

**2525416 ONTARIO INC. O/A ELMIRA ESSO**

**REPORT OF EPHRAIM STULBERG  
ON BUSINESS LOSSES  
DATED NOVEMBER 20, 2023**

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## FORENSIC ACCOUNTANTS

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November 20, 2023

Goldstein Law Firm  
370 King Street West,  
Toronto, Ontario M5V 1J9

**Attention: Jeff Goldstein**

**RE: 2525416 Ontario Inc. o/a Elmira Esso - 16 Church Street East  
Business Losses**

Dear Mr. Goldstein:

You have asked us as independent professional accountants experienced in economic loss quantification matters to provide you with an Expert Report<sup>1</sup> setting out our opinion of the business losses sustained by 2525416 ONTARIO INC. O/A Elmira Esso ("**Elmira Esso**"), as a result of the construction in the Region of Waterloo ("**the Works**") near Elmira Esso's location at 16 Church Street East, Elmira, Ontario (the "**Location**").

This report has been prepared in the context of Elmira Esso's claims under the Ontario *Expropriations Act*. Our findings are enclosed. Please contact the undersigned with any questions.

Sincerely,

*Matson, Driscoll + Damico Ltd.*

Ephraim Stulberg, CPA, CA, CBV, CFF  
[estulberg@mdd.com](mailto:estulberg@mdd.com)  
647-929-4968

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<sup>1</sup> As defined by the Canadian Institute of Chartered Business Valuators (CICBV).

## A. EXECUTIVE SUMMARY

### Background

1. Elmira Esso is an Esso gas station and convenience store located at the northwest corner of Church Street East and Cross Street in Elmira, Ontario.
2. The Works were phased over two years from 2022 to 2023. The main construction began in April 2022. Impacts throughout the construction period have included lane restrictions, driveway closures, and restrictions on left turns. The first phase was completed in the fall of 2022, and the second phase commenced in June 2023 and is ongoing as of the date of this report.

### MDD Calculations

3. Based on the documents reviewed and subject to the assumptions, restrictions and qualifications set out in this report, we calculate losses of **\$83,349** (Schedule 1), as set out in Table 1 below.

**Table 1**

<b>Summary of Loss</b>	
<b>Description</b>	<b>Amount</b>
Gas Sales Shortfall	\$ 1,237,448
Merchandise Sales Shortfall	38,998
Total Sales Shortfall	<u>\$ 1,276,446</u>
Contribution Margin	<u>6.53%</u>
Profits Loss	<u>\$ 83,349</u>

## **B. INTRODUCTION**

### Author Details and Compliance with Professional Standards

4. This report has been prepared under the direction and supervision of Ephraim Stulberg, CPA, CA, CBV, CFF, a Partner/Senior Vice President in the Toronto office of Matson, Driscoll & Damico Ltd ("**MDD**").
5. MDD is a global professional services firm practicing in the areas of economic loss quantification, business valuation and forensic accounting. It has 11 offices in Canada and 46 offices worldwide.
6. This report has been prepared in compliance with the Canadian Institute of Chartered Business Valuators ("**CICBV**") standards for the preparation of Expert Reports (Practice Standards 310 to 330).

### Disclosure of Interests

7. We are not aware of any actual or potential conflict of interest that we may have in providing this report.

### Statement of Independence

8. We have been engaged as independent professional accountants to provide an expert report. The terms of our engagement are to act in an independent and objective manner providing our opinion based on an assessment of the facts and our analysis. Neither our firm nor its principals have any financial interest in this matter. Our fees are based solely on the time expended and are not contingent upon the ultimate results or conclusions reached.
9. The author of this report has prepared it in an independent and objective manner.

## C. BACKGROUND AND MANDATE

### Background

#### The Business

10. Elmira Esso is an "Esso"-branded gas station in Elmira, Ontario that also has a convenience store. They were incorporated on June 29, 2016.<sup>2</sup>
11. Figure 1 is a map showing the location:

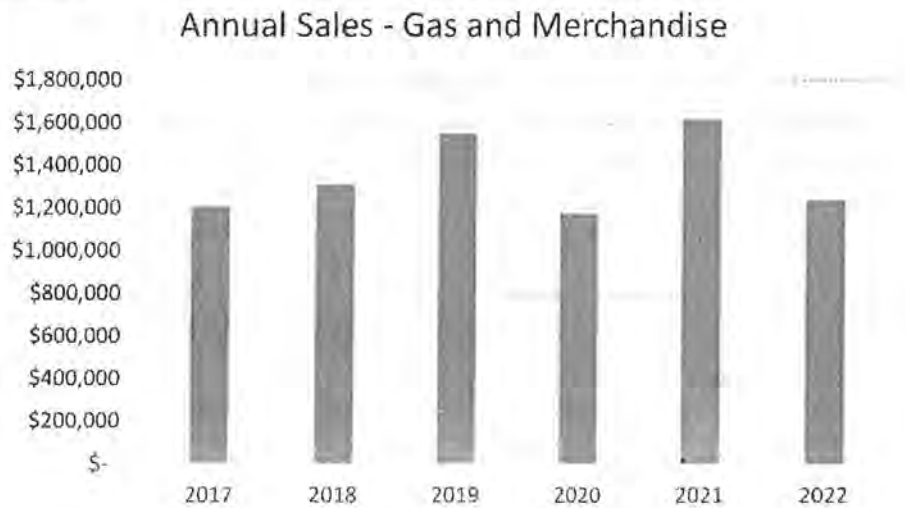
**Figure 1**



12. As shown in Figure 2 on the following page, the Location's sales grew steadily from 2017 to 2019, before declining somewhat in 2020 following the outbreak of COVID-19. Sales in 2021 returned to their pre-COVID level.

<sup>2</sup> Financial statements of 2525416 Ontario Inc. for the fiscal year ended December 31, 2022

**Figure 2**



13. Volumes sold declined from 1.25M litres in 2021 to only 746,000 litres in 2022. By contrast, according to Statistics Canada, the total volume of gasoline sold in Ontario in 2022 was 12% higher than in 2021.<sup>3</sup>
14. Revenues for Elmira Esso declined less dramatically than did volumes, due to the increase in the price of gasoline over that period; however, higher fuel prices do not result in higher profits to the gas station, and the business's gross margin was therefore down significantly in 2022 compared with 2021.

### **The Works**

15. In March 2022, the Region of Waterloo issued a notice of construction at Church Street East in the town of Elmira. The construction was to take place over two years (2022 and 2023) to minimize disruption.<sup>4</sup>
16. The first stage of the Works commenced in April 2022 and were completed in the fall of 2022. The second stage commenced in June 2023.<sup>5</sup> Figure 3 on the following page shows the location of the construction:

<sup>3</sup> StatsCan Table 23-10-0066-01, accessed here:

<https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=2310006601&pickMembers%5B0%5D=1.7&cubeTimeFrame.startYear=2018&cubeTimeFrame.endYear=2022&referencePeriods=20180101%2C20220101>

<sup>4</sup> Notice of Construction from the Region of Waterloo, dated March 28, 2022

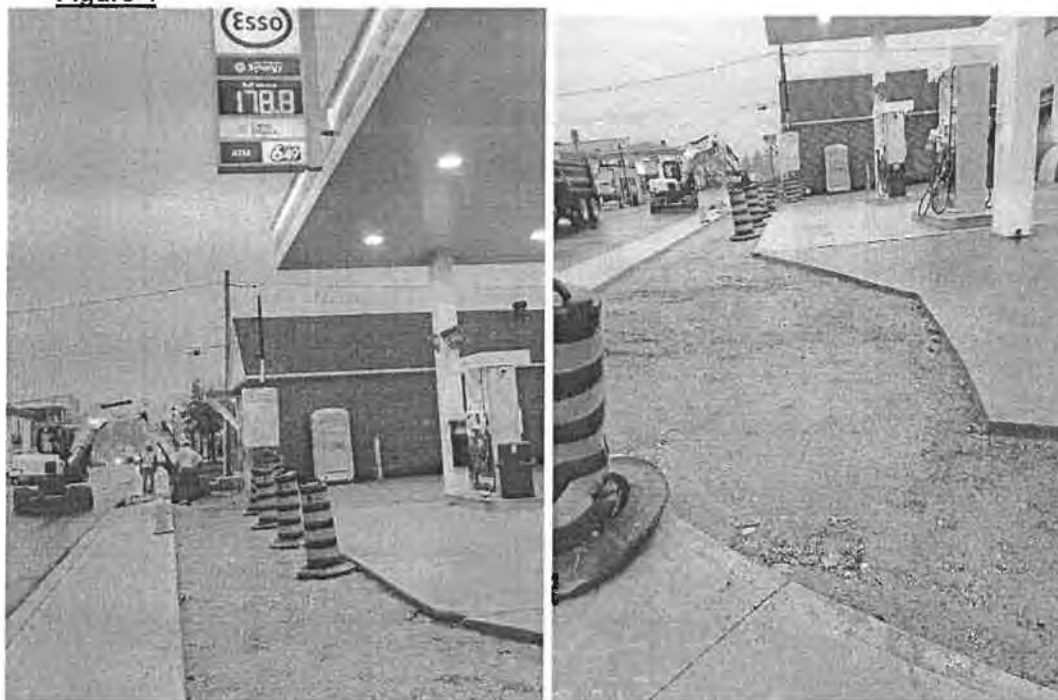
<sup>5</sup> A detailed chronology of the construction can be found here: <https://www.engagewr.ca/church-street-east#:~:text=The%20Region%20of%20Waterloo%20will,the%20complexity%20of%20the%20project.>

**Figure 3**



17. Below we present various images that display the impact of the construction:

**Figure 4**





18. The Works are still ongoing and are expected to be completed by December 2023.<sup>6</sup>

Mandate

19. We have been instructed to provide an opinion with respect to the business losses sustained by Elmira Esso. Our opinion is outlined in Section D of this Report.

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<sup>6</sup> Notice of Construction from the Region of Waterloo, dated March 28, 2022

## **D. MDD DETAILED FINDINGS**

### Methodology

20. In calculating Elmira Esso's business losses, we have employed the following methodology:

#### **Lost Sales - Gasoline**

21. To calculate losses associated with lost gasoline sales, we:
- Project the volume of gasoline sales absent the Works (based on historical results) each month
  - Deduct the actual volume of gasoline sales to arrive at the shortfall in volume each month.
  - Apply the average actual selling price per litre for each month to arrive at the shortfall in sales dollars each month.

#### **Lost Sales - Convenience/Merchandise Sales**

22. To calculate losses associated with lost convenience store sales, we:
- Project convenience store sales absent the Works (based on historical results) each month
  - Deduct the actual store sales to arrive at the shortfall in volume each month.

#### **Lost Profits on Lost Sales**

23. After determining the overall loss of sales, we apply a contribution margin or gross profit margin to determine the loss of profit associated with the lost sales.
24. We discuss each of these steps below.

### Loss Period

25. We calculate losses from April to December 2022 for the first phase of the Works, and losses from June to September 2023 for the second phase.
26. As the Works are not yet completed, should we be provided with documentation for the remaining months of the construction period, our loss period may be subject to revision.

## Gasoline Sales

27. We have analyzed historical sales from January 2020 to September 2023 at Schedule 3. As gasoline prices are subject to significant volatility, our analysis is based on quantities sold, rather than sales dollars.
28. We have projected monthly fuel volumes for 2022 using the same month of the prior year, adjusted for year-over-year growth of 12% based on the overall growth in the industry in Ontario in 2022.<sup>7</sup> We did not assume any additional growth for 2023, as data are not yet available.
29. Subtracting actual fuel volume during the loss period, we arrive at a shortfall of 772,544 litres for our loss period (Schedule 1).
30. Multiplying the volume shortage by the average price of fuel sales in the applicable month of the loss period, we arrive at a shortfall in gasoline sales of \$1,237,448.

## Merchandise Sales

31. We have projected revenues to be equal to monthly sales in the same month in 2021. Subtracting actual sales, we arrive at a shortfall of \$38,998 (Schedule 1).

## Contribution Margin Rates

32. The contribution margin rate represents the incremental profit that would have been associated with each dollar of lost revenue, after factoring in the saved costs (e.g. the cost of fuel and merchandise) that would have been required to earn the lost revenue.
33. Using the financial statement for the fiscal year ended December 31, 2021, we calculate a contribution margin rate of 6.53% (Schedule 2).

## Profits Losses

34. We have calculated the profits losses at Schedule 1.
35. Applying the applicable contribution margin rate to the total sales shortfall, we arrived at total contribution margin losses of \$83,349.
36. Given that the Location continued to operate throughout the loss period, we assumed that any saved expenses would be immaterial, and therefore have not considered them in our calculation.

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<sup>7</sup> StatsCan Table 23-10-0066-01

## Summary

37. Subject to the to the assumptions, restrictions and qualifications set out in this report, we calculate losses ranging of **\$83,349** (Schedule 1).

**Table 1**

<b>Summary of Loss</b>	
<b>Description</b>	<b>Amount</b>
Gas Sales Shortfall	\$ 1,237,448
Merchandise Sales Shortfall	38,998
Total Sales Shortfall	<u>\$ 1,276,446</u>
Contribution Margin	<u>6.53%</u>
Profits Loss	<u><b>\$ 83,349</b></u>

## **E. SCOPE, ASSUMPTIONS AND RESTRICTIONS**

### Scope of Review

38. In arriving at our findings, we have reviewed and considered the following documentation:
- a) Financial statements of 2525416 Ontario Inc. for the fiscal years ended December 31, 2017 to 2022
  - b) Elmira monthly sales summary for January 2020 to September 2023
  - c) Customer Sales Statement: 005025 Esso Elmira - From Jan 01, 2020 to Dec 31, 2022
  - d) Sales drop analysis for March to June 2022
  - e) Appraisal of land as of June 28, 2022 by Musso Appraisals Inc.
  - f) Notice of Construction from the Region of Waterloo, dated March 28, 2022
  - g) Gas sales by liter for January 2020 to September 2023
  - h) Photos of the construction
  - i) Publicly available information, as referenced in the footnotes of this report
39. We have been provided with access to Elmira Esso's management and external accountant.

### Assumptions

40. This report is based on various assumptions as set out throughout the report and accompanying schedules. We have assumed that the financial information provided to us by Elmira Esso is materially accurate and would not change if subjected to an audit.

### Restrictions and Qualifications

41. This report, and our files related thereto, are not intended for general circulation or publication, and are not to be reproduced or shared for any purpose other than as outlined above (or as otherwise required by law or a relevant professional body). We will not assume any responsibility or liability for losses occasioned to you or any other party as a result of the circulation, publication, reproduction or use of this report contrary to the provisions in this paragraph.
42. Nothing contained in this report is to be construed as a legal opinion or interpretation.

43. The comments and conclusions expressed herein must be read within the context of the entire report. Selecting specific comments or conclusions outside of their context is not appropriate and may be misleading.

**Index of Schedules and Appendices**

Elmira Esso – Expropriation

**SCHEDULE**

- 1 Summary of Losses
- 2 Calculation of Contribution Margin
- 3 Analysis of Average Monthly Price
- 4 Summary of Monthly Sales

**APPENDIX**

- A Summary of Balance Sheet - 2525416 Ontario Inc.
- B Summary of Operating Statement - 2525416 Ontario Inc.

Summary of Losses

Elmira Esso – Expropriation

Month	Gasoline						Merchandise			Revenue Shortfall - Total	Lost Profit on Lost Revenue	Cumul
	Quantity (Litres)				Amount		Amount					
	Base Period (Sch 3)	Projected	Actual (Sch 3)	Shortfall	Price (Sch 3)	Shortfall	Projected (Sch 4)	Actual (Sch 4)	Shortfall			
Growth Rate (Note 1)	11.55%											
Rate of Contribution Margin (Sch 2)										6.53%		
April 2022	101,485	113,203	44,931	68,273	\$ 1.59	\$ 108,307	\$ 9,600	\$ 5,653	\$ 3,947	\$ 112,253	\$ 7,330	\$ 7,330
May	100,485	112,088	96,347	15,741	1.76	27,777	11,442	12,745	(1,303)	26,473	1,729	9,059
June	108,619	121,161	34,815	86,346	1.86	160,585	12,649	7,225	5,424	166,009	10,840	19,899
July	114,793	128,047	22,165	105,882	1.79	189,468	13,590	6,760	6,830	196,298	12,818	32,716
August	113,338	126,425	25,463	100,962	1.55	156,838	12,141	6,101	6,041	162,878	10,636	43,352
September	105,255	117,408	19,804	97,605	1.51	147,711	12,330	4,984	7,346	155,058	10,125	53,477
October	108,633	121,176	26,746	94,430	1.55	146,337	11,524	5,536	5,987	152,324	9,946	63,423
November	109,476	122,116	65,746	56,370	1.55	87,370	10,012	7,219	2,794	90,164	5,888	69,311
December	97,271	108,503	79,587	28,916	1.35	38,908	10,970	9,355	1,615	40,523	2,646	71,957
Subtotal	959,355	1,070,128	415,603	654,525	1.62	1,063,301	104,259	65,578	38,681	1,101,982	71,957	
June 2023	108,619	121,161	113,239	7,921	1.42	11,211	12,649	14,709	(2,060)	9,151	598	72,555
July	114,793	128,047	89,044	39,004	1.44	56,167	13,590	13,780	(190)	55,977	3,655	76,210
August	113,338	126,425	85,676	40,749	1.51	61,542	12,141	11,459	682	62,224	4,063	80,273
September	105,255	117,408	87,064	30,344	1.49	45,227	12,330	10,445	1,885	47,112	3,076	83,349
Subtotal	442,004	493,041	375,023	118,019	1.48	174,147	50,711	50,393	318	174,464	11,392	
Total	1,401,359	1,563,169	790,626	772,544		\$ 1,237,448	\$ 154,969	\$ 115,971	\$ 38,998	\$ 1,276,446	\$ 83,349	

Note 1: Based on growth in net sales of gasoline in Ontario from 2021 to 2022, per StatsCan 23-10-0066-01



**Calculation of Contribution Margin**

Elmira Esso – Expropriation

Description	FYE Dec 31/21		Contribution Margin	
	Amount	%	Amount	%
	(App B)			
Revenues				
Sales	\$ 1,616,606	96.42%	\$ 1,616,606	100.00%
Commissions	14,607	0.87%		
Rental Income	45,473	2.71%		
	<u>1,676,686</u>	<u>100.00%</u>		
Cost of Sales				
Opening Inventory	87,525	5.22%		
Purchases	1,483,205	88.46%		
Closing Inventory	<u>(68,725)</u>	<u>-4.10%</u>		
	<u>1,502,005</u>	<u>89.58%</u>	<u>1,502,005</u>	<u>92.91%</u>
Gross Margin	<u>174,681</u>	<u>10.42%</u>		
Other Income	<u>30,000</u>	<u>1.79%</u>		
Total Contribution Margin	<u>204,681</u>	<u>12.21%</u>		
Expenses				
Amortizations and Depreciation	81,053	4.83%		
Bank Charges	2,021	0.12%		
Automobile	2,847	0.17%		
Dues and Subscriptions	2,208	0.13%		
Insurance	10,702	0.64%		
Mortgage Interest	34,461	2.06%		
Merchant Account Fees	9,376	0.56%	9,040	0.56%
Office and General	557	0.03%		
Professional Fees	4,583	0.27%		
Property Taxes	14,026	0.84%		
Repairs and Maintenance	3,326	0.20%		
Salaries and Wages	11,856	0.71%		
Telephone	1,901	0.11%		
Utilities	<u>1,461</u>	<u>0.09%</u>		
Total Expense	<u>180,378</u>	<u>10.76%</u>		
Net Income (Loss) for the Period	<u>\$ 24,303</u>	<u>1.45%</u>		
Contribution Margin Rate			<u>\$ 105,561</u>	<u>6.53%</u>
				<b>To Sch 1</b>

**Summary of Monthly Sales**

Elmira Esso – Expropriation

Month	Sales				
	2020				
	Gasoline	Merchandise	Commissions	Rental Income	Total
January	\$ 111,948	\$ 6,170	\$ 408	\$ 3,849	\$ 122,375
February	92,949	5,355	199	3,812	102,314
March	57,315	5,952	227	3,812	67,307
April	43,370	6,390	254	3,812	53,826
May	79,528	8,659	340	3,812	92,340
June	97,345	9,735	275	3,812	111,167
July	102,584	11,132	208	3,812	117,736
August	99,009	10,448	501	3,855	113,814
September	95,204	9,480	439	3,855	108,978
October	108,687	9,836	534	3,855	122,912
November	99,501	9,507	572	3,855	113,435
December	88,449	7,841	598	3,855	100,743
<b>Total</b>	<b>\$ 1,075,888</b>	<b>\$ 100,505</b>	<b>\$ 4,555</b>	<b>\$ 45,998</b>	<b>\$ 1,226,946</b>

To Sch 3

Source: Elmira monthly sales  
summary for January  
2020 to September 2023

**Analysis of Average Monthly Price**

Elmira Esso – Expropriation

Month	Sales (Sch 4)	Volume Sold (L)	Average Price
Jan-20	\$ 111,948	106,924	\$ 1.05
Feb-20	92,949	93,099	1.00
Mar-20	57,315	65,788	0.87
Apr-20	43,370	60,474	0.72
May-20	79,528	97,719	0.81
Jun-20	97,345	107,904	0.90
Jul-20	102,584	109,098	0.94
Aug-20	99,009	105,695	0.94
Sep-20	95,204	103,761	0.92
Oct-20	108,687	121,496	0.89
Nov-20	99,501	111,871	0.89
Dec-20	88,449	95,402	0.93
Jan-21	90,127	91,383	0.99
Feb-21	98,035	107,395	0.91
Mar-21	118,619	92,848	1.28
Apr-21	113,856	<b>101,485</b>	1.12
May-21	116,724	<b>100,485</b>	1.16
Jun-21	128,658	<b>108,619</b>	1.18
Jul-21	139,779	<b>114,793</b>	1.22
Aug-21	149,085	<b>113,338</b>	1.32
Sep-21	130,553	<b>105,255</b>	1.24
Oct-21	141,743	<b>108,633</b>	1.30
Nov-21	141,743	<b>109,476</b>	1.29
Dec-21	120,229	<b>97,271</b>	1.24
Jan-22	131,141	102,993	1.27
Feb-22	160,676	114,542	1.40
Mar-22	177,678	113,590	1.56
Apr-22	71,277	<b>44,931</b>	<b>1.59</b>
May-22	170,015	<b>96,347</b>	<b>1.76</b>
Jun-22	64,749	<b>34,815</b>	<b>1.86</b>
Jul-22	39,663	<b>22,165</b>	<b>1.79</b>
Aug-22	39,555	<b>25,463</b>	<b>1.55</b>
Sep-22	29,970	<b>19,804</b>	<b>1.51</b>
Oct-22	41,448	<b>26,746</b>	<b>1.55</b>
Nov-22	101,903	<b>65,746</b>	<b>1.55</b>
Dec-22	107,088	<b>79,587</b>	<b>1.35</b>
Jan-23	127,200	92,098	1.38
Feb-23	120,915	91,059	1.33
Mar-23	146,682	111,493	1.32
Apr-23	159,613	113,864	1.40
May-23	193,665	139,239	1.39
Jun-23	160,264	<b>113,239</b>	<b>1.42</b>
Jul-23	128,225	<b>89,044</b>	<b>1.44</b>
Aug-23	129,391	<b>85,676</b>	<b>1.51</b>
Sep-23	129,769	<b>87,064</b>	<b>1.49</b>
Loss	<u>\$ 4,995,924</u>	<u>\$ 4,099,716</u>	<b>To Sch 1</b>
		<b>To Sch 1</b>	

Source: Monthly gas sales by litre for January 2020 to September 2023

## Summary of Operating Statement - 2525416 Ontario Inc.

Elmira Esso – Expropriation

Description	FYE December 31,					
	2017	2018	2019	2020	2021	2022
Litres Sold		1,142,160	1,387,627	1,179,232	1,250,980	746,728
Average Gas Price Per Litre in Toronto per StatsCan		\$ 1.27	\$ 1.17	\$ 1.00	\$ 1.32	\$ 1.68
<b>Revenues</b>						
Sales	\$ 1,208,706	\$ 1,311,516	\$ 1,550,300	\$ 1,176,129	\$ 1,616,606	\$ 1,240,051
Commissions	1,625	2,547	3,731	5,068	14,607	13,452
Rental Income	30,000	30,000	48,627	45,386	45,473	44,503
	1,240,331	1,344,063	1,602,658	1,226,583	1,676,686	1,298,006
<b>Cost of Sales</b>						
Opening Inventory	43,239	59,250	85,250	96,250	87,525	68,725
Purchases	1,081,721	1,217,511	1,464,295	1,073,881	1,483,205	1,177,541
Closing Inventory	(59,250)	(85,250)	(96,250)	(87,525)	(68,725)	(70,250)
	1,065,710	1,191,511	1,453,295	1,082,606	1,502,005	1,176,016
<b>Gross Margin</b>	174,621	152,552	149,363	143,977	174,681	121,990
<b>Other Income</b>	-	-	-	10,000	30,000	-
<b>Total Gross Margin</b>	174,621	152,552	149,363	153,977	204,681	121,990
<b>Expenses</b>						
Amortization and Depreciation	168,129	140,690	118,513	95,787	81,053	69,509
Bank Charges	1,752	2,140	2,664	1,906	2,021	2,202
Automobile	-	2,622	4,284	2,698	2,847	3,560
Dues and Subscriptions	490	702	1,471	817	2,208	2,863
Insurance	4,133	8,873	9,154	8,684	10,702	7,935
Mortgage Interest	52,666	58,263	53,669	47,313	34,461	41,188
Merchant Account Fees	14,804	11,107	14,158	10,216	9,376	3,965
Non deductible Interest	-	-	-	313	-	-
Office and General	480	2,370	990	666	557	1,076
Professional Fees	4,116	3,272	3,928	2,555	4,583	3,514
Property Taxes	12,107	12,831	13,279	21,224	14,026	14,319
Repairs and Maintenance	2,661	11,558	5,467	1,728	3,326	593
Salaries and Wages	-	3,201	6,345	16,348	11,856	10,855
Telephone	1,943	3,223	2,948	2,463	1,901	2,581
Utilities	5,395	2,358	2,677	4,348	1,461	2,535
<b>Total Expense</b>	268,676	263,210	239,547	217,066	180,378	166,695
<b>Net Income (Loss) for the Period</b>	(94,055)	(110,658)	(90,184)	(63,089)	24,303	(44,705)
<b>Retained Earnings (Deficit): Beginning of the Year</b>	(8,592)	(102,647)	(213,305)	(303,489)	(366,578)	(342,275)
<b>Retained Earnings (Deficit): End of the Year</b>	\$ (102,647)	\$ (213,305)	\$ (303,489)	\$ (366,578)	\$ (342,275)	\$ (386,980)

To Sch 2

Sources: Financial statements of 2525416 Ontario Inc. for the fiscal year ended December 31, 2017 to 2022  
 Statistics Canada. Table 18-10-0001-01 Monthly average retail prices for gasoline and fuel oil, by geography

## Summary of Balance Sheet - 2525416 Ontario Inc.

Elmira Esso – Expropriation

Description	FYE December 31,						Comments
	2017	2018	2019	2020	2021	2022	
<b>Assets</b>							
<b>Current</b>							
Bank	\$ 28,033	\$ 10,852	\$ 10,655	\$ 12,995	\$ 38,893	\$ 12,037	
Inventory	59,250	85,250	96,250	87,525	68,725	70,250	
Prepaid Expenses	210	2,267	770	398	1,761	5,936	
Prepaid Deposits	31,126	31,126	31,126	31,126	31,126	31,126	
<b>Total Current Assets</b>	<b>118,619</b>	<b>129,495</b>	<b>138,801</b>	<b>132,044</b>	<b>140,505</b>	<b>119,349</b>	
<b>Fixed</b>							
Land	385,828	385,828	385,828	385,828	385,828	385,828	Note 1
Building	587,211	587,211	587,211	587,211	587,211	587,211	
Accumulated Amortization	(23,488)	(46,037)	(67,684)	(88,465)	(108,415)	(127,567)	
	563,723	541,174	519,527	498,746	478,796	459,644	
Machinery Equipment, Furniture & Fixture	650,000	650,000	650,000	650,000	650,000	650,000	
Accumulated Amortization	(130,000)	(234,000)	(317,200)	(383,760)	(437,008)	(479,606)	
	520,000	416,000	332,800	266,240	212,992	170,394	
<b>Total Fixed Assets</b>	<b>1,469,551</b>	<b>1,343,002</b>	<b>1,238,155</b>	<b>1,150,814</b>	<b>1,077,616</b>	<b>1,015,866</b>	
<b>Other</b>							
Financing Fees (Net of Amortization)	18,562	13,921	9,280	4,639	-	-	Note 2
Goodwill (Net of Amortization)	190,000	180,500	171,475	163,029	155,174	147,415	
Incorporation Costs	1,422	1,422	1,422	1,422	1,422	1,422	
<b>Total Other Assets</b>	<b>209,984</b>	<b>195,843</b>	<b>182,177</b>	<b>169,090</b>	<b>156,596</b>	<b>148,837</b>	
<b>Total Assets</b>	<b>\$ 1,798,154</b>	<b>\$ 1,668,340</b>	<b>\$ 1,559,133</b>	<b>\$ 1,451,948</b>	<b>\$ 1,374,717</b>	<b>\$ 1,284,052</b>	
<b>Liabilities And Equity</b>							
<b>Current</b>							
Accounts Payable	\$ 38,159	\$ 12,265	64,814	15,559	12,202	60,908	
Taxes Payable	9,679	2,615	6,881	3,040	19,927	31,462	
Line of Credit	5,000	80,000	82,000	100,000	90,000	75,000	
CEBA Loan	-	-	-	30,000	40,000	40,000	
Loans Payable	-	37,371	78,715	30,539	43,831	76,423	
Deposits Payable	1,291	1,291	1,291	2,291	2,291	9,891	
	54,129	133,542	233,501	181,429	208,251	293,684	
<b>Long Term</b>							
First Mortgage Payable	1,235,568	1,123,999	1,007,622	945,458	814,102	683,728	
Shareholders Advances	610,104	623,104	620,499	690,639	693,639	692,620	
<b>Total Liabilities</b>	<b>1,899,801</b>	<b>1,880,645</b>	<b>1,861,622</b>	<b>1,817,526</b>	<b>1,715,992</b>	<b>1,670,032</b>	
<b>Shareholders Equity</b>							
Share Capital	1,000	1,000	1,000	1,000	1,000	1,000	
Retained Earnings (Deficit)	(102,647)	(213,305)	(303,489)	(366,578)	(342,275)	(386,980)	
<b>Total Shareholders Equity</b>	<b>(101,647)</b>	<b>(212,305)</b>	<b>(302,489)</b>	<b>(365,578)</b>	<b>(341,275)</b>	<b>(385,980)</b>	
<b>Total Liabilities &amp; Shareholders' Equity</b>	<b>\$ 1,798,154</b>	<b>\$ 1,668,340</b>	<b>\$ 1,559,133</b>	<b>\$ 1,451,948</b>	<b>\$ 1,374,717</b>	<b>\$ 1,284,052</b>	

Note 1: Fixed Assets are stated cost and Amortization is based on the estimated useful life of the assets that are provided as follows:  
Building 4% Declining Balance; Machinery and Equipment 20% Declining Balance

Note 2: Financing Fees are amortized at a straight line basis over 5 year. Goodwill is amortized at 5% Declining Balance.

Source: Financial statements of 2525416 Ontario Inc. for the fiscal years ended December 31, 2017 to 2022

**Summary of Monthly Sales**

Elmira Esso – Expropriation

Month	Sales				
	2023				
	Gasoline	Merchandise	Commissions	Rental Income	Total
January	\$ 127,200	\$ 9,559	\$ 1,046	\$ 3,855	\$ 141,661
February	120,915	8,439	865	3,855	134,074
March	146,682	9,975	957	3,855	161,469
April	159,613	14,181	648	3,855	178,298
May	193,665	18,725	722	3,855	216,968
June	160,264	14,709	631	3,855	179,460
July	128,225	13,780	383	3,855	146,244
August	129,391	11,459	651	3,855	145,356
September	129,769	10,445	386	3,855	144,456
October					-
November					-
December					-
Total	\$ 1,295,725	\$ 111,272	\$ 6,290	\$ 34,699	\$ 1,447,985
	To Sch 3	To Sch 1			

Source: Elmira monthly sales  
summary for January  
2020 to September 2023

**Summary of Monthly Sales**

Elmira Esso – Expropriation

Month	Sales				
	2022				
	Gasoline	Merchandise	Commissions	Rental Income	Total
January	\$ 131,141	\$ 9,756	\$ 955	\$ 3,709	\$ 145,561
February	160,676	9,718	1,001	3,709	175,103
March	177,678	11,928	2,400	3,709	195,715
April	71,277	5,653	2,109	3,709	82,749
May	170,015	12,745	2,404	3,709	188,873
June	64,749	7,225	1,012	3,709	76,695
July	39,663	6,760	626	3,709	50,757
August	39,555	6,101	509	3,709	49,873
September	29,970	4,984	861	3,709	39,523
October	41,448	5,536	499	3,709	51,192
November	101,903	7,219	678	3,709	113,508
December	107,088	9,355	856	3,709	121,008
<b>Total</b>	<b>\$ 1,135,161</b>	<b>\$ 96,980</b>	<b>\$ 13,910</b>	<b>\$ 44,505</b>	<b>\$ 1,290,556</b>
	<b>To Sch 3</b>	<b>To Sch 1</b>			

Source: Elmira monthly sales  
summary for January  
2020 to September 2023

**Summary of Monthly Sales**

Elmira Esso – Expropriation

Month	Sales				
	2021				
	Gasoline	Merchandise	Commissions	Rental Income	Total
January	\$ 90,127	\$ 7,856	\$ 881	\$ 3,855	\$ 102,720
February	98,035	7,417	1,030	3,855	110,337
March	118,619	8,973	1,175	3,855	132,621
April	113,856	9,600	1,707	4,009	129,171
May	116,724	11,442	1,221	3,787	133,174
June	128,658	12,649	1,519	3,787	146,614
July	139,779	13,590	1,245	3,707	158,322
August	149,085	12,141	1,284	3,707	166,218
September	130,553	12,330	1,079	3,707	147,669
October	141,743	11,524	956	3,707	157,929
November	141,743	10,012	831	3,707	156,293
December	120,229	10,970	836	3,707	135,743
Total	\$ 1,489,150	\$ 128,504	\$ 13,763	\$ 45,393	\$ 1,676,809
	To Sch 3	To Sch 1			

Source: Elmira monthly sales  
summary for January  
2020 to September 2023