculation of adjusted net income/loss for CMT purposes (continued)

- Life insurance corporations must report net income/loss as per the report accepted by the federal Superintendent of Financial Institutions or equivalent provincial insurance regulator, before SAT and adjusted so consolidation and equity methods are not used. If the life insurance corporation is resident in Canada and carries on business in and outside of Canada, multiply the net income/loss by the ratio of the Canadian reserve liabilities divided by the total reserve liability. The reserve liabilities are calculated in accordance with Regulation 2405(3) of the federal Act.
- Other corporations must report net income/loss in accordance with generally accepted accounting principles, except that consolidation and equity methods must not be used. When the equity method has been used for accounting purposes, equity losses and equity income are removed from book income/loss on lines 224 and 324 respectively.
- Corporations, other than insurance corporations, should report net income from line 9999 of the GIFI (Schedule 125) on line 210.
- \*\* The share of the adjusted net income of a partnership or joint venture is calculated as if the partnership or joint venture were a corporation and the tax year of the partnership or joint venture were its fiscal period. For a corporation with an indirect interest in a partnership through one or more partnerships, determine the corporation's share according to clause 54(5)(c) of the Ontario Act.
- \*\*\* A joint election will be considered made under subsection 60(1) of the Ontario Act if there is an entry on line 342, and an election has been made for transfer of property to a corporation under subsection 85(1) of the federal Act.
- \*\*\*\* A joint election will be considered made under subsection 60(2) of the Ontario Act if there is an entry on line 344, and an election has been made under subsection 85(2) or 97(2) of the federal Act.
- \*\*\*\*\* A joint election will be considered made under subsection 61(1) of the Ontario Act if there is an entry on line 346, and an election has been made under subsection 13(4) or 14(6) and/or section 44 of the federal Act.

For more information on how to complete this part, see the T2 Corporation - Income Tax Guide.

1 1 /	
┌ Part 3 – CMT payable ────	
Adjusted net income for CMT purposes (line 490 in Part 2, if positive)	515 641,549
,	
Deduct:	
CMT loss available (amount R from Part 7)	
Minus: Adjustment for an acquisition of control *	
Adjusted CMT loss available	C
Net income subject to CMT calculation (if negative, enter "0")	<u>520</u> <u>641,549</u>
Amount from Number of days in the tax	
	% = 1
Number of days in the tax year	
III tile tax year	
Amount from Number of days in the tax / Value 520 641.549 × vear after June 30, 2010 365 × 2.7	% = 17,322 <sub>2</sub>
line 520 641,549	% = <u>17,322</u> 2
in the tax year	
	17.222
Subtotal (amount 1 plus amount 2)	<u>17,322</u> 3
Gross CMT: amount on line 3 above x OAF **	540 17,322
Deduct:	
Foreign tax credit for CMT purposes ***	
CMT after foreign tax credit deduction (line 540 minus line 550) (if negative, enter "0")	
Deduct:	
Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5)	· · · · · · · · · · · · · · · · · · ·
Net CMT payable (if negative, enter "0"	<u></u> E
Enter amount E on line 278 of Schedule 5, Tax Carculation Supplementary - Corporations, and	d complete Part 4.
* Enter the portion of CMT loss available that exceeds the adjusted net income for the tax yo control. See subsection 58(3) of the Ontario Act.	ear from carrying on a business before the acquisition of
*** Enter "0" on line 550 for life insurance corporations as they are not eligible for this deduction	on. For all other corporations, enter the cumulative total
of amount J for the province of Ontario from Part 9 of Schedule 21 on line 550.	
** Calculation of the Ontario allocation factor (OAF):	
If the provincial or territorial jurisdiction entered on line 750 of the T2 return is "Ontario," enter	r "1" on line F.
If the provincial or territorial jurisdiction entered on line 750 of the T2 return is "multiple," com	plete the following calculation, and enter the result on line F:
Ontario taxable income **** =	
Taxable income *****	
Ontario allocation factor	<u>1.00000</u> F
**** Enter the amount allocated to Ontario from column F in Part 1 of Schedule 5. If the taxable taxable income were \$1,000.	e income is nil, calculate the amount in column F as if the
******Enter the taxable income amount from line 360 or amount Z of the T2 return, whichever ap	oplies. If the taxable income is nil, enter "1,000".

Part 4 – Calculation of CMT credit carryforward
CMT credit carryforward at the end of the previous tax year * G  Deduct:
CMT credit expired *
CMT credit carryforward at the beginning of the current tax year * (see note below)
CMT credit carryforward balances transferred on an amalgamation or the windup of a subsidiary (see note below) 650
CMT credit available for the tax year (amount on line 620 <b>plus</b> amount on line 650)
CMT credit deducted in the current tax year (amount P from Part 5)
Subtotal (amount H minus amount I)
Add:
Net CMT payable (amount E from Part 3)
SAT payable (amount O from Part 6 of Schedule 512)
Subtotal K
CMT credit carryforward at the end of the tax year (amount J plus amount K)
* For the first harmonized T2 return filed with a tax year that includes days in 2009:  — do not enter an amount on line G or line 600;
- for line 620, enter the amount from line 2336 of Ontario CT23 Schedule 101, Corporate Minimum Tax (CMT), for the last tax year that ended in 2008.
For other tax years, enter on line G the amount from line 670 of Schedule 510 from the previous tax year.
Note: If you entered an amount on line 620 or line 650, complete Part 6.
Part 5 – Calculation of CMT credit deducted from Ontario corporate income tax payable
CMT credit available for the tax year (amount H from Part 4)
Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5) 1
For a corporation that is not a life insurance corporation:  CMT after foreign tax credit deduction (amount D from Part 3)
For a life insurance corporation:
Gross CMT (line 540 from Part 3)
Gross SAT (line 460 from Part 6 of Schedule 512)
The greater of amounts 3 and 4
Deduct: line 2 or line 5, whichever applies: 17,322 6
Subtotal (if negative, enter "0") N
Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5)
Deduct:
Total refundable tax credits excluding Ontario qualifying environmental trust tax credit (amount J6 minus line 450 from Schedule 5)
Subtotal (if negative, enter "0")
CMT credit deducted in the current tax year (least of amounts M, N, and O)
Enter amount P on line 418 of Schedule 5 and on line I in Part 4 of this schedule.
Is the corporation claiming a CMT credit earned before an acquisition of control?
If you answered <b>yes</b> to the question at line 675, the CMT credit deducted in the current tax year may be restricted. For information on how the deduction may be restricted, see subsections 53(6) and (7) of the Ontario Act.

### ┌ Part 6 – Analysis of CMT credit available for carryforward by year of origin -

Complete this part if:

- the tax year includes January 1, 2009; or
- the previous tax year-end is deemed to be December 31, 2008, under subsection 249(3) of the federal Act.

Year of origin	CMT credit balance *	
10th previous tax year	680	
9th previous tax year	681	
8th previous tax year	682	
7th previous tax year	683	
6th previous tax year	684	A
5th previous tax year	685	
4th previous tax year	686	
3rd previous tax year	687	Ť
2nd previous tax year	688	
1st previous tax year	689	
Total **		

- \* CMT credit that was earned (by the corporation, predecessors of the corporation, and subsidiaries wound up into the corporation) in each of the previous 10 tax years and has not been deducted.
- \*\* Must equal the total of the amounts entered on lines 620 and 650 in Part 4

Note: If you entered an amount on line 720 or line 750, complete Part 8.

Part 7 – Calculation of CMT loss carryforward	_
CMT loss carryforward at the end of the previous tax year *	
Deduct:	
CMT loss expired *	
CMT loss carryforward at the beginning of the tax year * (see note below) > 720	
Add:	
CMT loss transferred on an amalgamation under section 87 of the federal Act ** (see note below)	
CMT loss available (line 720 <b>plus</b> line 750)	ť
Deduct:	
CMT loss deducted against adjusted net income for the tax year (lesser of line 490 (if positive) and line C in Part 3)	
Subtotal (if negative, enter "0") S	į
Add:	
Adjusted net loss for CMT purposes (amount from line 490 in Part 2, if <b>negative</b> ) (enter as a positive amount)	
CMT loss carryforward balance at the end of the tax year (amount S <b>plus</b> line 760)	,
* For the first harmonized T2 return filed with a tax year that includes days in 2009:	
<ul> <li>do not enter an amount on line Q or tine 700;</li> </ul>	
- for line 720, enter the amount from line 2214 of Ontario CT23 Schedule 101, Corporate Minimum Tax (CMT), for the last tax year that ended in 2008.	
For other tax years, enter on line Q the amount from line 770 of Schedule 510 from the previous tax year.	
** Do not include an amount from a predecessor corporation if it was controlled at any time before the amalgamation by any of the other predecessor corporations.	

#### Part 8 – Analysis of CMT loss available for carryforward by year of origin -

Complete this part if:

- the tax year includes January 1, 2009; or
- the previous tax year-end is deemed to be December 31, 2008, under subsection 249(3) of the federal Act.

Year of origin	Balance earned in a tax year ending before March 23, 2007 *	Balance earned in a tax year ending after March 22, 2007 **
10th previous tax year	810	820
9th previous tax year	811	821
8th previous tax year	812	822
7th previous tax year	813	823
6th previous tax year	814	824
5th previous tax year	815	825
4th previous tax year	816	826
3rd previous tax year	817	827
2nd previous tax year	818	828
1st previous tax year		829
Total ***		

- \* Adjusted net loss for CMT purposes that was earned (by the corporation, by subsidiaries wound up into or amalgamated with the corporation before March 22, 2007, and by other predecessors of the corporation) in each of the previous 10 tax years that ended before March 23, 2007, and has not been deducted.
- \*\* Adjusted net loss for CMT purposes that was earned (by the corporation and its predecessors, but not by a subsidiary predecessor) in each of the previous 20 tax years that ended after March 22, 2007, and has not been deducted.
- \*\*\* The total of these two columns must equal the total of the amounts entered on lines/720 and 750.



**SCHEDULE 511** 

# ONTARIO CORPORATE MINIMUM TAX – TOTAL ASSETS AND REVENUE FOR ASSOCIATED CORPORATIONS

Name of corporation	Business Number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2022-12-31

- For use by corporations to report the total assets and total revenue of all the Canadian or foreign corporations with which the filing corporation was associated at any time during the tax year. These amounts are required to determine if the filing corporation is subject to corporate minimum tax.
- Total assets and total revenue include the associated corporation's share of any partnership(s)/joint venture(s) total assets and total revenue.
- Attach additional schedules if more space is required.
- File this schedule with the T2 Corporation Income Tax Return.

	Names of associated corporations	Business number (Canadian corporation only)	Total assets* (see Note 2)	Total revenue** (see Note 2)
	200	(see Note 1) 300	400	500
1	Corporation of the Town of Orangeville	10698 6151 RC0001	50,000,000	100,000,000
2	Corporation of the Township of East Luther Grand	NR	0	0
3	Orangville Railway Development Corporation	86433 3166 RC0001	0	0
		Total	50,000,000	100,000,000

Enter the total assets from line 450 on line 116 in Part 1 of Schedule 510, Ontario Corporate Minimum Tax. Enter the total revenue from line 550 on line 146 in Part 1 of Schedule 510.

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

Note 2: If the associated corporation does not have a tax year that ends in the filing corporation's current tax year but was associated with the filing corporation in the previous tax year of the filing corporation, enter the total revenue and total assets from the tax year of the associated corporation that ends in the previous tax year of the filing corporation.

#### \* Rules for total assets

- Report total assets in accordance with generally accepted accounting principles, adjusted so that consolidation and equity methods are not used.
- Include the associated corporation's share of the total assets of partnership(s) and joint venture(s) but exclude the recorded asset(s) for the investment in partnerships and joint ventures.
- Exclude unrealized gains and losses on assets that are included in net income for accounting purposes but not in income for corporate income tax purposes.

#### \*\* Rules for total revenue

- Report total revenue in accordance with generally accepted accounting principles, adjusted so that consolidation and equity methods are not used.
- If the associated corporation has 2 or more tax years ending in the filing corporation's tax year, multiply the sum of the total revenue for each of those tax years by 365 and divide by the total number of days in all of those tax years.
- If the associated corporation's tax year is less than 51 weeks and is the only tax year of the associated corporation that ends in the filing corporation's tax year, multiply the associated corporation's total revenue by 365 and divide by the number of days in the associated corporation's tax year.
- Include the associated corporation's share of the total revenue of partnerships and joint ventures.
- If the partnership or joint venture has 2 or more fiscal periods ending in the associated corporation's tax year, multiply the sum of the total revenue for each of the fiscal periods by 365 and divide by the total number of days in all the fiscal periods.

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