The Bay Wind Field Inc.
Non-Consolidated Financial Statements
(Unaudited)
October 31, 2011

Contents

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Review Engagement Report

To the shareholders of
The Bay Wind Field Inc.

I have reviewed the non-consolidated balance sheet of The Bay Wind Field Inc. as at October 31, 2011 and the non-consolidated statement of loss and deficit for the period then ended. My review was made in accordance with Canadian generally accepted standards for review engagements and accordingly consisted primarily of enquiry, analytical procedures and discussion related to information supplied to me by the Company.

A review does not constitute an audit and consequently I do not express an audit opinion on these non-consolidated financial statements.

Based on my review, nothing has come to my attention that causes me to believe that these non-consolidated financial statements are not, in all material respects, in accordance with Canadian generally accepted accounting principles for private enterprises.

Jeremy Sanford

Digby, Nova Scotia
February 28, 2012

Chartered Accountant Inc.

The Bay Wind Field Inc.
Non-Consolidated Statement of Loss and Deficit

(Unaudited)
For the Period Ended

	October 31 2011 (10 months)	December 31 2010 (12 months)
Revenue		
Interest	$ 10,626	$ 12,837
Miscellaneous	-	170
	10,626	13,007
Operating expenses		
Administrative fees	5,318	8,988
Advertising	335	507
Courier and postage	207	163
Director fees	4,000	5,000
Dues and fees	1,319	340
Insurance	3,563	5,000
Interest and bank charges	144	169
Office supplies	160	1,111
Professional fees	2,990	2,345
Sales commissions	2,628	3,760
Telephone and internet	1,217	2,302
Travel	3,670	2,678
	25,551	32,363
Net loss	$ (14,925)	$ (19,356)

Deficit, beginning of period	$ (356,392)	$ (337,036)
Net loss	(14,925)	(19,356)
Deficit, end of period	$ (371,317)	$ (356,392)

See Accompanying Notes

The Bay Wind Field Inc.
Non-Consolidated Balance Sheet
(Unaudited)
As at October 31, 2011

	October 31 2011	December 31 2010
Assets		
Current		
Cash and cash equivalents	**$ 121,693**	$ 81,773
Receivables	**1,083**	2,313
Current portion of loans receivable (Note 3)	**8,500**	-
Prepaid expenses	**1,628**	-
	132,904	84,086
Loans receivable (Note 3)	**76,500**	85,000
Investments (Note 4)	**723,970**	723,970
Investment in subsidiary (Note 5)	**188,954**	112,800
	$ 1,122,328	$ 1,005,856
Liabilities		
Current		
Payables and accruals	**$ 1,957**	$ 1,996
Due to The Gold Coast Wind Field Inc.	**3,415**	-
	5,372	1,996
Shareholders' Equity		
Capital stock (Note 6)	**1,488,273**	1,360,252
Deficit	**(371,317)**	(356,392)
	1,116,956	1,003,860
	$ 1,122,328	$ 1,005,856

See Accompanying Notes

On behalf of the Board

_______________ Director

The Bay Wind Field Inc.
Non-Consolidated Statement of Cash Flows

(Unaudited)
October 31, 2011

Increase (decrease) in cash and cash equivalents

	October 31 2011 (10 months)	December 31 2010 (12 months)
Operating		
Net loss	**$ (14,925)**	$ (19,356)
Changes in non-cash working capital		
Receivables	**1,230**	(2,314)
Prepaid expenses	**(1,628)**	-
Payables and accruals	**(39)**	-
Due to The Gold Coast Wind Field Inc.	**3,415**	-
	(11,947)	(21,670)
Financing		
Issue of capital stock	**128,021**	81,400
Investing		
Purchase of investment in subsidiary	**(76,154)**	-
Net increase in cash and cash equivalents	**39,920**	59,730
Cash and cash equivalents, beginning of period	**81,773**	22,043
Cash and cash equivalents, end of period	**$ 121,693**	$ 81,773

See Accompanying Notes

1. Nature of operations

The Company invests in companies involved in the construction and operation of electrical generation facilities using wind turbines and is registered as a Community Economic Development Corporation under the Nova Scotia Equity Tax Credit Act.

2. Summary of significant accounting policies

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles for private enterprises and include the following significant accounting policies:

(a) **Use of estimates**
The preparation of the financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual amounts may differ from those estimates.

(b) **Revenue recognition**
Revenues are recognized when reasonable certainty exists that interest, dividend or other revenues will be received.

(c) **Income taxes**
The Company applies the future taxes method of accounting for income taxes.

(d) **Cash and cash equivalents**
Cash and cash equivalents include cash on hand, balances with banks, and highly liquid temporary money market securities with original maturities of three months or less. Bank borrowings are considered financing activities.

(e) **Investments**
Investments are accounted for at cost.

(f) **Investment - subsidiary**
The investment in the subsidiary is accounted for at cost and the Company issues only non-consolidated financial statements.

(g) **Financial instruments**
Measurement of financial instruments
The entity initially measures its financial assets and liabilities at fair value, except for certain non-arm's length transactions.

The entity subsequently measures all its financial assets and liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in net income.

Financial assets measured at amortized cost include cash and cash equivalents, accounts receivable, investments and loans receivable.

Financial liabilities measured at amortized cost include accounts payable and the amount due to The Gold Coast Wind Field Inc.

None of the entity's financial assets are required to be measured at fair value.

2. Summary of Significant Accounting Policies (continued)

(g) **Financial instruments (continued)**

Impairment

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in net income. The previously recognized impairment loss may be reversed to the extent of the 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 reversal had the impairment not been recognized previously. The amount of the reversal is recognized in net income.

Transaction costs

The entity recognizes its transaction costs in net income in the period incurred. However, financial instruments that will not be subsequently measured at fair value are adjusted by the transactions costs that are directly attributable to their organization, issuance or assumption.

3. Loans receivable

	2011	2010
Loan to Lewis Mouldings and Wood Specialties Limited, 15% annual interest payable monthly, no set terms of repayment. Effective November 21, 2011, the Company has the right to demand repayment of up to 10% of the principal amount outstanding.	$ 85,000	$ 85,000
Current portion of loan	8,500	-
	$ 76,500	$ 85,000

4. Investments

	2011	2010
2,677,455 (2010 - 2,677,455) shares of Renewable Energy Services Limited	$ 486,196	$ 486,196
438,870 (2010 - 438,870) shares of Scotian Windfields Inc.	87,774	87,774
870,000 (2010 - 870,000) shares of Fourth Generation Capital Corporation Limited	150,000	150,000
	$ 723,970	$ 723,970

The investments represent a portfolio of private investments for which the market value cannot be determined. The proportion of ownership interest for these investments cannot be determined as the information is not readily available.

5. Investment in subsidiary

	2011	2010
560,000 (2010 - 408,000) shares of The Gold Coast Wind Field Inc.	**188,954**	112,800

The Company owns 100% of the shares of The Gold Coast Wind Field Inc. The investment in the subsidiary is accounted for at cost.

6. Capital stock

	2011	2010
37,643,321 (2010 - 37,515,300) common shares	**$ 1,488,273**	$ 1,360,252

During the year, the Company issued 55,367 shares at $1 per share for total proceeds of $55,367.

During the year, the Company issued 72,654 shares in exchange for 145,308 shares of The Gold Coast Wind Field Inc. This share exchange was valued at $1 per share issued totaling $72,654.

An adjustment of 1,200 shares has been made to the opening number of shares outstanding to correct an error.

7. Income tax loss carryforward

The Company has not recorded in its financial statements the income tax benefits of losses carried forward of $323,862. These losses are available to reduce taxable income in future years and, if not utilized, will expire as follows:

2014	$	7,325
2015	$	46,831
2026	$	73,664
2027	$	59,374
2028	$	55,597
2029	$	32,674
2030	$	32,601
2031	$	15,796

8. Subsequent events

(a) Effective November 1, 2011, the Company amalgamated with The Gold Coast Wind Field Inc, a wholly owned subsidiary. The new company name is The Bay Wind Field Inc.

(b) Subsequent to the year end, the Company purchased 50,413 shares of Scotian Windfields Inc for cash consideration of $50,413.

(c) The Company's offering document dated January 12, 2012 was approved by the Nova Scotia Securities Commission on January 20, 2012. Under this document, the Company is offering to issue shares at $1 per share with a minimum total offering of $50,000 and a maximum total offering of $3,000,000. The minimum offering amount and all other conditions of the initial closing must be achieved on or before April 2, 2012. Additional terms of the share offering are described in the "CEDIF Offering Document" dated January 12, 2012 which is available from the Company's office.

9. Financial instrument

Risks and concentrations
The entity is exposed to various risks through its financial instruments. The following analysis provides a measure of the entity's risk exposure and concentrations at the balance sheet date.

Liquidity risk
Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The entity is not significantly exposed to this risk.

Credit risk
Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The entity's main credit risk relate to its loans receivable.

Market risk
Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The entity is mainly exposed to other price risk.

Other price risk.
Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The entity is exposed to other price risk through its investments.

10. Change in the basis of accounting

The entity has elected to apply the standards in Part II of the CICA Accounting Handbook for private enterprises in accordance with Canadian generally accepted accounting principles.

These financial statements are the first financial statements for which the entity has applied Canadian generally accepted accounting principles for private enterprises.

The corresponding figures for the prior period were not reviewed in accordance with Part II of the CICA Accounting Handbook for private enterprises.

The financial statements for the period ended October 31, 2011 were prepared in accordance with accounting principles and provisions set out in FIRST-TIME ADOPTION, Section 1500, for first-time adopters of this basis of accounting.

There was no impact of adopting this basis on the deficit at the date of transition.