

THE QUEEN'S BENCH
WINNIPEG CENTRE

BETWEEN:

LINCOLN WOLFE and 5606269 MANITOBA LTD.

Applicants,

-and-

**DUANNE TAYLOR, 5608067 MANITOBA LTD., TAYLOR
BROS. FARM LTD. and EDWIN POTATO GROWERS LTD.**

Respondents.

**SECOND SUPPLEMENT TO THE FOURTH REPORT
OF DELOITTE RESTRUCTURING INC.,
IN ITS CAPACITY AS COURT APPOINTED LIQUIDATOR OF
TAYLOR BROS. FARM LTD. AND EDWIN POTATO GROWERS LTD.**

OCTOBER 20, 2020

LIQUIDATOR

DELOITTE RESTRUCTURING INC.
360 Main Street, Suite 2300
Winnipeg, Manitoba R3C 3Z3

Brent Warga
Ph: (204) 942-0051
Fax: (204) 947-2689
Email: bwarga@deloitte.ca

COUNSEL TO THE LIQUIDATOR

MLT AIKINS LLP
Barristers and Solicitors
3000 – 360 Main Street
Winnipeg, Manitoba R3C 4G1

Jeffrey M. Lee, Q.C./J.J. Burnell
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EXHIBITS

Exhibit A - June 25, 2018 Proof of Claim filed by the Liquidator

PURPOSE

1. The purpose of this second supplement to the Fourth Report (the “**Second Supplement to the Fourth Report**”) is to provide the Court with the proof of claim filed by the Liquidator on June 25, 2018 (the “**Liquidator’s Claim**”), on behalf of Taylor Bros. Farms Ltd., in the Court approved Claims Process for Edwin Potato Growers Ltd., which Claims Process was approved by the Court on November 21, 2017. The Liquidator’s Claim is attached hereto as Exhibit A.

All of which is respectfully submitted at Winnipeg, Manitoba, this 20th day of October 2020.

DELOITTE RESTRUCTURING INC.

In its capacity as Liquidator of
Taylor Bros. Farm Ltd. and Edwin Potato Growers Ltd.,
and not in its personal capacity.



Per: Brent Warga, CPA, CA, CIRP, LIT
Senior Vice-President

Exhibit A – June 25, 2018 Proof of Claim filed by the Liquidator

PROOF OF CLAIM

**EDWIN POTATO GROWERS LTD.
(the "Company")**

PLEASE READ CAREFULLY THE ORDER AND APPENDIX A - CLAIMS PROCEDURE ALONG WITH THE INSTRUCTION LETTER ALL OF WHICH ARE ENCLOSED BEFORE COMPLETING THIS PROOF OF CLAIM.

A. PARTICULARS OF CREDITOR

- a. Full Legal Name of creditor (include trade name, if different):

Taylor Bros. Farms Ltd.

(the "Creditor") The full legal name should be the name of the Creditor of the Company, notwithstanding whether an assignment of a Claim has occurred prior to or following April 28th, 2017.

- b. Full Mailing Address of the Creditor: (The mailing address should be the mailing address of the Creditor and not an assignee.)

Taylor Bros. Farms Ltd., c/o Deloitte Restructuring Inc., Court Appointed Liquidator

2300 – 360 Main Street

Winnipeg, MB R3C 3Z3

- c. Other Contact Information of the Creditor:

Telephone Number: (204)942-0051

Email Address: bwarga@deloitte.ca

Facsimile Number: (204)947-2689

Attention (Contact Person): Brent Warga

- d. Has the Claim set out herein been sold, transferred or assigned by the Creditor to another party?

Yes: ___

No: X

B. PARTICULARS OF ASSIGNEE(S) (IF APPLICABLE)

If the Claim set out herein has been sold, transferred or assigned, complete the required information set out below.

- a. Full Legal Name of the Assignee:

- b. Full Mailing Address of the Assignee:

c. Other Contact Information of the Assignee:

Telephone Number: _____

Email Address: _____

Facsimile Number: _____

Attention (Contact Person): _____

C. PROOF OF CLAIM

THE UNDERSIGNED HEREBY CERTIFIED AS FOLLOWS:

a. That I:

___ am a Creditor of the Company; OR

X am

Senior Vice-President
(state position or title)

of

Deloitte Restructuring Inc., Court Appointed Liquidator of Taylor Bros. Farms Ltd.
(name of Creditor)

b. That I have knowledge of all the circumstances connected with the Claim described and set out below;

c. Edwin Potato Growers Ltd. was and still is indebted to the Creditor as follows (*include all Claims that you assert against Edwin Potato Growers Ltd.*):

\$ 916,366 CAD (insert \$ value of Claim)

D. NATURE OF CLAIM AGAINST EDWIN POTATO GROWERS LTD.

(CHECK AND COMPLETE APPROPRIATE CATEGORY)

1. X UNSECURED CLAIM OF \$ 916,366 CAD

That in respect of this debt, I do not hold any assets of the debtor as security and:

X Regarding the amount of \$ 916,366 CAD, I do not claim a right to a priority.

___ Regarding the amount of \$ _____ CAD, I claim a right to a priority under section 136 of the *Bankruptcy and Insolvency Act* or would claim such a priority if this Proof of Claim was being filed in accordance with the *Bankruptcy and Insolvency Act*, or otherwise claim a right to a priority over unsecured creditors.

(Set out on an attached sheet details to support any priority claim)

Unless otherwise ordered by the Court, Failure to file your Proof of Claim and any required documentation as directed in relation to any Claim by 5:00 p.m. (Manitoba Time) on JUNE 25, 2018 will result in your Claim being forever barred and extinguished and you will be prohibited from making or enforcing a Claim against the Company and shall not be entitled to further notice or distribution, if any, and shall not be entitled to participate as a Creditor in these proceedings.

DATED this 25th day of June, 2018.

Witness:

Per: _____
Signature

Print

If Creditor is other than an individual, print name and title of authorized signatory

Carole Martin
Witness:

Per: BWarga
Signature

Deloitte Restructuring Inc. in its capacity as Court Appointed Liquidator of Taylor Bros. Farm Ltd. and Edwin Potato Growers Ltd. and not in its personal capacity.

Brent Warga CPA, CA, CIRP, CFE, LIT, M.Acc
Name

Senior Vice-President
Title

Edwin Potato Growers Ltd.
Financial Statements
December 31, 2015
(Unaudited - see Notice to Reader)

Notice To Reader

On the basis of information provided by management, we have compiled the balance sheet of Edwin Potato Growers Ltd. as at December 31, 2015 and the statement of earnings (loss) and deficit for the year then ended. We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon. Readers are cautioned that these statements may not be appropriate for their purposes.

Portage la Prairie, Manitoba

April 7, 2016

MNP LLP

Chartered Professional Accountants

Edwin Potato Growers Ltd.
Balance Sheet

As at December 31, 2015
(Unaudited - see Notice to Reader)

	2011	2012	2013	2014	2015
Assets					
Current					
Cash	147	175	195	121	5,528
Accounts receivable	-	-	10,039	-	-
	147	175	10,234	121	5,528
Property, plant and equipment (Note 1)	3,061,972	2,900,970	2,836,292	2,796,178	2,757,634
	3,062,119	2,901,145	2,846,526	2,796,299	2,763,162
Liabilities					
Current					
Accounts payable	-	21,660	44,100	66,500	103,097
Goods and Services Tax payable	-	-	10,000	-	-
Current portion of long-term debt (Note 2)	131,000	126,000	97,000	97,000	97,000
Current portion of note payable	-	-	-	561,000	561,000
	131,000	147,660	151,100	724,500	761,097
Long-term debt (Note 2)	1,717,377	1,441,615	1,344,988	1,296,738	1,296,738
Note payable	600,000	561,000	561,000	-	-
Advances from related party	747,447	962,110	960,484	1,084,037	916,366
	3,195,824	3,112,385	3,017,572	3,105,275	2,974,201
Shareholders' Deficit					
Share capital (Note 3)	31,720	31,720	31,720	31,720	31,720
Deficit	(246,427)	(323,962)	(283,768)	(421,698)	(323,761)
Contributed surplus	81,002	81,002	81,002	81,002	81,002
	(133,705)	(211,240)	(171,046)	(308,976)	(211,039)
	3,062,119	2,901,145	2,846,526	2,796,299	2,763,162

Edwin Potato Growers Ltd.
Statement of Earnings (Loss) and Deficit
For the year ended December 31, 2015
(Unaudited - see Notice to Reader)

	2011	2012	2013	2014	2015
Revenue					
Rental	-	-	200,000	-	-
	-	-	200,000	-	-
Administrative and overhead expenses					
Amortization	76,977	69,548	64,678	40,114	38,545
Interest and bank charges	209	72	1,155	64	99
Interest on long-term debt	87,412	100,597	91,514	86,690	85,328
Property taxes	10,930	13,603	2,459	10,027	13,996
Professional fees	-	-	-	-	200
Repairs and maintenance	-	-	-	1,035	-
	175,528	183,820	159,806	137,930	138,168
Earnings (loss) from operations	(175,528)	(183,820)	40,194	(137,930)	(138,168)
Other revenue					
Gain on disposal of property, plant and equipment	23,000	106,285	-	-	236,105
Net earnings (loss)	(152,528)	(77,535)	40,194	(137,930)	97,937
Deficit, beginning of year	(93,899)	(246,427)	(323,962)	(283,768)	(421,698)
Deficit, end of year	(246,427)	(323,962)	(283,768)	(421,698)	(323,761)

Edwin Potato Growers Ltd.
Notes to the Financial Statements
For the year ended December 31, 2015
(Unaudited - see Notice to Reader)

1. Property, plant and equipment

	<i>2014</i> <i>Net book</i> <i>value</i>	<i>Cost</i>	<i>Accumulated</i> <i>amortization</i>	<i>2015</i> <i>Net book</i> <i>value</i>
Land	2,461,549	2,461,549	-	2,461,549
Building	216,151	453,641	252,079	201,562
Automotive	-	159,879	159,879	-
Equipment - general	118,478	471,968	377,445	94,523
	2,796,178	3,547,037	789,403	2,757,634

2. Long-term debt

	<i>2014</i>	<i>2015</i>
Loan payable in semi-annual instalments of \$15,000 plus interest at 5.15%, due 2030; secured by a general security agreement and guarantees from related parties.	480,000	480,000
Loan payable in semi-annual instalments of \$33,250 plus interest at prime plus 1.25%, due 2030; secured by a general security agreement and guarantees from related parties.	913,738	913,738
	1,393,738	1,393,738
Less: current portion	97,000	97,000
	1,296,738	1,296,738

Principal repayments on long-term debt in each of the next five years are estimated as follows:

2016	97,000
2017	97,000
2018	97,000
2019	97,000
2020	97,000

Edwin Potato Growers Ltd.
Notes to the Financial Statements
For the year ended December 31, 2015
(Unaudited - see Notice to Reader)

3. Share capital

	2014	2015
Issued		
Common shares		
200 Class A, voting	200	200
Preferred shares		
61,573 Class D, non-voting	20	20
710 Class F, non-voting	31,500	31,500
	31,520	31,520
	31,720	31,720

Taylor Brothers Farm Ltd.
Non-Combined Financial Statements

December 31, 2014

(Unaudited - see Notice to Reader)

Draft - For Discussion Purposes Only

Notice To Reader

On the basis of information provided by management, we have compiled the balance sheet of Taylor Brothers Farm Ltd. as at December 31, 2014 and the Non-Combined statement of earnings (loss), retained earnings and cash flows for the year then ended.

We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon. Readers are cautioned that these statements may not be appropriate for their purposes.

Portage la Prairie, Manitoba

November 11, 2015

Chartered Accountants

Taylor Brothers Farm Ltd.
Non-Combined Balance Sheet

As at December 31, 2014
(Unaudited - see Notice to Reader)

	2010	2011	2012	2013	2014
Assets					
Current					
Cash	1,136	11,792	6,209	7,435	1,358
Accounts receivable	2,728,666	1,255,580	1,522,596	1,670,547	1,760,565
Income taxes recoverable	-	-	24,915	-	4,079
Goods and Services Tax receivable	70,941	43,176	20,531	41,102	12,126
Government assistance receivable	2,213,756	1,975,145	230,191	-	-
Inventory (Note 2)	188,855	116,256	106,711	555,100	22,273
Prepaid expenses	650,856	447,467	1,694,126	969,762	513,370
Funds on deposit	10,868	-	-	36,132	-
AgrilInvest	90,000	77	21	45,029	86
Loans receivable	-	16,741	21,500	-	-
	5,955,078	3,866,234	3,626,800	3,325,107	2,313,857
Property, plant and equipment (Note 3)	2,186,617	6,189,346	6,336,399	4,962,419	4,815,962
Advances to related parties (Note 4)	1,632,147	2,021,082	2,355,503	2,425,814	2,862,398
Notes receivable (Note 5)	94,500	94,500	88,100	88,100	-
	9,868,342	12,171,162	12,406,802	10,801,440	9,992,217

Continued on next page

Draft - For Discussion Purposes Only

Taylor Brothers Farm Ltd.
Non-Combined Balance Sheet

As at December 31, 2014
(Unaudited - see Notice to Reader)

	2010	2011	2012	2013	2014
Liabilities					
Current					
Bank indebtedness (Note 6)	2,000,496	2,268,437	2,122,496	2,022,636	2,338,690
Accounts payable and accruals	1,762,378	1,967,331	3,514,220	1,772,843	2,593,093
Inventory (cash) advances	276,215	-	210,941	-	-
Income taxes payable	-	24,915	-	-	-
Source deductions payable	-	-	11,516	9,829	2,964
Current portion of long-term debt (Note 7)	55,200	168,000	181,000	892,000	204,000
Current portion of capital lease obligation (Note 8)	143,600	390,000	483,000	425,000	203,000
	4,237,889	4,818,683	6,523,173	5,122,308	5,341,747
Term loans due on demand (Note 7)	-	-	-	-	1,380,000
	4,237,889	4,818,683	6,523,173	5,122,308	6,721,747
Long-term debt (Note 7)	718,100	2,797,100	2,781,650	1,391,910	424,475
Capital lease obligation (Note 8)	523,030	1,104,521	769,135	427,555	224,733
Advances from related party (Note 9)	1,362,946	1,362,946	1,245,666	1,045,666	1,045,666
	6,841,965	10,083,250	11,319,624	7,987,439	8,416,621
Shareholders' Equity					
Share capital (Note 10)	100	100	100	100	100
Retained earnings	3,026,277	2,087,812	1,087,078	2,813,901	1,575,496
	3,026,377	2,087,912	1,087,178	2,814,001	1,575,596
	9,868,342	12,171,162	12,406,802	10,801,440	9,992,217

Taylor Brothers Farm Ltd.
Non-Combined Statement of Earnings (Loss) and Retained Earnings
For the year ended December 31, 2014
(Unaudited - see Notice to Reader)

	2010	2011	2012	2013	2014
Revenue					
Crop sales (Note 11)	3,410,374	4,199,109	6,048,008	6,166,014	5,012,876
Crop rebates	-	-	-	60,159	-
Crop insurance proceeds	1,324,653	6,050	611,817	501,828	36,832
Commodities for resale	232,893	799,801	83,291	-	-
Custom work	25,780	102,034	382,805	502,731	233,843
	4,993,700	5,106,994	7,125,921	7,230,732	5,283,551
Production expenses					
Chemical	1,395,874	1,092,405	986,455	570,152	704,070
Commodities purchased for resale	342,762	693,316	84,618	11,847	-
Crop insurance premiums	140,129	210,827	391,678	366,210	372,253
Fertilizer	886,849	1,208,206	603,103	534,804	577,783
Seed	635,578	523,586	414,747	800,092	992,380
	3,401,192	3,728,340	2,480,601	2,283,105	2,646,486
Gross margin	1,592,508	1,378,654	4,645,320	4,947,627	2,637,065
Labour, power and machinery expenses					
Agronomy services	144,067	66,320	84,750	78,335	84,677
Amortization	172,972	215,705	329,682	282,533	298,358
Automobile	-	-	25,427	46,715	40,530
Custom work	113,355	18,919	185,945	112,422	220,496
Equipment lease	109,734	474,437	467,606	469,997	407,799
Freight and trucking	111,030	84,186	31,332	28,023	25,827
Fuel	493,814	519,191	360,544	323,428	378,737
Meals and entertainment	71,150	29,583	73,347	19,923	34,395
Office and other	39,480	42,325	84,164	32,873	34,350
Professional fees	73,887	50,456	85,262	107,012	140,358
Rent	445,248	22,487	78,000	138,378	102,910
Repairs and maintenance	430,051	453,413	476,710	343,384	190,496
Storage and handling	47,010	64,000	33,075	28,750	41,192
Supplies	6,940	4,677	6,754	18,077	6,345
Utilities	46,518	58,903	53,716	56,155	56,886
Wages and benefits	700,349	572,400	892,348	590,417	495,021
	3,005,605	2,677,002	3,268,662	2,676,422	2,558,377
Contribution margin	(1,413,097)	(1,298,348)	1,376,658	2,271,205	78,688

Continued on next page

Taylor Brothers Farm Ltd.
Non-Combined Statement of Earnings (Loss) and Retained Earnings
For the year ended December 31, 2014
(Unaudited - see Notice to Reader)

	2010	2011	2012	2013	2014
Contribution margin <i>(Continued from previous page)</i>	(1,413,097)	(1,298,348)	1,376,658	2,271,205	78,688
Land, buildings and finance expenses					
Amortization	-	-	-	5,067	5,067
Insurance and licenses (recovery of)	70,699	73,320	47,500	20,714	(26,448)
Interest and bank charges	96,706	196,931	338,754	380,409	241,026
Interest on long term debt	48,660	83,048	167,845	181,527	102,253
Interest on capital lease obligations	52,071	57,115	95,484	95,185	18,103
Life insurance	-	-	-	106,988	20,007
Property taxes	10,326	27,250	31,710	18,615	23,016
Rent	827,501	899,453	753,061	1,161,040	955,683
	1,105,963	1,337,117	1,434,354	1,969,545	1,338,707
Earnings (loss) from operations	(2,519,060)	(2,635,465)	(57,696)	301,660	(1,260,019)
Other revenues (expenses)					
Gain (loss) on disposal of property, plant and equipment	(38,797)	-	4,326	1,340,731	32,300
Government programs	2,709,062	1,697,852	(1,007,356)	22,500	1,500
Investment income	-	-	77	30	223
Rental income	23,124	24,063	35,000	6,000	-
Patronage allocations	-	-	-	-	(12,409)
Rebates	-	-	-	55,902	-
	2,693,389	1,721,915	(967,953)	1,425,163	21,614
Provision for (recovery of) income taxes					
Current	-	24,915	(24,915)	-	-
Net earnings (loss)	174,329	(938,465)	(1,000,734)	1,726,823	(1,238,405)
Retained earnings, beginning of year	2,851,948	3,026,277	2,087,812	1,087,078	2,813,901
Retained earnings, end of year	3,026,277	2,087,812	1,087,078	2,813,901	1,575,496

Taylor Brothers Farm Ltd.
Non-Combined Statement of Cash Flows

For the year ended December 31, 2014
(Unaudited - see Notice to Reader)

	2013	2014
Cash provided by (used for) the following activities		
Operating activities		
Net earnings (loss)	1,726,823	(1,238,405)
Amortization	287,600	303,425
Gain on disposal of property, plant and equipment	(1,340,731)	(32,300)
	673,692	(967,280)
Changes in working capital accounts		
Accounts receivable	(147,951)	(90,018)
Government assistance receivable	230,191	-
Income tax recoverable/payable	24,915	(4,079)
Goods and Services Tax receivable/payable	(20,571)	28,976
Inventory	(448,389)	532,827
Prepaid expenses	724,364	456,392
Accounts payable and accruals	(1,743,069)	813,387
	(706,818)	770,205
Financing activities		
Advances of long-term debt	250,760	-
Repayments of long-term debt	(929,500)	(275,435)
Repayment of advances from related party	(200,000)	-
Advances of capital lease obligations	62,398	89,900
Repayments of capital lease obligations	(461,978)	(514,724)
Cash advances	403,191	1,802,737
Repayment of cash advances	(614,132)	(1,802,737)
	(1,489,261)	(700,259)
Investing activities		
Purchases of property, plant and equipment	(2,015,683)	(208,696)
Proceeds on disposal of property, plant and equipment	4,442,799	84,028
Repayment of note receivable	-	88,100
Repayments of loans receivable	21,500	-
Advances to related parties	(387,563)	(450,252)
Repayment of advances to related parties	317,252	13,668
Funds on deposit	(36,132)	-
Repayments of funds on deposit	-	36,132
Advances of AgriInvest	(45,008)	-
Repayments of AgriInvest	-	44,943
	2,297,165	(392,077)
Increase (decrease) in cash resources	101,086	(322,131)
Cash deficiency, beginning of year	(2,116,287)	(2,015,201)
Cash deficiency, end of year	(2,015,201)	(2,337,332)

Taylor Brothers Farm Ltd.
Notes to the Non-Combined Financial Statements

For the year ended December 31, 2014
(Unaudited - see Notice to Reader)

1. Incorporation and nature of business

Taylor Brothers Farm Ltd. (the "Company") was incorporated under the laws of the Province of Manitoba. Its principal operation is the farming of grains, oilseeds and pulse crops.

2. Inventory

	2013	2014
Canola	367,500	-
Corn	80,100	22,273
Barley	28,000	-
Rye	79,500	-
	555,100	22,273

3. Property, plant and equipment

	2013 Net book value	Cost	Accumulated amortization	2014 Net book value
Land	2,972,845	2,972,845	-	2,972,845
Buildings	13,951	15,944	2,392	13,552
Automotive	108,842	209,967	134,582	75,385
Computer equipment	4,993	39,611	34,095	5,516
Equipment	303,703	576,383	234,707	341,676
Furniture and fixtures	1,201	6,006	6,006	-
Land improvements	295,562	295,562	-	295,562
	3,701,097	4,116,318	411,782	3,704,536
Buildings under capital lease	167,594	186,721	23,795	162,926
Equipment under capital lease	887,641	1,261,207	499,687	761,520
Vehicle under capital lease	206,087	680,896	493,916	186,980
	1,261,322	2,128,824	1,017,398	1,111,426
	4,962,419	6,245,142	1,429,180	4,815,962

4. Advances to related parties

The advances are non-interest bearing and are not due within the next year. 5608067 Manitoba Ltd. owns 50% of the issued common shares of the Company. Edwin Potato Growers Ltd. is related to the Company by virtue of common control.

	2013	2014
5608067 Manitoba Ltd.	1,465,330	1,778,361
Edwin Potato Growers Ltd.	960,484	1,084,037
	2,425,814	2,862,398

Taylor Brothers Farm Ltd.
Notes to the Non-Combined Financial Statements
For the year ended December 31, 2014
(Unaudited - see Notice to Reader)

5. Note receivable

	2013	2014
Note received in the year.	88,100	-

6. Bank indebtedness

Bank indebtedness also includes an authorized operating loan subject to interest at prime plus 1.875% amounting to \$1,985,352 (2013 – \$1,550,763) to a maximum of \$2,000,000. Assets pledged as collateral are a general security agreement providing a first fixed and floating charge over the assets of the Company, personal and corporate guarantees from the shareholders in the amount of \$450,000, guarantees from a related party in the amount of \$80,000 and in the amount of \$500,000.

Bank indebtedness also includes a line of credit subject to interest at 6.000% amounting to \$353,338 (2013 - \$471,873) to a maximum of \$500,000. Assets pledged as collateral are personal and corporate guarantees from the shareholders and a security interest in all present and after-acquired property, including crops and growing crops, and all proceeds derived from the sale of such property.

7. Long-term debt

	2013	2014
Term loan repaid in the year.	207,410	-
Term loan payable in semi-annual instalments of \$13,750 plus interest at 6.60%, due 2018. Secured by land with a net book value of \$823,000.	412,500	398,750
Term loan payable in semi-annual instalments of \$11,150 plus interest at 6.60%, due 2018. Secured by land with a net book value of \$823,000.	111,500	100,350
Term loan payable in semi-annual instalments of \$43,125 plus interest at prime rate plus 2.00%, due on demand. Secured by land with a net book value of \$2,149,845.	1,552,500	1,509,375
	2,283,910	2,008,475
Less: current portion	892,000	204,000
Less: term loans due on demand	-	1,380,000
	1,391,910	424,475

Principal repayments on long-term debt in each of the next five years, assuming all term debt is subject to contractual terms of repayment, are estimated as follows:

2015	204,000
2016	136,000
2017	136,000
2018	136,000
2019	136,000

Taylor Brothers Farm Ltd.
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8. Capital lease obligation

	2013	2014
Cultivator lease repaid in the year.	3,087	-
Spreader lease repaid in the year.	14,830	-
Harrow lease repaid in the year.	3,786	-
Grain cart lease repaid in the year.	7,896	-
Packer lease repaid in the year.	1,356	-
Harrow lease repaid in the year.	11,932	-
Seed tender lease repaid in the year.	4,080	-
Combine lease repaid in the year.	42,573	-
Trailer lease repaid in the year.	15,600	-
Farm implement lease repaid in the year.	64,235	-
Vehicle lease payable repaid in the year.	19,034	-
Trailer and excavator lease repaid in the year.	64,887	-
Fuel trailer lease payable in monthly instalments of \$223 including interest at 12.52%, due January 2015, secured by equipment with a net book value of \$1,103 (2013 - \$2,757).	3,256	853
Grain and fertilizer bin lease payable in semi-annual instalments of \$17,152 including interest at 7.68%, due September 2016, secured by assets with a net book value of \$147,461 (2013 - \$151,674).	76,456	47,477
Seed drill lease payable in semi-annual instalments of \$1,335 including interest at 7.75%, due March 2016, secured by equipment with a net book value of \$6,075 (2013 - \$7,290).	4,757	2,411
Farm equipment lease payable in monthly instalments of \$10,018 including interest at 4.34%, due January 2017, secured by equipment with a net book value of \$320,625 (2013 - \$366,429).	360,657	194,041
Sprayer lease payable in monthly instalments of \$2,425 including interest at 5.04%, due July 2017, secured by equipment with a net book value of \$90,254 (2013 - \$103,147).	101,863	68,228
Fertilizer tank lease payable in semi-annual instalments of \$5,500 including interest at 5.13%, due May 2018, secured by equipment with a net book value of \$41,519 (2013 - \$46,708).	43,455	34,574
Valmar applicator lease payable in semi-annual instalments of \$1,136 including interest at 5.83%, due May 2018, secured by equipment with a net book value of \$8,400 (2013 - \$9,450).	8,815	7,031

Taylor Brothers Farm Ltd.
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8. Capital lease obligation *(Continued from previous page)*

	2013	2014
2012 Kenworth T800 truck lease payable in monthly instalments of \$2,687 including interest at 4.83%, due June 2017, secured by truck with a net book value of \$86,169.	-	73,118
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	852,555	427,733
Less: current portion	425,000	203,000
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	427,555	224,733

Future minimum lease payments related to obligations under capital lease are as follows:

2015	203,000
2016	188,000
2017	43,000
<hr/>	
	434,000
Less: imputed interest	(28,000)
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	406,000
Less: current portion	(203,000)
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	203,000

9. Advances from related party

The advance is not subject to interest and is not due within the next year. 5606269 Manitoba Ltd. owns 50% of the issued common shares of the Company.

	2013	2014
5606269 Manitoba Ltd.	1,045,666	1,045,666
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10. Share capital

	2013	2014
Issued		
Common shares		
100 Class A voting shares	100	100
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Taylor Brothers Farm Ltd.
Notes to the Non-Combined Financial Statements
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11. Revenue

	2013 <i>Total revenue</i>	<i>Liquidated</i>	<i>Change in inventory</i>	2014 <i>Total revenue</i>
Crop sales				
Barley	28,000	19,329	(28,000)	(8,672)
Canola	878,007	1,902,764	(367,500)	1,535,264
Corn	108,329	64,350	(57,827)	6,523
Rye	79,500	73,299	(79,500)	(6,201)
Soybean	475,629	188,168	-	188,168
Winter wheat	688,647	-	-	-
Beans	3,907,902	3,297,794	-	3,297,794
Total	6,166,014	5,545,704	(532,827)	5,012,876

12. Comparative figures

Certain comparative figures have been reclassified to conform with current year presentation.

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