
Non-consolidated financial
statements of
Barrie Hydro Holdings Inc.

December 31, 2021

Draft

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Compilation engagement report

To those charged with governance of Barrie Hydro Holdings Inc.

On the basis of information provided by management, we have compiled the non-consolidated balance sheet of Barrie Hydro Holdings Inc. as at December 31, 2021, the non-consolidated statement of operations and retained earnings for the year then ended, Note 1, which describes the basis of accounting applied in the preparation of the compiled financial information and other explanatory information ("financial information").

Management is responsible for the accompanying financial information, including the accuracy and completeness of the underlying information used to compile it and the selection of the basis of accounting.

We performed this engagement in accordance with Canadian Standard on Related Services (CSRS) 4200, *Compilation Engagements*, which requires us to comply with relevant ethical requirements. Our responsibility is to assist management in the preparation of the financial information.

We did not perform an audit engagement or a review engagement, nor were we required to perform procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an audit opinion or a review conclusion, or provide any form of assurance on the financial information.

Readers are cautioned that the financial information may not be appropriate for their purposes.

In addition to performing this engagement, we provided tax preparation and filing services to Barrie Hydro Holdings Inc. for the year ended December 31, 2021.

Chartered Professional Accountants
Licensed Public Accountants

Non-consolidated statement of operations and retained earnings

Year ended December 31, 2021

	2021	2020
	\$	\$
Revenue		
Dividend income	7,100,800	7,967,029
Interest revenue	5,517	8,597
Change in fair value of derivative financial instrument	9,505	(19,950)
	7,115,822	7,955,676
Expenses		
Administration fees	100,000	100,000
Interest and penalties	37,728	39,079
Professional fees	3,900	3,965
Miscellaneous	580	509
	142,208	143,553
Income before undernoted item	6,973,614	7,812,123
Equity loss of investees	(2,893)	(2,692)
Income before income taxes	6,970,721	7,809,431
Net income	6,970,721	7,809,431
Retained earnings, beginning of year	81,126,598	80,119,217
Refundable taxes paid	(2,681,900)	(2,886,217)
Dividend refund	2,165,833	2,434,167
Dividends paid	(5,650,000)	(6,350,000)
Retained earnings, end of year	81,931,252	81,126,598

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Non-consolidated balance sheet

As at December 31, 2021

	2021	2020
	\$	\$
Assets		
Current assets		
Cash	363,636	537,993
Accounts receivable	664	1,099
	364,300	539,092
Investment in Barrie Hydro Energy Services Inc., at cost	222,549	225,442
Investment in Alectra Inc., at cost	182,102,578	182,102,578
	182,689,427	182,867,112
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	3,802	3,601
Income taxes payable	516,155	452,139
Due to related parties	250,451	253,502
Bank loan	262,000	1,296,000
	1,032,408	2,005,242
Derivative financial liability	509	10,014
Deferred tax liability	26,525,865	26,525,865
	27,558,782	28,541,121
Shareholder's equity		
Share capital		
Authorized		
Unlimited common shares		
Stated		
1,100 common shares	73,199,393	73,199,393
Retained earnings	81,931,252	81,126,598
	155,130,645	154,325,991
	182,689,427	182,867,112

Approved by

_____, Officer

_____, Officer

1. Accounting policies

Description of the basis of accounting

The basis of accounting applied in the preparation of the non-consolidated balance sheet of Barrie Hydro Holdings Inc. as at December 31, 2021 and the non-consolidated statement of operations and retained earnings for the year then ended is on the historical cost basis, reflecting cash transactions with the addition of:

- Accounts receivable;
- Investments recorded at cost;
- Derivative financial instruments recognized at fair value;
- Accounts payable and accrued liabilities;
- Current income taxes payable as at the reporting date; and
- Investment income recorded on a time proportionate basis and when the right to receive payment has been established.

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