

**THE QUEEN'S BENCH**  
**Winnipeg Centre**

IN THE MATTER OF: THE APPOINTMENT OF A RECEIVER  
PURSUANT TO SECTION 243 OF THE  
BANKRUPTCY AND INSOLVENCY ACT,  
R.S.C., C.B-3, AS AMENDED, AND SECTION 55  
OF THE COURT OF QUEEN'S BENCH ACT,  
C.C.S.M., C. C280, AS AMENDED

BETWEEN:

WHITE OAK COMMERCIAL FINANCE, LLC,

Applicant,

- and -

NYGARD HOLDINGS (USA) LIMITED, NYGARD INC., FASHION  
VENTURES, INC., NYGARD NY RETAIL, LLC., NYGARD  
ENTERPRISES LTD., NYGARD PROPERTIES LTD., 4093879  
CANADA LTD., 4093887 CANADA LTD., and NYGARD  
INTERNATIONAL PARTNERSHIP,

Respondents.

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**AFFIDAVIT OF GREG FENSKE**

AFFIRMED this 5<sup>th</sup> day of November, 2020

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**LEVENE TADMAN GOLUB LAW CORPORATION**

Barristers and Solicitors  
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INTERNATIONAL PARTNERSHIP,

Respondents.

**AFFIDAVIT OF GREG FENSKE**

I, GREG FENSKE, of the City of Winnipeg, in the Province of Manitoba,

AFFIRM:

1. I was the Director of Systems for the Nygard Group of Companies (and I am now a director of the Debtors) and as such have personal knowledge of the facts and matters which are hereinafter deposed to by me except where same are stated to be based on information and belief, and which I believe to be true.

2. The Respondents retained Albert Gelman Inc. to perform consulting services for the Canadian debtors on September 25, 2020 with the primary purpose being assessing their current financial situation and to advise the Respondent of the options available to each of the Canadian debtors pursuant to *The Bankruptcy and Insolvency Act of Canada*.
3. The White Oak funds were advanced directly to Nygard International Partnership and were used by Nygard International Partnership for its own operating purposes and in this instance to pay down its debt with The Bank of Montreal inasmuch as Nygard International Partnership was the primary borrower from The Bank of Montreal, the prior bank of Nygard International Partnership.
4. My understanding of the AQC-Revenue Reserve is that it is a very old company practice (30 plus years old) and relates to assessing penalties due back from vendors to reduce the Accounts Payable balance, however many vendors contest that it is not actually enforceable.
5. It is my estimate that the market value of Inkster property is consistent with the price that the Receiver listed the property for sale which is \$8,500,000.00.
6. It is my estimate that the market value of the Broadway property is the amount the Receiver listed it for sale at \$2,700,000.00.
7. It is my estimate that the value of 40 Fieldstone Drive in Woodbridge, Ontario is \$900,000.00 based on discussions with a real estate agent.

8. It is my estimate that the value of the leases on the Falcon Lake properties in Manitoba is the two individual leases have a value of approximately \$400,000.00 each based on their earlier purchase prices and the buildings constructed on the properties.
9. I can advise that there is a mortgage of \$1,000,000.00 secured by 40 Fieldstone Drive, in Woodbridge, Ontario and the Falcon Lake properties as contemplated by the E/B Settlement Agreement.
10. It is my belief that the outstanding loan to the former senior executive is not likely collectable as the Receiver has not succeeded in collecting it in the past seven months.
11. The Shanghai building was seized by the Chinese authorities as a result of unpaid wages owed to former employees. Accordingly, the loan due has no realizable value.
12. The shareholder loan receivable of \$8,000 on the books of Nygard Enterprises Ltd. is an amount due from Peter Nygard. The amount is collectable.
13. Amerprise was the investment adviser of NEL in 2017. The monies in this account were transferred to Stifel in 2018. Most of its value was lost through devaluation of the shares held in the retail industry and the balance was expended on professionals, consultants and business expenses including insurance costs.
14. The documents on the AS400 system are redundant in that most of the material contained thereon had already been transferred to the AX and

other servers and a third paper copy could be found in the filing cabinets.

15. The consolidated financial statements referenced in the Receiver's report do not and have never included the business operations of NPL or NEL. Attached hereto and marked as **Exhibit "A"** is the most recent consolidated financial statements for 2018.
16. Attached hereto and marked as **Exhibit "B"** is note No. 2 from NPL's financials and note No. 2 from the draft 2019 statements.
17. Attached hereto and marked as **Exhibit "C"** is NPL's separate tax return showing that it has its own tax returns and is not part of the consolidated group.
18. The 9<sup>th</sup> Report of the Receiver does not address what will happen if the Inkster property is not sold. In particular it does not set out the significant savings which will be realized by not having to create arrangements to move and store the servers and back up the electronic documents and arrange third party storage for the paper documents. This will save \$232,000.00 - \$660,000.00 in this first year based on the Receiver's cost estimate.
19. If Inkster is not sold, the concern raised by the Receiver as to a possible loss of the documents and/or their integrity will not be an issue.
20. Further, retaining Inkster will enable NPL to re-let and finance Inkster, some of the proceeds of which will be used to enhance the proposal to

be made to creditors by NIP and its partners. A sale of Inkster, rather than a retention, will also generate a significant tax liability.

21. The general terms of the proposal that I contemplate for NIP and its Partners will be as follows:

a) a payment of \$1,100,000.00, from NEL to NIP, as part of a settlement between NIP, NEL and NPL whereby NIP's debt to NPL will be extinguished and NEL's debt to NIP will be extinguished, as explained in the report of AGI.

b) A (gratuitous) payment of \$1,000,000 from NPL.

c) A further payment equal to the fair market value of the remaining assets of NIP, as to be valued by the proposal Trustee in its report to unsecured creditors.

22. These terms will be substantially better for the unsecured creditors than the bankruptcy proposed by the Receiver.

23. I make this Affidavit *bona fide*.

AFFIRMED before me at the City of  
Winnipeg, in the Province of  
Manitoba this 5<sup>th</sup> day of November,  
2020



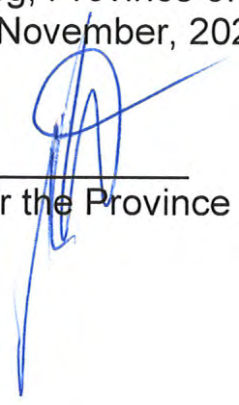
A Barrister-at-Law in and for the  
Province of Manitoba.



GREG FENSKE



This is Exhibit "A" referred to in the Affidavit of Greg Fenske, affirmed before me at the City of Winnipeg, Province of Manitoba, this 5<sup>th</sup> day of November, 2020

  
\_\_\_\_\_  
A Notary Public in and for the Province of Manitoba

# Nygård Group of Companies

**Combined financial statements**  
**[in thousands of Canadian dollars]**  
**February 3, 2018**



**Building a better  
working world**



## Independent auditors' report

To the Owners of the  
**Nygård Group of Companies**

We have audited the accompanying combined financial statements of the **Nygård Group of Companies**, which comprise the combined balance sheet as at February 3, 2018, and the combined statements of loss and retained earnings and cash flows for the period from January 29, 2017 to February 3, 2018, and a summary of significant accounting policies and other explanatory information. These combined financial statements have been prepared by management to comply with the financial reporting provisions of the lending agreement dated May 5, 2018 between Nygård International Partnership and the Bank of Montreal ["BMO"] using the basis of accounting described in note 2.

### **Management's responsibility for the combined financial statements**

Management is responsible for the preparation of these combined financial statements in accordance with the basis of accounting described in note 2. This includes determining that the basis of accounting is an acceptable basis for the preparation of combined financial statements in the circumstances, and for such internal control as management determines is necessary to enable the preparation of combined financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditors' responsibility**

Our responsibility is to express an opinion on these combined financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the combined financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the combined financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation of the combined financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the combined financial statements.

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

### **Opinion**

In our opinion, the combined financial statements of the **Nygård Group of Companies** as at February 3, 2018, and for the period from January 29, 2017 to February 3, 2018, are prepared, in all material respects, in accordance with the basis of accounting described in note 2.



A member firm of Ernst & Young Global Limited

**Basis of accounting and restriction on use**

Without modifying our opinion, we draw attention to note 2 to the combined financial statements, which describes the basis of accounting. The combined financial statements are prepared to assist the **Nygård Group of Companies** to comply with the financial reporting provisions of the lending agreement referred to above. As a result, the combined financial statements may not be suitable for another purpose. Our report is intended solely for the **Nygård Group of Companies** and BMO, and should not be used by parties other than the **Nygård Group of Companies** or BMO.

Winnipeg, Canada  
September 19, 2018

*Ernst + Young LLP*

Chartered Professional Accountants



## Nygård Group of Companies

### Combined balance sheet

[in thousands of Canadian dollars]

As at

	February 3, 2018 \$	January 28, 2017 \$
<b>Assets</b> [note 9]		
<b>Current</b>		
Cash	1,193	3,233
Accounts receivable [notes 3 and 11]	72,770	76,403
Inventories [note 4]	64,088	72,563
Income taxes recoverable	—	608
Prepaid expenses and deposits	3,748	1,712
<b>Total current assets</b>	<b>141,799</b>	<b>154,519</b>
Property and equipment, net [note 5]	24,606	26,767
Other assets [note 6]	15,084	15,345
Investments [note 7]	11,597	11,597
Note receivable [note 8]	13,497	7,716
	<b>206,583</b>	<b>215,944</b>
<b>Liabilities and owners' equity</b>		
<b>Current</b>		
Bank indebtedness [note 9]	36,359	25,766
Accounts payable and accrued liabilities [notes 10 and 11]	36,068	45,648
Income taxes payable	6,568	—
<b>Total current liabilities</b>	<b>78,995</b>	<b>71,414</b>
Commitments and contingencies [note 14]		
<b>Owners' equity</b>		
Share capital [note 12]	80,355	80,355
Contributed surplus	3,676	3,676
Retained earnings	43,844	57,517
Cumulative translation adjustment	(287)	2,982
<b>Total owners' equity</b>	<b>127,588</b>	<b>144,530</b>
	<b>206,583</b>	<b>215,944</b>

See accompanying notes

On behalf of the Board:

Director

Director

**Nygård Group of Companies**

**Combined statement of loss and retained earnings**

[in thousands of Canadian dollars]

	53-week period ended February 3, 2018 \$	52-week period ended January 28, 2017 \$
<b>Sales</b> [note 15]	<b>395,851</b>	444,361
Discounts	(67,813)	(79,058)
Promotions	(3,376)	(4,268)
Markdowns	(62,498)	(58,751)
	<b>262,164</b>	302,284
Cost of sales [note 4]	<b>168,537</b>	186,357
<b>Gross profit</b>	<b>93,627</b>	115,927
<b>Expenses</b>		
Operating expenses [note 11]	<b>100,737</b>	123,121
Interest expense	<b>2,288</b>	391
Amortization of property and equipment	<b>7,361</b>	6,552
Foreign exchange loss (gain)	(128)	1,739
Other income	(6,477)	(6,065)
	<b>103,781</b>	125,738
Loss before income taxes	(10,154)	(9,811)
Provision for income taxes [note 13]	<b>3,519</b>	—
<b>Net loss for the period</b>	<b>(13,673)</b>	(9,811)
Retained earnings, beginning of period	<b>57,517</b>	67,328
<b>Retained earnings, end of period</b>	<b>43,844</b>	57,517

See accompanying notes

## Nygård Group of Companies

### Combined statement of cash flows

[in thousands of Canadian dollars]

	53-week period ended February 3, 2018 \$	52-week period ended January 28, 2017 \$
<b>Operating activities</b>		
Net loss for the period	(13,673)	(9,811)
Add (deduct) items not involving cash		
Gain on disposal of property and equipment	(4)	(25)
Amortization of property and equipment	7,361	6,552
	(6,316)	(3,284)
Changes in non-cash working capital balances related to operations		
Accounts receivable	3,633	2,268
Inventories	8,475	(2,063)
Income taxes recoverable/payable	7,176	(1,455)
Prepaid expenses	(1,775)	(88)
Accounts payable and accrued liabilities	(9,580)	1,763
<b>Cash provided by (used in) operating activities</b>	<b>1,613</b>	<b>(2,859)</b>
<b>Investing activities</b>		
Decrease (increase) in note receivable from Nygård Ventures Inc.	(5,781)	2,698
Purchase of property and equipment	(5,196)	(5,244)
Proceeds on disposal of property and equipment	—	130
<b>Cash used in investing activities</b>	<b>(10,977)</b>	<b>(2,416)</b>
<b>Financing activities</b>		
Increase in bank indebtedness	10,593	8,102
<b>Cash provided by financing activities</b>	<b>10,593</b>	<b>8,102</b>
Effect of change in foreign exchange rates	(3,269)	(1,535)
<b>Net increase (decrease) in cash during the period</b>	<b>(2,040)</b>	<b>1,292</b>
Cash, beginning of period	3,233	1,941
<b>Cash, end of period</b>	<b>1,193</b>	<b>3,233</b>

See accompanying notes

## Nygård Group of Companies

### Notes to combined financial statements

[in thousands of Canadian dollars, unless otherwise indicated]

February 3, 2018

#### 1. Description of business

The business of the Nygård Group of Companies [the "Combined Company"] is summarized as follows:

Nygård International Partnership designs, manufactures, imports, markets and retails an extensive range of women's traditional and contemporary fashion apparel and operates Distribution Service Centres for garments sold to Canadian-based customers. Nygård Inc. and Nygård NY Retail LLC, design, manufacture, import and market a line of women's career clothing and operate Distribution Service Centres for garments sold to U.S.-based customers.

#### 2. Summary of significant accounting policies

##### Basis of presentation

The combined financial statements include the accounts of the following legal entities within the Nygård Group of Companies:

Nygård International Partnership	Partnership
4093879 Canada Ltd.	Partner of Nygård International Partnership
4093887 Canada Ltd.	Partner of Nygård International Partnership
Nygård Inc. and its wholly owned subsidiary Fashion Ventures Inc.	Corporations
Nygård NY Retail LLC	Limited liability corporation
Nygård Holdings (USA) Ltd.	Corporation

The financial statements are presented on a combined basis with all intercompany transactions and intercompany balances eliminated.

The Combined Company prepares its combined financial statements on a basis such that its reporting year-end is the last Saturday closest to January 31 each year.

##### Basis of accounting

These combined financial statements have been prepared in accordance with the financial reporting provisions of the lending agreement dated May 5, 2017 between Nygård International Partnership and the Bank of Montreal ["BMO"] to include the accounts of the companies noted above. The financial reporting provisions are based on certain principles of Part II of the *CPA Canada Handbook – Accounting*, "Accounting Standards for Private Enterprises," which sets out generally accepted accounting principles for non-publicly accountable enterprises in Canada. The accounts of certain companies that would be required to be consolidated are excluded from these combined financial statements as their activities do not relate to the core operations of the Combined Company. Investments in those excluded companies are carried at cost and included in these combined financial statements.

These combined financial statements include the significant accounting policies described hereafter.



## **Nygård Group of Companies**

### **Notes to combined financial statements**

[in thousands of Canadian dollars, unless otherwise indicated]

February 3, 2018

#### **Revenue recognition**

Revenue generated on the sale of merchandise is recognized at the time of sale at the Combined Company's owned retail store locations and at the time of shipment for all other sales when collection is reasonably assured. Reported sales are net of returns and estimated possible returns and exclude sales taxes. Gift cards sold are recorded as accrued liabilities and revenue is recognized when the gift cards are redeemed.

#### **Inventories**

Finished goods and work-in-process are valued at the lower of cost and net realizable value. Raw materials are valued at the lower of cost and net realizable value. Cost is determined on the first-in, first-out basis. Costs include the cost of purchase, transportation costs that are directly incurred to bring inventories to their present location and condition, and certain distribution centre costs related to inventories. The Combined Company estimates net realizable value as the amount of inventories that are expected to be sold in the ordinary course of business, less the estimated costs necessary to make the sale, taking into consideration fluctuations in prices due to seasonality.

#### **Property and equipment**

Property and equipment are recorded at cost, less government grants, investment tax credits received or receivable and accumulated amortization using the following rates and methods:

Machinery and equipment	20% declining balance or straight-line over 3 years and 50% declining balance for displays
Automobiles	30% declining balance

Leasehold improvements are amortized on the straight-line basis over the terms of the respective leases.

Assets not in use are not amortized until put into use and allocated to the appropriate asset category.

#### **Other assets**

Included in other assets are trademarks with an indefinite life.

#### **Investments**

Investments within the Combined Company are not within the active market and as such are initially recorded at fair value adjusted by financing fees and transaction costs directly attributable to their origination, acquisition, issuance or assumption. Investments are subsequently measured at cost less any reduction for impairment.

#### **Income taxes**

Income taxes are recorded on the taxes payable basis. The cost or recovery of income taxes is recorded as an expense or income of the period determined in accordance with the rules established by taxation authorities. This method does not account for the cost or benefit of future income taxes related to differences between the accounting basis and tax basis of the Combined Company's assets and liabilities.

## Nygård Group of Companies

### Notes to combined financial statements

[in thousands of Canadian dollars, unless otherwise indicated]

February 3, 2018

#### Impairment

##### *Long-lived amortizing assets*

Property and equipment subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. Impairment is assessed by comparing the carrying amount of an asset to be held and used with the total of the undiscounted cash flows expected from its use and disposition. If the asset is impaired, the impairment loss to be recognized is measured at the amount by which the carrying amount of the asset exceeds its fair value, generally determined on a discounted cash flow basis. Any impairment results in a write-down of the asset and a charge to loss during the period. An impairment loss is not reversed if the fair value of the related long-lived asset subsequently increases.

##### *Indefinite-life intangible asset*

Trademarks are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may exceed its fair value. Impairment is assessed by comparing the carrying amount of the intangible asset with its fair value, generally determined on a discounted cash flow basis. When the carrying amount of the intangible asset exceeds its fair value, an impairment loss is recognized in an amount equal to the excess. An impairment loss is not reversed if the fair value of the related long-lived asset subsequently increases.

##### *Financial assets measured at cost and amortized cost*

When there are indications of possible impairment, the Combined Company determines if there has been a significant adverse change to the expected timing or amounts of future cash flows expected from the financial asset. The amount of any impairment loss is determined by comparing the carrying amount of the financial asset with the highest of the following:

- The present value of the cash flows expected to be generated by holding the asset, discounted using a current market rate of interest appropriate to that asset;
- The amount that could be realized by selling the asset at the date of the combined balance sheet; and
- The amount expected to be realized by exercising its rights to any collateral held to secure repayment of the asset, net of all costs necessary to exercise those rights.

Reversals are permitted, but the adjusted carrying amount of the financial asset shall be no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized.

#### Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the exchange rate prevailing at the combined balance sheet date. Revenue and expenses denominated in foreign currencies are translated at the exchange rate prevailing at the transaction date. Exchange gains or losses are included in net loss for the period.

The Combined Company uses the current rate method to translate the financial statements of its self-sustaining foreign companies, whereby all assets and liabilities are translated at period-end exchange rates, and revenue and expenses at the average exchange rate for the period. Adjustments arising from the translation of the combined balance sheet are included as a separate component of owners' equity.

## Nygård Group of Companies

### Notes to combined financial statements

[in thousands of Canadian dollars, unless otherwise indicated]

February 3, 2018

#### Financial instruments

Financial instruments include cash, accounts receivable, note receivable, bank indebtedness and accounts payable and accrued liabilities.

The Combined Company does not hold financial instruments for trading or speculative purposes.

#### *Interest rate risk and currency risk*

The Combined Company's loss is exposed to interest rate risk and currency risk that arise from fluctuations in interest rates and foreign exchange rates and the degree of volatility of these rates. The Combined Company occasionally uses derivative instruments to reduce its exposure to interest rate risk and currency risk. As at February 3, 2018, the Combined Company had no forward foreign exchange contracts outstanding to purchase U.S. dollars.

#### *Credit risk*

The Combined Company is exposed to credit risk from its customers. The Combined Company's exposure to credit risk arises principally through trade accounts receivable. The Combined Company's largest customers consist of North American retailers. As at February 3, 2018, the Combined Company's top three customers accounted for 76% [January 28, 2017 – 51%] of the Combined Company's total accounts receivable.

#### *Liquidity risk*

Liquidity risk is the risk that the Combined Company will encounter difficulty in meeting obligations associated with financial liabilities. The Combined Company is exposed to this risk mainly in respect of its accounts payable, accrued liabilities, and bank indebtedness.

#### *Fair value of financial instruments*

The carrying values of the Combined Company's financial instruments approximate their fair values, except that the fair values of related party receivables and the note receivable from Nygård Ventures Inc. are not determinable as similar interest and repayment terms are not available in the marketplace.

## Nygård Group of Companies

### Notes to combined financial statements

[in thousands of Canadian dollars, unless otherwise indicated]

February 3, 2018

#### Related parties

In the normal course of business, the Combined Company had balances and transactions with the following related parties:

Brause Investments Inc.	Company under common control
Edson Investments Inc.	Company under common control
Enterprise Aviation Bermuda Ltd.	Subsidiary of Nygård Ventures Inc.
Fashion Technology Ltd.	Company under common control
Nygård Enterprises Ltd.	Company that indirectly controls Nygård International Partnership
Nygård Holdings Ltd.	Company under common control
Nygård Properties Ltd.	Company under common control
Nygård Ventures Inc.	Subsidiary of Fashion Ventures Inc.
Nygård Properties (USA) Ltd.	Company under common control
Nygård Biotech Corporation	Subsidiary of Nygård Inc.
Seagreen Investments Ltd.	Company under common control
Nygård Barbados Ltd.	Company under common control
YL Ltd.	Company under common control

#### Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingencies at the date of the combined financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

### 3. Accounts receivable

Accounts receivable consist of the following:

	February 3, 2018	January 28, 2017
	\$	\$
Trade and other receivables	25,100	25,642
Related party receivables [note 11]	47,670	51,836
	<u>72,770</u>	<u>77,478</u>

## Nygård Group of Companies

### Notes to combined financial statements

[in thousands of Canadian dollars, unless otherwise indicated]

February 3, 2018

#### 4. Inventories

Inventories consist of the following:

	February 3, 2018	January 28, 2017
	\$	\$
Finished goods		
Consignment	38	114
Merchandising	54,881	63,867
Retail	8,872	7,772
Work-in-process and raw materials	297	810
	<u>64,088</u>	<u>72,563</u>

During the period ended February 3, 2018, \$168,537 [January 28, 2017 – \$186,357] of inventories were expensed in cost of sales, which included a write-down to net realizable value of \$17,009 [January 28, 2017 – \$12,880] related to finished goods inventory.

#### 5. Property and equipment

Property and equipment consist of the following:

	February 3, 2018		
	Cost	Accumulated amortization	Net book value
	\$	\$	\$
Machinery and equipment	64,502	59,081	5,421
Automobiles	2,733	2,418	315
Leasehold improvements	61,510	46,774	14,736
Assets not in use	4,134	—	4,134
	<u>132,879</u>	<u>108,273</u>	<u>24,606</u>
	January 28, 2017		
	Cost	Accumulated amortization	Net book value
	\$	\$	\$
Machinery and equipment	63,803	55,875	7,928
Automobiles	2,796	2,352	444
Leasehold improvements	57,224	42,771	14,453
Assets not in use	3,942	—	3,942
	<u>127,765</u>	<u>100,998</u>	<u>26,767</u>

## Nygård Group of Companies

### Notes to combined financial statements

[in thousands of Canadian dollars, unless otherwise indicated]

February 3, 2018

#### 6. Other assets

Other assets consist of the following:

	February 3, 2018	January 28, 2017
	\$	\$
Trademarks	15,084	15,345

#### 7. Investments

Investments consist of the following:

	February 3, 2018	January 28, 2017
	\$	\$
Nygård Properties (USA) Ltd – 500 preferred shares	11,596	11,596
Nygård Ventures Inc. – 1,500 no par value shares	1	1
	11,597	11,597

#### 8. Note receivable

The note receivable from Nygård Ventures Inc. is denominated in U.S. dollars, totalling US\$10,902 [January 28, 2017 – US\$5,873] or in Canadian dollars, totalling CDN\$13,497 [January 28, 2017 – CDN\$7,716], bears interest at 3% [2017 – 3%] and is due on demand. As this is a related party balance it is unlikely to be called on within the next 12 months, and as such has been classified as long-term.

#### 9. Credit facility

The Combined Company signed a term sheet and finalized on May 5, 2017 new lending terms with BMO. The new credit facility is a maximum of \$60 million with a seasonal bulge of up to \$20 million available for January, February, March, July, August, and September. If excess availability is greater than 40%, then interest is set at prime plus 0.25% or LIBOR plus 1.75%. If excess availability is less than 40% but greater than 20%, then interest is set at prime plus 0.50% or LIBOR plus 2.00%. If excess availability is less than 20%, then interest is set at prime plus 0.75% or LIBOR plus 2.25%. The term of the loans is over three years. There are also arrangements for foreign exchange contracts and letters of credit to a maximum of \$25 million each. The new debt is secured by all assets of the Combined Company and is subject to availability limits on accounts receivable and inventories.

To obtain the new credit facility, the Combined Company incurred transaction costs that were directly attributable to the financial liability. As such, the Combined Company deferred \$686 in costs associated over a three-year period.



## Nygård Group of Companies

### Notes to combined financial statements

[in thousands of Canadian dollars, unless otherwise indicated]

February 3, 2018

On April 3, 2018, BMO agreed to a temporary bulge of \$65 million for the months of April, May and June, subject to availability limits on accounts receivable and inventory.

The Combined Company was not in compliance with its fixed charge coverage ratio debt covenant at year-end but has received a waiver from BMO on September 6, 2018.

#### 10. Accounts payable and accrued liabilities

As at February 3, 2018, the Combined Company had net Canadian government remittances payable of \$5,604 [January 28, 2017 – \$1,682] included in accounts payable and accrued liabilities.

#### 11. Related party transactions and balances

In the normal course of business, and other than those transactions and balances disclosed elsewhere in these combined financial statements, the Combined Company had the following transactions and balances recorded at their agreed-upon exchange amounts with related parties:

##### Transactions

	Period from January 29, 2017 to February 3, 2018 \$	Period from January 31, 2016 to January 28, 2017 \$
Included in operating expenses		
Technical service fees – Fashion Technology Ltd.	1,782	1,819
Rental fees – Nygård Properties Ltd.	1,301	1,301
Rental fees – Edson Investments Inc.	464	474
Rental fees – Brause Investments Inc.	703	717
Interest received – Nygård Biotech Corporation	(152)	(149)
Interest paid – Nygård Properties (USA) Ltd.	60	39
Interest received – Nygård Ventures Inc.	(67)	(78)
Interest paid – Brause Investments Inc.	74	66
Interest received – Edson Investments Inc.	(160)	(175)
	<u>4,005</u>	<u>4,014</u>

## Nygård Group of Companies

### Notes to combined financial statements

[in thousands of Canadian dollars, unless otherwise indicated]

February 3, 2018

#### Other balances

	Period from January 29, 2017 to February 3, 2018 \$	Period from January 31, 2016 to January 28, 2017 \$
Included in accounts receivable		
Nygård Enterprises Ltd.	22,938	28,122
Edson Investments Inc.	7,030	8,725
Nygård Biotech Corporation	7,457	7,593
Nygård Properties Ltd.	2,081	384
Nygård Holdings Ltd.	8,164	5,512
YL Ltd.	—	1,500
	<u>47,670</u>	<u>51,836</u>
Included in accounts payable and accrued liabilities		
Nygård Barbados Ltd.	(3,775)	(2,557)
Brause Investments Inc.	(3,893)	(3,346)
Nygård Properties (USA) Ltd.	(3,438)	(2,475)
	<u>(11,106)</u>	<u>(8,378)</u>

Advances from Nygård Group of Companies, a company under common control, are non-interest bearing, unsecured and have no specified terms of repayment.

#### 12. Share capital

Share capital consists of the following:

##### Authorized

4093879 Canada Ltd. and 4093887 Canada Ltd.

Unlimited common shares, voting

Unlimited common shares, non-voting

Unlimited Class A shares, redeemable and non-cumulative

Unlimited Class B shares, redeemable and non-cumulative

Unlimited Class C shares, redeemable and non-cumulative

Unlimited Class D shares, redeemable and non-cumulative

Nygård Inc.

30,000 common shares

## Nygård Group of Companies

### Notes to combined financial statements

[in thousands of Canadian dollars, unless otherwise indicated]

February 3, 2018

#### Issued

	Period from January 29, 2017 to February 3, 2018 \$	Period from January 31, 2016 to January 28, 2017 \$
4093879 Canada Ltd. 200 common shares, voting	37,585	37,585
4093887 Canada Ltd. 200 common shares, voting	42,762	42,762
Nygård Inc. 6,000 common shares	8	8
	<u>80,355</u>	<u>80,355</u>

#### 13. Income taxes

The Combined Company's Canadian statutory tax rate is 26.75%, and its combined effective tax amount is determined as follows:

	Period from January 29, 2017 to February 3, 2018 \$	Period from January 31, 2016 to January 28, 2017 \$
Combined income taxes at statutory rate	(2,717)	(2,649)
Reversal of temporary differences	(1,851)	840
Rate differential	1,309	(68)
Reserve against income taxes recoverable	6,581	1,781
Permanent differences	197	96
Tax recovery of losses not recoverable	149	—
Other	(149)	—
<b>Income tax expense</b>	<u>3,519</u>	<u>—</u>

The combined financial statements presentation is a combination of multiple entities that reside in two different taxing jurisdictions. Tax is calculated based on each taxing jurisdiction irrespective of the other jurisdiction's income or loss.

## Nygård Group of Companies

### Notes to combined financial statements

[in thousands of Canadian dollars, unless otherwise indicated]

February 3, 2018

#### 14. Commitments and contingencies

##### Operating leases

As at February 3, 2018, future minimum annual lease payments committed under non-cancellable operating leases for retail store premises and software are as follows:

	\$
2019	19,775
2020	15,092
2021 and thereafter	64,263
	<u>99,130</u>

##### Employee profit sharing plan

Certain employees of the Combined Company participate in a company-sponsored profit sharing plan. A portion of the profit sharing is allocated and accrued for immediate payments after period-end, and a portion is deferred. The deferred portion will only be paid out if certain terms and conditions related to future events are achieved. The amount of the deferred portion as at February 3, 2018 is \$1.4 million [January 28, 2017 – \$6.2 million], and \$283,000 of the deferred portion is accrued for distribution after period-end [January 28, 2017 – \$3.3 million]. As the outcome of these future events is not currently determinable, these combined financial statements do not reflect an accrual for deferred amounts greater than the \$283,000 accrued.

##### Letters of credit

As at February 3, 2018, irrevocable letters of credit issued by the bank on behalf of the Combined Company amounted to \$3.0 million [January 28, 2017 – \$9.8 million].

##### Legal claims

The Combined Company is subject to claims that arise in the ordinary course of business. In the opinion of management, the outcome of these matters will not have a material effect on the Combined Company's financial position or results of operations. No amounts for claims have been accrued in these combined financial statements as the outcome is not determinable at this time.

##### Tax positions and measurement uncertainty

The Combined Company is subject to examinations by U.S. and Canadian taxation authorities. On April 11, 2018 the Canada Revenue Agency ["CRA"] issued a proposal in conjunction with their examination of the taxation years ended January 31, 2014 and January 31, 2015. The proposal makes adjustments to deny the deduction of various expenses, and accordingly to increase Partnership income by \$11 million and \$13.6 million for the years ended January 31, 2014 and January 31, 2015, respectively.

## **Nygård Group of Companies**

### **Notes to combined financial statements**

[in thousands of Canadian dollars, unless otherwise indicated]

February 3, 2018

The Combined Company has considered the impact of the proposal on the taxation years under examination as well as on taxation years that are not statute-barred and has recorded a provision of \$7.3 million in respect of uncertain income tax positions. Should the CRA proposed adjustments be confirmed in an assessment, there is the potential application of withholding taxes that may become payable in the range of \$3.6 – \$7.3 million. The Combined Company believes it has made adequate provision for all income tax uncertainties however, given the nature of estimates involved in this process and the uncertainty associated with both the timing and outcome of future assessments or other proceedings, actual results could differ materially unfavourably from the provisions recorded.

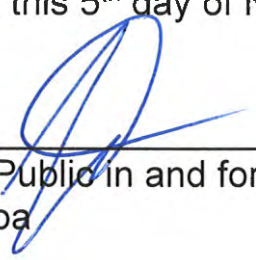
#### **15. Economic dependence**

The Combined Company carries on business with one arm's length customer representing 38% of total sales for the period [January 28, 2017 two customers – 49%]. The volume of transactions for these customer(s) is in the normal course of business, which is standard for the industry.

#### **16. Comparative figures**

The comparative financial statements have been reclassified from statements previously presented to conform to the presentation of the current year financial statements.

This is Exhibit "B" referred to in the Affidavit of Greg Fenske, affirmed before me at the City of Winnipeg, Province of Manitoba, this 5<sup>th</sup> day of November, 2020

  
\_\_\_\_\_  
A Notary Public in and for the Province of Manitoba



## Nygård Group of Companies

### Notes to combined financial statements

[in thousands of Canadian dollars, unless otherwise indicated]

February 3, 2018

#### 1. Description of business

The business of the Nygård Group of Companies [the "Combined Company"] is summarized as follows:

Nygård International Partnership designs, manufactures, imports, markets and retails an extensive range of women's traditional and contemporary fashion apparel and operates Distribution Service Centres for garments sold to Canadian-based customers. Nygård Inc. and Nygård NY Retail LLC, design, manufacture, import and market a line of women's career clothing and operate Distribution Service Centres for garments sold to U.S.-based customers.

#### 2. Summary of significant accounting policies

##### Basis of presentation

The combined financial statements include the accounts of the following legal entities within the Nygård Group of Companies:

Nygård International Partnership	Partnership
4093879 Canada Ltd.	Partner of Nygård International Partnership
4093887 Canada Ltd.	Partner of Nygård International Partnership
Nygård Inc. and its wholly owned subsidiary Fashion Ventures Inc.	Corporations
Nygård NY Retail LLC	Limited liability corporation
Nygård Holdings (USA) Ltd.	Corporation

The financial statements are presented on a combined basis with all intercompany transactions and intercompany balances eliminated.

The Combined Company prepares its combined financial statements on a basis such that its reporting year-end is the last Saturday closest to January 31 each year.

##### Basis of accounting

These combined financial statements have been prepared in accordance with the financial reporting provisions of the lending agreement dated May 5, 2017 between Nygård International Partnership and the Bank of Montreal ["BMO"] to include the accounts of the companies noted above. The financial reporting provisions are based on certain principles of Part II of the *CPA Canada Handbook – Accounting*, "Accounting Standards for Private Enterprises," which sets out generally accepted accounting principles for non-publicly accountable enterprises in Canada. The accounts of certain companies that would be required to be consolidated are excluded from these combined financial statements as their activities do not relate to the core operations of the Combined Company. Investments in those excluded companies are carried at cost and included in these combined financial statements.

These combined financial statements include the significant accounting policies described hereafter.

## Nygård Group of Companies

### Notes to combined financial statements

[in thousands of Canadian dollars, unless otherwise indicated]

February 2, 2019

## 2. Summary of significant accounting policies

### Basis of presentation

The combined financial statements include the accounts of the following legal entities within the Nygård Group of Companies:

Nygård International Partnership	Partnership
4093879 Canada Ltd.	Partner of Nygård International Partnership
4093887 Canada Ltd.	Partner of Nygård International Partnership
Nygård Inc. and its wholly owned subsidiary Fashion Ventures Inc.	Corporations
Nygård NY Retail LLC	Limited liability corporation
Nygård Holdings (USA) Ltd.	Corporation

The financial statements are presented on a combined basis with all intercompany transactions and intercompany balances eliminated.

The Combined Company prepares its combined financial statements on a basis such that its reporting year-end is the last Saturday closest to January 31 each year.

### Basis of accounting

These combined financial statements have been prepared in accordance with the financial reporting provisions of the lending agreement dated May 4, 2017 between Nygård International Partnership and the Bank of Montreal ["BMO"] to include the accounts of the companies noted above. The financial reporting provisions are based on certain principles of Part II of the *CPA Canada Handbook – Accounting*, "Accounting Standards for Private Enterprises," which sets out generally accepted accounting principles for non-publicly accountable enterprises in Canada. The accounts of certain companies that would be required to be consolidated are excluded from these combined financial statements as their activities do not relate to the core operations of the Combined Company. Investments in those excluded companies are carried at cost and included in these combined financial statements.

These combined financial statements include the significant accounting policies described hereafter.

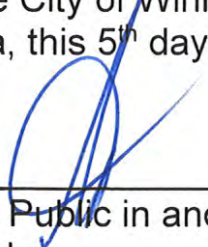
### Revenue recognition

Revenue generated on the sale of merchandise is recognized at the time of sale at the Combined Company's owned retail store locations and at the time of shipment for all other sales when collection is reasonably assured. Reported sales are net of returns and estimated possible returns and exclude sales taxes. Gift cards sold are recorded as accrued liabilities and revenue is recognized when the gift cards are redeemed.

### Inventories

Finished goods and work-in-process are valued at the lower of cost and net realizable value. Raw materials are valued at the lower of cost and net realizable value. Cost is determined on the first-in, first-out basis. Costs include the cost of purchase, transportation costs that are directly incurred to bring inventories to their present location and condition, and certain distribution centre costs related to inventories. The Combined Company estimates net

This is Exhibit "C" referred to in the Affidavit of Greg Fenske, affirmed before me at the City of Winnipeg, Province of Manitoba, this 5<sup>th</sup> day of November, 2020



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A Notary Public in and for the Province of Manitoba

November 28, 2019


Mr. Bennett,

**Corporate Tax Return Filing Instructions**

**T2 - CORPORATION INCOME TAX RETURN (FEDERAL)**

Federal corporate income tax returns will be electronically transmitted to the CRA. In order for us to electronically file the corporation's corporate 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 a signed T183CORP form.

***Signature***

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

***Mailing***

- ☒ A copy of the signed T183CORP form should be returned to us in the self-addressed envelope as soon as possible in order to have the corporation's corporate income tax return filed on or before the due date for filing.

***Payment***

- ☒ You must make a payment of **\$52,335** to the *Receiver General* as soon as possible to minimize interest charges. You can make the payment using CRA's *My Payment* online service, at a financial institution or by cheque.

If you are paying by cheque, make the cheque payable to the *Receiver General of Canada* and indicate the corporation's Business number as well as the end date of the taxation period, i.e. May 31, 2019.

If the corporation is paying by cheque, then the payment and a completed remittance form should be sent to:

Canada Revenue Agency  
PO Box 3800, Station A  
Sudbury (Ontario) P3A 0C3

**Federal tax instalments (monthly)**

Due date	Amount
2019-06-30	\$25,028
2019-07-31	\$25,028
2019-08-31	\$25,028
2019-09-30	\$25,028
2019-10-31	\$25,028
2019-11-30	\$25,028
2019-12-31	\$25,028
2020-01-31	\$25,028
2020-02-29	\$25,028
2020-03-31	\$25,028
2020-04-30	\$25,028
2020-05-31	\$25,027
Total	\$300,335

4093879 Canada Ltd

## Federal Tax Instalments

### Federal tax instalments

For the taxation year ended 2020-05-31

Business number 10396 1959 RC0003

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](https://canada.ca/cra-my-payment);
- by setting up a pre-authorized debit agreement, in *My Business Account*, at [canada.ca/my-cra-business-account](https://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.

### Monthly instalment workchart

Date	Monthly tax instalments	Refund transferred to instalments	Instalments paid	Cumulative difference	Instalments payable
2019-06-30	25,028				25,028
2019-07-31	25,028				25,028
2019-08-31	25,028				25,028
2019-09-30	25,028				25,028
2019-10-31	25,028				25,028
2019-11-30	25,028				25,028
2019-12-31	25,028				25,028
2020-01-31	25,028				25,028
2020-02-29	25,028				25,028
2020-03-31	25,028				25,028
2020-04-30	25,028				25,028
2020-05-31	25,027				25,027
<b>Totals</b>	<b>300,335</b>				<b>300,335</b>

### Quarterly instalment workchart

Date	Quarterly tax instalments	Refund transferred to instalments	Instalments paid	Cumulative difference	Instalments payable
2019-08-31					
2019-11-30					
2020-02-29					
2020-05-31					
<b>Totals</b>					

### Instalment method

Indicate instalment method chosen [1-3] 1

1st Instalment base method

If payment of instalments other than quarterly instalments is delayed, indicate the MONTH in which you want them to begin (1=January, 2=February, etc.):

6

Select this box if you want the instalments to be calculated without taking the applicable threshold into account

☐



### Quarterly instalments calculation

The corporation must meet requirements 1 to 5 to be eligible for quarterly instalments for a tax year.

- |   |   |
|---|---|
| 1 - Is the corporation a Canadian-controlled private corporation (CCPC)?  | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| 2 - Did the corporation claim any deduction under the section 125, during either the current or previous year?  | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| 3 - Is the corporation's, or any of its associated corporations', taxable income for the current or previous year less than or equal to \$500,000?              | <input type="checkbox"/> Yes <input type="checkbox"/> No            |
| 4 - Is the corporation and any associated corporations' taxable capital employed in Canada for the current or previous year less than or equal to \$10,000,000? | <input type="checkbox"/> Yes <input type="checkbox"/> No            |
| 5 - Does the corporation have a perfect compliance history in the last 12 months?   | <input type="checkbox"/> Yes <input type="checkbox"/> No            |

If you do not want to use the quarterly instalments option, select this box to go back to monthly instalments.

☐

### 1 - 1st Instalment base method

1st Instalment base amount (amount N below)	$300,335 \div 12 =$	25,028
Quarterly tax instalments required	$300,335 \div 4 =$	25,028

### 2 - Combined 1st and 2nd instalment base method

Select this box if you want the first 2 payments\* to be calculated without taking the applicable threshold into account? ☐

#### 2nd Monthly instalment base amount

Indicate: Part I tax	123,165	
Part VI, VI.1 and XIII.1 tax	+	
Federal adjustment for amalgamation, winding up or transfer	+	
Provincial tax, other than Alberta, Québec and Ontario	+	56,007
Ontario tax	+	40,753
Provincial adjustment for amalgamation, winding up or transfer	+	
<b>Total</b>	$= 219,925 + 12 =$	18,328 A
1/12 of estimated current year credits (M below /12)		
	<b>Each of the first two instalment payments</b>	$= 18,328$ B
Total tax from N below	300,335	
Amount B above x 2	$- 36,656$	
	$= 263,679 + 10 =$	26,368
	<b>Each of the remaining ten instalment payments</b>	$= 26,368$

#### 2nd Quarterly instalment base amount

Indicate: Part I tax	123,165	
Part VI, VI.1 and XIII.1 tax	+	
Federal adjustment for amalgamation, winding up or transfer	+	
Provincial tax, other than Alberta, Québec and Ontario	+	56,007
Ontario tax	+	40,753
Provincial adjustment for amalgamation, winding up or transfer	+	
<b>Total</b>	$= 219,925 + 4 =$	54,982 A
1/4 of estimated current year credits (M below /4)		
	<b>The first instalment payment</b>	$=$ B
Total tax from N below	300,335	
Amount B above	$-$	
	$= 300,335 + 3 =$	100,112
	<b>Each of the remaining three instalment payments</b>	$=$

\* It is the first payment if the quarterly instalments are applicable.

### 3 - Estimated tax method

Instalment base amount (amount N below)	$+ 12 =$	
Quarterly tax instalments required	$+ 4 =$	

## Instalment base calculation

Federal tax		1st instalment base method	Estimated tax method	
<b>Taxable income</b>		<u>1,120,449</u>		
<b>Calculation of tax payable</b>				
Federal part I tax		425,771		
Recapture of investment tax credit	+		+	
Refundable tax on a CCPC's investment income	+		+	
<b>Subtotal</b>	=	<u>425,771</u>	=	<b>A</b>
<b>Deduction</b>				
Small business deduction				
Investment corporation deduction	+		+	
Federal tax abatement	+	112,045	+	
Manufacturing and processing profits deduction	+		+	
Non-business foreign tax credit	+		+	
Business foreign tax credit	+		+	
General tax reduction	+	145,658	+	
Logging tax credit	+		+	
Investment tax credit per Schedule 31	+		+	
Eligible Canadian bank deduction	+		+	
Qualifying environmental trust tax credit	+		+	
<b>Subtotal</b>	=	<u>257,703</u>	=	<b>B</b>
<b>Federal tax summary</b>				
Total part I tax payable (A minus B)		168,068		<b>C</b>
Part VI tax	+		+	<b>D</b>
Part VI.1 tax	+		+	<b>E1</b>
Part XIII.1 tax	+		+	<b>E2</b>
Parts I, VI, VI.1 and XIII.1	<b>Total</b>	<u>168,068</u>	=	<b>F</b>
<b>Federal adjustments</b>				
Adjustment for short taxation years multiplied by 365 and divided by the number of days in the year if less than 365	x	365 / 365	x	365 / 365
<b>Subtotal</b>	=	<u>168,068</u>	=	
Federal adjustment for amalgamation, winding up or transfer	+		+	N/A
<b>Total federal tax after adjustments</b>	=	<u>168,068</u>	=	<b>G</b>
<b>Provincial tax</b>				
Provincial/territorial tax other than Alberta, Québec and Ontario before provincial refundable tax credits	+	81,951	+	<b>H</b>
<b>Ontario tax</b>				
Income tax		50,316		
Corporate minimum tax paid (credited)	+			
Special additional tax on life insurance corporations	+			
<b>Total Ontario tax</b>	=	<u>50,316</u>	+	<b>I</b>
Harmonized provincial tax (H + I)				
<b>Provincial/territorial tax other than Alberta and Québec before provincial refundable tax credits</b>	=	<u>132,267</u>	=	<b>J</b>
<b>Provincial adjustments</b>				
Adjustment for short taxation years multiplied by 365 and divided by the number of days in the year if less than 365	x	365 / 365	x	365 / 365
<b>Subtotal</b>	=	<u>132,267</u>	=	
Provincial adjustment for amalgamation, winding up or transfer	+		+	N/A
<b>Total provincial tax after adjustments</b>	=	<u>132,267</u>	=	<b>K</b>
<b>Total of tax before refundable credits**</b>	=	<u>300,335</u>	=	<b>L</b>

**Instalment base calculation (continued)**

**Estimated current year credits**

Investment tax credit refund			
Dividend refund	+		+
Federal capital gains refund	+		+
Provincial and territorial capital gains refund	+		+
Tax withheld at source	+		+
Other estimated credits	+		+
Provincial/territorial refundable tax credits other than Alberta, Québec and Ontario*	+		+
Ontario refundable tax credits*	+		+
<b>Total estimated current year credits</b>	=		<b>M</b>
<b>Instalment base amount (L - M)</b>		<b>300,335</b>	<b>N</b>

\* For more details with regards to the impact of the refundable tax credits in the instalment base calculation, consult the Help.

\*\* For instalments payable, the amount on line G will only be included in the amount of line L when it exceeds \$3,000. The same rule applies to line K.



Canada Revenue Agency  
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 – Identification

Corporation's name Nygard Properties Ltd.			Business number 10396 1959 RC0003	
Tax year ▶	From Y M D 2018-06-01	To Y M D 2019-05-31	Is this an amended return? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

### Part 2 – Declaration

Enter the following amounts, if applicable, from your corporation income tax return for the tax year noted above:

Net income (or loss) for income tax purposes from Schedule 1, financial statements, or GIFI (line 300)	1,120,449
Part I tax payable (line 700)	168,068
Part II surtax payable (line 708)	
Part III.1 tax payable (line 710)	
Part IV tax payable (line 712)	
Part IV.1 tax payable (line 716)	
Part VI tax payable (line 720)	
Part VI.1 tax payable (line 724)	
Part XIV tax payable (line 728)	
Net provincial and territorial tax payable (line 760)	132,267

### Part 3 – Certification and authorization

## Sign up for online mail!

Get your CRA mail electronically delivered in My Business Account at [cra.gc.ca/mybusinessaccount](https://cra.gc.ca/mybusinessaccount)

I understand that by providing an email address, I am **registering** the corporation for the 'Manage online mail' service. 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.

Email address for online mail (optional):

I, Bennett Last name Jim First name Vice Chairman Position, office, or rank

am an authorized signing officer of the corporation. I certify that I have examined the corporation T2 income tax return, including accompanying schedules and statements, and that the information given on the T2 return and this T183 Corp information 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.

I authorize the transmitter identified in Part 4 to electronically file the corporation income tax return identified in Part 1. The transmitter can also modify the information originally filed in response to any errors Canada Revenue Agency identifies. This authorization expires when the Minister of National Revenue accepts the electronic return as filed.

2019-11-28

Date (yyyy/mm/dd)

Signature of an authorized signing officer of the corporation

(416) 598-5701

Telephone number

### Part 4 – Transmitter identification

The following transmitter has electronically filed the tax return of the corporation identified in Part 1.

4093879 Canada Ltd

Name of person or firm

Electronic filer number

### 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](https://cra.gc.ca/gncy/tp/nfsrc/nfsrc-eng.html), personal information bank CRA PPU 047.



Canada Revenue Agency  
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 or tax services office. 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](http://canada.ca/taxes) or Guide T4012, T2 Corporation – Income Tax Guide.

055 Do not use this area

### Identification

Business number (BN) 001 10396 1959 RC0003

#### Corporation's name

002 Nygaard Properties Ltd.

#### Address of head office

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

If yes, complete lines 011 to 018.

011 1771 Inkster Blvd.

012

City Province, territory, or state

015 Winnipeg

016 MB

Country (other than Canada) Postal or ZIP code

017 018 R2X 1R3

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

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

If yes, complete lines 021 to 028.

021 c/o Tax Department

022 1771 Inkster Blvd

023

City Province, territory, or state

025 Winnipeg

026 MB

Country (other than Canada) Postal or ZIP code

027 028 R2X 1R3

#### Location of books and records (if different from head office address)

Has this address changed since the last time we were notified? 030 1 Yes ☐ 2 No ☒

If yes, complete lines 031 to 038.

031 1771 Inkster Blvd.

032

City Province, territory, or state

035 Winnipeg

036 MB

Country (other than Canada) Postal or ZIP code

037 038 R2X 1R3

#### 040 Type of corporation at the end of the tax year (tick one)

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

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

Year Month Day

#### To which tax year does this return apply?

Tax year start Year Month Day 060 2018-06-01 Tax year-end Year Month Day 061 2019-05-31

Has there been an acquisition of control resulting in the application of subsection 249(4) since the tax year start on line 060? 063 1 Yes ☐ 2 No ☒

If yes, provide the date control was acquired 065 Year Month Day

Is the date on line 061 a deemed tax year-end according to subsection 249(3.1)? 066 1 Yes ☐ 2 No ☒

Is the corporation a professional corporation that is a member of a partnership? 067 1 Yes ☐ 2 No ☒

Is this the first year of filing after:  
Incorporation? 070 1 Yes ☐ 2 No ☒  
Amalgamation? 071 1 Yes ☐ 2 No ☒

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

Has there been a wind-up of a subsidiary under section 88 during the current tax year? 072 1 Yes ☐ 2 No ☒

If yes, complete and attach Schedule 24.

Is this the final tax year before amalgamation? 076 1 Yes ☐ 2 No ☒

Is this the final return up to dissolution? 078 1 Yes ☐ 2 No ☒

If an election was made under section 261, state the functional currency used 079

Is the corporation a resident of Canada? 080 1 Yes ☒ 2 No ☐

If no, give the country of residence on line 081 and complete and attach Schedule 97.

081

Is the non-resident corporation claiming an exemption under an income tax treaty? 082 1 Yes ☐ 2 No ☒

If yes, complete and attach Schedule 91.

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

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

Do not use this area

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?	<input checked="" type="checkbox"/> 150	9
Is the corporation an associated CCPC?	<input type="checkbox"/> 160	23
Is the corporation an associated CCPC that is claiming the expenditure limit?	<input type="checkbox"/> 161	49
Does the corporation have any non-resident shareholders who own voting shares?	<input type="checkbox"/> 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	<input type="checkbox"/> 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?	<input type="checkbox"/> 163	44
Has the corporation paid any royalties, management fees, or other similar payments to residents of Canada?	<input type="checkbox"/> 164	14
Is the corporation claiming a deduction for payments to a type of employee benefit plan?	<input type="checkbox"/> 165	15
Is the corporation claiming a loss or deduction from a tax shelter?	<input type="checkbox"/> 166	T5004
Is the corporation a member of a partnership for which a partnership account number has been assigned?	<input type="checkbox"/> 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)?	<input type="checkbox"/> 168	22
Did the corporation own any shares in one or more foreign affiliates in the tax year?	<input type="checkbox"/> 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?	<input type="checkbox"/> 170	29
Did the corporation have a total amount over CAN\$1 million of reportable transactions with non-arm's length non-residents?	<input type="checkbox"/> 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?	<input checked="" type="checkbox"/> 173	50
Has the corporation made payments to, or received amounts from, a retirement compensation plan arrangement during the year?	<input type="checkbox"/> 172	
Does the corporation earn income from one or more Internet web pages or websites?	<input type="checkbox"/> 180	88
Is the net income/loss shown on the financial statements different from the net income/loss for income tax purposes?	<input checked="" type="checkbox"/> 201	1
Has the corporation made any charitable donations; gifts of cultural or ecological property; or gifts of medicine?	<input type="checkbox"/> 202	2
Has the corporation received any dividends or paid any taxable dividends for purposes of the dividend refund?	<input type="checkbox"/> 203	3
Is the corporation claiming any type of losses?	<input checked="" type="checkbox"/> 204	4
Is the corporation claiming a provincial or territorial tax credit or does it have a permanent establishment in more than one jurisdiction?	<input checked="" type="checkbox"/> 205	5
Has the corporation realized any capital gains or incurred any capital losses during the tax year?	<input type="checkbox"/> 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)?	<input type="checkbox"/> 207	7
Does the corporation have any property that is eligible for capital cost allowance?	<input checked="" type="checkbox"/> 208	8
Does the corporation have any property that is eligible capital property?	<input type="checkbox"/> 210	10
Does the corporation have any resource-related deductions?	<input type="checkbox"/> 212	12
Is the corporation claiming deductible reserves (other than transitional reserves under section 34.2)?	<input type="checkbox"/> 213	13
Is the corporation claiming a patronage dividend deduction?	<input type="checkbox"/> 216	16
Is the corporation a credit union claiming a deduction for allocations in proportion to borrowing or an additional deduction?	<input type="checkbox"/> 217	17
Is the corporation an investment corporation or a mutual fund corporation?	<input type="checkbox"/> 218	18
Is the corporation carrying on business in Canada as a non-resident corporation?	<input type="checkbox"/> 220	20
Is the corporation claiming any federal, provincial, or territorial foreign tax credits, or any federal logging tax credits?	<input type="checkbox"/> 221	21
Does the corporation have any Canadian manufacturing and processing profits?	<input type="checkbox"/> 227	27
Is the corporation claiming an investment tax credit?	<input type="checkbox"/> 231	31
Is the corporation claiming any scientific research and experimental development (SR&ED) expenditures?	<input type="checkbox"/> 232	T661
Is the total taxable capital employed in Canada of the corporation and its related corporations over \$10,000,000?	<input checked="" type="checkbox"/> 233	33/34/35
Is the total taxable capital employed in Canada of the corporation and its associated corporations over \$10,000,000?	<input checked="" type="checkbox"/> 234	
Is the corporation subject to gross Part VI tax on capital of financial institutions?	<input type="checkbox"/> 238	38
Is the corporation claiming a Part I tax credit?	<input type="checkbox"/> 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?	<input type="checkbox"/> 243	43
Is the corporation agreeing to a transfer of the liability for Part VI.1 tax?	<input type="checkbox"/> 244	45
Is the corporation subject to Part II – Tobacco Manufacturers' surtax?	<input type="checkbox"/> 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?	<input type="checkbox"/> 250	39
Is the corporation claiming a Canadian film or video production tax credit refund?	<input type="checkbox"/> 253	T1131
Is the corporation claiming a film or video production services tax credit refund?	<input type="checkbox"/> 254	T1177
Is the corporation subject to Part XIII.1 tax? (Show your calculations on a sheet that you identify as Schedule 92.)	<input type="checkbox"/> 255	92

## Attachments (continued)

	Yes	Schedule
Did the corporation have any foreign affiliates in the tax year?	<input type="checkbox"/>	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?	<input type="checkbox"/>	T1135
Did the corporation transfer or loan property to a non-resident trust?	<input type="checkbox"/>	T1141
Did the corporation receive a distribution from or was it indebted to a non-resident trust in the year?	<input type="checkbox"/>	T1142
Has the corporation entered into an agreement to allocate assistance for SR&ED carried out in Canada?	<input type="checkbox"/>	T1145
Has the corporation entered into an agreement to transfer qualified expenditures incurred in respect of SR&ED contracts?	<input type="checkbox"/>	T1146
Has the corporation entered into an agreement with other associated corporations for salary or wages of specified employees for SR&ED?	<input type="checkbox"/>	T1174
Did the corporation pay taxable dividends (other than capital gains dividends) in the tax year?	<input type="checkbox"/>	55
Has the corporation made an election under subsection 89(11) not to be a CCPC?	<input type="checkbox"/>	T2002
Has the corporation revoked any previous election made under subsection 89(11)?	<input type="checkbox"/>	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?	<input type="checkbox"/>	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?	<input type="checkbox"/>	54

## Additional information

Did the corporation use the International Financial Reporting Standards (IFRS) when it prepared its financial statements?	270	1 Yes <input type="checkbox"/>	2 No <input checked="" type="checkbox"/>
Is the corporation inactive?	280	1 Yes <input type="checkbox"/>	2 No <input checked="" type="checkbox"/>
What is the corporation's main revenue-generating business activity? 531120 Lessors of Non-Residential Buildings (except Mini-Warehouses)			
Specify the principal products mined, manufactured, sold, constructed, or services provided, giving the approximate percentage of the total revenue that each product or service represents.	284	Real property leased to related Cdn companies	285 100.000 %
	286		287 %
	288		289 %
Did the corporation immigrate to Canada during the tax year?	291	1 Yes <input type="checkbox"/>	2 No <input checked="" type="checkbox"/>
Did the corporation emigrate from Canada during the tax year?	292	1 Yes <input type="checkbox"/>	2 No <input checked="" type="checkbox"/>
Do you want to be considered as a quarterly instalment remitter if you are eligible?	293	1 Yes <input type="checkbox"/>	2 No <input type="checkbox"/>
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	294	Year Month Day	
If the corporation's major business activity is construction, did you have any subcontractors during the tax year?	295	1 Yes <input type="checkbox"/>	2 No <input type="checkbox"/>

## Taxable income

Net income or (loss) for income tax purposes from Schedule 1, financial statements, or GIF	300	1,120,449	A
<b>Deduct:</b>			
Charitable donations from Schedule 2	311		
Cultural gifts from Schedule 2	313		
Ecological gifts from Schedule 2	314		
Gifts of medicine made before March 22, 2017, from Schedule 2	315		
Taxable dividends deductible under section 112 or 113, or subsection 138(6) from Schedule 3	320		
Part VI.1 tax deduction*	325		
Non-capital losses of previous tax years from Schedule 4	331		
Net capital losses of previous tax years from Schedule 4	332		
Restricted farm losses of previous tax years from Schedule 4	333		
Farm losses of previous tax years from Schedule 4	334		
Limited partnership losses of previous tax years from Schedule 4	335		
Taxable capital gains or taxable dividends allocated from a central credit union	340		
Prospector's and grubstaker's shares	350		
Subtotal			B
Subtotal (amount A minus amount B) (if negative, enter "0")		1,120,449	C
Section 110.5 additions or subparagraph 115(1)(a)(vii) additions	355		D
<b>Taxable income</b> (amount C plus amount D)	360	1,120,449	
Income exempt under paragraph 149(1)(t)	370		
<b>Taxable income</b> for a corporation with exempt income under paragraph 149(1)(t) (line 360 minus line 370)		1,120,449	Z
<b>Taxable income</b> 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 from active business carried on in Canada from Schedule 7	400	A
Taxable income from line 360 on page 3, <b>minus</b> 100/28 ( 3.57143 ) of the amount on line 632* on page 8, <b>minus</b> 4 times the amount on line 636** on page 8, and <b>minus</b> any amount that, because of federal law, is exempt from Part I tax	405	B
Business limit (see notes 1 and 2 below)	410	C

#### Notes:

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

#### Business limit reduction:

Amount C	x	415 ***	D	=	E1
			11,250		
Amount C	x	5 x [	Adjusted aggregate investment income****	-	50,000 ] =
500,000					E2

Business limit reduction (amounts E1 or E2, whichever is greater)****		E
Reduced business limit (amount C <b>minus</b> amount E) (if negative, enter "0")	425	F
Business limit the CCPC assigns under subsection 125(3.2) (from line 515 below)		G
Amount F <b>minus</b> amount G	427	H

### Small business deduction

Amount A, B, C, or H, whichever is the least	x	Number of days in the tax year before January 1, 2018	x	17.5 % =	1
		365			
Amount A, B, C, or H, whichever is the least	x	Number of days in the tax year after December 31, 2017, and before January 1, 2019	214 x	18 % =	2
		365			
Amount A, B, C, or H, whichever is the least	x	Number of days in the tax year after December 31, 2018	151 x	19 % =	3
		365			
Total of amounts 1, 2 and 3 (enter amount I at amount J on page 8)			430		I

\* 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.

\*\*\*\* For tax years starting after 2018, the business limit reduction under subparagraph 125(5.1) ITA is the greater of the following amounts:

- Amount E1, based on the taxable capital employed in Canada for the corporation and associated corporations in the last tax year ending in the preceding calendar year; and,
- Amount E2, based on the total adjusted aggregate investment income for the corporation and associated corporations in tax years ending in the preceding calendar year.

For more information, consult the Help (F1).



**Specified corporate income and assignment under subsection 125(3.2)**

**Applicable to tax years that begin after March 21, 2016**

Except that, if the tax year of your corporation started before and ends on or after March 22, 2016 and in the tax year of a CCPC, you can make an assignment of business limit to that other CCPC if its tax year started after March 21, 2016.

J1 Name of corporation receiving the income and assigned amount	J Business number of the corporation receiving the assigned amount	K Income paid under clause 125(1)(a)(i)(B) to the corporation identified in column J <sup>3</sup>	L Business limit assigned to corporation identified in column J <sup>4</sup>
	490	500	505
1.			
Total		510	515

**Notes:**

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 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 K 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 425.

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

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

Taxable income from page 3 (line 360 or amount Z, whichever applies)	A
Lesser of amounts 9B and 9H from Part 9 of Schedule 27	B
Amount 13K from Part 13 of Schedule 27	C
Personal services business income	432 D
Amount used to calculate the credit union deduction (amount 2E from Schedule 17)	E
Amount from line 400, 405, 410, or 427 on page 4, whichever is the least	F
Aggregate investment income from line 440 on page 6*	G
Subtotal (add amounts B to G)	H
Amount A minus amount H (if negative, enter "0")	I
General tax reduction for Canadian-controlled private corporations – Amount I multiplied by 13 %	J

Enter amount J 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 page 3 (line 360 or amount Z, whichever applies)	1,120,449 K
Lesser of amounts 9B and 9H from Part 9 of Schedule 27	L
Amount 13K from Part 13 of Schedule 27	M
Personal services business income	434 N
Amount used to calculate the credit union deduction (amount 2E from Schedule 17)	O
Subtotal (add amounts L to O)	P
Amount K minus amount P (if negative, enter "0")	1,120,449 Q
General tax reduction – Amount Q multiplied by 13 %	145,658 R

Enter amount R 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 ..... **440** ..... x 30 2 / 3 % = ..... A

Foreign non-business income tax credit from line 632 on page 8 ..... B

#### Deduct:

Foreign investment income from Schedule 7 ..... **445** ..... x 8 % = ..... C

Subtotal (amount B minus amount C) (if negative, enter "0") ..... D

Amount A minus amount D (if negative, enter "0") ..... E

Taxable income from line 360 on page 3 ..... F

#### Deduct:

Amount from line 400, 405, 410, or 427 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 (total of amounts G, H and I) ..... J

Subtotal (amount F minus amount J) (if negative, enter "0") ..... K x 30 2 / 3 % = ..... L

Part I tax payable minus investment tax credit refund (line 700 minus line 780 from page 9) ..... M

Refundable portion of Part I tax -- Amount E, L, or M, whichever is the least ..... **450** ..... N

### Refundable dividend tax on hand

#### Eligible refundable dividend tax on hand account (ERDTH)\* (applicable to taxation years that start after 2018)

Eligible refundable dividend tax on hand at the end of the previous tax year ..... a

Dividend refund from the ERDTH for the previous tax year ..... b

Subtotal (amount a minus amount b) ..... O1

Part IV tax payable attributable to eligible dividends received from unconnected corporations (amount N1 from Schedule 3) ..... c

Part IV tax attributable to taxable dividends received from connected corporations which generated a dividend refund from their ERDTH account (amount N2 from Schedule 3) ..... d

Net eligible refundable dividend tax on hand transferred from a predecessor corporation on amalgamation, or from a wound-up subsidiary corporation ..... e

Subtotal (add amounts c, d and e) ..... R1

Eligible refundable dividend tax on hand at the end of the tax year (amount O1 plus amount R1) ..... R2

## Refundable dividend tax on hand (continued)

### Refundable dividend tax on hand

(for tax years that start after 2018, non-eligible refundable dividend tax on hand account (NERDTH)\*)

Refundable dividend tax on hand at the end of the previous tax year ..... **460**  
(for tax years that start after 2018, non-eligible refundable dividend tax on hand at the end of the previous tax year)

Dividend refund for the previous tax year ..... **465**  
(for tax years that start after 2018, dividend refund from the NERDTH for the previous tax year)

Subtotal (line 460 minus line 465) ..... **O2**

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

Total Part IV tax payable from line 360 in Schedule 3 ..... **Q**  
(for tax years that start after 2018, total Part IV tax payable less the Part IV tax attributable to the ERDTH account (amount N3 from Schedule 3) (if negative, enter « 0 »))

Net refundable dividend tax on hand transferred from a predecessor corporation on amalgamation, or from a wound-up subsidiary corporation ..... **480**  
(for tax years that start after 2018, net non-eligible refundable dividend tax on hand transferred)

Subtotal (add amounts P, Q and line 480) ..... **R3**

Refundable dividend tax on hand at the end of the tax year (amount O2 plus amount R3) ..... **R4**

(for tax years that start after 2018, non-eligible refundable dividend tax on hand at the end of the tax year)

Refundable dividend tax on hand at the end of the tax year (amount R2 plus amount R4) ..... **485**

\* For more information, consult the Help (F1).

## Dividend refund

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

Refund attributable to eligible dividends paid in the taxation year\* (applicable to taxation years that start after 2018)

Eligible Dividend paid in the tax year .....  $\times 38.1 / 3 \% =$  ..... **S1**

Eligible refundable dividend tax on hand at the end of the tax year (amount R2) ..... **T1**

Dividend refund attributable to the ERDTH (amount S1 or T1, whichever is less) ..... **U1**

### Dividend refund

(for tax years that start after 2018, dividend refund attributable to non-eligible dividends paid in the tax year\*)

Taxable dividends paid in the tax year from line 460 of Schedule 3 .....  $\times 38.1 / 3 \% =$  ..... **S2**  
(for tax years that start after 2018, taxable non-eligible dividends paid in the tax year)

Refundable dividend tax on hand at the end of the tax year (amount R4) ..... **T2**  
(for tax years that start after 2018, non-eligible refundable dividend tax on hand at the end of the tax year)

Dividend refund (amount S2 or T2, whichever is less) ..... **U2**

(for tax years that start after 2018, dividend refund attributable to the NERDTH)

### For tax years that start after 2018:

Amount S2 minus amount T2 (if negative, enter "0") ..... **S3**

Eligible refundable dividend tax on hand minus dividend refund attributable to the ERDTH (amount T1 minus amount U1) ..... **T3**

Additional dividend refund attributable to the ERDTH (amount S3 or T3, whichever is less) ..... **U3**

Dividend refund (amount U1 plus amount U2 plus amount U3) ..... **U**

Enter amount U 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 % ..... **550** 425,771 A

### Additional tax on personal services business income (section 123.5)

Taxable income from a personal services business ..... **555** x 5 % = **560** B

Recapture of investment tax credit from Schedule 31 ..... **602** C

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

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

Taxable income from line 360 on page 3 ..... E

#### Deduct:

Amount from line 400, 405, 410, or 427 on page 4,  
whichever is the least ..... F

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 ..... **604** H

Subtotal (add amounts A, B, C, and H) ..... 425,771 I

#### Deduct:

Small business deduction from line 430 on page 4 ..... J

Federal tax abatement ..... **608** 112,045

Manufacturing and processing profits deduction from Schedule 27 ..... **616**

Investment corporation deduction ..... **620**

Taxed capital gains **624**

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

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

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

General tax reduction for CCPCs from amount J on page 5 ..... **638**

General tax reduction from amount R on page 5 ..... **639** 145,658

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

Eligible Canadian bank deduction under section 125.21 ..... **641**

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

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

Subtotal ..... 257,703 K

Part I tax payable – Amount I minus amount K ..... 168,068 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 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 on Info Source at [canada.ca/cra-info-source](http://canada.ca/cra-info-source).

## Summary of tax and credits

### Federal tax

Part I tax payable from amount L on page 8	700	168,068
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	727	
Part XIV tax payable from Schedule 20	728	

Total federal tax 168,068

### Add provincial or territorial tax:

Provincial or territorial jurisdiction . . . 750 MJ  
(if more than one jurisdiction, enter "multiple" and complete Schedule 5)  
Net provincial or territorial tax payable (except Quebec and Alberta)

760 132,267  
Total tax payable 770 300,335 A

### Deduct other credits:

Investment tax credit refund from Schedule 31	780	
Dividend refund from amount U on page 7	784	
Federal capital gains refund from Schedule 18	788	
Federal qualifying environmental trust tax credit refund	792	
Canadian film or video production tax credit refund (Form T1131)	796	
Film or video production services tax credit refund (Form T1177)	797	
Tax withheld at source	800	
Total payments on which tax has been withheld	801	
Provincial and territorial capital gains refund from Schedule 18	808	
Provincial and territorial refundable tax credits from Schedule 5	812	
Tax instalments paid	840	248,000
Total credits	890	248,000

248,000 B

Refund code 894 Overpayment

Balance (amount A minus amount B) 52,335

### Direct deposit request

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

☐ Start ☐ Change information 910 Branch number  
914 Institution number 918 Account number

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

Balance unpaid 52,335

For information on how to make your payment, go to [canada.ca/payments](http://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?

896 1 Yes ☐ 2 No ☐

If this return was prepared by a tax preparer for a fee, provide their EFIL number

920

### Certification

I, 950 Bennett 951 Jim 954 Vice Chairman  
Last name First name Position, office, or rank

am an authorized signing officer of the corporation. I certify that I have examined this return, including accompanying schedules and statements, and that the information given on this return is, to the best of my knowledge, correct and complete. I 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 2019-11-28

Date (yyyy/mm/dd)

Signature of the authorized signing officer of the corporation

956 (416) 598-5701

Telephone number

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

957 1 Yes ☐ 2 No ☒

958 Kerwin Raghunanan

Name of other authorized person

959 (416) 598-6949

Telephone number

### Language of correspondence – Langue de correspondance

Indicate your language of correspondence by entering 1 for English or 2 for French.  
Indiquez votre langue de correspondance en inscrivant 1 pour anglais ou 2 pour français.

990 1

## Schedule of Instalment Remittances

Name of corporation contact Kerwin Raghunanan  
Telephone number (416) 598-6949

Effective interest date	Description (instalment remittance, split payment, assessed credit)	Amount of credit
2018-07-03	Instalment Payment	12,000
2018-07-31	Instalment Payment	12,000
2018-08-31	Instalment Payment	12,000
2018-10-01	Instalment Payment	12,000
2018-10-31	Instalment Payment	25,000
2018-11-30	Instalment Payment	25,000
2018-12-31	Instalment Payment	25,000
2019-01-31	Instalment Payment	25,000
2019-02-28	Instalment Payment	25,000
2019-04-01	Instalment Payment	25,000
2019-04-30	Instalment Payment	25,000
2019-05-31	Instalment Payment	25,000
	Prior Year Transfer & Final Payment	
Total amount of instalments claimed (carry the result to line 840 of the T2 Return)		248,000 A
Total instalments credited to the taxation year per T9		248,000 B

### Transfer

Account number	Taxation year end	Amount	Effective interest date	Description
From:				
To:				
From:				
To:				
From:				
To:				
From:				
To:				
From:				
To:				



Form identifier 100

**GENERAL INDEX OF FINANCIAL INFORMATION – GIF1**

Corporation's name	Business number	Tax year end Year Month Day
Nygard Properties Ltd.	10396 1959 RC0003	2019-05-31

**Balance sheet information**

Account	Description	GIF1	Current year	Prior year
<b>Assets</b>				
	Total current assets	1599 +	8,936,956	7,359,292
	Total tangible capital assets	2008 +	17,804,761	17,804,762
	Total accumulated amortization of tangible capital assets	2009 -	12,579,994	12,368,883
	Total intangible capital assets	2178 +		
	Total accumulated amortization of intangible capital assets	2179 -		
	Total long-term assets	2589 +	50,481,275	50,389,245
	* Assets held in trust	2590 +		
	<b>Total assets (mandatory field)</b>	<b>2599 =</b>	<b>64,642,998</b>	<b>63,184,416</b>

<b>Liabilities</b>				
	Total current liabilities	3139 +	159,908	159,908
	Total long-term liabilities	3450 +	1,184,009	1,046,674
	* Subordinated debt	3460 +		
	* Amounts held in trust	3470 +		
	<b>Total liabilities (mandatory field)</b>	<b>3499 =</b>	<b>1,343,917</b>	<b>1,206,582</b>

<b>Shareholder equity</b>				
	<b>Total shareholder equity (mandatory field)</b>	<b>3620 +</b>	<b>63,299,081</b>	<b>61,977,834</b>

	<b>Total liabilities and shareholder equity</b>	<b>3640 =</b>	<b>64,642,998</b>	<b>63,184,416</b>
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<b>Retained earnings</b>				
	<b>Retained earnings/deficit – end (mandatory field)</b>	<b>3849 =</b>	<b>62,800,427</b>	<b>61,479,180</b>

\* Generic item

Form identifier 125

**GENERAL INDEX OF FINANCIAL INFORMATION – GIFI**

Corporation's name	Business number	Tax year end Year Month Day
Nygard Properties Ltd.	10396 1959 RC0003	2019-05-31

**Income statement information**

Description	GIFI
Operating name	0001
Description of the operation	0002
Sequence number	0003 01

Account	Description	GIFI	Current year	Prior year
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**Income statement information**

Total sales of goods and services	8089	+		
Cost of sales	8518	-		
<b>Gross profit/loss</b>	<b>8519</b>	=		
Cost of sales	8518	+		
Total operating expenses	9367	+	79,242	152,700
<b>Total expenses (mandatory field)</b>	<b>9368</b>	=	<b>79,242</b>	<b>152,700</b>
Total revenue (mandatory field)	8299	+	1,400,489	1,267,157
Total expenses (mandatory field)	9368	-	79,242	152,700
<b>Net non-farming income</b>	<b>9369</b>	=	<b>1,321,247</b>	<b>1,114,457</b>

**Farming income statement information**

Total farm revenue (mandatory field)	9659	+		
Total farm expenses (mandatory field)	9898	-		
<b>Net farm income</b>	<b>9899</b>	=		

<b>Net income/loss before taxes and extraordinary items</b>	<b>9970</b>	=	<b>1,321,247</b>	<b>1,114,457</b>
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<b>Total other comprehensive income</b>	<b>9998</b>	=		
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**Extraordinary items and income (linked to Schedule 140)**

Extraordinary item(s)	9975	-		
Legal settlements	9976	-		
Unrealized gains/losses	9980	+		
Unusual items	9985	-		
Current income taxes	9990	-		
Future (deferred) income tax provision	9995	-		
Total – Other comprehensive income	9998	+		
<b>Net income/loss after taxes and extraordinary items (mandatory field)</b>	<b>9999</b>	=	<b>1,321,247</b>	<b>1,114,457</b>



## Notes Checklist

Corporation's name	Business number	Tax Year End Year Month Day
Nygard Properties Ltd.	10396 1959 RC0003	2019-05-31

- 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? ..... **095** Yes ☒ No ☐

Is the accountant connected\* with the corporation? ..... **097** Yes ☒ No ☐

**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:

Completed an auditor's report ..... 1 ☐ **198**

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? ..... **099** Yes ☐ No ☐

### 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:

Prepared the tax return (financial statements prepared by client) ..... 1 ☐ **110**

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 ☐ No ☒

If yes, complete lines 104 to 107 below:

Are subsequent events mentioned in the notes? ..... **104** Yes ☐ No ☐

Is re-evaluation of asset information mentioned in the notes? ..... **105** Yes ☐ No ☐

Is contingent liability information mentioned in the notes? ..... **106** Yes ☐ No ☐

Is information regarding commitments mentioned in the notes? ..... **107** Yes ☐ No ☐

Does the corporation have investments in joint venture(s) or partnership(s)? ..... **108** Yes ☐ No ☒

## Part 4 – Other information (continued)

### Impairment and fair value changes

In any of the following assets, was an amount recognized in net income or other comprehensive income (OCI) as a result of an impairment loss in the tax year, a reversal of an impairment loss recognized in a previous tax year, or a change in fair value during the tax year?

200 Yes ☐ No ☒

If yes, enter the amount recognized:

	In net income Increase (decrease)	In OCI Increase (decrease)
Property, plant, and equipment	210	211
Intangible assets	215	216
Investment property	220	
Biological assets	225	
Financial instruments	230	231
Other	235	236

### Financial instruments

Did the corporation derecognize any financial instrument(s) during the tax year (other than trade receivables)?

250 Yes ☐ No ☒

Did the corporation apply hedge accounting during the tax year?

255 Yes ☐ No ☒

Did the corporation discontinue hedge accounting during the tax year?

260 Yes ☐ No ☒

### Adjustments to opening equity

Was an amount included in the opening balance of retained earnings or equity, in order to correct an error, to recognize a change in accounting policy, or to adopt a new accounting standard in the current tax year?

265 Yes ☐ No ☒

If yes, you have to maintain a separate reconciliation.

**SCHEDULE 100**

**GENERAL INDEX OF FINANCIAL INFORMATION – GIF**

Form identifier 100

Name of corporation	Business Number	Tax year-end Year Month Day
Nygaard Properties Ltd.	10396 1959 RC0003	2019-05-31

**Assets – lines 1000 to 2599**

<b>1000</b>	971	<b>1066</b>	571,181	<b>1123</b>	8,354,084
<b>1484</b>	10,720	<b>1599</b>	8,936,956	<b>1600</b>	1,213,654
<b>1680</b>	16,591,107	<b>1681</b>	-12,579,994	<b>2008</b>	17,804,761
<b>2009</b>	-12,579,994	<b>2242</b>	46,453,922	<b>2247</b>	3,241,248
<b>2360</b>	786,105	<b>2589</b>	50,481,275	<b>2599</b>	64,642,998

**Liabilities – lines 2600 to 3499**

<b>2620</b>	159,908	<b>3139</b>	159,908	<b>3300</b>	1,184,009
<b>3450</b>	1,184,009	<b>3499</b>	1,343,917		

**Shareholder equity – lines 3500 to 3640**

<b>3500</b>	14,242	<b>3520</b>	480,000	<b>3541</b>	4,412
<b>3600</b>	62,800,427	<b>3620</b>	63,299,081	<b>3640</b>	64,642,998

**Retained earnings – lines 3660 to 3849**

<b>3660</b>	61,479,180	<b>3680</b>	1,321,247	<b>3849</b>	62,800,427
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**SCHEDULE 125**

**GENERAL INDEX OF FINANCIAL INFORMATION – GIF**

Form identifier 125

Name of corporation	Business Number	Tax year-end Year Month Day
Nygard Properties Ltd.	10396 1959 RC0003	2019-05-31

**Description**

Sequence number . . . . . **0003** 01

**Revenue – lines 8000 to 8299**

<b>8141</b>	1,400,489	<b>8299</b>	1,400,489
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**Operating expenses – lines 8520 to 9369**

<b>8690</b>	13,708	<b>8860</b>	90	<b>8912</b>	57,899
<b>9225</b>	7,545	<b>9367</b>	79,242	<b>9368</b>	79,242
<b>9369</b>	1,321,247				

**Extraordinary items and taxes – lines 9970 to 9999**

<b>9970</b>	1,321,247	<b>9999</b>	1,321,247
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Canada Revenue Agency  
Agence du revenu  
du Canada

## Net Income (Loss) for Income Tax Purposes

## Schedule 1

Corporation's name <b>Nygard Properties Ltd.</b>	Business number <b>10396 1959 RC0003</b>	Tax year-end Year Month Day <b>2019-05-31</b>
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- 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 ..... **1,321,247** A

### Add:

Subtotal of additions ..... **0**

### Other additions:

#### Miscellaneous other additions:

1 Description	2 Amount		
<b>605</b>	<b>295</b>		
Total of column 2		<b>296</b>	
Subtotal of other additions		<b>199</b>	<b>0</b>
Total additions		<b>500</b>	<b>0</b>

Amount A plus amount B ..... **1,321,247** C

### Deduct:

Capital cost allowance from Schedule 8 ..... **403** 200,798  
Subtotal of deductions ..... **200,798**

### Other deductions:

#### Miscellaneous other deductions:

1 Description	2 Amount		
<b>705</b>	<b>395</b>		
Total of column 2		<b>396</b>	
Subtotal of other deductions		<b>499</b>	<b>0</b>
Total deductions		<b>510</b>	<b>200,798</b>

Net income (loss) for income tax purposes (amount C minus amount D) ..... **1,120,449** E

Enter amount E on line 300 of the T2 return.

## Corporation Loss Continuity and Application

Corporation's name <b>Nygard Properties Ltd.</b>	Business number <b>10396 1959 RC0003</b>	Tax year-end Year Month Day <b>2019-05-31</b>
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- Use this form to determine the continuity and use of available losses; to determine a current-year non-capital loss, farm loss, restricted farm loss, or limited partnership loss; to determine the amount of restricted farm loss and limited partnership loss that can be applied in a year; and to ask for a loss carryback to previous years.
- A corporation can choose whether or not to deduct an available loss from income in a tax year. The corporation can deduct losses in any order. However, for each type of loss, deduct the oldest loss first.
- According to subsection 111(4) of the *Income Tax Act*, when control has been acquired, no amount of capital loss incurred for a tax year ending before that time is deductible in computing taxable income in a tax year ending after that time. Also, no amount of capital loss incurred in a tax year ending after that time is deductible in computing taxable income of a tax year ending before that time.
- When control has been acquired, subsection 111(5) provides for similar treatment of non-capital and farm losses, except as listed in paragraphs 111(5)(a) and (b).
- For information on these losses, see the *T2 Corporation - Income Tax Guide*.
- File one completed copy of this schedule with the T2 return, or send the schedule by itself to the tax centre where the return is filed.
- All legislative references are to the *Income Tax Act*.

### Part 1 - Non-capital losses

#### Determination of current-year non-capital loss

Net income (loss) for income tax purposes ..... **1,120,449** A

#### Deduct: (increase a loss)

Net capital losses deducted in the year (enter as a positive amount) ..... a

Taxable dividends deductible under section 112 or subsections 113(1) or 138(6) ..... b

Amount of Part VI.1 tax deductible under paragraph 110(1)(k) ..... c

Amount deductible as prospector's and grubstaker's shares - Paragraph 110(1)(d.2) ..... d

Subtotal (total of amounts a to d) ..... B

Subtotal (amount A minus amount B; if positive, enter "0") ..... C

#### Deduct: (increase a loss)

Section 110.5 or subparagraph 115(1)(a)(vii) - Addition for foreign tax deductions ..... D

Subtotal (amount C minus amount D) ..... E

#### Add: (decrease a loss)

Current-year farm loss (the lesser of: the net loss from farming or fishing included in income and the non-capital loss before deducting the farm loss) ..... F

Current-year non-capital loss (amount E plus amount F; if positive, enter "0") ..... G

If amount G is negative, enter it on line 110 as a positive.

#### Continuity of non-capital losses and request for a carryback

Non-capital loss at the end of the previous tax year ..... e

Deduct: Non-capital loss expired (note 1) ..... **100** f

Non-capital losses at the beginning of the tax year (amount e minus amount f) ..... **102** H

#### Add:

Non-capital losses transferred on an amalgamation or on the wind-up of a subsidiary (note 2) corporation ..... **105** g

Current-year non-capital loss (from amount G) ..... **110** h

Subtotal (amount g plus amount h) ..... I

Subtotal (amount H plus amount I) ..... J

Note 1: A non-capital loss expires as follows:

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

An allowable business investment loss becomes a net capital loss after 10 tax years if it arose in a tax year ending after March 22, 2004.

Note 2: Subsidiary is defined in subsection 88(1) as a taxable Canadian corporation of which 90% or more of each class of issued shares are owned by its parent corporation and the remaining shares are owned by persons that deal at arm's length with the parent corporation.

## Part 1 – Non-capital losses (continued)

### Deduct:

Other adjustments (includes adjustments for an acquisition of control)	150	i
Section 80 – Adjustments for forgiven amounts	140	j
Subsection 111(10) – Adjustments for fuel tax rebate		j.1
Non-capital losses of previous tax years applied in the current tax year	130	k
Enter amount k on line 331 of the T2 Return.		
Current and previous year non-capital losses applied against current-year taxable dividends subject to Part IV tax (note 3)	135	l
Subtotal (total of amounts i to l)		K
Non-capital losses before any request for a carryback (amount J minus amount K)		L

### Deduct – Request to carry back non-capital loss to:

First previous tax year to reduce taxable income	901	m
Second previous tax year to reduce taxable income	902	n
Third previous tax year to reduce taxable income	903	o
First previous tax year to reduce taxable dividends subject to Part IV tax	911	p
Second previous tax year to reduce taxable dividends subject to Part IV tax	912	q
Third previous tax year to reduce taxable dividends subject to Part IV tax	913	r
Total of requests to carry back non-capital losses to previous tax years (total of amounts m to r)		M
Closing balance of non-capital losses to be carried forward to future tax years (amount L minus amount M)	180	N

Note 3: Amount l is the total of lines 330 and 335 from Schedule 3, *Dividends Received, Taxable Dividends Paid, and Part IV Tax Calculation*.

## Part 2 – Capital losses

### Continuity of capital losses and request for a carryback

Capital losses at the end of the previous tax year	200	52,105	a
Capital losses transferred on an amalgamation or on the wind-up of a subsidiary corporation	205		b
Subtotal (amount a plus amount b)		52,105	A

### Deduct:

Other adjustments (includes adjustments for an acquisition of control)	250	c
Section 80 – Adjustments for forgiven amounts	240	d
Subtotal (amount c plus amount d)		B
Subtotal (amount A minus amount B)	52,105	C

Add: Current-year capital loss (from the calculation on Schedule 6, *Summary of Dispositions of Capital Property*) 210 D

Unused non-capital losses that expired in the tax year (note 4)			e
Allowable business investment losses (ABILs) that expired as non-capital losses at the end of the previous tax year (note 5)			f
Enter amount e or f, whichever is less		215	g
ABILs expired as non-capital losses: line 215 multiplied by 2.000000			220
Subtotal (total of amounts C to E)			52,105

### Note

If there has been an amalgamation or a wind-up of a subsidiary, do a separate calculation of the ABIL expired as non-capital loss for each predecessor or subsidiary corporation. Add all these amounts and enter the total on line 220 above.

Note 4: If the loss was incurred in a tax year ending after March 22, 2004, determine the amount of the loss from the 11th previous tax year and enter the part of that loss that was not used in previous years and the current year on line e.

Note 5: If the ABILs were incurred in a tax year ending after March 22, 2004, enter the amount of the ABILs from the 11th previous tax year. Enter the full amount on line f.



## Part 2 – Capital losses (continued)

**Deduct:** Capital losses from previous tax years applied against the current-year net capital gain (note 6) **225** G  
Capital losses before any request for a carryback (amount F minus amount G) **52,105** H

### Deduct – Request to carry back capital loss to (note 7):

	Capital gain (100%)	Amount carried back (100%)	
First previous tax year	<b>951</b>		h
Second previous tax year	<b>952</b>		i
Third previous tax year	<b>953</b>		j
Subtotal (total of amounts h to j)			I
Closing balance of capital losses to be carried forward to future tax years (amount H minus amount I)		<b>280</b>	<b>52,105</b> J

Note 6: To get the net capital losses required to reduce the taxable capital gain included in the net income (loss) for the current-year tax, enter the amount from line 225 **divided** by 2 at line 332 of the T2 return.

Note 7: On line 225, 951, 952, or 953, whichever applies, enter the actual amount of the loss. When the loss is applied, divide this amount by 2. The result represents the 50% inclusion rate.

## Part 3 – Farm losses

### Continuity of farm losses and request for a carryback

Farm losses at the end of the previous tax year ..... a  
**Deduct:** Farm loss expired (note 8) **300** b  
Farm losses at the beginning of the tax year (amount a minus amount b) **302** A

### Add:

Farm losses transferred on an amalgamation or on the wind-up of a subsidiary corporation **305** c  
Current-year farm loss (amount F in Part 1) **310** d  
Subtotal (amount c plus amount d) ..... B  
Subtotal (amount A plus amount B) ..... C

### Deduct:

Other adjustments (includes adjustments for an acquisition of control) **350** e  
Section 80 – Adjustments for forgiven amounts **340** f  
Farm losses of previous tax years applied in the current tax year **330** g  
Enter amount g on line 334 of the T2 Return.  
Current and previous year farm losses applied against current-year taxable dividends subject to Part IV tax (note 9) **335** h  
Subtotal (total of amounts e to h) ..... D  
Farm losses before any request for a carryback (amount C minus amount D) ..... E

### Deduct – Request to carry back farm loss to:

First previous tax year to reduce taxable income	<b>921</b>	i
Second previous tax year to reduce taxable income	<b>922</b>	j
Third previous tax year to reduce taxable income	<b>923</b>	k
First previous tax year to reduce taxable dividends subject to Part IV tax	<b>931</b>	l
Second previous tax year to reduce taxable dividends subject to Part IV tax	<b>932</b>	m
Third previous tax year to reduce taxable dividends subject to Part IV tax	<b>933</b>	n
Subtotal (total of amounts i to n)		F
Closing balance of farm losses to be carried forward to future tax years (amount E minus amount F)		<b>380</b> G

Note 8: A farm loss expires as follows:

- after 10 tax years if it arose in a tax year ending before 2006; and
- after 20 tax years if it arose in a tax year ending after 2005.

Note 9: Amount h is the total of lines 340 and 345 from Schedule 3.



## Part 4 – Restricted farm losses

### Current-year restricted farm loss

Total losses for the year from farming business ..... **485** ..... A

#### Minus the deductible farm loss:

(amount A above ..... – \$2,500) divided by 2 = ..... a

Amount a or \$ 15,000 (note 10), whichever is less ..... b

**2,500** ..... c

Subtotal (amount b plus amount c) ..... **2,500** ..... B

Current-year restricted farm loss (amount A minus amount B) ..... C

### Continuity of restricted farm losses and request for a carryback

Restricted farm losses at the end of the previous tax year ..... d

Deduct: Restricted farm loss expired (note 11) ..... **400** ..... e

Restricted farm losses at the beginning of the tax year (amount d minus amount e) ..... **402** ..... D

#### Add:

Restricted farm losses transferred on an amalgamation or on the wind-up  
of a subsidiary corporation ..... **405** ..... f

Current-year restricted farm loss (from amount C) ..... **410** ..... g

Enter amount g on line 233 of Schedule 1, *Net Income (Loss) for Income Tax Purposes*.

Subtotal (amount f plus amount g) ..... E

Subtotal (amount D plus amount E) ..... F

#### Deduct:

Restricted farm losses from previous tax years applied against current farming income ..... **430** ..... h

Enter amount h on line 333 of the T2 return.

Section 80 – Adjustments for forgiven amounts ..... **440** ..... i

Other adjustments ..... **450** ..... j

Subtotal (total of amounts h to j) ..... G

Restricted farm losses before any request for a carryback (amount F minus amount G) ..... H

### Deduct – Request to carry back restricted farm loss to:

First previous tax year to reduce farming income ..... **941** ..... k

Second previous tax year to reduce farming income ..... **942** ..... l

Third previous tax year to reduce farming income ..... **943** ..... m

Subtotal (total of amounts k to m) ..... I

Closing balance of restricted farm losses to be carried forward to future tax years (amount H minus amount I) **480** ..... J

#### Note

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

Note 10: For tax years that end before March 21, 2013, use \$6,250 instead of \$15,000.

Note 11: A restricted farm loss expires as follows:

- after 10 tax years if it arose in a tax year ending before 2006; and
- after 20 tax years if it arose in a tax year ending after 2005.

## Part 5 – Listed personal property losses

### Continuity of listed personal property loss and request for a carryback

Listed personal property losses at the end of the previous tax year ..... a

**Deduct:** Listed personal property loss expired after 7 tax years ..... **500** ..... b

Listed personal property losses at the beginning of the tax year (amount a **minus** amount b) ..... **502** ..... **A**

**Add:** Current-year listed personal property loss (from Schedule 6) ..... **510** ..... **B**

Subtotal (amount A **plus** amount B) ..... **C**

### Deduct:

Listed personal property losses from previous tax years applied against listed personal property gains ..... **530** ..... c

Enter amount c on line 655 of Schedule 6.

Other adjustments ..... **550** ..... d

Subtotal (amount c **plus** amount d) ..... **D**

Listed personal property losses remaining before any request for a carryback (amount C **minus** amount D) ..... **E**

### Deduct – Request to carry back listed personal property loss to:

First previous tax year to reduce listed personal property gains ..... **961** ..... e

Second previous tax year to reduce listed personal property gains ..... **962** ..... f

Third previous tax year to reduce listed personal property gains ..... **963** ..... g

Subtotal (total of amounts e to g) ..... **F**

Closing balance of listed personal property losses to be carried forward to future tax years (amount E **minus** amount F) ..... **580** ..... **G**

## Part 7 – Limited partnership losses

### Current-year limited partnership losses

1	2	3	4	5	6	7
Partnership account number	Tax year ending yyyy/mm/dd	Corporation's share of limited partnership loss	Corporation's at-risk amount	Total of corporation's share of partnership investment tax credit, farming losses, and resource expenses	Column 4 minus column 5 (if negative, enter "0")	Current-year limited partnership losses (column 3 minus column 6)
<b>600</b>	<b>602</b>	<b>604</b>	<b>606</b>	<b>608</b>		<b>620</b>
Total (enter this amount on line 222 of Schedule 1)						

### Limited partnership losses from previous tax years that may be applied in the current year

1	2	3	4	5	6	7
Partnership account number	Tax year ending yyyy/mm/dd	Limited partnership losses at the end of the previous tax year and amounts transferred on an amalgamation or on the wind-up of a subsidiary	Corporation's at-risk amount	Total of corporation's share of partnership investment tax credit, business or property losses, and resource expenses	Column 4 minus column 5 (if negative, enter "0")	Limited partnership losses that may be applied in the year (the lesser of columns 3 and 6)
<b>630</b>	<b>632</b>	<b>634</b>	<b>636</b>	<b>638</b>		<b>650</b>

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

1	2	3	4	5	6
Partnership account number	Limited partnership losses at the end of the previous tax year	Limited partnership losses transferred in the year on an amalgamation or on the wind-up of a subsidiary	Current-year limited partnership losses (from line 620)	Limited partnership losses applied in the current year (must be equal to or less than line 650)	Current year limited partnership losses closing balance to be carried forward to future years (column 2 plus column 3 plus column 4 minus column 5)
<b>660</b>	<b>662</b>	<b>664</b>	<b>670</b>	<b>675</b>	<b>680</b>
Total (enter this amount on line 335 of the T2 return)					

#### Note

If you need more space, you can attach more schedules.

## Part 8 – Election under paragraph 88(1.1)(f)

If you are making an election under paragraph 88(1.1)(f), check the box

**190** Yes ☐

In the case of the wind-up of a subsidiary, if the election is made, the non-capital loss, restricted farm loss, farm loss, or limited partnership loss of the subsidiary—that otherwise would become the loss of the parent corporation for a particular tax year starting after the wind-up began—will be considered as the loss of the parent corporation for its immediately preceding tax year and not for the particular year.

#### Note

This election is only applicable for wind-ups under subsection 88(1) that are reported on Schedule 24, *First-Time Filer after Incorporation, Amalgamation, or Winding-up of a Subsidiary into a Parent*.



Canada Revenue Agency  
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## Tax Calculation Supplementary – Corporations

## Schedule 5

Corporation's name	Business Number	Tax year-end Year Month Day
Nygaard Properties Ltd.	10396 1959 RC0003	2019-05-31

- 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.
- Enter the regulation number in field 100 of Part 1.

### Part 1 – Allocation of taxable income

100 402 Corporations not specified		Enter the Regulation that applies (402 to 413).			
A Jurisdiction Tick yes if the corporation had a permanent establishment in the jurisdiction during the tax year.*	B Total salaries and wages paid in jurisdiction	C (B x taxable income) / G	D Gross revenue	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 003 Yes <input type="checkbox"/>	103		143		
Newfoundland and Labrador Offshore 004 Yes <input type="checkbox"/>	104		144		
Prince Edward Island 005 Yes <input type="checkbox"/>	105		145		
Nova Scotia 007 Yes <input type="checkbox"/>	107		147		
Nova Scotia Offshore 008 Yes <input type="checkbox"/>	108		148		
New Brunswick 009 Yes <input type="checkbox"/>	109		149		
Quebec 011 Yes <input type="checkbox"/>	111		151		
Ontario 013 Yes <input checked="" type="checkbox"/>	113		153	546,880	437,527
Manitoba 015 Yes <input checked="" type="checkbox"/>	115		155	853,609	682,922
Saskatchewan 017 Yes <input type="checkbox"/>	117		157		
Alberta 019 Yes <input type="checkbox"/>	119		159		
British Columbia 021 Yes <input type="checkbox"/>	121		161		
Yukon 023 Yes <input type="checkbox"/>	123		163		
Northwest Territories 025 Yes <input type="checkbox"/>	125		165		
Nunavut 026 Yes <input type="checkbox"/>	126		166		
Outside Canada 027 Yes <input type="checkbox"/>	127		167		
<b>Total</b>	<b>129</b> G		<b>169</b> H	1,400,489	1,120,449

\* "Permanent establishment" is defined in subsection 400(2).

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

#### Notes:

- 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.
- If the corporation has provincial or territorial tax payable, complete Part 2.
- 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.

**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
1,120,449		437,527	50,316

Ontario basic income tax (from Schedule 500)	270	50,316	
Ontario small business deduction (from Schedule 500)	402		
Subtotal (line 270 minus line 402)		50,316	5A
Ontario transitional tax debits (from Schedule 506)	276		
Recapture of Ontario research and development tax credit (from Schedule 508)	277		
Subtotal (line 276 plus line 277)			5B
Gross Ontario tax (amount 5A plus amount 5B)		50,316	5C
Ontario resource tax credit (from Schedule 504)	404		
Ontario tax credit for manufacturing and processing (from Schedule 502)	406		
Ontario foreign tax credit (from Schedule 21)	408		
Ontario credit union tax reduction (from Schedule 500)	410		
Ontario political contributions tax credit (from Schedule 525)	415		
Ontario non-refundable tax credits (total of lines 404 to 415)			5D
Subtotal (amount 5C minus amount 5D) (if negative, enter "0")		50,316	5E
Ontario research and development tax credit (from Schedule 508)	416		
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")		50,316	5F
Ontario corporate minimum tax credit (from Schedule 510)	418		
Ontario community food program donation tax credit for farmers (from Schedule 2)	420		
Ontario corporate income tax payable (amount 5F minus the total of lines 418 and 420) (if negative enter "0")		50,316	5G
Ontario corporate minimum tax (from Schedule 510)	278		
Ontario special additional tax on life insurance corporations (from Schedule 512)	280		
Subtotal (line 278 plus line 280)			5H
Total Ontario tax payable before refundable tax credits (amount 5G plus amount 5H)		50,316	5I
Ontario qualifying environmental trust tax credit	450		
Ontario co-operative education tax credit (from Schedule 550)	452		
Ontario apprenticeship training tax credit (from Schedule 552)	454		
Ontario computer animation and special effects tax credit (from Schedule 554)	456		
Ontario film and television tax credit (from Schedule 556)	458		
Ontario production services tax credit (from Schedule 558)	460		
Ontario interactive digital media tax credit (from Schedule 560)	462		
Ontario sound recording tax credit (from Schedule 562)	464		
Ontario book publishing tax credit (from Schedule 564)	466		
Ontario innovation tax credit (from Schedule 566)	468		
Ontario business-research institute tax credit (from Schedule 568)	470		
Ontario refundable tax credits (total of lines 450 to 470)			5J
Net Ontario tax payable or refundable tax credit (amount 5I minus amount 5J)	290	50,316	

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

**Part 2 – Manitoba 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
1,120,449		682,922	81,951

<b>Manitoba tax before credits</b> (from Schedule 383)		<b>230</b>	<b>81,951</b>
Manitoba foreign tax credit (from Schedule 21)	601		
Manitoba rental housing construction tax credit (from Schedule 394)	602		
Manitoba non-refundable manufacturing investment tax credit (from Schedule 381)	605		
Manitoba non-refundable research and development tax credit (from Schedule 380)	606		
Manitoba co-op education and apprenticeship tax credit (from Schedule 384)	603		
Manitoba non-refundable odour-control tax credit (from Schedule 385)	607		
Manitoba small business venture capital tax credit (from Schedule 387)	608		
Manitoba non-refundable cooperative development tax credit (from Schedule 390)	609		
Manitoba Neighbourhoods Alive! tax credit (from Schedule 391)	610		
Manitoba non-refundable tax credits (total of lines 601 to 610)			6A
<b>Total Manitoba tax payable before refundable tax credits</b> (line 230 <b>minus</b> amount 6A) (if negative enter "0")			<b>81,951 6B</b>
Manitoba cultural industries printing tax credit	611		
Manitoba refundable cooperative development tax credit (from Schedule 390)	612		
Manitoba refundable research and development tax credit (from Schedule 380)	613		
Manitoba interactive digital media tax credit	614		
Manitoba book publishing tax credit (from Schedule 389)	615		
Manitoba green energy equipment tax credit	619		
Manitoba film and video production tax credit (from Schedule 388)	620		
Manitoba refundable manufacturing investment tax credit (from Schedule 381)	621		
Manitoba paid work experience tax credit (from Schedule 384)	622		
Manitoba refundable odour-control tax credit for agricultural corporations (from Schedule 385)	623		
Manitoba data processing investment tax credits (from Schedule 392)	324		
Manitoba nutrient management tax credit (from Schedule 393)	325		
Manitoba refundable rental housing construction tax credit (from Schedule 394)	326		
Manitoba community enterprise development tax credit	327		
Manitoba child care centre development tax credit			
Certificate number			
Manitoba refundable tax credits (total of lines 611 to 623 <b>plus</b> lines 324 to 327)			6C
<b>Net Manitoba tax payable or refundable tax credit</b> (amount 6B <b>minus</b> amount 6C) (if a credit, enter amount in brackets) Include this amount on line 255.		<b>234</b>	<b>81,951</b>

**Summary**

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

<b>Net provincial and territorial tax payable or refundable tax credits</b>	<b>255</b>	<b>132,267</b>
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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.



## Capital Cost Allowance (CCA)

Corporation's name	Business number	Tax year-end Year Month Day
Nygaard Properties Ltd.	10396 1959 RC0003	2019-05-31

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)*? **101** Yes ☐ No ☒

1 Class number *	Description	2 Undepreciated capital cost at the beginning of the year (amount from column 12 of last year's schedule 8)	3 Cost of acquisitions during the year (new property must be available for use)  (see note 1 below)	4 Adjustments and transfers  (see note 2 below)	5 Proceeds of dispositions during the year (amount not to exceed the capital cost)	6 50% rule (1/2 of the amount, if any, by which the net cost of acquisitions exceeds column 5)  (see notes 3 and 7 below)	7 Reduced undepreciated capital cost (column 2 <b>plus</b> column 3 <b>plus</b> or <b>minus</b> column 4 <b>minus</b> column 5 <b>minus</b> column 6)  (see note 7 below)	8 CCA rate %  (see note 4 below)	9 Recapture of capital cost allowance (line 107 of Schedule 1)  (see note 5 below)	10 Terminal loss (line 404 of Schedule 1)	11 Capital cost allowance (for declining balance method, column 7 <b>multiplied by</b> column 8, or a lower amount) (line 403 of Schedule 1)  (see notes 6 and 7 below)	12 Undepreciated capital cost at the end of the year (column 6 <b>plus</b> column 7 <b>minus</b> column 11)
<b>200</b>		<b>201</b>	<b>203</b>	<b>205</b>	<b>207</b>	<b>211</b>		<b>212</b>	<b>213</b>	<b>215</b>	<b>217</b>	<b>220</b>
1. 1	Build'g-Inkster	885,622			0		885,622	4	0	0	35,425	850,197
2. 3	Build'g-Inkster	964,781			0		964,781	5	0	0	48,239	916,542
3. 1	Build'g-Toronto	37,666			0		37,666	4	0	0	1,507	36,159
4. 1	Build'g-Broadway	23,612			0		23,612	4	0	0	944	22,668
5. 1	Build'g-1300NotreD	49,803			0		49,803	4	0	0	1,992	47,811
6. 3	Build'g-1340NotreD	123,899			0		123,899	5	0	0	6,195	117,704
7. 3	Build'g-Toronto	1,558,757			0		1,558,757	5	0	0	77,938	1,480,819
8. 3	Build'g-Broadway	136,457			0		136,457	5	0	0	6,823	129,634
9. 1	Market Village	14,172			0		14,172	4	0	0	567	13,605
10. 1	Market Village	49,329			0		49,329	4	0	0	1,973	47,356
11. 3	Sherbrook	32,834			0		32,834	5	0	0	1,642	31,192
12. 1	Vaughan, ON	157,383			0		157,383	4	0	0	6,295	151,088
13. 1	Sherbrook	46,525			0		46,525	4	0	0	1,861	44,664
14. 17	Parking Lot	19,247			0		19,247	8	0	0	1,540	17,707
15. 1	Residual post sale of Market/Jarr	124,461			0		124,461	4	0	0	4,978	119,483
16. 8	Tools	1,166			0		1,166	20	0	0	233	933
17. 14.1	Cumulative Eligible Capital	37,806			0		37,806	5	0	0	2,646	35,160
<b>Totals</b>		<b>4,263,520</b>					<b>4,263,520</b>				<b>200,798</b>	<b>4,062,722</b>

- \* 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 1. Include any property acquired in previous years that has now become available for use. This property would have been previously excluded from column 3. List separately any acquisitions that are not subject to the 50% rule, see *Regulation 1100(2)* and (2.2).
- Note 2. Enter in column 4, "Adjustments and transfers", amounts that increase or reduce the undepreciated capital cost. 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 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 4.
- Note 3. The net cost of acquisitions is the cost of acquisitions (column 3) **plus** or **minus** certain adjustments and transfers from column 4. For information on the exceptions to the 50% rule, as well as how to calculate the amounts to enter in column 6 in those cases, see Interpretation Bulletin IT-285, *Capital Cost Allowance - General Comments*.
- Note 4. 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 11.
- Note 5. For every entry in column 9, "Recapture of capital cost allowance", there must be a corresponding entry in column 5, "Proceeds of dispositions during the year". The recapture and terminal loss rules do not apply to passenger vehicles in Class 10.1.
- Note 6. 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.
- Note 7. At the time the program was released, the official CRA Schedule 8 had not yet been updated to take into account the new measures added to subsection 1100(2) ITR, as proposed in the *Notice of Ways and Means Motion to amend the Income Tax Act and the Income Tax Regulations* published on November 21, 2018. Therefore, the amounts calculated in columns 6 and 7 do not reflect these new measures. However, the CCA amount calculated in column 12 takes these new measures into account.

T2 SCH 8 (17)

Canada



**RELATED AND ASSOCIATED CORPORATIONS**

Name of corporation	Business Number	Tax year end Year Month Day
Nygard Properties Ltd.	10396 1959 RC0003	2019-05-31

- 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 <b>100</b>	Country of residence (other than Canada) <b>200</b>	Business number (see note 1) <b>300</b>	Relationship code (see note 2) <b>400</b>	Number of common shares you own <b>500</b>	% of common shares you own <b>550</b>	Number of preferred shares you own <b>600</b>	% of preferred shares you own <b>650</b>	Book value of capital stock <b>700</b>
1.	4093879 Canada Ltd.		86080 4053 RC0001	3					
2.	4093887 Canada Ltd.		86068 2269 RC0001	2	200	100.000			46,453,922
3.	Nygard Enterprises Ltd.		11959 5817 RC0001	1					
4.	Nygard Inc	US	NR	3					
5.	Nygard Ventures Inc	US	NR	3					
6.	Fashion Ventures Inc	US	NR	3					
7.	Brause Investments Inc	US	NR	3					
8.	Nygard Holdings Ltd	BS	NR	3					
9.	Emerald Point Inc	BS	NR	3					
10.	Fashion Technology Ltd	BS	NR	3					
11.	Duke Investments Ltd	BS	NR	3					
12.	Bridgeport Ltd	BS	NR	3					
13.	Seagreens Investment Ltd	BS	NR	3					
14.	YL Ltd	VC	NR	3					
15.	Edsons Investments Inc	US	NR	3					
16.	Enterprise Aviation - Bermuda Ltd	BM	NR	4					
17.	Nygard Holdings USA Ltd	US	NR	3					
18.	Nygard Properties USA Ltd	US	NR	3					
19.	Nygard Biotech Corporation	US	NR	3					
20.	Bombshell by Suelyn Limited	US	NR	3					
21.	Nygard Business Consulting (Shang	CN	NR	2	100	100.000			3,161,105

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

## Taxable Capital Employed in Canada – Large Corporations

Corporation's name	Business number	Tax year-end Year Month Day
Nygaard Properties Ltd.	10396 1959 RC0003	2019-05-31

- 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	
Capital stock (or members' contributions if incorporated without share capital)	103	494,242
Retained earnings	104	62,800,427
Contributed surplus	105	4,412
Any other surpluses	106	
Deferred unrealized foreign exchange gains	107	
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	109	
Any dividends declared but not paid by the corporation before the end of the year	110	
All other indebtedness of the corporation (other than any indebtedness for a lease) that has been outstanding for more than 365 days before the end of the year	111	
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)	112	
Subtotal (add lines 101 to 112)		63,299,081 ▶
		63,299,081 A

#### Note:

Line 112 is determined by the formula  $(A - B) \times C/D$  (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.

## Part 1 – Capital (continued)

Subtotal A (from page 1) 63,299,081 A

Deduct the following amounts:

Deferred tax debit balance at the end of the year	<u>121</u>
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	<u>122</u>
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.	<u>123</u>
Deferred unrealized foreign exchange losses at the end of the year	<u>124</u>

Subtotal (add lines 121 to 124) 190 B

Capital for the year (amount A minus amount B) (if negative, enter "0") 63,299,081

## 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	<u>401</u>	<u>49,695,171</u>
A loan or advance to another corporation (other than a financial institution)	<u>402</u>	<u>786,105</u>
A bond, debenture, note, mortgage, hypothecary claim, or similar obligation of another corporation (other than a financial institution)	<u>403</u>	
Long-term debt of a financial institution	<u>404</u>	
A dividend payable on a share of the capital stock of another corporation	<u>405</u>	
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)	<u>406</u>	
An interest in a partnership (see note 2 below)	<u>407</u>	
Investment allowance for the year (add lines 401 to 407)	<u>490</u>	<u>50,481,276</u>

### Notes:

- 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).
- 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.
- 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)	<u>63,299,081</u> C
Deduct: Investment allowance for the year (line 490)	<u>50,481,276</u> D
Taxable capital for the year (amount C minus amount D) (if negative, enter "0")	<u>12,817,805</u> 500

## Part 4 – Taxable capital employed in Canada

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

Taxable capital for the year (line 500)	12,817,805	x	Taxable income earned in Canada	610	1,120,449	=	Taxable capital employed in Canada	690	12,817,805
			Taxable income		1,120,449				

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

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

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

**Deduct** the following amounts:

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

Total of all amounts each of which is the carrying value at the end of year of an asset described in subsection 181.2(4) of the corporation that it used in the year, or held in the year, in the course of carrying on any business during the year through a permanent establishment in Canada . . . . **712**

Total of all amounts each of which is the carrying value at the end of year of an asset of the corporation that is a ship or aircraft the corporation operated in international traffic, or personal or movable property used or held by the corporation in carrying on any business during the year through a permanent establishment in Canada (see note below) . . . . **713**

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

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

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

## Part 5 – Calculation for purposes of the small business deduction

This part is applicable to corporations that are not associated in the current year, but were associated in the prior year.

Taxable capital employed in Canada (amount from line 690)		<b>F</b>
<b>Deduct:</b>	10,000,000	<b>G</b>

Excess (amount F minus amount G) (if negative, enter "0") **H**

**Calculation for purposes of the small business deduction** (amount H x 0.225%) **I**

Enter this amount at line 415 of the T2 return.



**SHAREHOLDER INFORMATION**

Name of corporation	Business Number	Tax year end Year Month Day
Nygard Properties Ltd.	10396 1959 RC0003	2019-05-31

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

		Provide only one number per shareholder				
Name of shareholder (after name, indicate in brackets if the shareholder is a corporation, partnership, individual, or trust)		Business Number (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	Nygard Enterprises Ltd. (corporation)	11959 5817 RC0001			100.000	100.000
2						
3						
4						
5						
6						
7						
8						
9						
10						



Canada Revenue Agency  
Agence du revenu du Canada

## Manitoba Corporation Tax Calculation

Schedule 383

Corporation's name	Business number	Tax year-end Year Month Day
Nygard Properties Ltd.	10396 1959 RC0003	2019-05-31

- Use this schedule if your corporation had a permanent establishment (under section 400 of the federal Income Tax Regulations) in Manitoba and had taxable income earned in the year in Manitoba.
- This schedule is a worksheet only and is not required to be filed with your T2 Corporation Income Tax Return.

### Part 1 – Income subject to Manitoba lower and higher tax rates

#### Period before January 1, 2019

If there are days in the tax year in the period mentioned above, calculate the income subject to Manitoba lower and higher tax rates as follows:

Taxable income for Manitoba \* ..... 682,922 A1

#### Income eligible for the Manitoba lower tax rate:

Amount from line 400 of the T2 return \*\* ..... B1

Amount from line 405 of the T2 return ..... C1

Amount from line 427 of the T2 return ..... x 450,000 = ..... D1  
500,000

Amount B1, C1, or D1, whichever is the least ..... E1

For credit unions only:

Amount 2C from Schedule 17, Credit Union Deductions ..... 1

Amount E1 ..... 2

Subtotal (amount 1 minus amount 2, if negative, enter "0") ..... F1

Subtotal (add amounts E1 and F1) ..... G1

Amount G1 ..... x Taxable income for Manitoba \* 682,922 = ..... H1

Taxable income for all provinces \*\*\* 1,120,449

Note: amount H1 cannot exceed amount A1

Income subject to Manitoba higher tax rate (amount A1 minus amount H1) ..... 682,922 I1

#### Period after December 31, 2018

For days in the tax year in the period mentioned above, calculate the income subject to Manitoba lower and higher tax rates as follows:

Taxable income for Manitoba \* ..... 682,922 A2

#### Income eligible for the Manitoba lower tax rate:

Amount from line 400 of the T2 return ..... B2

Amount from line 405 of the T2 return ..... C2

Amount from line 427 of the T2 return ..... D2

Amount B2, C2, or D2, whichever is the least ..... E2

For credit unions only:

Amount 2H from Schedule 17, Credit Union Deductions ..... 3

Amount E2 ..... 4

Subtotal (amount 3 minus amount 4, if negative, enter "0") ..... F2

Amount F2 ..... x 80 % ..... G2

Subtotal (add amounts E2 and G2) ..... H2

Amount H2 ..... x Taxable income for Manitoba \* 682,922 = ..... I2

Taxable income for all provinces \*\*\* 1,120,449

Note: amount I2 cannot exceed amount A2

Income subject to Manitoba higher tax rate (amount A2 minus amount I2) ..... 682,922 J

\* If the corporation has a permanent establishment only in Manitoba, enter the taxable income from line 360 of the T2 return. Otherwise, enter the taxable income allocated to Manitoba from column F in Part 1 of Schedule 5, Tax Calculation Supplementary - Corporations.

\*\* If the corporation is a member of a partnership, complete Part 2 to calculate income from active business.

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



## Part 2 – Income from active business when there is partnership income

Complete this part only if the corporation is a member of a partnership.

Period before January 1, 2019

If there are days in the tax year in the period mentioned above, calculate the income from active business as follows:

Amount U from Part 5 of Schedule 7 ..... 5  
Amount from line 530 from Part 5 of Schedule 7 ..... 6  
Amount from line 540 from Part 5 of Schedule 7 ..... 7  
Amount W from Part 5 of Schedule 7 ..... 8  
Amount Y from Part 5 of Schedule 7 ..... 9  
Subtotal [amount 5 minus (amount 6 plus amount 7 plus amount 8) plus amount 9] ..... K  
Amount M from Part 4 of Schedule 7 ..... L

M	N	O	P
Amounts from column F1 in Part 3 of Schedule 7	Amounts from column K1 in Part 3 of Schedule 7 multiplied by	Column M minus column N (if negative, enter "0")	Lesser of columns M and N (if column M is negative, enter "0")
	450,000		
	500,000		
1.			
Totals		Q	R

Amount on line 370 from Part 3 of Schedule 7 ..... S  
Amount on line 380 from Part 3 of Schedule 7 ..... T  
Subtotal (amount S plus amount T) ..... U  
Enter amount Q or amount U, whichever is less ..... V  
Specified partnership income (amount R plus amount V) ..... W  
Partnership income not eligible for small business deduction (amount L minus amount W) ..... X  
Income from active business (amount K minus amount X) ..... Y  
Enter the amount from amount Y at amount B1 in Part 1.

## Part 3 – Manitoba tax before credits

Manitoba tax at the lower rate is zero. Calculate the Manitoba tax at the higher rate only.

Manitoba tax at the higher rate:

Amount I1 682,922 x  $\frac{\text{Number of days in the tax year before January 1, 2019}}{\text{Number of days in the tax year}} = \frac{214}{365} = 400,398$  10

Amount J 682,922 x  $\frac{\text{Number of days in the tax year after December 31, 2018}}{\text{Number of days in the tax year}} = \frac{151}{365} = 282,524$  11

Subtotal (amount 10 plus amount 11) 682,922 12

Manitoba tax before credits (amount 12 multiplied by 12 %) \* 81,951 Z

\* If the corporation has a permanent establishment in more than one jurisdiction or is claiming a Manitoba tax credit, enter amount Z on line 230 of Schedule 5. Otherwise, enter it on line 760 of the T2 return.



## Ontario Corporation Tax Calculation

Corporation's name	Business number	Tax year-end Year Month Day
Nygaard Properties Ltd.	10396 1959 RC0003	2019-05-31

- 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.

### Part 1 – Ontario basic income tax

Ontario taxable income *	437,527	A
Ontario basic rate of tax for the year	11.5 %	B
Ontario basic income tax (amount A multiplied by amount B **)	50,316	C

\* If the corporation has a permanent establishment only in Ontario, enter the amount from line 360 or amount Z, whichever applies, of the T2 return. Otherwise, enter the taxable income allocated to Ontario from column F in Part 1 of Schedule 5.

\*\* If the corporation has a permanent establishment in more than one jurisdiction, or is claiming an Ontario tax credit in addition to Ontario basic income tax, or has Ontario corporate minimum tax or Ontario special additional tax on life insurance corporations payable, enter amount C on line 270 of Schedule 5, Tax Calculation Supplementary – Corporations. Otherwise, enter it on line 760 of the T2 return.

### Part 2 – Ontario small business deduction (OSBD)

Complete this part if the corporation claimed the federal small business deduction under subsection 125(1).

Amount from line 400 of the T2 return	1	
Amount from line 405 of the T2 return	2	
Amount from line 427 of the T2 return (note)	3	
Enter the least of amounts 1, 2 or 3	▶	D
Ontario domestic factor (ODF):	<div> <div>Taxable income for Ontario *</div> <div>Taxable income for all provinces **</div> </div> <div> <div>437,526.57</div> <div>1,120,449</div> </div> <div>=</div> <div style="text-align: right;">0.39049</div>	E
Amount D multiplied by amount E	4	
Ontario taxable income (amount A from Part 1)	437,527	5
Ontario small business income (lesser of amount 4 or amount 5)	▶	F
<b>Ontario small business deduction rate for the year</b>		
<div>Number of days in the tax year before January 1, 2018</div> <div>Number of days in the tax year</div>	<div>365</div> <div>365</div>	<div>x</div> <div>7 %</div> <div>=</div> <div style="text-align: right;">% G1</div>
<div>Number of days in the tax year after December 31, 2017</div> <div>Number of days in the tax year</div>	<div>365</div> <div>365</div>	<div>x</div> <div>8 %</div> <div>=</div> <div style="text-align: right;">8.00000 % G2</div>
OSBD rate for the year (rate G1 plus rate G2)	8.00000 %	▶ 8.00000 % G
Ontario small business deduction (amount F multiplied by rate G)		H

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 E2 of Schedule 200 (Jump Code: J) into account.



## Corporate Taxpayer Summary

### Corporate information

Corporation's name	Nygaard Properties Ltd.															
Taxation Year	2018-06-01 to 2019-05-31															
Jurisdiction	Multiple Jurisdiction															
BC	AB	SK	MB	ON	QC	NB	NS	NO	PE	NL	XO	YT	NT	NU	OC	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Corporation is associated	Y															
Corporation is related	Y															
Number of associated corporations	20															
Type of corporation	Other Private Corporation															
Total amount due (refund) federal and provincial*	52,335															

\* The amounts displayed on lines "Total amount due (refund) federal and provincial" are all listed in the help. Press F1 to consult the context-sensitive help.

### Summary of federal information

Net income			1,120,449
Taxable income			1,120,449
Donations			
Calculation of income from an active business carried on in Canada			1,120,449
Dividends paid			
Dividends paid – Regular			
Dividends paid – Eligible			
Balance of the low rate income pool at the end of the previous year			
Balance of the low rate income pool at the end of the year			
Balance of the general rate income pool at the end of the previous year			
Balance of the general rate income pool at the end of the year			
Part I tax (base amount)			425,771
<b>Credits against part I tax</b>	<b>Summary of tax</b>	<b>Refunds/credits</b>	
Small business deduction	Part I	ITC refund	168,068
M&P deduction	Part IV	Dividends refund:	
Foreign tax credit	Part III.1	– Eligible dividends	
Investment tax credits	Other*	– Non-eligible dividends	
Abatement/Other*	Provincial or territorial tax	Instalments	248,000
		Other*	
		<b>Balance due/refund (–)</b>	52,335

\* The amounts displayed on lines "Other" are all listed in the Help. Press F1 to consult the context-sensitive help.

### Summary of federal carryforward/carryback information

<b>Carryforward balances</b>	
Capital losses/L.P.P.	52,105

## Summary of provincial information – provincial income tax payable

	Ontario	Québec (CO-17)	Alberta (AT1)
Net income	1,120,449		
Taxable income	1,120,449		
% Allocation	39.05		
Attributed taxable income	437,527		
Tax payable before deduction*	50,316		
Deductions and credits			
Net tax payable	50,316		
Attributed taxable capital	N/A		N/A
Capital tax payable**	N/A		N/A
Total tax payable***	50,316		
Instalments and refundable credits			
Balance due/Refund (-)	50,316		
<b>Logging tax payable (COZ-1179)</b>			
Tax payable	N/A		N/A
<p>* For Québec, this includes special taxes.</p> <p>** For Québec, this includes compensation tax and registration fee.</p> <p>*** 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.</p>			
	British Columbia	Saskatchewan	Manitoba
% Allocation			60.95
Attributed taxable income			682,922
Tax payable before deduction			81,951
Deductions and credits			
Tax payable or refundable credit			81,951
Attributed taxable capital	N/A		
Capital tax payable*	N/A		
Instalments and refundable credits	N/A		
Balance due/Refund (-)	N/A		
<b>Credit unions and caisses populaires profits tax (MB-Credit Unions)</b>			
Tax payable	N/A	N/A	
<b>Logging tax payable (FIN542)</b>			
Tax payable		N/A	N/A
* For Manitoba, this includes the Outstanding Balance Excluding Instalments.			

## 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
Nygaard Properties Ltd.			12,817,805	12,817,805
4093879 Canada Ltd.				
4093887 Canada Ltd.				
Nygaard Enterprises Ltd.				
Nygaard Inc				
Nygaard Ventures Inc				
Fashion Ventures Inc				

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
Brause Investments Inc				
Nygard Holdings Ltd				
Emerald Point Inc				
Fashion Technology Ltd				
Duke Investments Ltd				
Bridgeport Ltd				
Seagreens Investment Ltd				
YL Ltd				
Edsons Investments Inc				
Enterprise Aviation - Bermuda Ltd				
Nygard Holdings USA Ltd				
Nygard Properties USA Ltd				
Nygard Biotech Corporation				
Bombshell by Suelyn Limited				
Nygard Business Consulting (Shanghai) Co Ltd.				
Total			12,817,805	12,817,805

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)	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
Total				

Corporate name	Specified capital used to calculate the expenditure limit – Ontario innovation tax credit (Schedule 566)
Total	

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
<b>Federal information (T2)</b>					
Taxation year end	<b>2019-05-31</b>	<b>2018-05-31</b>	<b>2017-05-31</b>	<b>2016-05-31</b>	<b>2015-05-31</b>
Net income	1,120,449	821,100	513,077	925,356	946,482
Taxable income	1,120,449	821,100	513,077	925,356	946,482
Active business income	1,120,449	821,100	513,077	925,356	946,482
Dividends paid					
Dividends paid – Regular					
Dividends paid – Eligible					
LRIP – end of the previous year					
LRIP – end of the year					
GRIP – end of the previous year					
GRIP – end of the year					
Donations					
Balance due/refund (-)	52,335	58,607	-110,482	34,297	39,929
Line 996 – Amended tax return	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Loss carrybacks requested in prior years to reduce taxable income</b>					
Taxation year end	<b>2019-05-31</b>	<b>2018-05-31</b>	<b>2017-05-31</b>	<b>2016-05-31</b>	<b>2015-05-31</b>
Taxable income before loss carrybacks	N/A	N/A	513,077	925,356	946,482
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 loss carried back to prior years	N/A	N/A			
Adjusted taxable income after loss carrybacks	N/A	N/A	513,077	925,356	946,482
<b>Losses in the current year carried back to previous years to reduce taxable income (according to Schedule 4)</b>					
Taxation year end	<b>2019-05-31</b>	<b>2018-05-31</b>	<b>2017-05-31</b>	<b>2016-05-31</b>	<b>2015-05-31</b>
Adjusted taxable income before current year loss carrybacks*	N/A	821,100	513,077	925,356	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
Adjusted taxable income after loss carrybacks	N/A	821,100	513,077	925,356	N/A

\* The adjusted taxable income before current year loss carryback takes into account loss carrybacks that were made in prior taxation years.



**Loss carrybacks requested in prior years to reduce taxable dividends subject to Part IV tax**

Taxation year end	2019-05-31	2018-05-31	2017-05-31	2016-05-31	2015-05-31
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	2019-05-31	2018-05-31	2017-05-31	2016-05-31	2015-05-31
Adjusted Part IV tax multiplied by the multiplication factor**, before current-year loss carrybacks***	N/A				N/A
Non-capital losses	N/A				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

\*\* The multiplication factor is 3 for dividends received before January 1, 2016, and 100 / 38 1/3 for dividends received after December 31, 2015.

\*\*\* 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.

**Federal taxes**

Taxation year end	2019-05-31	2018-05-31	2017-05-31	2016-05-31	2015-05-31
Part I	168,068	123,165	76,961	138,803	141,972
Part IV					
Part III.1					
Other*					

\* The amounts displayed on lines "Other" are all listed in the help. Press F1 to consult the context-sensitive help.

**Credits against part I tax**

Taxation year end	2019-05-31	2018-05-31	2017-05-31	2016-05-31	2015-05-31
Small business deduction					
M&P deduction					
Foreign tax credit					
Investment tax credit					
Abatement/other*	257,703	188,853	118,008	212,832	217,691

\* The amounts displayed on lines "Other" are all listed in the help. Press F1 to consult the context-sensitive help.

**Refunds/credits**

Taxation year end	2019-05-31	2018-05-31	2017-05-31	2016-05-31	2015-05-31
ITC refund					
Dividend refund					
– Eligible dividends					
– Non-eligible dividends					
Instalments	248,000	161,318	247,906	213,600	213,600
Other*					

\* The amounts displayed on lines "Other" are all listed in the help. Press F1 to consult the context-sensitive help.



## Ontario

Taxation year end	2019-05-31	2018-05-31	2017-05-31	2016-05-31	2015-05-31
Net income	1,120,449	821,100	513,077	925,356	946,482
Taxable income	1,120,449	821,100	513,077	925,356	946,482
% Allocation	39.05	43.16	43.13	42.11	42.69
Attributed taxable income	437,527	354,371	221,284	389,645	404,054
Surtax					
Income tax payable before deduction	50,316	40,753	25,448	44,809	46,466
Income tax deductions /credits					
Net income tax payable	50,316	40,753	25,448	44,809	46,466
Taxable capital					
Capital tax payable					
Total tax payable*	50,316	40,753	25,448	44,809	46,466
Instalments and refundable credits					
Balance due/refund**	50,316	40,753	25,448	44,809	46,466

\* 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.

## Manitoba

Taxation year end	2019-05-31	2018-05-31	2017-05-31	2016-05-31	2015-05-31
% Allocation	60.95	56.84	56.87	57.89	57.31
Attributed taxable income	682,922	466,729	291,793	535,711	542,428
Income tax payable before deduction	81,951	56,007	35,015	64,285	65,091
Income tax deductions /credits					
Net income tax payable	81,951	56,007	35,015	64,285	65,091
<b>Credit unions and caisses populaires profits tax (MB-Credit Unions)</b>					
Tax payable					
<b>MCT1</b>					
Taxable capital			34,613,002	29,205,629	28,763,498
Capital tax payable					
Instalments and refundable credits					
Capital tax balance due/refund					