



EFFICIENCYONE
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
DECEMBER 31, 2023

EFFICIENCYONE

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DECEMBER 31, 2023



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Independent auditor's report

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To the Board of Directors of EfficiencyOne

Opinion

We have audited the consolidated financial statements of EfficiencyOne ("the Corporation"), which comprise the consolidated statement of financial position as at December 31, 2023, and the consolidated statements of operations, changes in fund balances and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of EfficiencyOne as at December 31, 2023, and its consolidated results of operations and its consolidated cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Corporation in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that

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

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

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast

significant doubt on the Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Corporation and the corporations it controls to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

We have audited the Corporation's compliance, as at December 31, 2023, with the cost allocation criteria established by the Efficiency Nova Scotia Cost Allocation Methodology Report as filed with the Nova Scotia Utility and Review Board. Compliance with the Cost allocation criteria is the responsibility of the Corporation's management. Our responsibility is to express an opinion on this compliance based on our audit.

Grant Thornton LLP

Halifax, Canada
March 27, 2024

Chartered Professional Accountants

EFFICIENCYONE

CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2023 (IN THOUSANDS)

	Demand-Side Management Fund	Provincial Fund	Other Business Fund	2023	2022
REVENUES					
Efficiency Nova Scotia (Note 3)	\$ 44,503	\$ 37,108	\$ -	\$ 81,611	\$ 78,772
Other (Note 3)	-	-	58,147	58,147	5,788
Investment income (Note 4)	-	-	321	321	281
Interest	768	10,337	323	11,428	2,919
	45,271	47,445	58,791	151,507	87,760
DIRECT COSTS					
Incentives	29,437	38,024	54,673	122,134	63,191
Evaluation and verification	1,330	257	-	1,587	1,418
Program support	433	219	542	1,194	1,425
	31,200	38,500	55,215	124,915	66,034
OTHER PROGRAM AND ADMINISTRATIVE COSTS					
Amortization (Note 7)	213	133	-	346	-
Bad debts	4	-	-	4	52
Information technology	535	455	420	1,410	1,145
Marketing, outreach, education, and research	2,169	1,225	344	3,738	3,571
Meetings and travel	95	98	80	273	376
Office and insurance	214	201	217	632	436
Professional fees and consulting	593	324	277	1,194	813
Rent	419	262	84	765	725
Salaries and benefits	9,588	6,062	2,022	17,672	14,288
Training and development	242	184	131	557	320
	14,071	8,945	3,576	26,592	21,726
TOTAL COSTS	45,271	47,445	58,791	151,507	87,760
NET SURPLUS FROM OPERATIONS	-	-	-	-	-
INCOME (LOSS) PICKUP FROM SUBSIDIARY (Note 6)	-	-	3	3	(2)
TOTAL SURPLUS (DEFICIT)	\$ -	\$ -	\$ 3	\$ 3	\$ (2)

See accompanying notes to the consolidated financial statements

EFFICIENCYONE

CONSOLIDATED STATEMENT OF CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2023 (IN THOUSANDS)

	Unrestricted	Endowment	2023	2022
Fund balance, beginning of the year	\$ 147	\$ 13,745	\$ 13,892	\$ 15,180
Net surplus (deficit)	3	-	3	(2)
Endowment contributions from the Province of Nova Scotia	-	6,500	6,500	-
Unrealized fair market value adjustments (Note 4)	-	1,184	1,184	(1,286)
Fund balance, end of the year	\$ 150	\$ 21,429	\$ 21,579	\$ 13,892

See accompanying notes to the consolidated financial statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2023 (IN THOUSANDS)

	Demand-Side Management Fund	Provincial Fund	Other Business Fund	2023	2022
ASSETS					
CURRENT					
Cash	\$ 16,875	\$ 23,189	\$ 2,662	\$ 42,726	\$ 51,216
Accounts receivable	924	37,150	22,501	60,575	7,889
HST receivable	528	561	45	1,134	585
Prepays	703	758	307	1,768	1,437
Short-term investments (Note 4)	-	120,000	-	120,000	60,000
Loan receivable (Note 5)	-	-	-	-	5,007
	19,030	181,658	25,515	226,203	126,134
INVESTMENTS (Note 4)	-	60,000	21,474	81,474	13,835
INVESTMENT IN EFFICIENCYONE SERVICES INC. (Note 6)	-	-	146	146	142
CAPITAL ASSETS (Note 7)	942	591	-	1,533	-
	\$ 19,972	\$ 242,249	\$ 47,135	\$ 309,356	\$ 140,111
LIABILITIES					
CURRENT					
Accounts payable and accrued liabilities	\$ 7,407	\$ 6,652	\$ 22,381	\$ 36,440	\$ 12,229
Deferred revenue (Note 9)	5,103	34,888	908	40,899	40,763
HST payable	699	247	4	950	1,009
Loan payable (Note 5)	-	-	-	-	5,007
	13,209	41,787	23,293	78,289	59,008
DEFERRED REVENUE (Note 9)	6,763	200,462	2,263	209,488	67,211
	19,972	242,249	25,556	287,777	126,219
FUND BALANCES					
Unrestricted	-	-	150	150	147
Endowment	-	-	21,429	21,429	13,745
	-	-	21,579	21,579	13,892
	\$ 19,972	\$ 242,249	\$ 47,135	\$ 309,356	\$ 140,111

CONTINGENCIES (Note 10) AND COMMITMENTS (Note 11)

Approved by the Board



William (Bill) Lahey
Chair, Board of Directors



Sean O'Connor
Chair, Finance Committee

See accompanying notes to the consolidated financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2023 (IN THOUSANDS)

	Demand-Side Management Fund		Provincial Fund		Other Business Fund		2023	2022		
CASH PROVIDED BY (USED FOR):										
OPERATING										
Total surplus (deficit)	\$	-	\$	-	\$	3	\$	3	\$	(2)
Items not affecting cash:										
Amortization		213		133		-		346		-
		213		133		3		349		(2)
Changes in non-cash working capital items										
Accounts receivable		(363)		(31,058)		(21,265)		(52,686)		18,553
HST receivable		(251)		(259)		(39)		(549)		(169)
Prepays		(228)		154		(257)		(331)		(180)
Accounts payable and accrued liabilities		823		2,258		21,129		24,210		4,997
Deferred revenue		8,224		132,991		1,197		142,412		44,558
HST payable		171		(226)		(4)		(59)		(1,841)
		8,589		103,993		764		113,346		65,916
FINANCING										
Endowment contributions from the Province of Nova Scotia		-		-		6,500		6,500		-
Loan repayments		(5,007)		-		-		(5,007)		(4,895)
		(5,007)		-		6,500		1,493		(4,895)
INVESTING										
Acquisition of capital assets		(1,155)		(724)		-		(1,879)		
Purchase of investments		-		(255,000)		(6,831)		(261,831)		(65,820)
Proceeds on sale of investments		-		135,000		331		135,331		5,820
Reinvested distributions, net		-		-		46		46		(48)
Income pickup from subsidiary		-		-		(3)		(3)		2
Loan repayments		5,007		-		-		5,007		4,895
		3,852		(120,724)		(6,457)		(123,329)		(55,151)
CHANGE IN CASH		7,434		(16,731)		807		(8,490)		5,870
CASH - BEGINNING OF YEAR		9,441		39,920		1,855		51,216		45,346
CASH - END OF YEAR	\$	16,875	\$	23,189	\$	2,662	\$	42,726	\$	51,216

See accompanying notes to the consolidated financial statements

EFFICIENCYONE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023 (IN THOUSANDS)

1. NATURE OF OPERATIONS

EfficiencyOne (“the Corporation”) was incorporated in July 2014 under the Canada Not-for-profit Corporations Act.

Under Section 79C of the Public Utilities Act, the Corporation, as the franchise holder, has the exclusive right to supply Nova Scotia Power Inc. (“NS Power”) with reasonably available, cost-effective demand-side management.

The Corporation is a not-for-profit organization under the meaning assigned in the Income Tax Act and as such is exempt from income taxes under Section 149(1)(l). The Corporation holds endowment funds, through its subsidiary Halifax Climate Investment, Innovation and Impact Fund (“HCi3”), in trust on behalf of the Federation of Canadian Municipalities (“FCM”) as trustee of the Green Municipal Fund, and on behalf of the Province of Nova Scotia. The endowment funds are to be maintained in perpetuity. Investment income earned on endowment funds is attributable to the contributor for tax purposes. Accordingly, no provision has been made in the accounts for income taxes.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting and consolidation

These consolidated financial statements include the assets, liabilities, revenue and expenses of the Corporation and its subsidiary HCi3.

The Corporation accounts for investment in EfficiencyOne Services Inc. using the equity method.

These consolidated financial statements have been prepared in accordance with Canadian Accounting Standards for Not-For-Profit Organizations.

Fund accounting

a) The Demand-Side Management (“DSM”) Fund is used to account for the operations of the Corporation including the fee-for-service revenues received and expenses incurred for the delivery of DSM programs and services. The Supply Agreement for Electricity Efficiency and Conservation Activities

(“EECA”) with Nova Scotia Power is approved by the Nova Scotia Utility and Review Board (“NSUARB”). Cash received under the DSM Fund is only used for operations of the fund. Interest income earned on cash received is retained within the fund and restricted for operations of the fund.

b) The Provincial (“PNS”) Fund is used to account for the operations of the Corporation including the fee-for-service revenues received and expenses incurred for the delivery of PNS programs and services according to the terms of the contracts with the Province of Nova Scotia. Cash received under the PNS Fund is only used for operations of the fund. Interest income earned on cash received is retained within the fund and restricted for operations of the fund.

c) The Other Business Fund is used to account for subsidiary operations and other non-DSM and non-PNS activities. Interest and investment income earned on cash received is retained within the fund and restricted for operations of the fund.

Revenue recognition

The Corporation follows the deferral method of accounting for revenue. Restricted fee-for-service or contribution revenue is recognized as revenue within the appropriate fund in the year in which the related expenses are incurred. Restricted contributions for the purchase of capital assets are recognized on the same basis as the amortization expense related to the acquired assets. Endowment contributions are presented as direct increases to net assets.

Restricted interest income on interest bearing deposits is recognized as revenue in the DSM, PNS or Other Business Fund in the year in which the revenue is earned.

Investment income earned on the HCi3 endowments and available for expenditure is allocated to the Other Business Fund, as determined by externally imposed restrictions. All other investment income earned on the HCi3 endowments is recorded as direct increases or decreases to net assets.

EFFICIENCYONE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023 (IN THOUSANDS)**2. SIGNIFICANT ACCOUNTING POLICIES (continued)****Expense recognition**

The Corporation recognizes incentive costs, such as customer rebates, when energy savings are recognized. Energy savings are recognized at milestones within a contract or when the contract is complete. An accrued liability for incentive costs is established when energy savings have been recognized and payment is yet to be made.

All other expenses are recorded when incurred.

Cash

The Corporation recognizes bank balances and interest-bearing deposits with a maturity period of three months or less from the date of acquisition under cash. The Corporation manages its cash according to its cash needs, in accordance with the Corporation's investment policy.

Financial instruments

The Corporation initially measures its financial assets and financial liabilities at fair value. Investments are subsequently measured at fair value and all remaining financial assets and financial liabilities at amortized cost. Financial assets measured at amortized cost include cash, accounts receivable and loan receivable. Financial liabilities measured at amortized cost include accounts payable and loan payable.

Impairment

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. The amount of any write-down is recognized in net surplus. Any previously recognized impairment loss may be reversed to the extent of its improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of a reversal is recognized in net surplus.

Related party transactions

Financial assets and financial liabilities obtained in related party transactions are initially measured at cost. Gains or losses arising on initial measurement differences are generally recognized in net surplus when the transactions are in the normal course of operations, and in equity when the transaction is not in the normal course of operations, subject to certain exceptions.

Financial assets and financial liabilities recognized in related party transactions are subsequently measured based on how the Corporation initially measured the instrument. Financial instruments initially measured at cost are subsequently measured at cost, less any impairment for financial assets.

Investments

Investments consist of a mix of guaranteed investment certificates and pooled fund investments. All investments are stated at fair value on a trade date basis. Any change in fair value is reflected as direct increases or decreases to net assets. Pooled fund investments are valued at the unit values supplied by the pooled fund administrator, which represent the Corporation's proportionate share of underlying net assets at fair values determined using closing market prices.

Fixed income investments maturing within one year from the Consolidated Statement of Financial Position date are reflected as short-term investments.

Capital assets

Capital assets are initially recorded at cost. Amortization is provided for using the following rates and method over their estimated useful lives:

Furniture and fixtures	3 years	Straight-line
Leasehold improvements	Term of lease	Straight-line

EFFICIENCYONE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023 (IN THOUSANDS)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Cost allocation methodology

The Corporation follows a Cost Allocation Methodology (“CAM”) to allocate expenses not directly related to a fund, as disclosed in Note 13. There was no change to the CAM from prior years.

Use of estimates

The preparation of the consolidated financial statements in accordance with Canadian Accounting Standards for Not-For-Profit Organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingencies at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. Estimates are used when accounting for items and matters such as allowance for doubtful accounts, useful lives of capital assets, commitments, fair market value of investments, and certain accrued liabilities. Actual results could differ from those estimates.

3. REVENUE AND CONTRACTUAL RIGHTS

Efficiency Nova Scotia Revenue

Effective January 1, 2023, the Corporation entered into a three-year supply agreement with NS Power to provide demand-side management. The agreement provided funding of \$173,000 over three years in monthly installments until December 31, 2025. In 2023, fee-for-service revenue was \$53,000 (2022 - \$41,000).

The Corporation has entered into multi-year fee-for-service agreements with the Province of Nova Scotia. The contract term, payment frequency and annual amounts are summarized below:

			2023	2022
HEA, Green Heat, EPI Agreement				
March 21, 2023 - March 31, 2026	Lump Sum	\$	85,000	\$ -
Homewarming Services Agreement				
March 21, 2023 - March 31, 2027	Lump Sum + Qtrly	\$	66,500	\$ -
Advanced Home Services				
March 11, 2023 - March 31, 2027	Lump Sum	\$	12,000	\$ -
Mi'kmaw Home Energy Efficiency				
March 30, 2023 – March 31, 2028	Quarterly	\$	2,883	\$ -
Low Income Homeowner				
March 21, 2019 - March 31, 2023	Quarterly	\$	2,066	\$ 8,264
Other Provincial Pilot Programs				
March 21, 2020 - March 31, 2028	Lump Sum	\$	1,650	\$ 5,540
Residential Low Income, Equity and Off Oil Programs				
March 31, 2022 - March 31, 2027	Lump Sum	\$	-	\$ 50,000
Small Business Energy Solutions				
March 31, 2021 - March 31, 2027	Lump Sum	\$	-	\$ 7,000
Non-Electric Residential				
June 6, 2018 - December 31, 2024	Quarterly	\$	-	\$ 6,578
Mi'kmaw Home Energy Efficiency				
March 21, 2019 - March 31, 2023	Quarterly	\$	-	\$ 3,125
Low Income Multi-Family Housing				
March 21, 2019 - March 31, 2023	Annually	\$	-	\$ 2,000
		\$	170,099	\$ 82,507

EFFICIENCYONE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023 (IN THOUSANDS)

3. REVENUE AND CONTRACTUAL RIGHTS (continued)

Other Revenue

Effective April 1, 2022, the Corporation entered into a five-year contribution agreement with Natural Resources Canada to execute the Canada Greener Homes Grant Program. Effective April 1, 2023, the agreement was amended to include funding for the Oil to Heat-pump Affordability Program. The agreement provides total funding of \$198,844, and of this contribution, \$57,603 (2022 - \$1,161) was recognized as revenue in the current year.

During the year, the Corporation recognized \$348 in revenue from HCl3 (2022 - \$658) and \$196 from other sources (2022 - \$3,969).

	Demand-Side Management Fund	Provincial Fund	Other Business Fund	2023	2022
Fee-for-service revenue	\$ 53,000	\$ 170,099	\$ -	\$ 223,099	\$ 123,507
Other revenue	-	-	59,220	59,220	5,541
Recognition/ (Deferral) of revenue	(8,497)	(132,991)	(1,073)	(142,561)	(44,488)
	\$ 44,503	\$ 37,108	\$ 58,147	\$ 139,758	\$ 84,560

4. INVESTMENTS

The Corporation's investments in guaranteed investment certificates are made in accordance with the Corporation's investment policy. The objective of the policy is to ensure excess cash is invested in a manner that safely preserves the principal while optimizing returns.

Investments in pooled funds are held by an investment manager and are measured at market value. All market-based investments are made in accordance with HCl3's investment policy.

	2023	2022
GIC, due February 5, 2024, 5.58% per annum	\$ 60,000	\$ -
GIC, due April 5, 2024, 5.58% per annum	60,000	-
GIC, due April 4, 2025, 5.26% per annum	60,000	-
GIC, redeemed	-	60,000
Fiera ASFI – Active Canadian Bonds Universe Fund – Class A	4,143	2,530
Fiera ASFI – Active Short-term Bond Fund – Class A	4,011	2,525
Fiera Atlas Global Companies Fund – Class A	4,030	2,506
Fiera Diversified Lending Fund – Class A	3,172	2,221
ACM Commercial Mortgage Fund	2,127	1,450
Fiera Diversified Real Assets Fund – Class A	2,160	1,534
Fiera Canadian Equity Fossil Fuel Free Fund – Class A	1,670	1,038
Fiera Short-term Investment Fund – Class A	161	31
	201,474	73,835
Less: short-term investments	120,000	60,000
	\$ 81,474	\$ 13,835

Investment income:

Investment income earned from endowments consists of distributions from various pooled fund investments as listed above, as well as interest on cash deposits and unrealized gains or losses due to changes in fair market value.

The investment income earned from endowments is recognized in the Consolidated Statement of Operations as it becomes available for expenditure. The total investment income earned during the year and its allocation is summarized below:

EFFICIENCYONENOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023 (IN THOUSANDS)**4. INVESTMENTS (continued)**

	2023	2022
Investment distributions	\$ 521	\$ 407
Realized loss on sale of investments	(22)	(4)
Investment management fees	(54)	(53)
Change in fair market value	1,184	(1,286)
Total investment income	1,629	(936)
Stabilization allocation (i)	(30)	(69)
Deferred in Other Business Fund	(94)	-
Unrealized fair market value adjustments	(1,184)	1,286
Recognized investment income	\$ 321	\$ 281

- i. The Stabilization allocation is an amount held in reserve and used for the purpose of funding eligible expenses in years where annual investment proceeds are less than expected.

5. LOAN RECEIVABLE/PAYABLE

The NSUARB requested that the Corporation assess the viability of external financing of NS Power's DSM deferral balance of \$35,000 from 2015 ("2015 DSM Deferral"). The Corporation determined that such external financing could result in savings for NS Power customers. In April 2016, the NSUARB directed the Corporation to proceed with funding of the unamortized portion of the 2015 DSM Deferral in accordance with the arrangements previously explored and described by the Corporation in a filing to the NSUARB dated February 16, 2016. On December 1, 2016 the Corporation borrowed the sum of \$30,625 from the Toronto Dominion Bank ("TD") with a fixed interest rate of 2.355% repayable in 84 equal monthly payments. The loan matured on December 1, 2023.

On December 1, 2016 the Corporation advanced the sum of \$30,625 to NS Power and entered into an Undertaking to Pay with NS Power, whereby NS

Power was obligated to make 84 equal monthly payments that correspond in amount and timing of those the Corporation is obligated to make to TD.

In accordance with direction from the NSUARB, the Corporation finalized another loan arrangement on February 1, 2017 with TD in the amount of \$2,048 representing the accrued return earned by NS Power on the 2015 DSM Deferral. On February 1, 2017 the Corporation borrowed the sum of \$2,048 from TD which was repayable in 82 equal monthly payments. On the same date, the Corporation advanced the sum of \$2,048 to NS Power and entered into an Undertaking to Pay with NS Power, whereby NS Power was obligated to make 82 equal monthly payments that correspond exactly to the amount and timing of those the Corporation is obligated to make to TD.

Both loans were repaid in full in 2023.

6. INVESTMENT IN EFFICIENCYONE SERVICES INC.

The investment represents a 100% interest in the common shares of EfficiencyOne Services Inc. as follows:

	2023	2022
Common shares, at cost	\$ -	\$ -
Equity in cumulative net earnings since incorporation	146	142
	\$ 146	\$ 142

Summarized financial information of EfficiencyOne Services Inc. as at December 31, 2023 is as follows:

FINANCIAL POSITION

	2023	2022
Assets	\$ 149	\$ 145
Liabilities	3	3
Equity	146	142
Total Liability and Equity	\$ 149	\$ 145

EFFICIENCYONENOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023 (IN THOUSANDS)**6. INVESTMENT IN EFFICIENCYONE SERVICES INC. (continued)****RESULTS OF OPERATIONS**

	2023	2022
Revenue	\$ 7	\$ 4
Expenses (including a provision for (recovery of) income tax)	4	6
Net Earnings (Loss)	\$ 3	\$ (2)

CASH FLOW

	2023	2022
Operating	\$ 4	\$ 1
Change in Cash	4	1
Cash - beginning of period	145	144
Cash - end of period	\$ 149	\$ 145

The Corporation renders technical, administrative, and marketing services of a routine nature to EfficiencyOne Services Inc. and the value of these services is measured on a fully allocated cost basis, which is the amount of consideration established and agreed to by the related parties. The cost of these services amounted to \$1 in 2023 (2022 - \$3).

Included in accounts receivable as of December 31 was \$1 (2022 - \$1) due from EfficiencyOne Services Inc.

On August 29, 2017 the NSUARB approved the Corporation's Code of Conduct ("the Code"). The Code governs transactions between the Corporation's electricity efficiency and conservation activities and its Affiliates.

7. CAPITAL ASSETS

	Cost	Accumulated Amortization	Net 2023	Net 2022
Furniture and fixtures	\$ 535	\$ 178	\$ 357	\$ -
Leasehold improvements	1,344	168	1,176	-
	\$ 1,879	\$ 346	\$ 1,533	\$ -

During the year, the Corporation purchased \$1,879 of furniture and fixtures and leasehold improvements. \$1,155 was funded from the DSM Fund and \$724 from the PNS Fund. The funded amounts were based on the Full Time Equivalent ("FTE") allocator of staff resources assigned to the programs as defined in the CAM.

8. BANK INDEBTEDNESS

The Corporation has an operating demand loan of credit available in the amount of \$7,500 bearing interest at the bank prime rate, payable monthly. At year end, the Corporation had no draws against the line of credit (2022 - \$nil). The demand loan is secured by a first ranking general security agreement.

EFFICIENCYONE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023 (IN THOUSANDS)

9. DEFERRED REVENUE

	Demand-Side Management Fund	Provincial Fund	Other Business Fund	2023	2022
Opening	\$ 3,642	\$ 102,359	\$ 1,973	\$ 107,974	\$ 63,416
Recognition of prior years' deferred revenue	-	(30,837)	(229)	(31,066)	(26,723)
Recognition of 2019 Deferred Revenue	(273)	-	-	(273)	-
Deferral of current year revenue	8,497	163,828	1,303	173,628	71,212
Deferral of investment income (Note 4)	-	-	124	124	69
	11,866	235,350	3,171	250,387	107,974
Less: current portion	5,103	34,888	908	40,899	40,763
	\$ 6,763	\$ 200,462	\$ 2,263	\$ 209,488	\$ 67,211

10. CONTINGENCIES

The Corporation has an agreement with NS Power to extend financing to certain Business, Non-Profit and Institutional ("BNI") customers participating in either the Small Business Energy Solutions, Affordable Multi-Family Housing, BNI Custom, or Business Energy Rebates programs. Those customers are approved by NS Power for repayment terms up to 48 months. Financing costs related to the principal are paid to NS Power by the Corporation monthly and are considered part of the applicable program cost. The Corporation is contingently liable to cover defaults on principal amounts outstanding.

A liability of \$51 (2022 - \$52) has been established for accounts at risk. On December 31, 2023, the balance of total financing extended was \$2,007 (2022 - \$2,030).

11. COMMITMENTS

a) In the course of business, the Corporation approves customer applications that offer future incentive payments based on the completion of program criteria within a specific time frame.

The value of these commitments is estimated at \$93,737 (2022 - \$34,662) with the DSM Fund share of \$12,174 (2022 - \$14,627), the PNS Fund share of \$45,464 (2022 - \$20,035) and the Other Business Fund share of \$36,099 (2022 - \$nil). The estimate is calculated on an individual program basis as of December 31, 2023.

Program	Basis of Estimate
Home Energy Assessment	Number of eligible homes anticipated to complete the program at the historical average rebate rate plus final audit costs to be paid to Delivery Agents.
SolarHomes	Number of approved customers anticipated to complete the program at the historical average rebate rate.
Mi'kmaw Home Energy Efficiency	Total number of committed homes at the historical average cost per home plus final audit costs.
Affordable Multi-Family Housing	Approved customers and rebate amounts.
Low Income Homeowner Service	Number of qualified customers whose application had been assigned to a Delivery Agent at the historical average cost per home plus final audit costs.
Small Business Energy Solutions	Approved customers and rebate amounts.
Custom	Approved customers and rebate amounts.

The Corporation has multi-year fee-for-service agreements in place with NS Power, the Province of Nova Scotia and Natural Resources Canada which will enable the Corporation to meet these future commitments.

EFFICIENCYONE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023 (IN THOUSANDS)

11. COMMITMENTS (continued)

b) The Corporation has entered into a lease agreement, expiring December 31, 2030, for the rental of its office premises. Minimum annual lease payments over the term of the agreement are as follows:

Year	Annual Lease Payments
2024	307
2025	307
2026	316
2027	316
2028	316
2029	316
2030	316

12. RISK MANAGEMENT

The Corporation is exposed to risks associated with its financial instruments as follows:

	Risks		
	Credit	Liquidity	Market
Cash	X		X
Accounts receivable	X		
Accounts payable and accrued liabilities		X	X
Investments			X

The Corporation’s risk exposure has increased from the prior year, due to the overall increase in financial instruments.

a) Credit risk

Credit risk arises from the possibility of one of the parties to a transaction defaulting on its financial obligations.

i) Cash

Credit risk associated with cash is minimized by investing these assets in short-term interest-bearing deposits of a Canadian bank with credit ratings that comply with the Corporation’s banking and investment policy.

ii) Accounts receivable and loan receivable

Credit risk associated with accounts receivable is mitigated by the fact that the majority of receivables outstanding are from NS Power, which is a regulated public utility, mandated by its regulator to fund DSM activities.

b) Liquidity risk

Liquidity risk is the risk of being unable to meet cash requirements or fund obligations as they come due. It stems from the possibility of a delay in realizing the fair value of investments. The Corporation manages its liquidity risk by monitoring forecasted and actual cash flows and financial liability maturities, and by holding assets that can be readily converted into cash.

Accounts payable and accrued liabilities include obligations to customers who have earned incentives and are normally paid within 90 days. For some customer incentives accrued, there may be exceptions to the timing of the payments. The timing of these payments is determined by the terms of the customer’s contract. HST payable is remitted monthly. The loan payable payments are remitted monthly, as aligned within the loan payment schedule and the loan receivable amounts from NS Power.

c) Market risk

The Corporation is exposed to market risks arising from changes in the fair value of financial instruments due to market price fluctuations. Market risks consist of currency risk, interest rate risk and other price risk. The Corporation is not exposed to additional currency risk other than that recognized through other price risk, as certain investments are denominated in foreign currencies.

EFFICIENCYONENOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023 (IN THOUSANDS)

12. RISK MANAGEMENT (continued)

i) Interest rate risk

Interest rate risk is the risk that the fair value of a financial instrument or the related future cash flows will fluctuate due to changes in the market interest rates. The Corporation is exposed to interest rate risk with regard to its cash. The Corporation has an interest-bearing liability with a fixed interest rate.

The Corporation's cash include amounts on deposit with a Canadian bank that earn interest at the market rate. Fluctuations in market rates of interest on cash do not have a significant impact on the Corporation's results of operations. Short-term interest-bearing deposits are not exposed to significant interest rate risk due to their short-term nature.

i) Other price risk

Other price risk is the risk that the fair value of a financial instrument or the related future cash flows will fluctuate due to changes in market prices. The Corporation is exposed to other price risk with regard to its investments.

The Corporation's investments include pooled funds which are subject to risks arising from changes in market conditions. The Corporation manages this risk by using an investment manager and maintaining a diversified portfolio with a mix of bonds and equity funds in accordance with the Corporation's investment policy.

EFFICIENCYONE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023 (IN THOUSANDS)

13. COST ALLOCATION METHODOLOGY

	Allocator	Expenses subject to Allocation	DSM Fund Allocation	Provincial Fund Allocation	Other Business Fund Allocation
Amortization	FTE	\$ 346	\$ 213	\$ 133	\$ -
Incentives	Direct	618	148	261	209
Information technology	FTE	570	319	200	51
Information technology	Direct	823	216	255	352
Marketing, outreach, education and research	Direct	2,514	1,126	1,081	307
Meetings and travel	Direct	203	69	68	66
Office and insurance	FTE	168	94	59	15
Office and insurance	Direct	458	120	142	196
Professional fees and consulting	Direct	505	145	158	202
Program support	Direct	74	4	13	57
Rent	FTE	748	419	262	67
Salaries and benefits	FTE	17,310	9,588	6,063	1,659
Training and development	FTE	551	242	184	125
		\$ 24,888	\$ 12,703	\$ 8,879	\$ 3,306

The Corporation engages in DSM programs (reported in the DSM Fund), other energy efficiency and conservation programs (reported in the PNS Fund) and other business (reported in the Other Business Fund).

The costs reported in the Consolidated Statement of Operations, include direct costs of the programs which are comprised of, but not limited to, customer payments, program support costs, and other program and administrative costs directly attributable to a program. In 2023, total direct costs incurred were \$126,619 (2022 - \$68,403) with \$32,568 related to DSM (2022 - \$31,113), \$38,566 related to PNS (2022 - \$31,947), and \$55,485 related to Other Business (2022 - \$5,343). The Corporation also incurs costs which are not directly related to one program that require allocation between the funds and subsequently to programs. These non-direct costs include, but are not limited to, joint direct program costs, common program costs, salaries and benefits, administrative and operational overhead and general program administration. In 2023, total non-direct costs incurred and subject to allocation were \$24,888 (2022 - \$19,357).

The Corporation allocates the non-direct costs noted above based on FTE of staff resources assigned to the programs and Direct Costs ("Direct") of the programs as defined in the ENSC Cost Allocation Methodology Report. The CAM is subject to regular review by the NSUARB.

EfficiencyOne

Statement of Operations & Changes in Fund Balance - Details by General Ledger Account - Demand-Side Management (DSM) Fund
For the Year Ended December 31, 2023

In Thousands

GL Account	GL Account Description	Financial Statement Grouping	GL Balance	Direct Expense of DSM Fund	Allocated to DSM Fund through Cost Allocation Methodology
4000	DSM Revenue	Revenue	53,000		
4140	Recognition/(Deferral) of Revenue	Revenue	(8,497)		
4500	Interest - Business Investment Account	Revenue	768		
Subtotal - Revenue			45,271		
5020	Incentives - Financing Interest	Incentives	99	99	-
5000	Incentives - Customer Rebates	Incentives	11,835	11,835	-
5010	Incentives - Upstream to DA	Incentives	7,990	7,990	-
5005	Incentives - Recovery	Incentives	(1,942)	(1,942)	-
5015	Incentives - Implementation DA	Incentives	10,689	10,689	-
5025	Incentives - Materials	Incentives	8	6	2
5030	Incentives - Program Equipment	Incentives	17	17	-
5035	Incentives - Services Provided by DA	Incentives	338	306	32
5045	Incentives - Pilot Programs	Incentives	208	205	3
5050	Incentives - Low Income Appliance Replacement	Incentives	38	38	-
6243	DA Travel	Incentives	157	46	111
Subtotal - Incentives			29,437	29,289	148
5120	Evaluation	Evaluation & Verification	1,254	1,254	-
5121	Verification	Evaluation & Verification	76	76	-
Subtotal - Evaluation & Verification			1,330	1,330	-
5130	DSM Consultants	Program support	158	158	-
5100	UARB Assessment & Consultant Costs	Program support	67	67	-
5040	Program Consulting	Program support	208	204	4
Subtotal - Program Support			433	429	4
7000	Depr & Amortization	Amortization	213	-	213
Subtotal - Amortization			213	-	213
6330	Bad Debt Expense	Bad debt	4	4	-
Subtotal - Bad Debts			4	4	-
6100	IT Contract Services	Information Technology	225	-	225
6130	Purchased IT Equipment	Information Technology	100	-	100
6200	Software Expense	Information Technology	184	-	184
6105	IT Consulting Services	Information Technology	30	-	30
6106	CIS Consulting	Information Technology	1	-	1
6506	Affiliate Recovery - IT	Information Technology	(5)	-	(5)
Subtotal - Information Technology			535	-	535
6230	Advertising & Marketing	Marketing, outreach, education and research	458	343	115
5150	Homeshow/Tradeshaw	Marketing, outreach, education and research	29	-	29
6080	Research	Marketing, outreach, education and research	66	8	58
6190	Sponsorship	Marketing, outreach, education and research	27	-	27
6150	Subscriptions, Media Monitoring	Marketing, outreach, education and research	3	-	3
6070	Website Development	Marketing, outreach, education and research	79	-	79
6325	Communications Materials	Marketing, outreach, education and research	25	-	25
5151	Community Outreach	Marketing, outreach, education and research	5	-	5
6191	Partnership Development	Marketing, outreach, education and research	68	-	68
5154	Green Schools	Marketing, outreach, education and research	207	-	207
6229	Corporate Marketing	Marketing, outreach, education and research	88	-	88
6235	Paid Advertising	Marketing, outreach, education and research	747	414	333
6350	EPP	Marketing, outreach, education and research	37	25	12
6232	EPP Marketing	Marketing, outreach, education and research	49	-	49
6081	Data Analytics Support	Marketing, outreach, education and research	188	191	(3)
6351	EPP Training	Marketing, outreach, education and research	62	62	-
6236	Social Media Management	Marketing, outreach, education and research	31	-	31
Subtotal - Marketing, outreach and education			2,169	1,043	1,126

EfficiencyOne

Statement of Operations & Changes in Fund Balance - Details by General Ledger Account - Demand-Side Management (DSM) Fund
For the Year Ended December 31, 2023

In Thousands

GL Account	GL Account Description	Financial Statement Grouping	GL Balance	Direct Expense of	
				DSM Fund	Allocated to DSM Fund through Cost Allocation Methodology
6260	Meals	Meetings & Travel	5	3	2
6040	Meeting - Facilities & Catering	Meetings & Travel	3	3	-
6240	Travel	Meetings & Travel	12	12	-
6041	Meetings - Facilities & catering - Program support	Meetings & Travel	5	3	2
6042	Meetings - Facilities & catering - Admin	Meetings & Travel	12	-	12
6241	Travel - Program support	Meetings & Travel	28	4	24
6242	Travel - Admin	Meetings & Travel	20	-	20
6261	Meals - Program support	Meetings & Travel	8	1	7
6262	Meals - Admin	Meetings & Travel	2	-	2
Subtotal - Meetings and travel			95	26	69
6090	Equipment Expense	Office and insurance	44	-	44
6110	Equip Rental & Maintenance	Office and insurance	14	-	14
6310	Insurance - Liability, D and O	Office and insurance	4	-	4
6010	Memberships & Dues	Office and insurance	32	-	32
6170	Office Supplies	Office and insurance	16	-	16
6160	Postage, Mailing Services	Office and insurance	10	-	10
6300	Property Insurance	Office and insurance	65	-	65
6180	Telephone, Telecommunications	Office and insurance	32	-	32
6507	Affiliate Recovery - Office	Office and insurance	(3)	-	(3)
Subtotal - Office and Insurance			214	-	214
6050	Professional Fees	Professional Fees	83	83	-
6051	Professional fees - Program support	Professional Fees	246	243	3
6052	Professional fees - Admin	Professional Fees	75	28	47
6061	Consulting - Program support	Professional Fees	54	-	54
6062	Consulting - Admin	Professional Fees	110	69	41
6192	Codes & Standards Development	Professional Fees	25	25	-
Subtotal Professional fees and consulting			593	448	145
6140	Rent	Rent	428	-	428
6508	Affiliate Recovery - Rent	Rent	(9)	-	(9)
Subtotal Rent			419	-	419
5910	CPP Benefits - Directors	Salaries	4	-	4
5720	CPP Expense - Staff Employees	Salaries	353	-	353
5900	Directors' Remuneration & Fees	Salaries	87	-	87
5700	EI Expense - Staff Employees	Salaries	114	-	114
5780	Emp Benefits - NS WCB	Salaries	17	-	17
5740	Group Ins Exp - Staff Employees	Salaries	356	-	356
5790	Payroll Service Fees	Salaries	20	-	20
5760	Reg Pension Plan - Staff Employees	Salaries	465	-	465
5600	Salaries - Staff Employees	Salaries	8,127	-	8,127
5785	Wellness Incentive	Salaries	3	-	3
5770	Health Spending Account	Salaries	51	-	51
5771	Personal Spending Account	Salaries	45	-	45
5652	Other Wage Recovery	Salaries	(7)	-	(7)
5654	HCI3 Salary Recovery	Salaries	(40)	-	(40)
5655	HCI3 Benefit Recovery	Salaries	(7)	-	(7)
Subtotal - Salaries and Benefits			9,588	-	9,588
6270	Employee Appreciation	Training	38	-	38
5775	Employee Assistance Program	Training	6	-	6
6250	Recruitment Costs	Training	140	-	140
6000	Training & Development	Training	59	-	59
6510	Affiliate Recovery - Training	Training	(1)	-	(1)
Subtotal - Training and Development			242	-	242
Total Costs			45,271	32,568	12,703
3000	Fund Balance - beginning of year		-		
3000	Fund Balance Ending		-		

EfficiencyOne

Statement of Financial Position - Details by General Ledger Account - Demand-Side Management (DSM) Fund

As at December 31, 2023

In Thousands

GL Account	GL Account Description	Financial Statement Grouping	GL Balance
Assets			
1070	BMO - DSM Account	Cash	16,875
1095	TD - DSM Financing	Cash	-
	Subtotal - Cash		16,875
1100	Accounts Receivable	Accounts receivable	525
1120	Other receivables	Accounts receivable	36
1130	Due from Nova Scotia Power (Financing)	Accounts receivable	286
1126	Due from HCl3	Accounts receivable	(2)
1127	Interest Receivable	Accounts receivable	79
	Subtotal - Accounts receivable		924
1550	GST/HST Paid	HST receivable	528
	Subtotal - HST receivable		528
1300	Prepaid expense	Prepaid expense	703
	Subtotal - Prepaid expense		703
1151	Loan receivable - current	Loan receivable - current	-
	Subtotal - Loan receivable - current		-
1150	Loan Receivable - non current	Loan receivable - non current	-
	Subtotal - Non Current Loan Receivable		-
1500	Furniture and Equipment	Capital Assets	329
1505	Accum. Amort. - Furniture & Equ	Capital Assets	(110)
1510	Leasehold Improvements	Capital Assets	826
1515	Accum Amort. - Leasehold Imp	Capital Assets	(103)
	Subtotal - Capital Assets		942
	Total Assets		19,972

EfficiencyOne

Statement of Financial Position - Details by General Ledger Account - Demand-Side Management (DSM) Fund

As at December 31, 2023

In Thousands

GL Account	GL Account Description	Financial Statement Grouping	GL Balance
Liabilities			
2000	Accounts Payable	Accts payable & accrued liabilities	4,104
2410	Payroll Accruals	Accts payable & accrued liabilities	188
2411	Group Insurance Payable	Accts payable & accrued liabilities	1
2412	Vacation Pay Accrual	Accts payable & accrued liabilities	95
2413	RPP Payable	Accts payable & accrued liabilities	47
2414	Personal Spending Accrual	Accts payable & accrued liabilities	9
2419	Due to NSPI	Accts payable & accrued liabilities	80
2420	Vendor Accruals	Accts payable & accrued liabilities	998
2430	Program Accruals	Accts payable & accrued liabilities	1,885
Subtotal - Accounts payable and accrued liabilities			7,407
2570	Deferred Revenue - Current	Deferred Revenue	5,103
Subtotal - Current Deferred Revenue			5,103
2551	HST Payable	HST Payable	699
Subtotal - HST Payable			699
2151	Loan payable - current	Loan payable - current	-
Subtotal - Current Loan Payable			-
2580	Deferred revenue	Deferred revenue	6,763
Subtotal - Deferred revenue			6,763
2150	Loan payable	Loan payable	-
Subtotal - Loan Payable			-
Total Liabilities			19,972
Fund Balances			
3000	Fund Balance	Fund Balance	-
Subtotal - Fund Balance			-
Total Liabilities and Fund Balances			19,972



Grant Thornton LLP
1675 Grafton Street
Suite 1000
Halifax, NS B3J 0E9

T (902) 421-1734
F (902) 420-1068

SENT ELECTRONICALLY

April 15, 2024

Mrs. Gina Thompson
Senior Director, Regulatory Af
EfficiencyOne
230 Brownlow Ave
Suite 300
Dartmouth, NS B3B 0G5

Dear Gina:

Re: EfficiencyOne
Year ended December 31, 2023

We have enclosed the tax return package in PDF format for EfficiencyOne (the "company" or the "corporation") for the taxation year ended December 31, 2023. The returns should be filed as soon as possible in accordance with the filing instructions below, but no later than **June 30, 2024**.

We have prepared the returns based on the information you have provided to us, including the financial information which was prepared solely for income tax purposes without audit or review. Since the responsibility for the accuracy and completeness of this information remains with you, please carefully examine each return before certifying that it is true, correct and complete.

A copy of each return is provided for your records.

T2 - Corporation income tax return

The T2 return is required to be filed electronically. The Canada Revenue Agency ("CRA") requires that you provide us with a signed copy of Form T183 *Information Return for Corporations Filing Electronically* before we are permitted to electronically file the T2 return.

Signature

 Form T183 should be electronically signed and dated.

Filing

- ☒ A copy of the signed Form T183 should be returned to us as soon as possible so we can electronically file the T2 corporate income tax return on or before the **June 30, 2024** due date for filing.

Payment

No amount is payable for the December 31, 2023 taxation period.

Form T1044 - Non-profit organization information return

Enclosed is a PDF copy of Form T1044 for the December 31, 2023 year end. Please print one government copy to be paper-filed as instructed below, and a second copy for your files.

Signature

- ☒ The “certification” section should be completed and signed.

Mailing

- ☒ A copy of the form should be filed, separate from the federal return, with the Jonquière Tax Centre, T1044 Program, 2251 René-Lévesque Boulevard, Jonquière, QC G7S 5J2 no later than **June 30, 2024**. The penalty for late-filing a T1044 return is \$25 a day (minimum \$100, maximum \$2,500).

Other matters

Notice of assessment

When you receive any notice of assessment or reassessment of the current or a prior taxation period, please immediately forward a copy to us for our records. This will enable us to determine if each assessment or reassessment is correct before the limit for an objection expires (90 days from the date of the notice).

Obligations under the Underused Housing Tax rules

Under the federal Underused Housing Tax (UHT) rules, where a non-profit organization (or other entity or individual) owns residential property in Canada, there may be an obligation to file an annual UHT-2900 Underused Housing Tax Return and Election Form with the Canada Revenue Agency (CRA).

When required, UHT returns are due **April 30 each year** (however, as a one-time transitional measure, the CRA announced they will waive late-filing penalties and interest for 2022 returns filed by April 30, 2024 so long as any UHT owing is also paid by that date).

UHT is not an income tax and accordingly is **not** a part of the T2 return filing. It is important to meet any UHT obligations and file on time each year, as late filing penalties can be significant.

We have **not** been engaged to prepare any UHT returns for you. As you are responsible for ensuring any UHT obligations are met, refer to our “Underused Housing Tax: Impacts to Canadians and Non-Residents” Tax Alert on our website for more information and reach out as soon as possible if you need any assistance.

Cybersecurity

As organizations become increasingly dependent on digital technology, storing valuable information in multiple places, the opportunities for cyber criminals continue to grow. Cyber-attacks today are more focused, skillful and ambitious, and geographical borders are meaningless. Regulators and stakeholders, including customers, are increasing the pressure

on organizations to manage these risks. In order to properly protect themselves, organizations must understand what weaknesses attackers could exploit, how to respond to security incidents and how areas such as access to confidential data should be managed.

If it has not already done so, management should respond to these risks by:

- **Assessing** the people, processes and technology associated with the cybersecurity program, including management of the program, data security, cybersecurity awareness and training, and assessment of external risks;
- **Improving** the cybersecurity function by remediating identified vulnerabilities, developing new strategies, enhancing existing facilities, and establishing policies, controls and processes; and
- **Developing** a cybersecurity breach or attack response plan, which involves providing training for the people who will execute the response, determining the procedures that will be followed, and securing external resources to support the process as needed.

If you would like any additional information, please let us know. If you encounter a cybersecurity breach, call our 24/7 Breach Response Hotline: **1-844-40-CYBER** (29237).

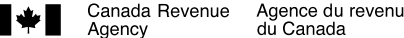
We are pleased to have assisted you in this matter. If you have any questions on these or other matters, please do not hesitate to contact us at (902) 421-1734.

Yours sincerely,
Grant Thornton LLP



Jonathan Caldwell, CPA, CA
Principal

Enc



Non-Profit Organization (NPO) Information Return

- This return is for:
 - non-profit organizations (NPOs) described in paragraph 149(1)(l) of the Income Tax Act
 - organizations described in paragraph 149(1)(e) of the Act (agricultural organizations, boards of trade or chambers of commerce)
- An organization has to file this return if one of the following applies:
 - it received or is entitled to receive taxable dividends, interest, rentals or royalties totalling more than \$10,000 in the fiscal period
 - it owned assets valued at more than \$200,000 at the end of the immediately preceding fiscal period
 - it had to file an NPO information return for a previous fiscal period
- To determine if the organization you represent has to complete this return, see T4117, Income Tax Guide to the Non-Profit Organization (NPO) Information Return
- Mail your completed return to:
Jonquière Tax Centre, T1044 Program, PO Box 1300 LCD Jonquière, Jonquière QC G7S 0L5

Do not use this area

Part 1 – Identification

Fiscal period	Year	Month	Day	Year	Month	Day	Business number, if any
From	2023-01-01			to	2023-12-31		80494 7976 RC0001
Name of organization EfficiencyOne							Trust number, T3, if any.
Mailing address 230 Brownlow Ave Suite 300							Is this the final return to be filed by this organization? If yes, attach an explanation. Yes ☐ No ☒
City Dartmouth			Province NS		Postal code B3B 0G5	Type of organization (see guide T4117) 4	
Name and title of person to contact Gina Thompson Senior Director, Regulatory Af							Telephone number (902) 470-3500

Part 2 – Amounts received during the fiscal period

Membership dues, fees, and assessments	100	
Federal, provincial, and municipal grants and payments	101	94,710,717
Interest, taxable dividends, rentals, and royalties	102	11,110,082
Proceeds of disposition of capital property	103	
Gross sales and revenues from organizational activities	104	44,699,220
Gifts	105	
Other receipts (specify) Equity pickup in sub	106	3,289
Total receipts (add lines 100 to 106)	107	150,523,308

Part 3 – Statement of assets and liabilities at the end of the fiscal period

Assets

Method used to record assets	Accrual	
Cash and short-term investments	108	160,070,187
Amounts receivable from members	109	
Amounts receivable from all others (not included on line 109)	110	61,628,689
Prepaid expenses	111	1,768,205
Inventory	112	
Long-term investments	113	60,000,000
Fixed assets	114	1,532,632
Other assets (specify) Investment in subsid	115	145,530
Total assets (add lines 108 to 115)	116	285,145,243

Liabilities

Amounts owing to members	117	
Amounts owing to all others (specify)	118	285,145,243
Total liabilities (add lines 117 and 118)	119	285,145,243

Part 4 – Remuneration

Total remuneration and benefits paid to all employees and officers	120	17,321,735
Total remuneration and benefits paid to employees and officers who are members	121	0
Other payments to members (specify)	122	0
Number of members in the organization		0
Number of members who received remuneration or other amounts		0

Part 5 – The organization's activities

Briefly describe the activities of the organization. If this is the organization's first year filing this return, attach a copy of the organization's Mission Statement.

The purpose of the Corporation is to manage electricity demand-side
management programs and other energy efficiency and conservation programs
in the Province of Nova Scotia

Are any of the organization's activities carried on outside of Canada? Yes ☐ No ☒

If yes, indicate where:

Part 6 – Location of books and records

Leave this area blank if the information is the same as in Part 1.

Name of person to contact

Mailing address

City

Province

Postal code

Telephone number

Part 7 – Certification

I certify that the information given on this return and in any attached documents is correct and complete.

Gina Thompson

Name of authorized officer

Senior Director, Regulatory Af

Position

2024-04-15

Authorized officer's signature

Date (YYYY/MM/DD)

Language of correspondence
Indicate the language of your choice

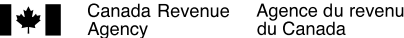
English ☒

Langue de correspondance
Indiquer la langue de votre choix

Français ☐

Privacy notice

Personal information is collected and used to administer or enforce the Income Tax Act and related programs and activities including administering tax, benefits, audit, compliance, and collection. The information collected may be disclosed to other federal, provincial, territorial, aboriginal or foreign government institutions to the extent authorized by law. Failure to provide this information may result in paying interest or penalties, or in other actions. Under the Privacy Act, individuals have a right of protection, access to and correction of their personal information, or to file a complaint with the Privacy Commissioner of Canada regarding the handling of their personal information. Refer to Personal Information Bank CRA PPU 047 on Information about Programs and Information Holdings at canada.ca/cra-information-about-programs.



Information Return for Corporations Filing Electronically

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

Part 1 – Identification

Corporation's name EfficiencyOne				Business number 80494 7976 RC0001	
Tax year start	Year Month Day 2023-01-01	Tax year-end	Year Month Day 2023-12-31	Is this an amended return? ☐ Yes ☒ No	

Email address: _____

Notices and other correspondence eligible for electronic delivery will no longer be printed and mailed. I understand that by providing an email address, I am **registering** the corporation to receive email notifications from the CRA. The CRA will notify the corporation at this email address when correspondence is available in My Business Account and requiring immediate attention. Correspondence will be considered as received on the date that the email is sent. For more information, see canada.ca/cra-business-email-notifications.

Part 2 – Declaration

Enter the following amounts, if applicable, from the T2 return for the tax year noted in Part 1:

Net income or loss for income tax purposes from Schedule 1, financial statements, or General Index of Financial Information (GIFI) (line 300)	-74,887
Part I tax payable (line 700)	
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)	
Total tax payable (line 770)	

Part 3 – Certification and authorization

I,	Thompson	Gina	Senior Director, Regulatory Af
	Last name	First name	Position, office, or rank

am an authorized signing officer of the corporation. I certify that I have examined the T2 Corporation 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 T2 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.

2024-04-15		(902) 470-3500
Date (yyyy/mm/dd)	Signature of an authorized signing officer of the corporation	Telephone number

The CRA will accept an electronic signature if it is applied in accordance with the guidance specified by the CRA.

Part 4 – Transmitter identification

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

Grant Thornton LLP	D1240
Name of person or firm	Electronic filer number

Privacy notice

Personal information is collected and used to administer or enforce the Income Tax Act and related programs and activities including administering tax, benefits, audit, compliance, and collection. The information collected may be disclosed to other federal, provincial, territorial, aboriginal or foreign government institutions to the extent authorized by law. Failure to provide this information may result in paying interest or penalties, or in other actions. Under the Privacy Act, individuals have a right of protection, access to and correction of their personal information, or to file a complaint with the Privacy Commissioner of Canada regarding the handling of their personal information. Refer to Personal Information Bank CRA PPU 047 and CRA PPU 211 on Information about Programs and Information Holdings at canada.ca/cra-information-about-programs.

EXEMPT FROM TAX

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

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

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

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

055 Do not use this area

Identification

Business number (BN) 001 80494 7976 RC0001	
Corporation's name 002 EfficiencyOne	
Address of head office Has this address changed since the last time the CRA was notified? 010 Yes No X If yes, complete lines 011 to 018. 011 230 Brownlow Ave 012 Suite 300 City Province, territory, or state 015 Dartmouth 016 NS Country (other than Canada) Postal or ZIP code 017 018 B3B 0G5	
Mailing address (if different from head office address) Has this address changed since the last time the CRA was notified? 020 Yes No X If yes, complete lines 021 to 028. 021 c/o 022 023 City Province, territory, or state 025 026 Country (other than Canada) Postal or ZIP code 027 028	
Location of books and records (if different from head office address) Has this address changed since the last time the CRA was notified? 030 Yes No X If yes, complete lines 031 to 038. 031 032 City Province, territory, or state 035 036 Country (other than Canada) Postal or ZIP code 037 038	
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) Not for profit organization If the type of corporation changed during the tax year, provide the effective date of the change 043	
To which tax year does this return apply? Tax year start Year Month Day 060 2023-01-01 Tax year-end Year Month Day 061 2023-12-31 Has there been an acquisition of control resulting in the application of subsection 249(4) since the tax year start on line 060? 063 Yes No X If yes, provide the date control was acquired 065 Is the date on line 061 a deemed tax year-end according to subsection 249(3.1)? 066 Yes No X Is the corporation a professional corporation that is a member of a partnership? 067 Yes No X Is this the first year of filing after: Incorporation? 070 Yes No X Amalgamation? 071 Yes No X 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 Yes No X If yes, complete and attach Schedule 24. Is this the final tax year before amalgamation? 076 Yes No X Is this the final return up to dissolution? 078 Yes No X If an election was made under section 261, state the functional currency used 079 Is the corporation a resident of Canada? 080 Yes X 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 Yes No X If yes, complete and attach Schedule 91. If the corporation is exempt from tax under section 149, tick one of the following boxes: 085 X 1 Exempt under paragraph 149(1)(e) or (l) 2 Exempt under paragraph 149(1)(j) 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?	☒	9
Is the corporation an associated CCPC?	☐	23
Is the corporation an associated CCPC that is claiming the expenditure limit?	☐	49
Does the corporation have any non-resident shareholders who own voting shares?	☐	19
Has the corporation had any transactions, including section 85 transfers, with its shareholders, officers, or employees, other than transactions in the ordinary course of business? Exclude non-arm's length transactions with non-residents	☐	11
If you answered yes to the above question, and the transaction was between corporations not dealing at arm's length, were all or substantially all of the assets of the transferor disposed of to the transferee?	☐	44
Has the corporation paid any royalties, management fees, or other similar payments to residents of Canada?	☐	14
Is the corporation claiming a deduction for payments to a type of employee benefit plan?	☐	15
Is the corporation claiming a loss or deduction from a tax shelter?	☐	T5004
Is the corporation a member of a partnership for which a partnership account number has been assigned?	☐	T5013
Did the corporation, a foreign affiliate controlled by the corporation, or any other corporation or trust that did not deal at arm's length with the corporation have a beneficial interest in a non-resident discretionary trust (without reference to section 94)?	☐	22
Did the corporation own any shares in one or more foreign affiliates in the tax year?	☐	25
Has the corporation made any payments to non-residents of Canada under subsections 202(1) and/or 105(1) of the Income Tax Regulations?	☐	29
Did the corporation have a total amount over CAN\$1 million of reportable transactions with non-arm's length non-residents?	☐	T106
For private corporations: Does the corporation have any shareholders who own 10% or more of the corporation's common and/or preferred shares?	☐	50
Has the corporation made payments to, or received amounts from, a retirement compensation plan arrangement during the year?	☐	
Does the corporation earn income from one or more Internet web pages or websites?	☐	88
Is the net income/loss shown on the financial statements different from the net income/loss for income tax purposes?	☒	1
Has the corporation made any charitable donations; gifts of cultural or ecological property; or gifts of medicine?	☐	2
Has the corporation received any dividends or paid any taxable dividends for purposes of the dividend refund?	☐	3
Is the corporation claiming any type of losses?	☒	4
Is the corporation claiming a provincial or territorial tax credit or does it have a permanent establishment in more than one jurisdiction?	☐	5
Has the corporation realized any capital gains or incurred any capital losses during the tax year?	☐	6
i) Is the corporation a CCPC and reporting a) income or loss from property (other than dividends deductible on line 320 of the T2 return), b) income from a partnership, c) income from a foreign business, d) income from a personal services business, e) income referred to in clause 125(1)(a)(i)(C) or 125(1)(a)(i)(B), f) aggregate investment income as defined in subsection 129(4), or g) an amount assigned to it under subsection 125(3.2) or 125(8); or		
ii) Is the corporation a member of a partnership and assigning its specified partnership business limit to a designated member under subsection 125(8)?	☐	7
Does the corporation have any property that is eligible for capital cost allowance?	☒	8
Does the corporation have any resource-related deductions?	☐	12
Is the corporation claiming deductible reserves?	☐	13
Is the corporation claiming a patronage dividend deduction?	☐	16
Is the corporation a credit union claiming a deduction for allocations in proportion to borrowing or a provincial credit union tax reduction?	☐	17
Is the corporation an investment corporation or a mutual fund corporation?	☐	18
Is the corporation carrying on business in Canada as a non-resident corporation?	☐	20
Is the corporation claiming any federal, provincial, or territorial foreign tax credits, or any federal logging tax credits?	☐	21
Does the corporation have any Canadian manufacturing and processing profits or zero-emission technology manufacturing profits?	☐	27
Is the corporation claiming an investment tax credit?	☐	31
Is the corporation claiming any scientific research and experimental development (SR&ED) expenditures?	☐	T661
Is the total taxable capital employed in Canada of the corporation and its related corporations over \$10,000,000?	☒	33/34/35
Is the total taxable capital employed in Canada of the corporation and its associated corporations over \$10,000,000?	☒	
Is the corporation subject to gross Part VI tax on capital of financial institutions?	☐	38
Is the corporation claiming a Part I tax credit?	☐	42
Is the corporation subject to Part IV.1 tax on dividends received on taxable preferred shares or Part VI.1 tax on dividends paid?	☐	43
Is the corporation agreeing to a transfer of the liability for Part VI.1 tax?	☐	45
For financial institutions: Is the corporation a member of a related group of financial institutions with one or more members subject to gross Part VI tax?	☐	39
Is the corporation claiming a Canadian film or video production tax credit?	☐	T1131
Is the corporation claiming a film or video production services tax credit?	☐	T1177
Is the corporation claiming a Canadian journalism labour tax credit?	☐	58
Is the corporation subject to Part XIII.1 tax? (Show your calculations on a sheet that you identify as Schedule 92.)	☐	92

Attachments (continued)

	Yes	Schedule
Did the corporation have any foreign affiliates in the tax year?	☐	T1134
Did the corporation own or hold specified foreign property where the total cost amount of all such property, at any time in the year, was more than CAN\$100,000?	☐	T1135
Did the corporation transfer or loan property to a non-resident trust?	☐	T1141
Did the corporation receive a distribution from or was it indebted to a non-resident trust in the year?	☐	T1142
Has the corporation entered into an agreement to allocate assistance for SR&ED carried out in Canada?	☐	T1145
Has the corporation entered into an agreement to transfer qualified expenditures incurred in respect of SR&ED contracts?	☐	T1146
Has the corporation entered into an agreement with other associated corporations for salary or wages of specified employees for SR&ED?	☐	T1174
Did the corporation pay taxable dividends (other than capital gains dividends) in the tax year?	☐	55
Has the corporation made an election under subsection 89(11) not to be a CCPC?	☐	T2002
Has the corporation revoked any previous election made under subsection 89(11)?	☐	T2002
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?	☐	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?	☐	54
Is the corporation claiming a return of fuel charge proceeds to farmers tax credit?	☐	63
Are you an employer reporting a non-qualified security agreement under subsection 110(1.9)?	☐	59
Is the corporation claiming an air quality improvement tax credit?	☐	65
Is the corporation subject to the additional 1.5% tax on banks and life insurers?	☐	68

Additional information

Did the corporation use the International Financial Reporting Standards (IFRS) when it prepared its financial statements?	270	Yes	☐	No	☒
Is the corporation inactive?	280	Yes	☐	No	☒
What is the corporation's main revenue-generating business activity?	541619	Other Management Consulting Services			
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	Electricity demand side management	285	100.000	%
	286		287		%
	288		289		%
Did the corporation immigrate to Canada during the tax year?	291	Yes	☐	No	☒
Did the corporation emigrate from Canada during the tax year?	292	Yes	☐	No	☒
Do you want to be considered as a quarterly instalment remitter if you are eligible?	293	Yes	☐	No	☐
If the corporation was eligible to remit instalments on a quarterly basis for part of the tax year, provide the date the corporation ceased to be eligible	294	Year Month Day			
If the corporation's major business activity is construction, did you have any subcontractors during the tax year?	295	Yes	☐	No	☐

Taxable income

Net income or (loss) for income tax purposes from Schedule 1, financial statements, or GIFL	300	-74,887	A
Deduct:			
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		
Employer deduction for non-qualified securities	352		
Subtotal			B
Subtotal (amount A minus amount B) (if negative, enter "0")			C
Section 110.5 additions or subparagraph 115(1)(a)(vii) additions	355		D
Taxable income (amount C plus amount D)	360		
Taxable income for the year from a personal services business			Z.1

* This amount is equal to 3.5 times the Part VI.1 tax payable at line 724 on page 9.

Small business deduction

Canadian-controlled private corporations (CCPCs) throughout the tax year

Income eligible for the small business deduction from Schedule 7 **400** A

Taxable income from line 360 on page 3, **minus** 100/28 (3.57143) of the amount on line 632* on page 8,
minus 4 times the amount on line 636** on page 8, and **minus** 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:**
1. 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.
 2. For associated CCPCs, use Schedule 23 to calculate the amount to be entered on line 410.

Business limit reduction

Taxable capital business limit reduction for tax years starting before April 7, 2022

Amount C x **415** *** D = ... E1

11,250

Taxable capital business limit reduction for tax years starting after April 6, 2022

Amount C x **415** *** D = ... E2

90,000

Amount E1 or amount E2, whichever applies **E3**

Passive income business limit reduction

Adjusted aggregate investment income from Schedule 7**** . **417** - 50,000 = .. F

Amount C x Amount F = ... G

100,000

The greater of amount E3 and amount G **422** H

Reduced business limit (amount C **minus** amount H) (if negative, enter "0") **426** I

Business limit the CCPC assigns under subsection 125(3.2) (from line 515 below) J

Reduced business limit after assignment (amount I **minus** amount J) **428** K

Small business deduction – Amount A, B, C, or K, whichever is the least x 19 % = **430** **430**

Enter amount from line 430 at amount K on page 8.

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

***** Large corporations**

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

**** Enter the total adjusted aggregate investment income of the corporation and all associated corporations for each tax year that ended in the preceding calendar year. Each corporation with such income has to file a Schedule 7. For a corporation's first tax year that starts after 2018, this amount is reported at line 744 of the corresponding Schedule 7. Otherwise, this amount is the total of all amounts reported at line 745 of the corresponding Schedule 7 of the corporation for each tax year that ended in the preceding calendar year.

Small business deduction (continued)

Specified corporate income and assignment under subsection 125(3.2)

L1 Name of corporation receiving the income and assigned amount	L Business number of the corporation receiving the assigned amount	M Income paid under clause 125(1)(a)(i)(B) to the corporation identified in column L ³	N Business limit assigned to corporation identified in column L ⁴
	490	500	505
1.			

- Notes:
- Total 510Total 515
3. This amount is [as defined in subsection 125(7) **specified corporate income** (a)(i)] the total of all amounts each of which is income (other than specified farming or fishing income of the corporation for the year) from an active business of the corporation for the year from the provision of services or property to a private corporation (directly or indirectly, in any manner whatever) if

(A) at any time in the year, the corporation (or one of its shareholders) or a person who does not deal at arm's length with the corporation (or one of its shareholders) holds a direct or indirect interest in the private corporation, and

(B) it is not the case that all or substantially all of the corporation's income for the year from an active business is from the provision of services or property to

(I) persons (other than the private corporation) with which the corporation deals at arm's length, or

(II) partnerships with which the corporation deals at arm's length, other than a partnership in which a person that does not deal at arm's length with the corporation holds a direct or indirect interest.

4. The amount of the business limit you assign to a CCPC cannot be greater than the amount determined by the formula A – B, where A is the amount of income referred to in column M in respect of that CCPC and B is the portion of the amount described in A that is deductible by you in respect of the amount of income referred to in clauses 125(1)(a)(i)(A) or (B) for the year. The amount on line 515 cannot be greater than the amount on line 426.

General tax reduction for Canadian-controlled private corporations

Canadian-controlled private corporations throughout the tax year

Taxable income from line 360 on page 3A

Lesser of amounts 9B and 9H from Part 9 of Schedule 27B

Amount 13K from Part 13 of Schedule 27C

Personal services business income432D

Amount from line 400, 405, 410, or 428 on page 4, whichever is the leastE

Aggregate investment income from line 440 on page 6*FE

Subtotal (add amounts B to F)G

Amount A minus amount G (if negative, enter "0")H

General tax reduction for Canadian-controlled private corporations – Amount H multiplied by 13 %I

Enter amount I on line 638 on page 8.

* Except for a corporation that is, throughout the year, a cooperative corporation (within the meaning assigned by subsection 136(2)) or a credit union.

General tax reduction

Do not complete this area if you are a Canadian-controlled private corporation, an investment corporation, a mortgage investment corporation, a mutual fund corporation, or any corporation with taxable income that is not subject to the corporation tax rate of 38%.

Taxable income from line 360 on page 3J

Lesser of amounts 9B and 9H from Part 9 of Schedule 27K

Amount 13K from Part 13 of Schedule 27L

Personal services business income434M

Subtotal (add amounts K to M)N

Amount J minus amount N (if negative, enter "0")O

General tax reduction – Amount O multiplied by 13 %P

Enter amount P on line 639 on page 8.

Refundable portion of Part I tax

Canadian-controlled private corporations throughout the tax year

Aggregate investment income
from Schedule 7440x 30 2 / 3 % =A

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

Foreign investment income
from Schedule 7445x 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 3F

Amount from line 400, 405, 410, or 428 on page 4,
whichever is the leastG

Foreign non-business
income tax
credit from
line 632 on
page 8x 75 / 29 =H

Foreign
business
income
tax credit from
line 636
on page 8x 4 =I

Subtotal (add amounts G to I)J

Subtotal (amount F minus amount J)Kx 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 least450N

Refundable dividend tax on hand

Eligible refundable dividend tax on hand (ERDTH) at the end of the previous tax year
(line 530 of the preceding tax year)

520

A

Non-eligible refundable dividend tax on hand (NERDTH) at the end of the previous tax year
(line 545 of the preceding tax year) (if negative, enter "0")

535

B

Part IV tax payable on taxable dividends from connected corporations (amount 2G from Schedule 3)

C

Part IV tax payable on eligible dividends from non-connected corporations (amount 2J from Schedule 3)

D

Subtotal (amount C plus amount D)

E

Net ERDTH transferred on an amalgamation or the wind-up of a subsidiary

525

F

ERDTH dividend refund for the previous tax year

570

G

Refundable portion of Part I tax (from line 450 on page 6)

H

Part IV tax before deductions (amount 2A from Schedule 3)

I

Part IV tax allocated to ERDTH (amount E)

J

Part IV tax reduction due to Part IV.1 tax payable (amount 4D of Schedule 43)

K

Subtotal (amount I minus total of amounts J and K)

L

Net NERDTH transferred on an amalgamation or the wind-up of a subsidiary

540

M

NERDTH dividend refund for the previous tax year

575

N

38 1/3% of the total losses applied against Part IV tax (amount 2D from Schedule 3)

O

Part IV tax payable allocated to NERDTH, net of losses claimed (amount L minus amount O) (if negative enter "0")

P

NERDTH at the end of the tax year (total of amounts B, H, M, and P minus amount N) (if negative, enter "0")

545

Part IV tax payable allocated to ERDTH, net of losses claimed (amount E minus the amount, if any, by which amount O exceeds amount L) (if negative, enter "0")

Q

ERDTH at the end of the tax year (total of amounts A, F, and Q minus amount G) (if negative, enter "0")

530

Dividend refund

38 1/3% of total eligible dividends paid in the tax year (amount 3A from Schedule 3)

AA

ERDTH balance at the end of the tax year (line 530)

BB

Eligible dividend refund (amount AA or BB, whichever is less)

CC

38 1/3% of total non-eligible taxable dividends paid in the tax year (amount 3B from Schedule 3)

DD

NERDTH balance at the end of the tax year (line 545)

EE

Non-eligible dividend refund (amount DD or EE, whichever is less)

FF

Amount DD minus amount EE (if negative, enter "0")

GG

Amount BB minus amount CC (if negative, enter "0")

HH

Additional non-eligible dividend refund (amount GG or HH, whichever is less)

II

Dividend refund – Amount CC plus amount FF plus amount II

JJ

Enter amount JJ on line 784 on page 9.

Part I tax

Base amount Part I tax – Taxable income (from line 360 on page 3) multiplied by 38 %	550	A
Additional tax on personal services business income (section 123.5)		
Taxable income from a personal services business	555 x 5 % = 560	B
Additional tax on banks and life insurers from Schedule 68	565	C
Recapture of investment tax credit from Schedule 31	602	D
Calculation for the refundable tax on the Canadian-controlled private corporation's (CCPC) investment income (if it was a CCPC throughout the tax year)		
Aggregate investment income from line 440 on page 6		E
Taxable income from line 360 on page 3		F
Deduct: Amount from line 400, 405, 410, or 428 on page 4, whichever is the least		
	G	
Net amount (amount F minus amount G)		H
Refundable tax on CCPC's investment income – 10 2 / 3 % of whichever is less: amount E or amount H	604	I
Subtotal (add amounts A, B, C, D, and I)		J
Deduct: Small business deduction from line 430 on page 4		
Federal tax abatement	608	K
Manufacturing and processing profits deduction and zero-emission technology manufacturing deduction from Schedule 27	616	
Investment corporation deduction	620	
Taxed capital gains	624	
Federal foreign non-business income tax credit from Schedule 21	632	
Federal foreign business income tax credit from Schedule 21	636	
General tax reduction for CCPCs from amount I on page 5	638	
General tax reduction from amount P on page 5	639	
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		L
Part I tax payable – Amount J minus amount L		M
Enter amount M on line 700 on page 9.		

Privacy notice

Personal information (including the SIN) is collected to administer or enforce the Income Tax Act and related programs and activities including administering tax, benefits, audit, compliance, and collection. The information collected may be used or disclosed for the purposes of other federal acts that provide for the imposition and collection of a tax or duty. It may also be disclosed to other federal, provincial, territorial, or foreign government institutions to the extent authorized by law. Failure to provide this information may result in paying interest or penalties, or in other actions. Under the Privacy Act, individuals have a right of protection, access to and correction of their personal information, or to file a complaint with the Privacy Commissioner of Canada regarding the handling of their personal information. Refer to Personal Information Bank CRA PPU 047 on Information about Programs and Information Holdings at canada.ca/cra-information-about-programs.

Summary of tax and credits

Federal tax

Part I tax payable from amount M on page 8	700	
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 VI.2 tax payable from Schedule 67	725	
Part XIII.1 tax payable from Schedule 92	727	
Part XIV tax payable from Schedule 20	728	

Add provincial or territorial tax:

Total federal tax

Provincial or territorial jurisdiction 750 NS
(if more than one jurisdiction, enter "multiple" and complete Schedule 5)
Net provincial or territorial tax payable (except Quebec and Alberta) 760

Total tax payable 770

Deduct other credits:

Investment tax credit refund from Schedule 31	780	
Dividend refund from amount JJ on page 7	784	
Federal capital gains refund from Schedule 18	788	
Federal qualifying environmental trust tax credit refund	792	
Return of fuel charge proceeds to farmers tax credit from Schedule 63	795	
Canadian film or video production tax credit (Form T1131)	796	
Film or video production services tax credit (Form T1177)	797	
Canadian journalism labour tax credit from Schedule 58	798	
Air quality improvement tax credit from Schedule 65	799	
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	
Total credits	890	

Balance (amount A minus amount B)

If the result is negative, you have a refund. If the result is positive, you have a balance owing.
Enter the amount below on whichever line applies.

Generally, the CRA does not charge
or refund a difference of \$2 or less.

Refund code 894

Refund

Balance owing

For information on how to enrol for direct deposit, go to canada.ca/cra-direct-deposit.

For information on how to make your payment, go to canada.ca/payments.

If the corporation is a Canadian-controlled private corporation throughout the tax year,
does it qualify for the one-month extension of the date the balance of tax is due? 896 Yes No

If this return was prepared by a tax preparer for a fee, provide their: EFILE number 920 D1240
ReplID 925

Certification

I, 950 Thompson 951 Gina 954 Senior Director, Regulatory Af
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 2024-04-15 956 (902) 470-3500
Date (yyyy/mm/dd) Signature of the authorized signing officer of the corporation Telephone number
Is the contact person the same as the authorized signing officer? If no, complete the information below 957 Yes X No
958 Name of other authorized person 959 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

Form identifier 100

GENERAL INDEX OF FINANCIAL INFORMATION – GIF1

Corporation's name	Business number	Tax year end Year Month Day
EfficiencyOne	80494 7976 RC0001	2023-12-31

Balance sheet information

Account	Description	GIF1	Current year	Prior year
Assets				
	Total current assets	1599 +	223,467,081	124,275,421
	Total tangible capital assets	2008 +	3,056,229	1,177,262
	Total accumulated amortization of tangible capital assets	2009 –	1,523,597	1,177,262
	Total intangible capital assets	2178 +		
	Total accumulated amortization of intangible capital assets	2179 –		
	Total long-term assets	2589 +	60,145,530	142,241
	* Assets held in trust	2590 +		
	Total assets (mandatory field)	2599 =	285,145,243	124,417,662
Liabilities				
	Total current liabilities	3139 +	77,771,450	58,126,109
	Total long-term liabilities	3450 +	207,224,848	66,145,885
	* Subordinated debt	3460 +		
	* Amounts held in trust	3470 +		
	Total liabilities (mandatory field)	3499 =	284,996,298	124,271,994
Shareholder equity				
	Total shareholder equity (mandatory field)	3620 +	148,945	145,668
	Total liabilities and shareholder equity	3640 =	285,145,243	124,417,662
Retained earnings				
	Retained earnings/deficit – end (mandatory field)	3849 =	148,945	145,668

* Generic item

Form identifier 125

GENERAL INDEX OF FINANCIAL INFORMATION – GIFI

Corporation's name	Business number	Tax year-end Year Month Day
EfficiencyOne	80494 7976 RC0001	2023-12-31

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 +	139,409,936	83,901,173
	Cost of sales	8518 -	124,429,436	65,611,569
	Gross profit/loss	8519 =	14,980,500	18,289,604
	Cost of sales	8518 +	124,429,436	65,611,569
	Total operating expenses	9367 +	26,090,583	21,166,042
	Total expenses (mandatory field)	9368 =	150,520,019	86,777,611
	Total revenue (mandatory field)	8299 +	150,523,307	86,775,768
	Total expenses (mandatory field)	9368 -	150,520,019	86,777,611
	Net non-farming income	9369 =	3,288	-1,843

Farming income statement information

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

	Net income/loss before taxes and extraordinary items	9970 =	3,288	-1,843
--	--	--------	-------	--------

	Total – other comprehensive income	9998 =		
--	--	--------	--	--

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 +		
	Net income/loss after taxes and extraordinary items (mandatory field)	9999 =	3,288	-1,843



General Index of Financial Information (GIFI) – Additional Information

Corporation's name	Business number	Tax year-end Year Month Day
EfficiencyOne	80494 7976 RC0001	2023-12-31

- Corporations need to complete all parts of this schedule that apply and include it with their T2 return along with their other GIFI schedules.
- For more information, see Guide RC4088, General Index of Financial Information (GIFI), and Guide T4012, T2 Corporation – Income Tax Guide.

Part 1 – Information on the person primarily involved with the financial information

Can you identify the person* specified in the heading of Part 1? **111** Yes ☒ No ☐
If you answered **no**, go to Part 2.

Does that person have a professional designation in accounting? **095** Yes ☒ No ☐

Is that person connected** with the corporation? **097** Yes ☐ No ☒

* A person primarily involved with the financial information is a person who has more than a 50% involvement in preparing the financial information that the T2 return is based on. For example, if three persons prepared the financial information by doing respectively 30%, 30%, and 40% of the work, answer **no** at line 111. If they did respectively 10%, 20%, and 70% of the work, answer **yes** at line 111 and complete Part 1 by referring only to the third person.

** 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

Choose one or more of the following options that represent your involvement and that of the person referred to in Part 1:

Completed an auditor's report **300** ☒
Completed a review engagement report **301** ☐
Conducted a compilation engagement **302** ☐
Provided accounting services **303** ☐
Provided bookkeeping services **304** ☐
Other (please specify) **305**

Part 3 – Reservations

If you selected option 1 (300) or 2 (301) in Part 2 above, answer the following question:

Has the person referred to in Part 1 expressed a reservation? **099** Yes ☐ No ☒

Part 4 – Other information

Were notes to the financial statements prepared? **101** Yes ☒ No ☐
Did the corporation have any subsequent events? **104** Yes ☐ No ☒
Did the corporation re-evaluate its assets during the tax year? **105** Yes ☐ No ☒
Did the corporation have any contingent liabilities during the tax year? **106** Yes ☒ No ☐
Did the corporation have any commitments during the tax year? **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.

Part 5 – Information on the person who prepared the T2 return

If the person who prepared the T2 return has a professional designation in accounting but is not the person identified in Part 1, choose all of the following options that apply:

- Prepared the T2 return and the financial information contained therein **310** ☐
- The client provided the financial statements **311** ☒
- The client provided a trial balance **312** ☐
- The client provided a general ledger **313** ☐
- Other (please specify) **314**

Corporation's name	Business number	Tax year end Year Month Day
EfficiencyOne	80494 7976 RC0001	2023-12-31

General Index of Financial Information

Notes to the financial statements

1. NATURE OF OPERATIONS

EfficiencyOne ("the Corporation") was incorporated in July 2014 under the Canada Not-for-profit Corporations Act.

Under Section 79C of the Public Utilities Act, the Corporation, as the franchise holder, has the exclusive right to supply Nova Scotia Power Inc. ("NS Power") with reasonably available, cost-effective demand-side management.

The Corporation is a not-for-profit organization under the meaning assigned in the Income Tax Act and as such is exempt from income taxes under Section 149(1)(l). The Corporation holds endowment funds, through its subsidiary Halifax Climate Investment, Innovation and Impact Fund ("HCi3"), in trust on behalf of the Federation of Canadian Municipalities ("FCM") as trustee of the Green Municipal Fund, and on behalf of the Province of Nova Scotia. The endowment funds are to be maintained in perpetuity. Investment income earned on endowment funds is attributable to the contributor for tax purposes. Accordingly, no provision has been made in the accounts for income taxes.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting and consolidation

These consolidated financial statements include the assets, liabilities, revenue and expenses of the Corporation and its subsidiary HCi3.

The Corporation accounts for investment in EfficiencyOne Services Inc. using the equity method.

These consolidated financial statements have been prepared in accordance with Canadian Accounting Standards for Not-For-Profit Organizations. Fund accounting

a) The Demand-Side Management ("DSM") Fund is used to account for the operations of the Corporation including the fee-for-service revenues received and expenses incurred for the delivery of DSM programs and services. The Supply Agreement for Electricity Efficiency and Conservation Activities ("EECA") with Nova Scotia Power is approved by the Nova Scotia Utility and Review Board ("NSUARB"). Cash received under the DSM Fund is only used for operations of the fund, with the exception of transfers to cover the costs of capital assets. Interest income earned on cash received is retained within the fund and restricted for operations of the fund.

b) The Provincial ("PNS") Fund is used to account for the operations of the Corporation including the fee-for-service revenues received and expenses incurred for the delivery of PNS programs and services according to the terms of the contracts with the Province of Nova Scotia. Cash received under the PNS Fund is only used for operations of the fund, with the exception of transfers to cover the costs of capital assets. Interest income earned on cash received is retained within the fund and restricted for operations of the fund.

c) The Other Business Fund is used to account for subsidiary operations and other non-DSM and non-PNS activities, including the purchase, amortization and disposal of capital assets. Interest and investment income earned on cash received is retained within the fund and restricted for operations of the fund. Revenue recognition

The Corporation follows the deferral method of accounting for revenue.

Restricted fee-for-service or contribution revenue is recognized as revenue within the appropriate fund in the year in which the related expenses are incurred. Endowment contributions are presented as direct increases to net assets.

Restricted interest income on interest bearing deposits is recognized as revenue in the DSM, PNS or Other Business Fund in the year in which the revenue is earned.

Investment income earned on the HCi3 endowments and available for expenditure is allocated to the Other Business Fund, as determined by externally imposed

Corporation's name	Business number	Tax year end Year Month Day
EfficiencyOne	80494 7976 RC0001	2023-12-31

General Index of Financial Information

Notes to the financial statements

restrictions. All other investment income earned on the HCl3 endowments is recorded as direct increases or decreases to net assets.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Expense recognition

The Corporation recognizes incentive costs, such as customer rebates, when energy savings are recognized. Energy savings are recognized at milestones within a contract or when the contract is complete. An accrued liability for incentive costs is established when energy savings have been recognized and payment is yet to be made. All other expenses are recorded when incurred.

Cash

The Corporation discloses bank balances and interest-bearing deposits with a maturity period of three months or less from the date of acquisition under cash. The Corporation manages its cash according to its cash needs, in accordance with the Corporation's investment policy.

Financial instruments
The Corporation initially measures its financial assets and financial liabilities at fair value. Investments are subsequently measured at fair value and all remaining financial assets and financial liabilities at amortized cost. Financial assets measured at amortized cost include cash, accounts receivable and loan receivable. Financial liabilities measured at amortized cost include accounts payable and loan payable.

Impairment
Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. The amount of any write-down is recognized in net surplus. Any previously recognized impairment loss may be reversed to the extent of its improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of a reversal is recognized in net surplus.

Related party transactions

Financial assets and financial liabilities obtained in related party transactions are initially measured at cost. Gains or losses arising on initial measurement differences are generally recognized in net surplus when the transactions are in the normal course of operations, and in equity when the transaction is not in the normal course of operations, subject to certain exceptions.

Financial assets and financial liabilities recognized in related party transactions are subsequently measured based on how the Corporation initially measured the instrument. Financial instruments initially measured at cost are subsequently measured at cost, less any impairment for financial assets.

Investments

Investments consist of a mix of guaranteed investment certificates and pooled fund investments. All investments are stated at fair value on a trade date basis. Any change in fair value is reflected as direct increases or decreases to net assets. Pooled fund investments are valued at the unit values supplied by the pooled fund administrator, which represent the Corporation's proportionate share of underlying net assets at fair values determined using closing market prices.

Fixed income investments maturing within one year from the Consolidated Statement of Financial Position date are reflected as short-term investments.

Capital assets

Capital assets are initially recorded at cost. Amortization is provided for using the following rates and method over their estimated useful lives:

Furniture and fixtures	3 years	Straight-line
------------------------	---------	---------------

Leasehold improvements	Term of lease	Straight-line
------------------------	---------------	---------------

One half year's amortization is recorded in the year of the acquisition.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Cost allocation methodology

Corporation's name	Business number	Tax year end Year Month Day
EfficiencyOne	80494 7976 RC0001	2023-12-31

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Notes to the financial statements

The Corporation follows a Cost Allocation Methodology ("CAM") to allocate expenses not directly related to a fund, as disclosed in Note 14. There was no change to the CAM from prior years. Use of estimates

The preparation of the consolidated financial statements in accordance with Canadian Accounting Standards for Not-For-Profit Organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingencies at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. Estimates are used when accounting for items and matters such as allowance for doubtful accounts, useful lives of capital assets, commitments, fair market value of investments, and certain accrued liabilities. Actual results could differ from those estimates.

3. REVENUE AND CONTRACTUAL RIGHTS

Efficiency Nova Scotia Revenue

Effective January 1, 2023, the Corporation entered into a three-year supply agreement with NS Power to provide demand-side management. The agreement provided funding of \$173,000 over three years in monthly installments until December 31, 2025. In 2023, fee-for-service revenue was \$53,000 (2022 - \$41,000).

The Corporation has entered into multi-year fee-for-service agreements with the Province of Nova Scotia. The contract term, payment frequency and annual amounts are summarized below:

	2023	2022		
HEA, Green Heat, EPI Agreement				
March 21, 2023 - March 31, 2026	Lump Sum	\$	85,000	
\$ -Homewarming Services Agreement				
March 21, 2023 - March 31, 2027	Lump Sum + Qtrly	\$		
66,500 \$ -Advanced Home Services				
March 11, 2023 - March 31, 2027	Lump Sum	\$	12,000	
\$ -Mi'kmaw Home Energy Efficiency				
March 30, 2023 - March 31, 2027	Quarterly	\$		
2,883 \$ -Low Income Homeowner				
March 21, 2019 - March 31, 2023	Quarterly	\$		
2,066 \$ 8,264Other Provincial Pilot Programs				
March 21, 2020 - March 31, 2026	Lump Sum	\$	1,650	
\$ 5,540				
Residential Low Income, Equity and Off Oil Programs				
March 31, 2022 - March 31, 2027	Lump Sum	\$		
- \$ 50,000Small Business Energy Solutions				
March 31, 2021 - March 31, 2027	Lump Sum	\$		
- \$ 7,000Non-Electric Residential				
June 6, 2018 - December 31, 2024	Quarterly	\$		
- \$ 6,578				
Mi'kmaw Home Energy Efficiency				
March 21, 2019 - March 31, 2023	Quarterly	\$	-	3,125
Low Income Multi-Family Housing				
March 21, 2019 - March 31, 2023	Annually	\$		
- \$ 2,000	\$		170,099	\$
82,507				

3. REVENUE AND CONTRACTUAL RIGHTS (continued)

Other Revenue

Effective April 1, 2022, the Corporation entered into a five-year contribution agreement with Natural Resources Canada to execute the Canada Greener Homes Grant Program. Effective April 1, 2023, the agreement was amended to include funding for the Oil to Heat-pump Affordability Program. The agreement provides total funding of \$198,844, and of this contribution,

Corporation's name	Business number	Tax year end Year Month Day
EfficiencyOne	80494 7976 RC0001	2023-12-31

General Index of Financial Information

Notes to the financial statements

\$57,603 (2022 - \$1,161) was recognized as revenue in the current year.

During the year, the Corporation recognized \$348 in revenue from HCl3 (2022 - \$658) and \$196 from other sources (2022 - \$3,969).

Demand-Side Management Fund	Other Provincial Fund	Business 2023	2022		
Fee-for-service revenue	\$ 53,000	\$ 170,099	\$		
- \$ 223,099	\$ 123,507				
Other revenue	-	59,220	59,220	5,541	
Recognition/ (Deferral) of revenue		(8,603)	(133,058)		
(1,073)	(142,734)	(44,488)			
\$ 44,397	\$ 37,041	\$ 58,147	\$ 139,585	\$	
84,560					

4. INVESTMENTS

The Corporation's investments in guaranteed investment certificates are made in accordance with the Corporation's investment policy. The objective of the policy is to ensure excess cash is invested in a manner that safely preserves the principal while optimizing returns.

Investments in pooled funds are held by an investment manager and are measured at market value. All market-based investments are made in accordance with HCl3's investment policy.

2023	2022		
GIC, due February 5, 2024, 5.58% per annum	\$ 60,000	\$	-
GIC, due April 5, 2024, 5.58% per annum	60,000	-	
GIC, due April 4, 2025, 5.26% per annum	60,000	-	
GIC, redeemed	-	60,000	
Fiera ASFI - Active Canadian Bonds Universe Fund - Class A	4,143		
2,530			
Fiera ASFI - Active Short-term Bond Fund - Class A	4,011	2,525	
Fiera Atlas Global Companies Fund - Class A	4,030	2,506	
Fiera Diversified Lending Fund - Class A	3,172	2,221	
ACM Commercial Mortgage Fund	2,127	1,450	
Fiera Diversified Real Assets Fund - Class A	2,160	1,534	
Fiera Canadian Equity Fossil Fuel Free Fund - Class A	1,670	1,038	
Fiera Short-term Investment Fund - Class A		161	
31	201,474	73,835	
Less: short-term investments	120,000	60,000	
\$ 81,474	\$ 13,835		

Investment income:

Investment income earned from endowments consists of distributions from various pooled fund investments as listed above, as well as interest on cash deposits and unrealized gains or losses due to changes in fair market value. The investment income earned from endowments is recognized in the Consolidated Statement of Operations as it becomes available for expenditure.

The total investment income earned during the year and its allocation is summarized below:

4. INVESTMENTS (continued)

2023	2022		
Investment distributions	\$ 521	\$ 407	
Realized loss on sale of investments	(22)	(4)	
Investment management fees	(54)	(53)	
Change in fair market value	1,185	(1,286)	
Total investment income	1,630	(936)	
Stabilization allocation (i)	(30)	(69)	

Corporation's name	Business number	Tax year end Year Month Day
EfficiencyOne	80494 7976 RC0001	2023-12-31

General Index of Financial Information

Notes to the financial statements

Deferred in Other Business Fund	(94)	-	
Unrealized fair market value adjustments		(1,185)	1,286
Recognized investment income	\$ 321	\$ 281	
i. The Stabilization allocation is an amount held in reserve and used for the purpose of funding eligible expenses in years where annual investment proceeds are less than expected.			
5. LOAN RECEIVABLE/PAYABLE			
The NSUARB requested that the Corporation assess the viability of external financing of NS Power's DSM deferral balance of \$35,000 from 2015 ("2015 DSM Deferral"). The Corporation determined that such external financing could result in savings for NS Power customers. In April 2016, the NSUARB directed the Corporation to proceed with funding of the unamortized portion of the 2015 DSM Deferral in accordance with the arrangements previously explored and described by the Corporation in a filing to the NSUARB dated February 16, 2016. On December 1, 2016 the Corporation borrowed the sum of \$30,625 from the Toronto Dominion Bank ("TD") with a fixed interest rate of 2.355% repayable in 84 equal monthly payments. The loan matured on December 1, 2023. On December 1, 2016 the Corporation advanced the sum of \$30,625 to NS Power and entered into an Undertaking to Pay with NS Power, whereby NS Power was obligated to make 84 equal monthly payments that correspond in amount and timing of those the Corporation is obligated to make to TD. In accordance with direction from the NSUARB, the Corporation finalized another loan arrangement on February 1, 2017 with TD in the amount of \$2,048 representing the accrued return earned by NS Power on the 2015 DSM Deferral. On February 1, 2017 the Corporation borrowed the sum of \$2,048 from TD which was repayable in 82 equal monthly payments. On the same date, the Corporation advanced the sum of \$2,048 to NS Power and entered into an Undertaking to Pay with NS Power, whereby NS Power was obligated to make 82 equal monthly payments that correspond exactly to the amount and timing of those the Corporation is obligated to make to TD. Both loans were repaid in full in 2023			
6. INVESTMENT IN EFFICIENCYONE SERVICES INC.			
The investment represents a 100% interest in the common shares of EfficiencyOne Services Inc. as follows:			
	2023	2022	
Common shares, at cost	\$	-	\$
-			
Equity in cumulative net earnings since incorporation			146
	142	\$	146
		\$	142
Summarized financial information of EfficiencyOne Services Inc. as at December 31, 2023 is as follows: FINANCIAL POSITION			
	2023	2022	
Assets	\$	149	\$ 145
Liabilities		3	3
Equity		146	142
Total Liability and Equity	\$	149	\$
145 6. INVESTMENT IN EFFICIENCYONE SERVICES INC. (continued)			
RESULTS OF OPERATIONS			
	2023	2022	
Revenue	\$	7	\$ 4
Expenses (including a provision for (recovery of) income tax)			
4			
6			
Net Earnings (Loss)	\$	3	\$
(2)			
CASH FLOW			
	2023	2022	

Corporation's name	Business number	Tax year end Year Month Day
EfficiencyOne	80494 7976 RC0001	2023-12-31

General Index of Financial Information

Notes to the financial statements

Operating	\$	4	\$	1	
Change in Cash	\$	4	\$	1	
Cash - beginning of period		145		144	
Cash - end of period	\$	149	\$	145	
The Corporation renders technical, administrative, and marketing services of a routine nature to EfficiencyOne Services Inc. and the value of these services is measured on a fully allocated cost basis, which is the amount of consideration established and agreed to by the related parties. The cost of these services amounted to \$1 in 2023 (2022 - \$3).					
Included in accounts receivable as of December 31 was \$1 (2022 - \$1) due from EfficiencyOne Services Inc.					
On August 29, 2017 the NSUARB approved the Corporation's Code of Conduct ("the Code"). The Code governs transactions between the Corporation's electricity efficiency and conservation activities and its Affiliates.					
7. CAPITAL ASSETS					
Cost	Accumulated	Amortization	Net 2023	Net 2022	
Furniture and fixtures	\$	535	\$	89	\$
446	\$	-			
Leasehold improvements		1,344		84	
	1,260	-			
\$	1,879	\$	173	\$	1,706
-					
Amortization is allocated between the DSM Fund and the PNS Fund based on the Full-Time Equivalents ("FTE") of staff resources assigned to the programs as defined in the CAM, disclosed in Note 14.					
8. BANK INDEBTEDNESS					
The Corporation has an operating demand loan of credit available in the amount of \$7,500 bearing interest at the bank prime rate, payable monthly. At year end, the Corporation had no draws against the line of credit (2022 - \$nil). The demand loan is secured by a first ranking general security agreement.					
9. DEFERRED REVENUE					
Demand-Side Management	Provincial	Other Business			
Fund	Fund	Fund	2023	2022	
Opening	\$	3,642	\$	102,359	\$
\$ 63,416				1,973	\$ 107,974
Recognition of prior years' deferred revenue				-	
(30,770)		(229)	(30,999)	(26,723)	
Recognition of 2019 Deferred Revenue		(273)	-	-	(273)
Deferral of current year revenue	8,603			163,828	
1,302	173,733			71,212	
Deferral of investment income (Note 4)	-	-	124	124	69
11,972	235,417	3,170	250,559	107,974	
Less: current portion			5,103		
34,888	908		40,899		40,763
\$	6,869	\$	200,529	\$	2,262
\$ 67,211				\$	209,660
10. INTERFUND TRANSFERS					
During the year, the Corporation transferred \$1,155 from the DSM Fund and \$724 from the PNS Fund for purchase of furniture and fixtures and leasehold improvements. The amounts transferred from the funds were based on the FTE allocator of staff resources assigned to the programs as defined in the CAM, disclosed in Note 14.					
11. CONTINGENCIES					

Corporation's name	Business number	Tax year end Year Month Day
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Notes to the financial statements

The Corporation has an agreement with NS Power to extend financing to certain Business, Non-Profit and Institutional ("BNI") customers participating in either the Small Business Energy Solutions, Affordable Multi-Family Housing, BNI Custom, or Business Energy Rebates programs. Those customers are approved by NS Power for repayment terms up to 48 months. Financing costs related to the principal are paid to NS Power by the Corporation monthly and are considered part of the applicable program cost. The Corporation is contingently liable to cover defaults on principal amounts outstanding. A liability of \$51 (2022 - \$52) has been established for accounts at risk. On December 31, 2023, the balance of total financing extended was \$2,007 (2022 - \$2,030).

12. COMMITMENTS

a) In the course of business, the Corporation approves customer applications that offer future incentive payments based on the completion of program criteria within a specific time frame.

The value of these commitments is estimated at \$93,737 (2022 - \$34,662) with the DSM Fund share of \$12,174 (2022 - \$14,627), the PNS Fund share of \$45,464 (2022 - \$20,035) and the Other Business Fund share of \$36,099 (2022 - \$nil). The estimate is calculated on an individual program basis as of December 31, 2023.

12. COMMITMENTS (continued)

Program	Basis of Estimate
---------	-------------------

Home Energy Assessment	Number of eligible homes anticipated to complete the program at the historical average rebate rate plus final audit costs to be paid to Delivery Agents.
------------------------	--

SolarHomes	Number of approved customers anticipated to complete the program at the historical average rebate rate.
------------	---

Mi'kmaw Home Energy Efficiency	Total number of committed homes at the historical average cost per home plus final audit costs.
--------------------------------	---

Affordable Multi-Family Housing	Approved customers and rebate amounts.
---------------------------------	--

Low Income Homeowner Service	Number of qualified customers whose application had been assigned to a Delivery Agent at the historical average cost per home plus final audit costs.
------------------------------	---

Small Business Energy Solutions	Approved customers and rebate amounts.
---------------------------------	--

Custom	Approved customers and rebate amounts.
--------	--

The Corporation has multi-year fee-for-service agreements in place with NS Power, the Province of Nova Scotia and Natural Resources Canada which will enable the Corporation to meet these future commitments.

b) The Corporation has entered into a lease agreement, expiring December 31, 2030, for the rental of its office premises. Minimum annual lease payments over the term of the agreement are as follows:

Year	Annual Lease Payments
------	-----------------------

2024	307
------	-----

2025	307
------	-----

2026	316
------	-----

2027	316
------	-----

2028	316
------	-----

2029	316
------	-----

2030	316
------	-----

13. RISK MANAGEMENT

The Corporation is exposed to risks associated with its financial instruments as follows:

	Credit	Liquidity	Market
--	--------	-----------	--------

Cash	X	X	
------	---	---	--

Accounts receivable		X	
---------------------	--	---	--

Accounts payable and accrued liabilities		X	X
--	--	---	---

Corporation's name	Business number	Tax year end Year Month Day
EfficiencyOne	80494 7976 RC0001	2023-12-31

General Index of Financial Information

Notes to the financial statements

Investments X

The Corporation's risk exposure has increased from the prior year, due to the overall increase in financial instruments.

a) Credit risk

Credit risk arises from the possibility of one of the parties to a transaction defaulting on its financial obligations. i) Cash

Credit risk associated with cash is minimized by investing these assets in short-term interest-bearing deposits of a Canadian bank with credit ratings that comply with the Corporation's banking and investment policy.

13. RISK MANAGEMENT (continued)

ii) Accounts receivable and loan receivable

Credit risk associated with accounts receivable is mitigated by the fact that the majority of receivables outstanding are from NS Power, which is a regulated public utility, mandated by its regulator to fund DSM activities.

b) Liquidity risk

Liquidity risk is the risk of being unable to meet cash requirements or fund obligations as they come due. It stems from the possibility of a delay in realizing the fair value of investments. The Corporation manages its liquidity risk by monitoring forecasted and actual cash flows and financial liability maturities, and by holding assets that can be readily converted into cash.

Accounts payable and accrued liabilities include obligations to customers who have earned incentives and are normally paid within 90 days. For some customer incentives accrued, there may be exceptions to the timing of the payments. The timing of these payments is determined by the terms of the customer's contract. HST payable is remitted monthly. The loan payable payments are remitted monthly, as aligned within the loan payment schedule and the loan receivable amounts from NS Power. c) Market risk

The Corporation is exposed to market risks arising from changes in the fair value of financial instruments due to market price fluctuations. Market risks consist of currency risk, interest rate risk and other price risk. The Corporation is not exposed to additional currency risk other than that recognized through other price risk, as certain investments are denominated in foreign currencies.i) Interest rate risk

Interest rate risk is the risk that the fair value of a financial instrument or the related future cash flows will fluctuate due to changes in the market interest rates. The Corporation is exposed to interest rate risk with regard to its cash. The Corporation has an interest-bearing liability with a fixed interest rate.

The Corporation's cash include amounts on deposit with a Canadian bank that earn interest at the market rate. Fluctuations in market rates of interest on cash do not have a significant impact on the Corporation's results of operations. Short-term interest-bearing deposits are not exposed to significant interest rate risk due to their short-term nature.

i) Other price risk

Other price risk is the risk that the fair value of a financial instrument or the related future cash flows will fluctuate due to changes in market prices. The Corporation is exposed to other price risk with regard to its investments.

The Corporation's investments include pooled funds which are subject to risks arising from changes in market conditions. The Corporation manages this risk by using an investment manager and maintaining a diversified portfolio with a mix of bonds and equity funds in accordance with the Corporation's investment policy.

14. COST ALLOCATION METHODOLOGY

Corporation's name	Business number	Tax year end Year Month Day
EfficiencyOne	80494 7976 RC0001	2023-12-31

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Notes to the financial statements

Allocator	Expenses subject to Allocation	DSM Fund Allocation
Provincial Fund Allocation	Other Business Fund Allocation	
Amortization	FTE	\$
106	\$	173
-		\$
Incentives	Direct	618
148	261	209
Information technology	FTE	570
319	200	
51		
Information technology	Direct	823
216	255	
352		
Marketing, outreach, education and research	Direct	
2,514	1,126	1,081
307		
Meetings and travel	Direct	203
69	68	
66		
Office and insurance	FTE	168
94	59	
15		
Office and insurance	Direct	458
120	142	
196		
Professional fees and consulting	Direct	505
145	158	
202		
Program support	Direct	74
4	13	
57		
Rent	FTE	419
262	67	
Salaries and benefits	FTE	17,310
9,588	6,062	1,660
Training and development	FTE	551
242	184	
125		
\$	24,715	\$
8,812	\$	12,596
	3,307	\$
The Corporation engages in DSM programs (reported in the DSM Fund), other energy efficiency and conservation programs (reported in the PNS Fund) and other business (reported in the Other Business Fund).		
The costs reported in the Consolidated Statement of Operations, include direct costs of the programs which are comprised of, but not limited to, customer payments, program support costs, and other program and administrative costs directly attributable to a program. In 2023, total direct costs incurred were \$126,619 (2022 - \$68,403) with \$32,568 related to DSM (2022 - \$31,113), \$38,566 related to PNS (2022 - \$31,947), and \$55,485 related to Other Business (2022 - \$5,343). The Corporation also incurs costs which are not directly related to one program that require allocation between the funds and subsequently to programs. These non-direct costs include, but are not limited to, joint direct program costs, common program costs, salaries and benefits, administrative and operational overhead and general program administration. In 2023, total non-direct costs incurred and subject to allocation were \$24,715 (2022 - \$19,357).		

Corporation's name	Business number	Tax year end Year Month Day
EfficiencyOne	80494 7976 RC0001	2023-12-31

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Notes to the financial statements

The Corporation allocates the non-direct costs noted above based on FTE of staff resources assigned to the programs and Direct Costs ("Direct") of the programs as defined in the ENSC Cost Allocation Methodology Report. The CAM is subject to regular review by the NSUARB.

SCHEDULE 100

GENERAL INDEX OF FINANCIAL INFORMATION – GIF

Form identifier 100

Name of corporation	Business Number	Tax year-end Year Month Day
EfficiencyOne	80494 7976 RC0001	2023-12-31

Assets – lines 1000 to 2599

1000	40,070,187	1060	60,494,858	1180	120,000,000
1480	1,133,831	1484	1,768,205	1599	223,467,081
1740	1,145,657	1741	-788,972	1774	84,712
1775	-84,712	1918	1,825,860	1919	-649,913
2008	3,056,229	2009	-1,523,597	2300	60,145,530
2589	60,145,530	2599	285,145,243		

Liabilities – lines 2600 to 3499

2620	36,304,894	2770	40,515,901	2960	950,655
3139	77,771,450	3220	207,224,848	3450	207,224,848
3499	284,996,298				

Shareholder equity – lines 3500 to 3640

3600	148,945	3620	148,945	3640	285,145,243
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Retained earnings – lines 3660 to 3849

3660	145,668	3680	3,288	3740	-11
3849	148,945				

GENERAL INDEX OF FINANCIAL INFORMATION – GIF

Form identifier 125

Name of corporation	Business Number	Tax year-end Year Month Day
EfficiencyOne	80494 7976 RC0001	2023-12-31

Description
Sequence number 0003 01

Revenue – lines 8000 to 8299

8000	139,409,936	8089	139,409,936	8090	11,110,082
8232	3,289	8299	150,523,307		

Cost of sales – lines 8300 to 8519

8320	124,429,436	8518	124,429,436	8519	14,980,500
------	-------------	------	-------------	------	------------

Operating expenses – lines 8520 to 9369

8521	3,707,595	8590	4,400	8670	346,335
8710	7,677	8810	626,222	8860	1,122,635
8876	551,547	8912	747,450	9060	17,321,736
9150	1,392,653	9200	262,333	9367	26,090,583
9368	150,520,019	9369	3,288		

Extraordinary items and taxes – lines 9970 to 9999

9970	3,288	9999	3,288
------	-------	------	-------

Corporation's name	Business number	Tax year-end Year Month Day
EfficiencyOne	80494 7976 RC0001	2023-12-31

- Use this schedule to reconcile the corporation's net income (loss) as reported on the financial statements and its net income (loss) for tax purposes. For more information, see the T2 Corporation – Income Tax Guide.
- All legislative references are to the Income Tax Act.

Net income (loss) after taxes and extraordinary items from line 9999 of Schedule 125 3,288 A

Add:

Amortization of tangible assets	104	346,335	
Subtotal of additions		346,335	▶ 346,335

Add:

Other additions:

1 Description	2 Amount		
605	295		
Total of column 2		▶ 296	
Subtotal of other additions		199	0 ▶ 0 D
Total additions		500	346,335 ▶ 346,335

Amount A plus line 500 349,623 B

Deduct:

Capital cost allowance from Schedule 8	403	421,221	
Subtotal of deductions		421,221	▶ 421,221

Deduct:

Equity in income from subsidiaries or affiliates	306	3,289	
--	-----	-------	--

Other deductions:

1 Description	2 Amount		
705	395		
Total of column 2		▶ 396	
Subtotal of other deductions		499	3,289 ▶ 3,289 E
Total deductions		510	424,510 ▶ 424,510

Net income (loss) for income tax purposes (amount B minus line 510) -74,887 C

Enter amount C on line 300 of the T2 return.

Corporation Loss Continuity and Application

Corporation's name	Business number	Tax year-end Year Month Day
EfficiencyOne	80494 7976 RC0001	2023-12-31

- 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 federal 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 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 federal Income Tax Act.

Part 1 – Non-capital losses

Determination of current-year non-capital loss

Net income (loss) for income tax purposes		-74,887	1A
Net capital losses deducted in the year (enter as a positive amount)			1B
Taxable dividends deductible under section 112 or subsections 113(1) or 138(6)			1C
Amount of Part VI.1 tax deductible under paragraph 110(1)(k)			1D
Amount deductible as prospector's and grubstaker's shares – Paragraph 110(1)(d.2)			1E
Employer deduction for non-qualified securities – Paragraph 110(1)(e)			1F
Subtotal (total of amounts 1B to 1F)			1G
Subtotal (amount 1A minus amount 1G; if positive, enter "0")		-74,887	1H
Section 110.5 or subparagraph 115(1)(a)(vii) – Addition for foreign tax deductions			1I
Subtotal (amount 1H minus amount 1I)		-74,887	1J
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)			1K
Current-year non-capital loss (amount 1J plus amount 1K; if positive, enter "0")		-74,887	1L
If amount 1L 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		6,017,521	1M
Non-capital loss expired (note 1)	100		
Non-capital losses at the beginning of the tax year (amount 1M minus line 100)	102	6,017,521	
Non-capital losses transferred on an amalgamation or on the wind-up of a subsidiary (note 2) corporation	105		
Current-year non-capital loss (from amount 1L)	110	74,887	
Subtotal (line 105 plus line 110)		74,887	1N
Subtotal (line 102 plus amount 1N)		6,092,408	1O

Note 1: A non-capital loss expires after **20 tax years** and an allowable business investment loss becomes a net capital loss after **10 tax years**.

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)

Other adjustments (includes adjustments for an acquisition of control)	150	
Section 80 – Adjustments for forgiven amounts	140	
Subsection 111(10) – Adjustments for fuel tax rebate		
Non-capital losses of previous tax years applied in the current tax year	130	
Enter line 130 on line 331 of the T2 return.		
Current and previous years non-capital losses applied against current-year taxable dividends subject to Part IV tax (note 3)	135	
Subtotal (total of lines 150, 140, 130 and 135)		1P
Non-capital losses before any request for a carryback (amount 1O minus amount 1P)		6,092,408 1Q

Request to carry back non-capital loss to:

First previous tax year to reduce taxable income	901	
Second previous tax year to reduce taxable income	902	
Third previous tax year to reduce taxable income	903	
First previous tax year to reduce taxable dividends subject to Part IV tax	911	
Second previous tax year to reduce taxable dividends subject to Part IV tax	912	
Third previous tax year to reduce taxable dividends subject to Part IV tax	913	
Total of requests to carry back non-capital losses to previous tax years (total of lines 901 to 913)		1R
Closing balance of non-capital losses to be carried forward to future tax years (amount 1Q minus amount 1R)	180	6,092,408

Note 3: Line 135 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	
Capital losses transferred on an amalgamation or on the wind-up of a subsidiary corporation	205	
Subtotal (line 200 plus line 205)		2A
Other adjustments (includes adjustments for an acquisition of control)	250	
Section 80 – Adjustments for forgiven amounts	240	
Subtotal (line 250 plus line 240)		2B
Subtotal (amount 2A minus amount 2B)		2C
Current-year capital loss (from the calculation on Schedule 6, Summary of Dispositions of Capital Property)	210	
Unused non-capital losses from the 11th previous tax year (note 4)		2D
Allowable business investment losses (ABILs) that expired as non-capital losses at the end of the previous tax year (note 5)		2E
Enter amount 2D or 2E, whichever is less	215	
ABILs expired as non-capital losses: line 215 multiplied by 2.000000	220	
Subtotal (amount 2C plus line 210 plus line 220)		2F

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.

Note 4: Determine the amount of the non-capital loss from the 11th previous tax year, and enter the part of the non-capital loss that was not deducted in the previous 11 years.

Note 5: Enter the amount of the ABILs from the 11th previous tax year. Enter the full amount on amount 2E.

Part 2 – Capital losses (continued)

Capital losses from previous tax years applied against the current-year net capital gain (**note 6**) **225** _____
Capital losses before any request for a carryback (amount 2F **minus** line 225) 2G

Request to carry back capital loss to (note 7):

	Capital gain (100%)	Amount carried back (100%)
First previous tax year	951 _____	_____
Second previous tax year	952 _____	_____
Third previous tax year	953 _____	_____
Subtotal (total of lines 951 to 953) ►		_____ 2H
Closing balance of capital losses to be carried forward to future tax years (amount 2G minus amount 2H) (note 8)		280 _____

Note 6: To get the net capital losses required to reduce the taxable capital gain included in the net income (loss) for the current tax year, 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.

Note 8: Capital losses can be carried forward indefinitely.

Part 3 – Farm losses

Continuity of farm losses and request for a carryback

Farm losses at the end of the previous tax year	_____	3A
Farm loss expired (note 9)	300 _____	_____
Farm losses at the beginning of the tax year (amount 3A minus line 300)	302 _____	► _____
Farm losses transferred on an amalgamation or on the wind-up of a subsidiary corporation	305 _____	_____
Current-year farm loss (amount 1K in Part 1)	310 _____	_____
Subtotal (line 305 plus line 310) ►		_____ 3B
Subtotal (line 302 plus amount 3B)		_____ 3C

Other adjustments (includes adjustments for an acquisition of control)	350 _____	_____
Section 80 – Adjustments for forgiven amounts	340 _____	_____
Farm losses of previous tax years applied in the current tax year	330 _____	_____
Enter line 330 on line 334 of the T2 Return.		
Current and previous years farm losses applied against current-year taxable dividends subject to Part IV tax (note 10)	335 _____	_____
Subtotal (total of lines 350, 340, 330 and 335) ►		_____ 3D
Farm losses before any request for a carryback (amount 3C minus amount 3D)		_____ 3E

Request to carry back farm loss to:

First previous tax year to reduce taxable income	921 _____	_____
Second previous tax year to reduce taxable income	922 _____	_____
Third previous tax year to reduce taxable income	923 _____	_____
First previous tax year to reduce taxable dividends subject to Part IV tax	931 _____	_____
Second previous tax year to reduce taxable dividends subject to Part IV tax	932 _____	_____
Third previous tax year to reduce taxable dividends subject to Part IV tax	933 _____	_____
Subtotal (total of lines 921 to 933) ►		_____ 3F
Closing balance of farm losses to be carried forward to future tax years (amount 3E minus amount 3F)		380 _____

Note 9: A farm loss expires after **20 tax years**.

Note 10: Line 335 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 business485

(line 485 – \$2,500)divided by 24A

Amount 4A or \$ 15,000 , whichever is less4B

2,5004C

Subtotal (amount 4B plus amount 4C)2,5004D

Current-year restricted farm loss (line 485 minus amount 4D)4E

Continuity of restricted farm losses and request for a carryback

Restricted farm losses at the end of the previous tax year4F

Restricted farm loss expired (note 11)400

Restricted farm losses at the beginning of the tax year (amount 4F minus line 400)402

Restricted farm losses transferred on an amalgamation or on the wind-up of a subsidiary corporation405

Current-year restricted farm loss (from amount 4E)410

Enter line 410 on line 233 of Schedule 1, Net Income (Loss) for Income Tax Purposes.

Subtotal (line 405 plus line 410)4G

Subtotal (line 402 plus amount 4G)4H

Restricted farm losses from previous tax years applied against current farming income430

Enter line 430 on line 333 of the T2 return.

Section 80 – Adjustments for forgiven amounts440

Other adjustments450

Subtotal (total of lines 430 to 450)4I

Restricted farm losses before any request for a carryback (amount 4H minus amount 4I)4J

Request to carry back restricted farm loss to:

First previous tax year to reduce farming income941

Second previous tax year to reduce farming income942

Third previous tax year to reduce farming income943

Subtotal (total of lines 941 to 943)4K

Closing balance of restricted farm losses to be carried forward to future tax years (amount 4J minus amount 4K)480

Note

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

Note 11: A restricted farm loss expires after 20 tax years.

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		5A
Listed personal property loss expired (note 12)	500	
Listed personal property losses at the beginning of the tax year (amount 5A minus line 500)	502	
Current-year listed personal property loss (from Schedule 6)		510
Subtotal (line 502 plus line 510)		5B
Listed personal property losses from previous tax years applied against listed personal property gains	530	
Enter line 530 on line 655 of Schedule 6.		
Other adjustments	550	
Subtotal (line 530 plus line 550)		5C
Listed personal property losses remaining before any request for a carryback (amount 5B minus amount 5C)		5D

Request to carry back listed personal property loss to:

First previous tax year to reduce listed personal property gains	961	
Second previous tax year to reduce listed personal property gains	962	
Third previous tax year to reduce listed personal property gains	963	
Subtotal (total of lines 961 to 963)		5E
Closing balance of listed personal property losses to be carried forward to future tax years (amount 5D minus amount 5E)		580

Note 12: A listed personal property loss expires after 7 tax years.

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)
600	602	604	606	608		620
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)
630	632	634	636	638		650
Total (enter this amount on line 335 of the T2 return)						

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)
660	662	664	670	675	680
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), tick 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.

Non-Capital Loss Continuity Workchart

Part 6 – Analysis of balance of losses by year of origin

Non-capital losses

Year of origin	Balance at beginning of year	Loss incurred in current year	Adjustments and transfers	Loss carried back Parts I & IV	Applied to reduce		Balance at end of year
					Taxable income	Part IV tax	
Current	N/A	74,887			N/A		74,887
1st preceding taxation year 2022-12-31	10,914	N/A		N/A			10,914
2nd preceding taxation year 2021-12-31	13,661	N/A		N/A			13,661
3rd preceding taxation year 2020-12-31	17,118	N/A		N/A			17,118
4th preceding taxation year 2019-12-31	21,487	N/A		N/A			21,487
5th preceding taxation year 2018-12-31	4,107,052	N/A		N/A			4,107,052
6th preceding taxation year 2017-12-31	1,847,289	N/A		N/A			1,847,289
Total	6,017,521	74,887					6,092,408

Capital Cost Allowance (CCA)

Corporation's name	Business number	Tax year-end Year Month Day
EfficiencyOne	80494 7976 RC0001	2023-12-31

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

Is the corporation electing under Regulation 1101(5q)? **101** Yes ☐ No ☒

Part 1 – Agreement between associated eligible persons or partnerships (EPOPs)

Are you associated in the tax year with one or more EOPs with which you have entered into an agreement under subsection 1104(3.3) of the Regulations? **105** Yes ☐ No ☒

If you answered **yes**, complete Part 1. Otherwise, go to Part 2.

Enter a percentage assigned to each associated EPOP (including your corporation) as determined in the agreement.

This percentage will be used to allocate the immediate expensing limit. The total of all the percentages assigned under the agreement should not exceed 100%. If the total is more than 100%, then the associated group has an immediate expensing limit of nil. For more information about the immediate expensing limit, see note 12 in Part 2.

	1 Name of EPOP	2 Identification number See note 1	3 Percentage assigned under the agreement
	110	115	120
1.			
		Total	
Immediate expensing limit allocated to the corporation (see note 2)			125

Note 1: The identification number is the social insurance number, business number, or partnership account number of the EPOP.

Note 2: If the total of column 3 is more than 100%, enter 0.

– Part 2 – CCA calculation –

1 Class number See note 3 200	Description	2 Undepreciated capital cost (UCC) at the beginning of the year 201	3 Cost of acquisitions during the year (new property must be available for use) See note 4 203	4 Cost of acquisitions from column 3 that are designated immediate expensing property (DIEP) See note 5 232	5 Adjustments and transfers See note 6 205	6 Amount from column 5 that is assistance received or receivable during the year for a property, subsequent to its disposition See note 7 221	7 Amount from column 5 that is repaid during the year for a property, subsequent to its disposition See note 8 222	8 Proceeds of dispositions See note 9 207
1. 8	Furnitures and Fixtures	43,580	535,028					0
2. 50	Computer Hardware	15						0
3. 13	Leasehold Improvements	245,468						0
4. 13	Leasehold Improvements - 2023 Additions		1,343,939					0
Totals		289,063	1,878,967					

1 Class number	Description	9 Proceeds of dispositions of the DIEP (enter amount from column 8 that relates to the DIEP reported in column 4) 234	10 UCC (column 2 plus column 3 plus or minus column 5 minus column 8) See note 10 234	11 UCC of the DIEP (enter the UCC amount that relates to the DIEP reported in column 4) See note 11 236	12 Immediate expensing See note 12 238	13 Cost of acquisitions on remainder of Class (column 3 minus column 4 plus column 11 minus column 12) 225	14 Cost of acquisitions from column 13 that are accelerated investment incentive properties (AIIP) or properties included in Classes 54 to 56 See note 13 225	15 Remaining UCC (column 10 minus column 12) (if negative, enter "0") 225	16 Proceeds of disposition available to reduce the UCC of AIIP and property included in Classes 54 to 56 (column 8 minus column 9 plus column 6 minus column 13 plus column 14 minus column 7) (if negative, enter "0") See note 14
1. 8	Furnitures and Fixtures		578,608			535,028	535,028	578,608	
2. 50	Computer Hardware		15					15	
3. 13	Leasehold Improvements		245,468					245,468	
4. 13	Leasehold Improvements - 2023 Additi		1,343,939			1,343,939	1,343,939	1,343,939	
Totals			2,168,030			1,878,967	1,878,967	2,168,030	

Part 2 – CCA calculation (continued)

	1 Class number	Description	17 Net capital cost additions of AIIIP and property included in Classes 54 to 56 acquired during the year (column 14 minus column 16) (if negative, enter "0")	18 UCC adjustment for AIIIP and property included in Classes 54 to 56 acquired during the year (column 17 multiplied by the relevant factor) See note 15	19 UCC adjustment for property acquired during the year other than AIIIP and property included in Classes 54 to 56 (0.5 multiplied by the result of column 13 minus column 14 plus column 7 minus column 8 plus column 9) (if negative, enter "0") See note 16	20 CCA rate % See note 17	21 Recapture of CCA See note 18	22 Terminal loss See note 19	23 CCA (for declining balance method, the result of column 15 plus column 18 minus column 19, multiplied by column 20, or a lower amount, plus column 12) See note 20	24 UCC at the end of the year (column 10 minus column 23)
1.	8	Furnitures and Fixtures	535,028	267,514		20	0	0	169,224	409,384
2.	50	Computer Hardware				55	0	0	8	7
3.	13	Leasehold Improvements				NA	0	0		245,468
4.	13	Leasehold Improvements - 2023 Additions	1,343,939			NA	0	0	251,989	1,091,950
		Totals	1,878,967	267,514					421,221	1,746,809
Enter the total of column 21 on line 107 of Schedule 1. Enter the total of column 22 on line 404 of Schedule 1. Enter the total of column 23 on line 403 of Schedule 1.										
Note 3: If a class number has not been provided in Schedule II of the Income Tax Regulations for a particular class of property, use the subsection provided in Regulation 1101.										
Note 4: Include any property acquired in previous years that has now become available for use, net of any government assistance received or entitled to be received in the year from a government, municipality or other public authority, or a reduction of capital cost after the application of section 80. This property would have been previously excluded from column 3. List separately any acquisitions of property in the class that are not subject to the 50% rule. See Income Tax Folio S3-F4-C1, General Discussion of Capital Cost Allowance, for exceptions to the 50% rule.										
Note 5: A DIEP reported in column 4 is a property acquired after April 18, 2021, by a corporation that was a Canadian-controlled private corporation (CCPC) throughout the year, which became available for use in the tax year (before 2024) and was designated as such on or before the day that is 12 months after the filing-due date for the tax year to which the designation relates. It includes all capital property subject to the CCA rules, if certain conditions are met, other than property included in Classes 1 to 6, 14.1, 17, 47, 49, and 51. A property can only qualify as DIEP in the year in which it becomes available for use. See subsection 1104(3.1) of the Regulations for more information.										
Note 6: Enter in column 5, "Adjustments and transfers", amounts that increase or reduce the UCC (column 10). Items that increase the UCC include amounts transferred under section 85, or transferred on amalgamation or winding-up of a subsidiary. Items that reduce the UCC (show amounts that reduce the UCC in brackets) include assistance received or receivable during the year for a property, subsequent to its disposition, if such assistance would have decreased the capital cost of the property by virtue of paragraph 13(7.1)(f). See the T2 Corporation Income Tax Guide for other examples of adjustments and transfers to include in column 5. Also include property acquired in a non-arm's length transaction (other than by virtue of a right referred to in paragraph 251(5)(b) of the Act) if the property was a depreciable property acquired by the transferor at least 364 days before the end of your tax year and continuously owned by the transferor until it was acquired by you.										
Note 7: Include all amounts of assistance you received (or were entitled to receive) after the disposition of a depreciable property that would have decreased the capital cost of the property by virtue of paragraph 13(7.1)(f) if received before the disposition.										

– **Part 2 – CCA calculation (continued)**

- Note 8: Include all amounts you have repaid during the year for any legally required repayment, made after the disposition of a corresponding property, of:
- assistance that would have otherwise increased the capital cost of the property under paragraph 13(7.1)(d) and
 - an inducement, assistance, or any other amount contemplated in paragraph 12(1)(x) received, that otherwise would have increased the capital cost of the property under paragraph 13(7.4)(b)
- Include the UCC of each property of a prescribed class acquired in the course of a corporate reorganization described under paragraph 55(3)(b) of the Act (also known as "butterfly reorganization") or include property acquired in a non-arm's length transaction (other than by virtue of a right referred to in paragraph 251(5)(b) of the Act) if the property was a depreciable property acquired by the transferor less than 364 days before the end of your tax year and continuously owned by the transferor until it was acquired by you.
- Note 9: For each property disposed of during the year, deduct from the proceeds of disposition any outlays and expenses to the extent that they were made or incurred for the purpose of making the disposition(s). The amount reported in respect of the property cannot exceed the property's capital cost, unless that property is a timber resource property as defined in subsection 13(21).
If the cost of a zero-emission passenger vehicle (or a passenger vehicle that was, at any time, a DIEP) exceeds the prescribed amount, the proceeds of disposition will be adjusted based on a factor equal to the prescribed amount as a proportion of the actual cost of the vehicle.
- Note 10: If the amount in column 5 (as shown in brackets) reduces the undepreciated capital cost, you must subtract it for the purposes of the calculation. Otherwise, add the amount in column 5 for the purposes of the calculation.
- Note 11: The only amounts incurred before April 19, 2021, to be included in this column are certain inventory purchases from arm's length persons or partnerships where the conditions in paragraphs 1100(0.3)(a) to (c) are met.
- Note 12: Immediate expensing applies to a DIEP included in column 11. The total immediate expensing for the tax year (total of column 12) should not exceed the lesser of:
1. Immediate expensing limit: it is equal to one of the following five amounts, whichever is applicable:
 - \$1.5 million, if you are not associated with any other EPOP in the tax year
 - amount from line 125, if you are associated in the tax year with one or more EPOPs
 - nil, if the total of the percentages assigned in Part 1 is more than 100% or you are associated in the tax year with one or more EPOPs and have not filed an agreement in prescribed form as required under subsection 1104(3.3) of the Regulations
 - the amount determined under subsection 1104(3.5) of the Regulations for any second or subsequent tax years ending in a calendar year, if you have two or more tax years ending in the calendar year in which you are associated with another EPOP that has a tax year ending in that calendar year
 - any amount allocated by the minister under subsection 1104(3.4) of the RegulationsThe immediate expensing limit has to be prorated if your tax year is less than 365 days. You cannot carry forward any unused amount of the immediate expensing limit.
 2. UCC of the DIEP: total of column 11
- You have to maintain the CCPC status throughout the relevant tax year in order to claim the immediate expensing.
- Note 13: An AIIP is a property (other than property included in Classes 54 to 56) that you acquired after November 20, 2018, and that became available for use before 2028.
Classes 54 and 55 include zero-emission vehicles that you acquired after March 18, 2019, and that became available for use before 2028.
Class 56 applies to eligible zero-emission automotive equipment and vehicles (other than motor vehicles) that are acquired after March 1, 2020, and that became available for use before 2028.
See the T2 Corporation Income Tax Guide for more information.
- Note 14: Include only elements from columns 6 and 7 that are not related to the DIEP.
- Note 15: The relevant factors for property of a class in Schedule II, that is an AIIP or included in Classes 54 to 56, available for use before 2024 are:
- 2 1/3 for property in Classes 43.1, 54, and 56
 - 1 1/2 for property in Class 55
 - 1 for property in Classes 43.2 and 53
 - 0 for property in Classes 12, 13, 14, and 15, as well as properties that are Canadian vessels included in paragraph 1100(1)(v) of the Regulations (see note 20 for additional information) and
 - 0.5 for all other property that is an AIIP

– **Part 2 – CCA calculation (continued)** –

- Note 16: The UCC adjustment for property acquired during the year (formerly known as the half-year rule or 50% rule) does not apply to certain property (including AIP, property included in Classes 54 to 56, and property to which the immediate expensing was applied). Include only elements from columns 6 and 7 that are not related to the DIEP. For special rules and exceptions, see Income Tax Folio S3-F4-C1, General Discussion of Capital Cost Allowance.
- Note 17: Enter a rate only if you are using the declining balance method. For any other method (for example, the straight-line method, where calculations are always based on the cost of acquisitions), enter N/A. Then enter the amount you are claiming in column 23.
- Note 18: If the amount in column 10 is negative, you have a recapture of CCA. If applicable, enter the negative amount from column 10 in column 21 as a positive. The recapture rules do not apply to passenger vehicles in Class 10.1. However, they do apply to a passenger vehicle that was, at any time, a DIEP.
- Note 19: If no property is left in the class at the end of the tax year and there is still a positive amount in the column 10, you have a terminal loss. If applicable, enter the positive amount from column 10 in column 22. The terminal loss rules do not apply to:
- passenger vehicles in Class 10.1
 - property in Class 14.1, unless you have ceased carrying on the business to which it relates
 - limited-period franchises, concessions, or licences in Class 14 if, at the time of acquisition, the property was a former property of the transferor or any similar property attributable to the same fixed place of business, and you had jointly elected with the transferor to have the replacement property rules apply, unless certain conditions are met
- Note 20: If the tax year is shorter than 365 days, prorate the CCA claim. Some classes of property do not have to be prorated. See the T2 Corporation Income Tax Guide for more information. For property in class 10.1 disposed of during the year, deduct a maximum of 50% of the regular CCA deduction if you owned the property at the beginning of the tax year. For AIP listed below, the maximum first year allowance you can claim is determined as follows:
- Class 13: the lesser of 150% of the amount calculated in Schedule III of the Regulations and the UCC at the end of the tax year (before any CCA deduction)
 - Class 14: the lesser of 150% of the allocation for the year of the capital cost of the property apportioned over the remaining life of the property (at the time the cost was incurred) and the UCC at the end of the tax year (before any CCA deduction)
 - Class 15: the lesser of 150% of an amount computed on the basis of a rate per cord, board foot, or cubic metre cut in the tax year and the UCC at the end of the tax year (before any CCA deduction)
 - Canadian vessels described under paragraph 1100(1)(v) of the Regulations: the lesser of 50% of the capital cost of the property and the UCC at the end of the tax year (before any CCA deduction)
 - Class 41.2: use a 25% CCA rate. The additional allowance under paragraphs 1100(1)(y.2) (for single mine properties) and 1100(1)(ya.2) (for multiple mine properties) of the Regulations is not eligible for the accelerated investment incentive. The additional allowance in respect of natural gas liquefaction under paragraph 1100(1)(yb) of the Regulations is eligible for the accelerated investment incentive
- The AIP also apply to property (other than a timber resource property) that is a timber limit or a right to cut timber from a limit as well as to industrial mineral mine or a right to remove minerals from an industrial mineral mine. See the Income Tax Regulations for more detail.

RELATED AND ASSOCIATED CORPORATIONS

Name of corporation	Business Number	Tax year end Year Month Day
EfficiencyOne	80494 7976 RC0001	2023-12-31

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

	Name	Country of residence (other than Canada)	Business number (see note 1)	Relationship code (see note 2)	Number of common shares you own	% of common shares you own	Number of preferred shares you own	% of preferred shares you own	Book value of capital stock
	100	200	300	400	500	550	600	650	700
1.	EfficiencyOne Services Inc.		79374 0721 RC0001	2	10	100.000			10
2.	Halifax Climate Investment, Innova		70560 1938 RC0001	2	1	100.000			1

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
EfficiencyOne	80494 7976 RC0001	2023-12-31

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

Part 1 – Capital

Add the following year-end amounts:

Reserves that have not been deducted in calculating income for the year under Part I	101	
Capital stock (or members' contributions if incorporated without share capital)	103	
Retained earnings	104	148,945
Contributed surplus	105	
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	247,913,916
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)		248,062,861 ▶ 248,062,861 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) 248,062,861 A

Deduct the following amounts:

Deferred tax debit balance at the end of the year	121	
Any deficit deducted in calculating its shareholders' equity (including, for this purpose, the amount of any provision for the redemption of preferred shares) at the end of the year	122	
To the extent that the amount may reasonably be regarded as being included in any of lines 101 to 112 above for the year, any amount deducted under subsection 135(1) in calculating income under Part I for the year.	123	
Deferred unrealized foreign exchange losses at the end of the year	124	
Subtotal (add lines 121 to 124)		B
Capital for the year (amount A minus amount B) (if negative, enter "0")	190	248,062,861

Part 2 – Investment allowance

Add the carrying value at the end of the year of the following assets of the corporation:

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

- 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)		248,062,861 C
Deduct: Investment allowance for the year (line 490)		D
Taxable capital for the year (amount C minus amount D) (if negative, enter "0")	500	248,062,861

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) 248,062,861 x Taxable income earned in Canada 610 1,000 = Taxable capital employed in Canada 690 248,062,861
Taxable income 1,000

- 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) F

Deduct: 10,000,000 G

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.



FINANCIAL INFORMATION

**FOR THE YEAR ENDED
DECEMBER 31, 2023**



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DECEMBER 31, 2023

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STATEMENT OF EARNINGS AND RETAINED EARNINGS	3
BALANCE SHEET	4
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Compilation Engagement Report

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To the Board of Directors of
EfficiencyOne Services Inc.

On the basis of information provided by management, we have compiled the balance sheet of EfficiencyOne Services Inc. as at December 31, 2023, the statements of income and retained earnings for the year then ended, and Note 2, which describes the basis of accounting applied in the preparation of the compiled financial 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.

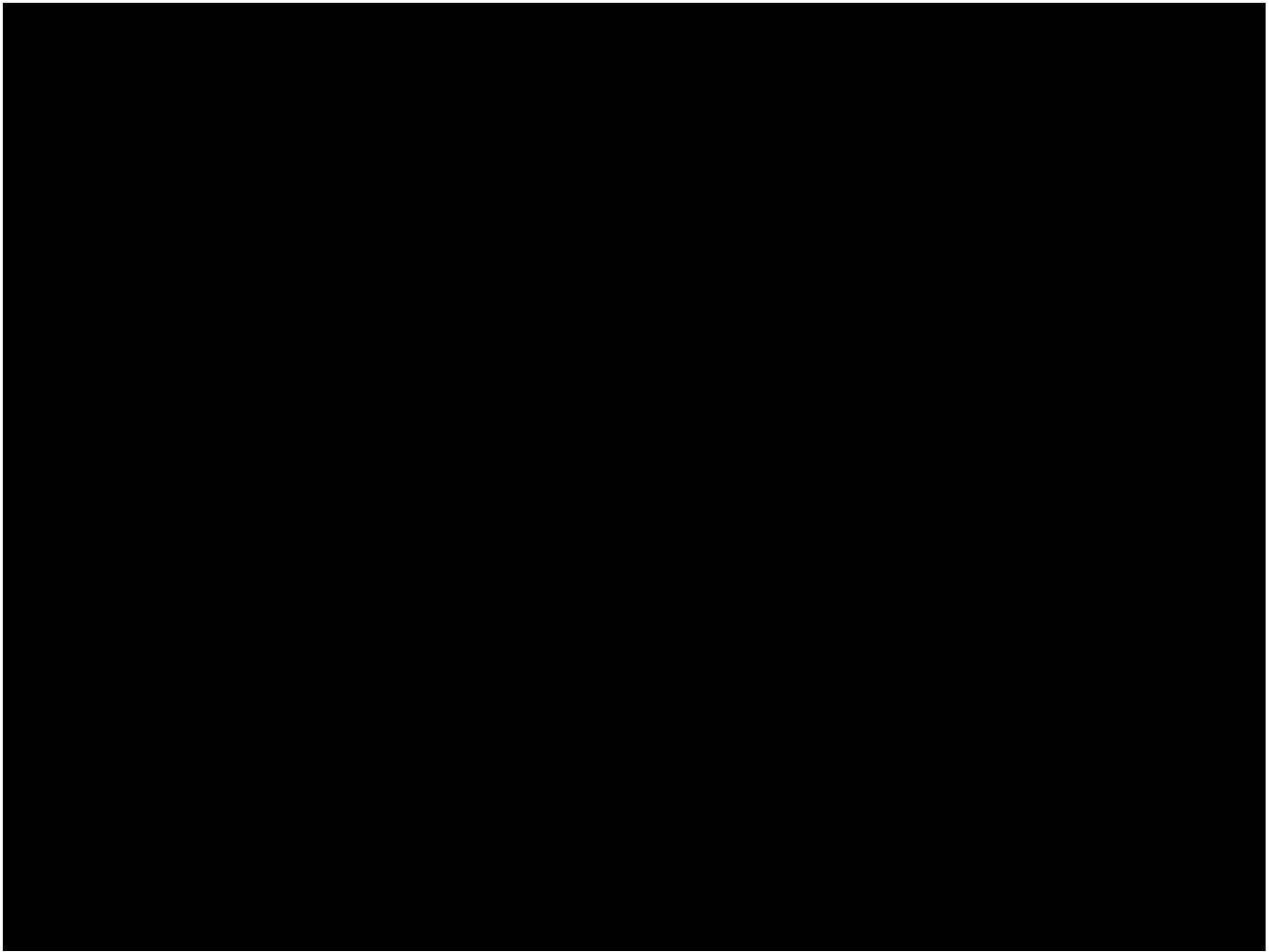
We did not perform an audit engagement or a review engagement, nor were we required to perform procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an audit opinion or a review conclusion, or provide any form of assurance on the financial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

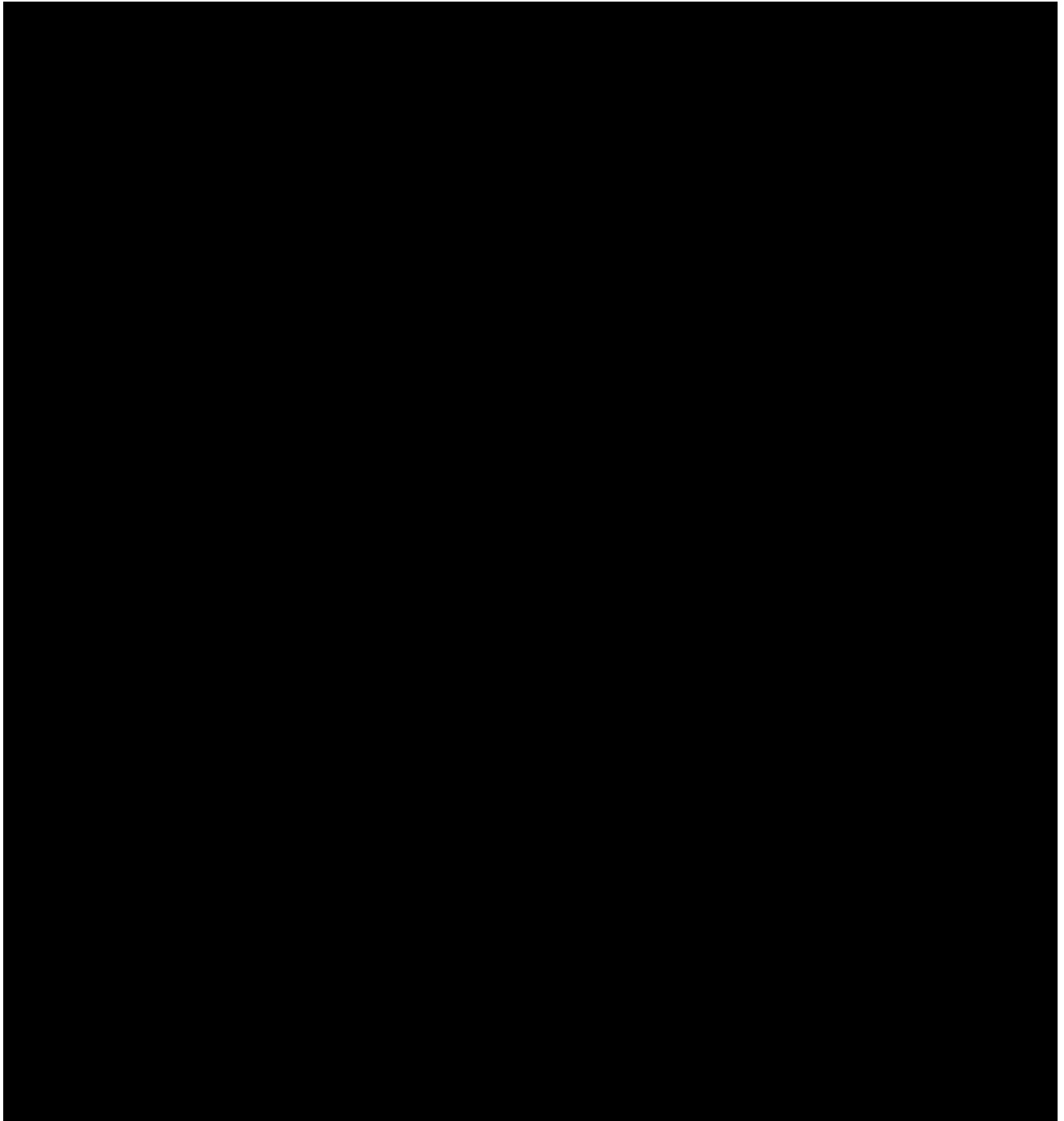
Readers are cautioned that the financial information may not be appropriate for their purposes.

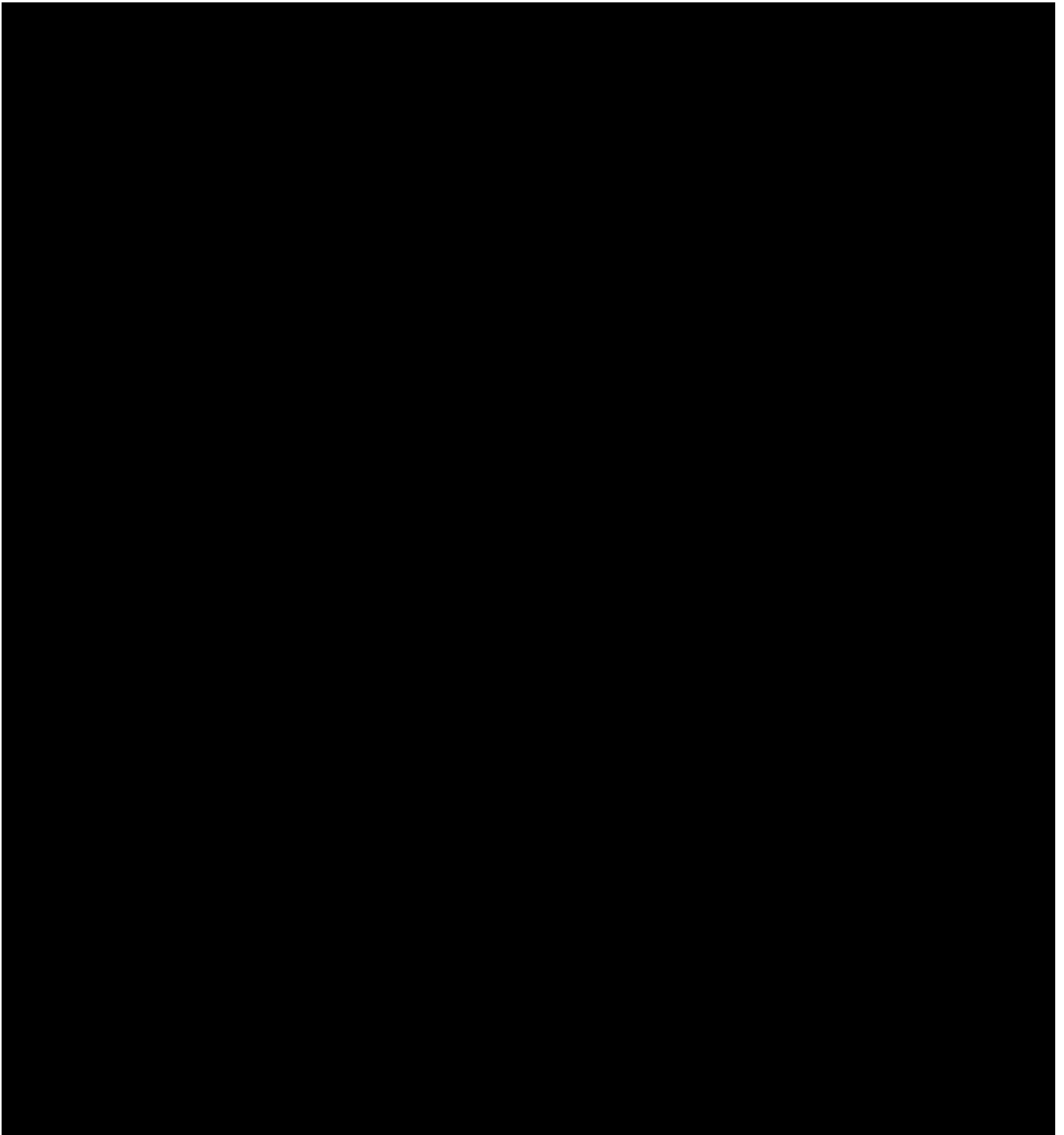
Halifax, Canada
January 31, 2024

Grant Thornton LLP

Chartered Professional Accountants









**HALIFAX CLIMATE INVESTMENT,
INNOVATION AND IMPACT FUND**
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
DECEMBER 31, 2023

HALIFAX CLIMATE INVESTMENT, INNOVATION AND IMPACT FUND

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DECEMBER 31, 2023

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Independent auditor's report

To the Board of Directors of Halifax Climate Investment, Innovation and Impact Fund

Opinion

We have audited the consolidated financial statements of Halifax Climate Investment, Innovation and Impact Fund ("the Corporation"), which comprise the consolidated statement of financial position as at December 31, 2023, and the consolidated statements of operations, changes in net assets and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Halifax Climate Investment, Innovation and Impact Fund as at December 31, 2023, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Corporation in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation's ability

to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Corporation and the corporations it controls to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

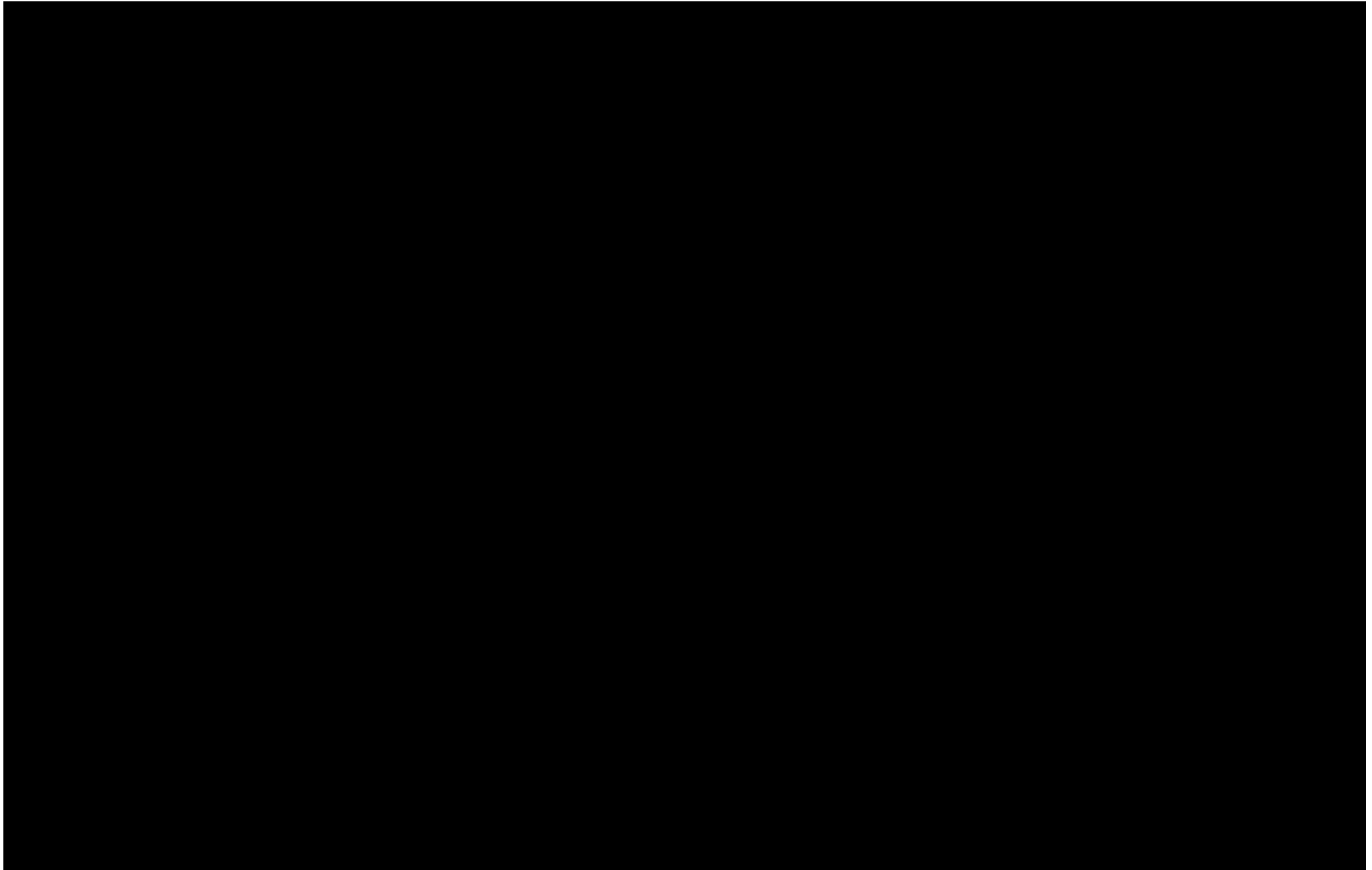


Halifax, Canada
March 13, 2024

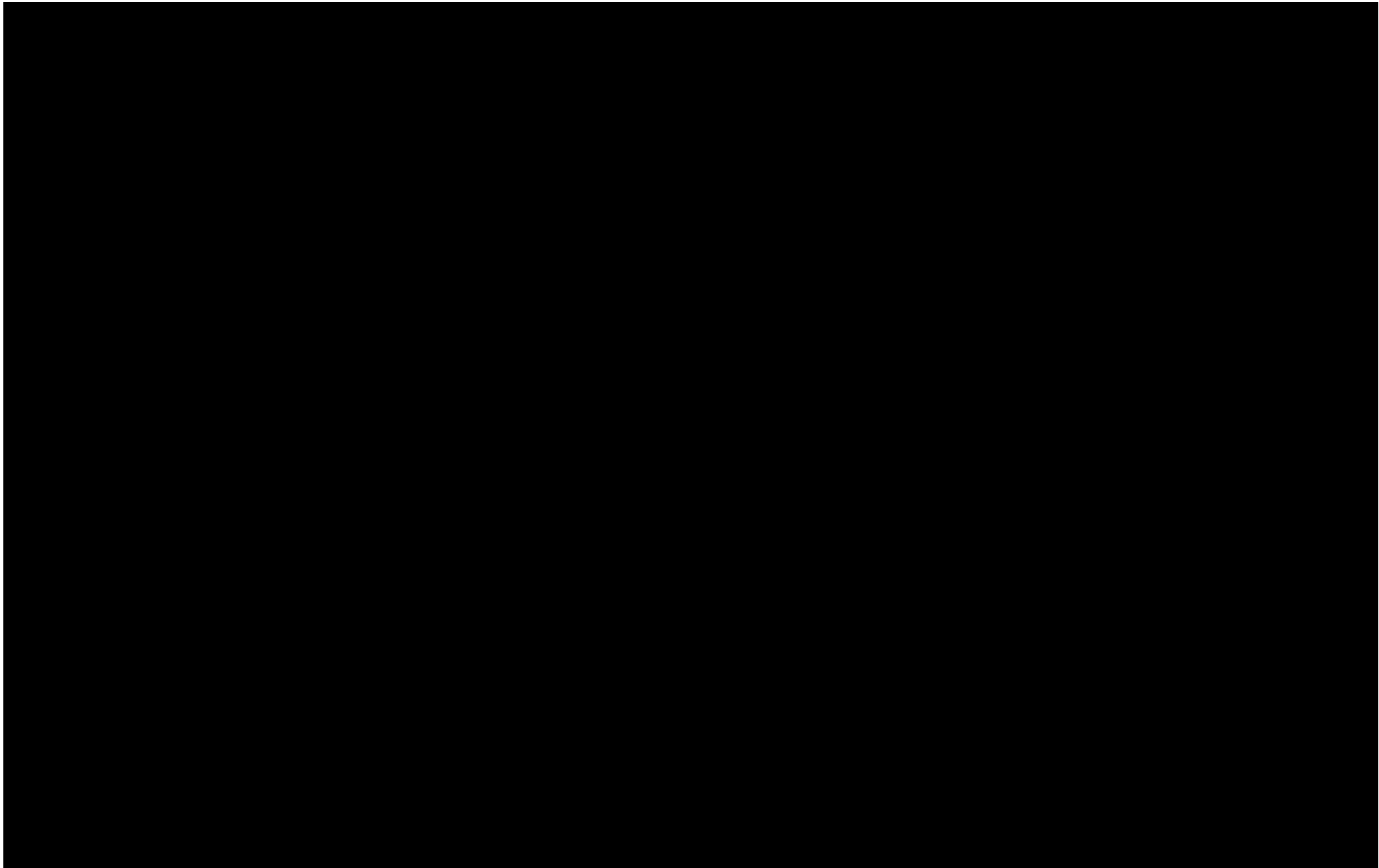
Chartered Professional Accountants

HALIFAX CLIMATE INVESTMENT, INNOVATION AND IMPACT FUND

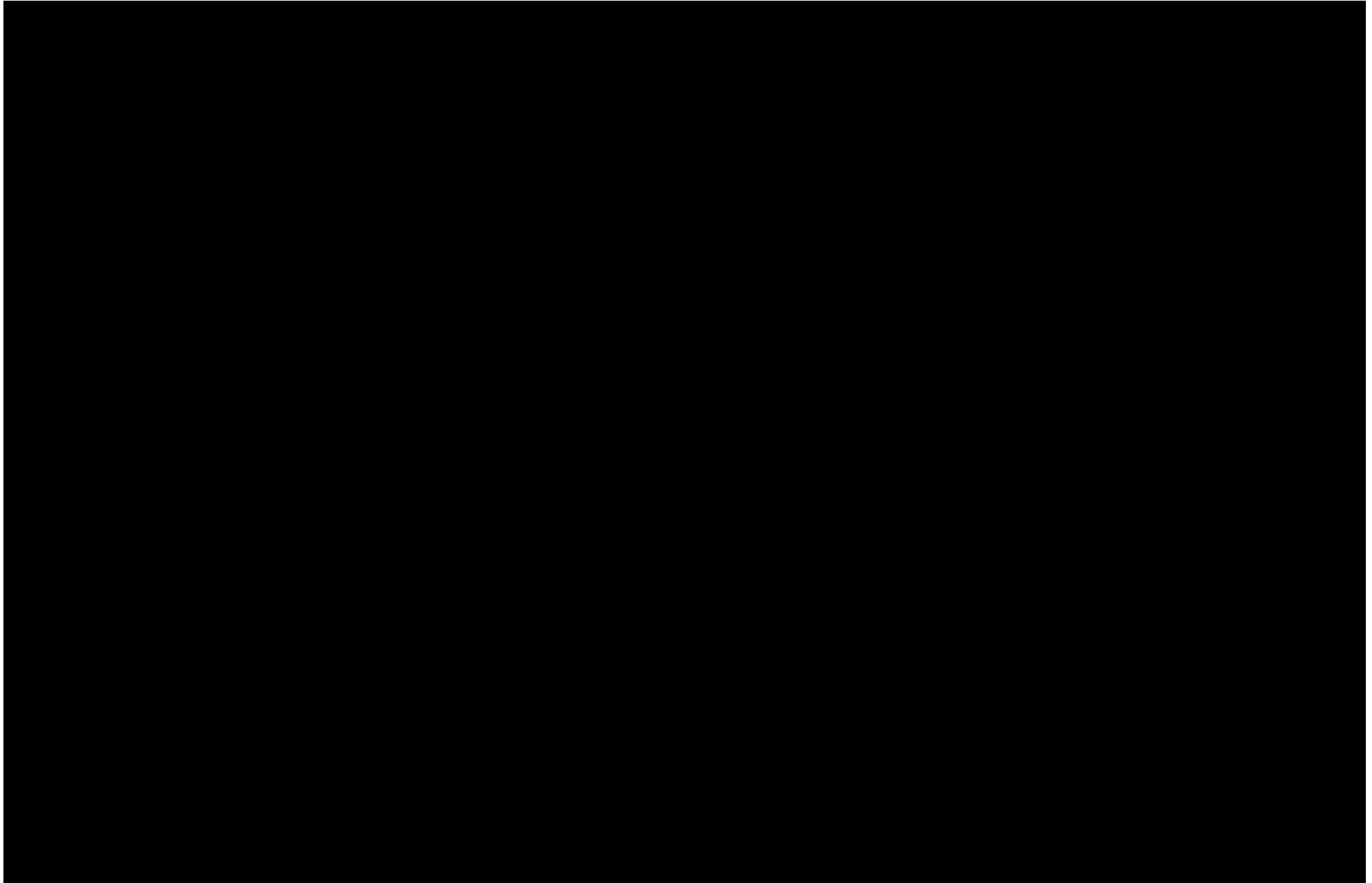
CONSOLIDATED STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2023



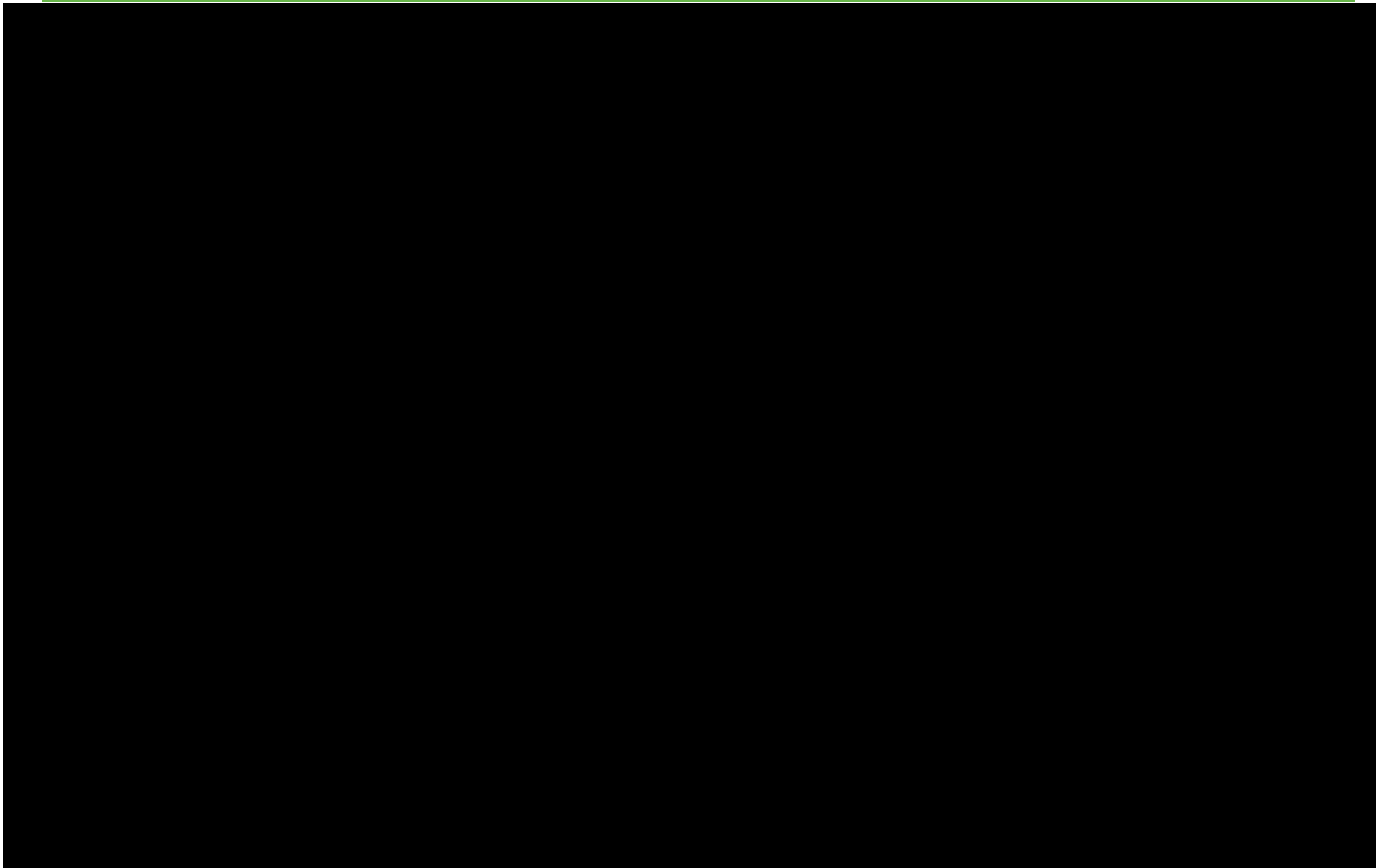
HALIFAX CLIMATE INVESTMENT, INNOVATION AND IMPACT FUND
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2023



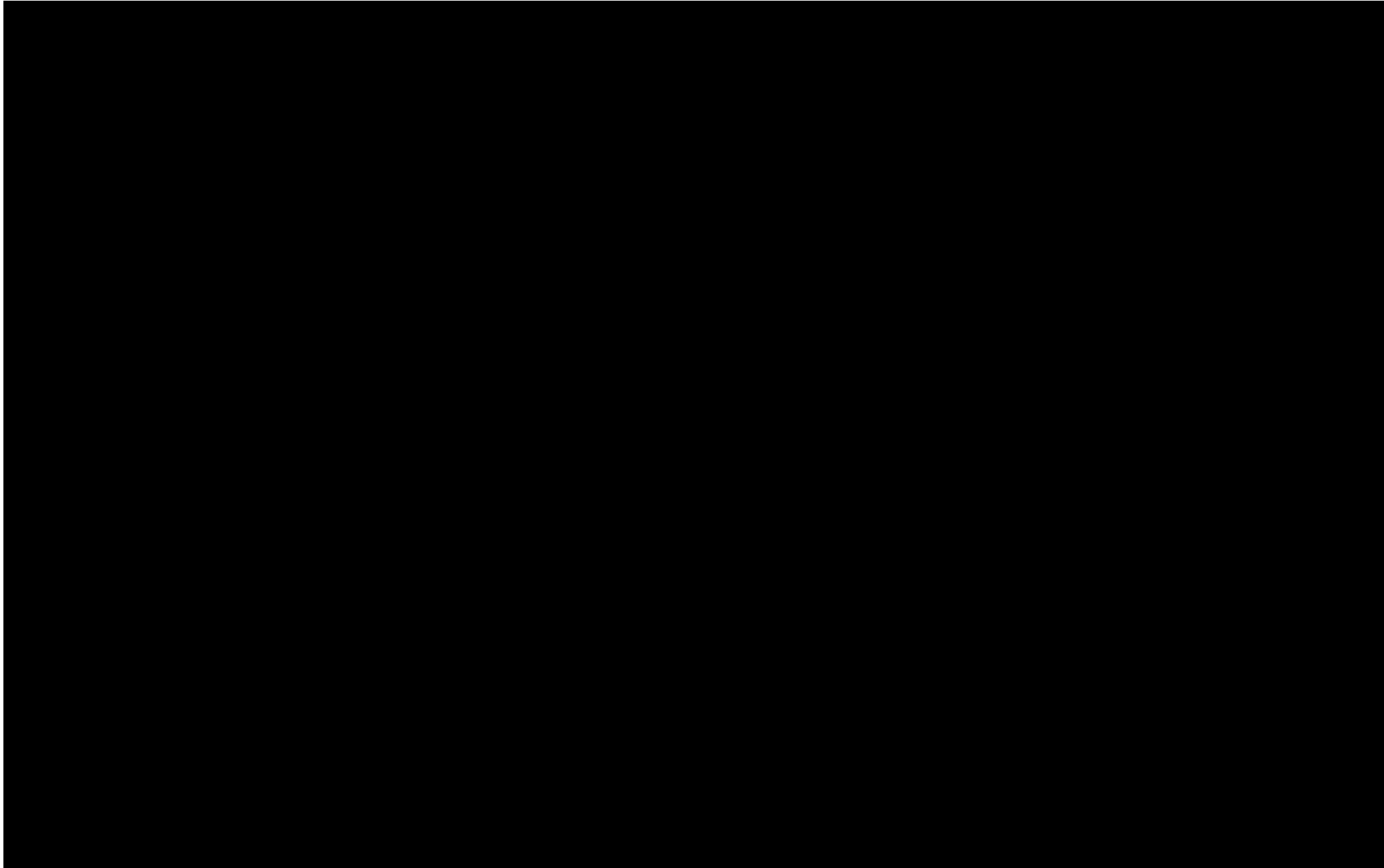
HALIFAX CLIMATE INVESTMENT, INNOVATION AND IMPACT FUND
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2023



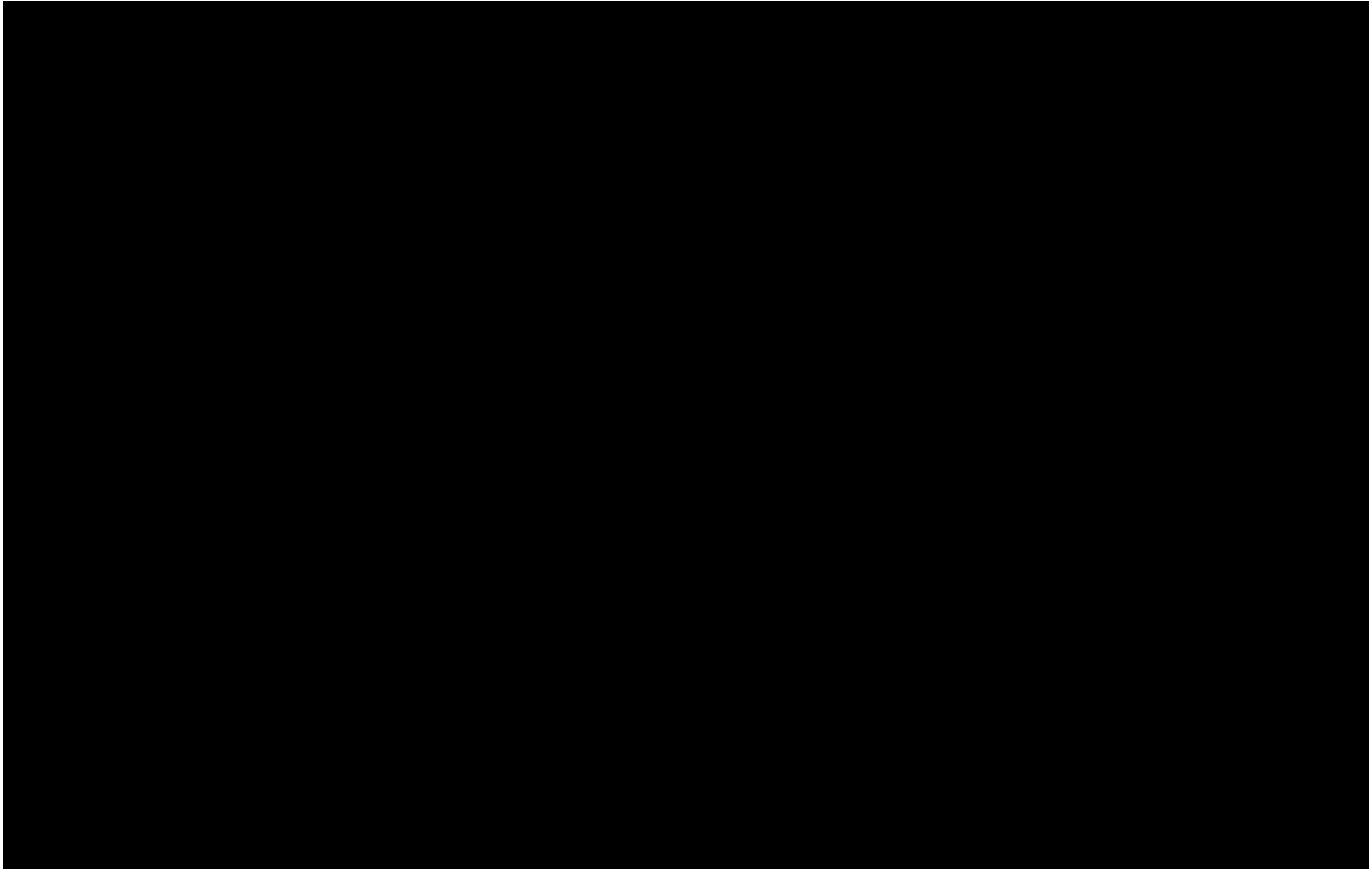
HALIFAX CLIMATE INVESTMENT, INNOVATION AND IMPACT FUND
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023



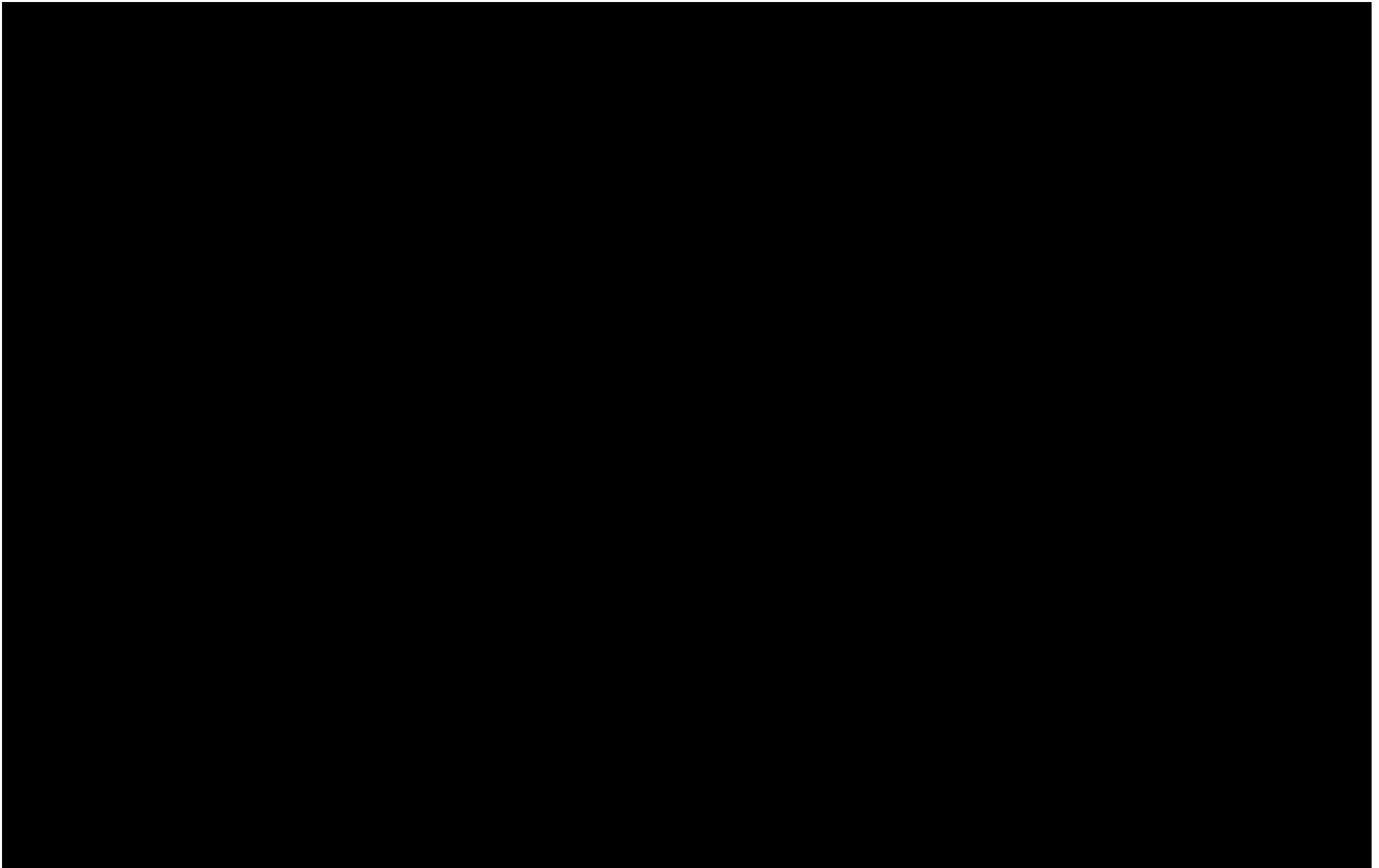
HALIFAX CLIMATE INVESTMENT, INNOVATION AND IMPACT FUND
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023



HALIFAX CLIMATE INVESTMENT, INNOVATION AND IMPACT FUND
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