

**Deer Lake First Nation
Consolidated Financial Statements**
March 31, 2020

Deer Lake First Nation
Consolidated Financial Statements - Table of Contents
For the year ended March 31, 2020

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Management's Responsibility

To the Members of Deer Lake First Nation:

The accompanying financial statements of Deer Lake First Nation (the "First Nation") are the responsibility of management and have been approved by the Chief and Council of the First Nation.

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate accounting policies and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Deer Lake First Nation Chief and Council is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial statements. The Chief and Council fulfills these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Chief and Council is also responsible for recommending the appointment of the First Nation's external auditors.

MNP LLP, an independent firm of Chartered Professional Accountants, is appointed by the Chief and Council on behalf of the Members, to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Chief and Council and management to discuss their audit findings.

December 9, 2020


Yvonne Remmington
Band Administrator

To the Members of Deer Lake First Nation:

Opinion

We have audited the financial statements of Deer Lake First Nation (the "First Nation"), which comprise the statement of financial position as at March 31, 2020, and the statements of operations and accumulated surplus, changes in net debt and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the First Nation as at March 31, 2020, and the results of its operations, changes in its net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

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 Consolidated Financial Statements section of our report. We are independent of the First Nation in accordance with the ethical requirements that are relevant to our audit of the 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 presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the First Nation'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 First Nation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the First Nation'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 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 financial statements.

ACCOUNTING > CONSULTING > TAX

TRUE NORTH SQUARE

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 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 First Nation'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 First Nation'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 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 First Nation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the 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 First Nation 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.

Winnipeg, Manitoba

MNP LLP

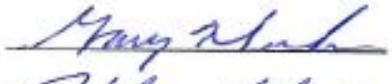
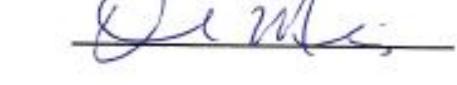
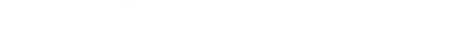
December 9, 2020

Chartered Professional Accountants

Deer Lake First Nation
Consolidated Statement of Financial Position
As at March 31, 2020

| | 2020 | 2019 |
|--|-------------------|-------------|
| Financial assets | | |
| Cash | 6,020,727 | 2,716,022 |
| Accounts receivable (Note 3) | 1,021,633 | 1,274,611 |
| Portfolio investments (Note 4) | 338,748 | 451,728 |
| Restricted cash (Note 5) | 529,895 | 417,675 |
| | 7,911,003 | 4,860,036 |
| Liabilities | | |
| Accounts payable and accruals (Note 6) | 1,852,153 | 2,007,009 |
| Deferred revenue (Note 7) | 3,043,581 | 979,597 |
| Long-term debt (Note 8) | 2,778,404 | 2,921,966 |
| | 7,674,138 | 5,908,572 |
| Net financial assets (net debt) | 236,865 | (1,048,536) |
| Contingencies (Note 9) | | |
| Non-financial assets | | |
| Tangible capital assets (Schedule 1) | 20,669,077 | 23,603,834 |
| Inventories held for use (Note 10) | 1,015,748 | 1,853,779 |
| Prepaid expenses | 474,392 | 199,532 |
| | 22,159,217 | 25,657,145 |
| Accumulated surplus (Note 11) | 22,396,082 | 24,608,609 |

Approved on behalf of Chief and Councillor

| | | | |
|--|--|--|---|
|     | <p>Chief</p> <p>Councillor</p> <p>Councillor</p> <p>Councillor</p> |     | <p>Councillor</p> <p>Councillor</p> <p>Councillor</p> |
|--|--|--|---|

Deer Lake First Nation
Consolidated Statement of Operations and Accumulated Surplus
For the year ended March 31, 2020

| | <i>Schedules</i> | <i>2020 Budget</i> | <i>2020</i> | <i>2019</i> |
|---|-------------------|------------------------|--------------------|-------------|
| Revenue | | | | |
| Indigenous Services Canada (Note 12) | 9,753,373 | 16,709,361 | 13,304,529 | |
| Ministry of Community and Social Services | 1,601,596 | 2,507,102 | 2,586,539 | |
| Ontario First Nations Limited Partnership (Note 13) | 1,276,620 | 1,334,491 | 1,542,636 | |
| Canada Mortgage and Housing Corporation | 428,338 | 457,451 | 318,344 | |
| Sioux Lookout Area Aboriginal Management Board | - | 227,561 | 279,776 | |
| Ministry of Health and Long Term Care | 134,663 | 310,696 | 285,989 | |
| Rent | 347,302 | 572,450 | 500,950 | |
| Other revenue | 7,332,842 | 2,349,414 | 2,897,774 | |
| Revenue deferred from prior year (Note 7) | - | 979,597 | 1,685,578 | |
| Revenue deferred to subsequent year (Note 7) | - | (3,043,581) | (979,597) | |
| | 20,874,734 | 22,404,542 | 22,422,518 | |
| Segment expenses | | | | |
| Arena | 4 | 116,851 | 74,744 | 71,651 |
| Band Housing | 5 | 2,992,539 | 1,279,545 | 1,026,245 |
| Capital | 6 | 303,900 | - | (9,724) |
| CMHC Housing | 7 | 279,324 | 353,882 | 385,556 |
| Deer Cable | 8 | 221,510 | 227,806 | 309,341 |
| Educational Services | 9 | 5,859,438 | 4,897,374 | 5,331,957 |
| Economic Development | 10 | 74,003 | 66,596 | 121,168 |
| First Nations Management | 11 | 7,620,011 | 6,809,733 | 6,688,317 |
| Health Services | 12 | 2,658,295 | 3,302,156 | 3,426,338 |
| Ontario First Nations Limited Partnership | 13 | 1,207,150 | 1,251,491 | 1,028,090 |
| Operating Programs | 14 | 262,729 | 987,884 | 375,718 |
| Public Works | 15 | 2,682,771 | 2,053,486 | 2,292,808 |
| Social Services | 16 | 2,231,492 | 3,312,372 | 3,415,962 |
| Total segment expenses (Schedule 2) | | 26,510,013 | 24,617,069 | 24,463,427 |
| Deficit | | (5,635,279) | (2,212,527) | (2,040,909) |
| Accumulated surplus, beginning of year | | 26,608,609 | 24,608,609 | 26,649,518 |
| Accumulated surplus, end of year | | 20,973,330 | 22,396,082 | 24,608,609 |

The accompanying notes are an integral part of these consolidated financial statements

Deer Lake First Nation
Consolidated Statement of Changes in Net Debt
For the year ended March 31, 2020

| | 2020 <i>Budget</i> | 2020 | 2019 |
|--|------------------------------|--------------------|--------------------|
| Annual deficit | (5,635,279) | (2,212,527) | (2,040,909) |
| Purchases of tangible capital assets | - | (2,507,626) | (1,454,924) |
| Amortization | - | 5,442,383 | 4,993,099 |
| Change in inventories held for use | - | 838,031 | (1,104,064) |
| Change in prepaid expenses | - | (274,860) | (12,032) |
| Increase (decrease) in net debt | (5,635,279) | 1,285,401 | 381,170 |
| Net debt, beginning of year | (1,048,356) | (1,048,536) | (1,429,706) |
| Net financial assets, end of year | (6,683,635) | 236,865 | (1,048,536) |

Deer Lake First Nation
Consolidated Statement of Cash Flows
For the year ended March 31, 2020

| | 2020 | 2019 |
|---|------------------|-------------|
| Cash provided by (used for) the following activities | | |
| Operating activities | | |
| Deficit | (2,212,527) | (2,040,909) |
| Non-cash items | | |
| Amortization | 5,442,383 | 4,993,099 |
| | 3,229,856 | 2,952,190 |
| Changes in working capital accounts | | |
| Accounts receivable | 252,978 | 113,380 |
| Accounts payable and accruals | (154,856) | 569,674 |
| Deferred revenue | 2,063,984 | (705,981) |
| Inventories held for use | 838,031 | (1,104,064) |
| Prepaid expenses | (274,860) | (12,032) |
| | 5,955,133 | 1,813,167 |
| Financing activities | | |
| Advances of long-term debt | 83,600 | 198,166 |
| Repayment of long-term debt | (227,162) | (718,769) |
| | (143,562) | (520,603) |
| Capital activity | | |
| Purchases of tangible capital assets | (2,507,626) | (1,454,924) |
| Investing activities | | |
| Change in investments | 112,980 | 48,665 |
| Change in restricted cash | (112,220) | (906) |
| | 760 | 47,759 |
| Increase (decrease) in cash | 3,304,705 | (114,601) |
| Cash, beginning of year | 2,716,022 | 2,830,623 |
| Cash, end of year | 6,020,727 | 2,716,022 |

Deer Lake First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2020

1. Operations

Deer Lake First Nation (the "First Nation") is located in the province of Ontario, and provides various services to its members. Deer Lake First Nation includes the First Nation government and all related entities that are accountable to the First Nation and are either owned or controlled by the First Nation. The First Nation is exempt from Income Tax.

2. Significant accounting policies

These consolidated financial statements are the representations of management, prepared in accordance with Canadian public sector accounting standards and including the following significant accounting policies:

Reporting entity

The Deer Lake First Nation reporting entity includes the First Nation government and all related enterprises that are accountable to the First Nation and are either owned or controlled by the First Nation. The consolidated financial statements consolidate the financial activities of all entities and departments comprising the First Nation reporting entity.

The First Nation has consolidated the assets, liabilities, revenue and expenses of the following departments:

- First Nation Management
- Deer Lake Arena
- Deer Lake Cable
- Deer Lake Capital
- Deer Lake Band Housing
- Deer Lake Public Works
- Deer Lake Operating Programs
- Deer Lake Ontario First Nations Limited Partnership
- Deer Lake CMHC Housing
- Deer Lake Health Services
- Deer Lake Education Services
- Economic Development
- Deer Lake Social Services

All inter-entity balances have been eliminated on consolidation.

Basis of presentation

Sources of revenue and expenses are recorded on the accrual basis of accounting. The accrual basis of accounting recognizes revenue as it becomes available and measurable; expenses are recognized as they are incurred and measurable as a result of the receipt of goods or services and the creation of a legal obligation to pay.

Asset classification

Assets are classified as either financial or non-financial. Financial assets are assets that could be used to discharge existing liabilities or finance future operations. Non-financial assets are acquired, constructed or developed assets that do not normally provide resources to discharge existing liabilities but are employed to deliver government services, may be consumed in normal operations and are not for resale in the normal course of operations. Non-financial assets include tangible capital assets, prepaid expenses and inventories held for use.

Cash

Cash include balances with banks and short-term investments with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

Deer Lake First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2020

2. Significant accounting policies *(Continued from previous page)*

Investments

Portfolio investments

Portfolio investments which are owned by Deer Lake First Nation but not controlled by the First Nation are accounted for using the cost method. Any impairment in these investments which is other than temporary is charged against the amount the investment is reported. The First Nation includes investments in First Nations Limited Partnership, 2472881 Ontario Inc., NCC Development Limited Partnership, NCC Development Corporation, Ontario First Nations Limited Partnership, Ontario First Nation Sovereign Wealth Limited Partnership and OFN Asset Management GP Corporation as portfolio investments.

Other investments

Other investments include investments in Guaranteed Investment Certificates held with the First Nation's financial institution.

Funds held in trust

Funds held in trust on behalf of First Nation members by the Government of Canada in the Ottawa Trust Fund are reported on the consolidated statement of financial position as part of restricted cash.

- The capital trust is derived from non-renewable resource transactions on the sale of land or other First Nation tangible capital assets; and
- The revenue trust is generated primarily through land leasing transactions or interest earned on deposits held in trust.

Tangible capital assets

Tangible capital assets are initially recorded at cost based on historical cost accounting records.

Amortization

Tangible capital assets are amortized annually using the straight-line method at the following rates which are intended to amortize the cost of the assets over their estimated useful lives

| | Years |
|----------------|--------------|
| Automotive | 5 |
| Equipment | 4 |
| Housing | 5 - 15 |
| Infrastructure | 15 - 25 |
| CMHC housing | 25 |

Long-lived assets

Long-lived assets consist of tangible capital assets. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

The First Nation performs impairment testing on long-lived assets held for use whenever events or changes in circumstances indicate that the carrying amount of an asset, or group of assets, may not be recoverable. Impairment is measured as the amount by which the asset's carrying amount exceeds its fair value. Fair value is measured using quoted market prices. Any impairment is included in surplus for the year.

Inventories held for use

Inventory is valued at the lower of cost and net realizable value. Cost is determined on a first-in, first-out basis. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling costs.

Deer Lake First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2020

2. Significant accounting policies *(Continued from previous page)*

Net debt

The First Nation's consolidated financial statements are presented so as to highlight net debt as the measurement of financial position. The net debt of the First Nation is determined by its financial assets less its liabilities. Net debt is comprised of two components, non-financial assets and accumulated surplus.

Revenue recognition

Government Transfers

Government transfer revenue, including, but not limited to, Indigenous Services Canada and Canada Mortgage and Housing Corporation funding, is recognized as the funding becomes receivable under the terms of applicable funding agreements. Funding received under the funding arrangements that relate to a subsequent fiscal period is reflected as deferred revenue on the consolidated statement of financial position in the year of receipt, and is matched with related department expenses in the year of their occurrence. Funding that is restricted for particular purposes is deferred and recognized when the eligible expenses have been incurred.

Ontario First Nations Limited Partnership

Revenue from Ontario First Nations Limited Partnership is recognized in the period in which the revenue was earned.

Other revenue

Rent and resident fees is recorded in the year it is earned.

Investment and interest revenue is recognized on an accrual basis in the year that it is earned, and included in other revenue.

All other types of revenue are recognized by the First Nation when the services are provided or the goods are shipped and collectability is reasonably assured.

Measurement uncertainty

The preparation of consolidated financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenue and expenses during the reporting period.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of tangible capital assets. Provisions are made for slow moving and obsolete inventory. Deferred revenue is recorded based on management's analysis of the extent to which eligibility requirements have been met on government transfer revenue.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in operations in the periods in which they become known.

Liability for contaminated site

A liability for remediation of a contaminated site is recognized at the best estimate of the amount required to remediate the contaminated site when contamination exceeding an environmental standard exists, the First Nation is either directly responsible or accepts responsibility, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount is determinable. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available at March 31, 2020.

At each financial reporting date, the First Nation reviews the carrying amount of the liability. Any revisions required to the amount previously recognized is accounted for in the period revisions are made. The First Nation continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

Deer Lake First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2020

2. Significant accounting policies *(Continued from previous page)*

Segments

The First Nation conducts its business through thirteen reportable segments listed below. These operating segments are established by senior management to facilitate the achievement of the First Nation's long-term objectives to aid in resource allocation decisions, and to assess operational performance.

For each reported segment, revenue and expenses represent amounts that are directly attributable to the segment. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information.

Arena - activities include providing sporting programs for youth and adults in the area.

Band Housing - activities include the management and maintenance of non-CMHC houses for community members.

Capital - activities include the planning, managing and delivery of large scale infrastructure projects to the community.

CMHC Housing - activities include the management and maintenance of CMHC houses for community members.

Deer Cable - provides cable, phone and internet services to the community.

Education Services - activities include overseeing many aspects of educational opportunities for its members at all levels of learning both within the community and externally.

Economic Development - activities to increase economic opportunities for the community.

First Nation Management - activities include the governance function relating to decisions that define expectations, grant power or verify performance.

Health Services - activities include the delivery of health services to the community.

Ontario First Nations Limited Partnership - activities include providing a form of gaming entertainment for community members which generate revenue for the discretionary needs of community members.

Operating Programs - activities include planning, managing and delivery of various projects/programs involving various programs such as employment, infrastructure, repairs and maintenance, and training.

Public Works - activities include the development and maintenance of the community's infrastructure, buildings, roads, bridges and related equipment and the provision of other more specialized community services.

Social Services - activities include satisfying the economic, social or health related needs of members of the community who require assistance.

3. Accounts receivable

| | 2020 | 2019 |
|--|------------------|------------------|
| Trade and other receivable | 962,285 | 735,974 |
| Members | 528,097 | 511,529 |
| Ontario Works | 33,014 | 41,125 |
| Ministry of Northern Development and Mines | 33,674 | 33,341 |
| Indigenous Services Canada | 56,812 | 470,669 |
| Canada Mortgage and Housing Corporation | 174,337 | 24,728 |
| Harmonized Sales Tax receivable | 7,637 | 199,817 |
| Ministry of Health | 23,336 | 21,679 |
| Nishnawbe Aski Nation | - | 119,955 |
| | 1,819,192 | 2,158,817 |
| Less: Allowance for doubtful accounts | 797,559 | 884,206 |
| | 1,021,633 | 1,274,611 |

The allowance for doubtful accounts pertains to trade and other receivables and members.

Deer Lake First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2020

4. Investments

| | 2020 | 2019 |
|---|----------------|----------------|
| Guaranteed Investment Certificates | | |
| Matures April 23, 2021, interest bearing at 1.60% per annum | 206,028 | 204,800 |
| Matures April 29, 2021, interest bearing at 1.60% per annum | 121,327 | 120,603 |
| Matures April 30, 2021, interest bearing at 1.60% per annum | 9,911 | 9,852 |
| Matures May 26, 2021, interest bearing at 1.60% per annum | 1,457 | 1,448 |
| Redeemed during the year | - | 115,000 |
| | 338,723 | 451,703 |
| Portfolio investments - measured at cost | | |
| First Nations Limited Partnership - 1 unit constituting 4.55% interest | 10 | 10 |
| 2472881 Ontario Inc. - 1 share, 4.55% interest | 10 | 10 |
| NCC Development Limited Partnership - 1 unit, 16.67% interest | 1 | 1 |
| NCC Development Corporation - 1 share, 16.67% interest | 1 | 1 |
| OFN Asset Management GP Corporation - 1 share, 0.77% interest | 1 | 1 |
| Ontario First Nations Sovereign Wealth Limited Partnership - 1 unit, 0.77% interest | 1 | 1 |
| Ontario First Nations Limited Partnership - 1 unit constituting 0.77% interest | 1 | 1 |
| | 25 | 25 |
| | 338,748 | 451,728 |

Deer Lake First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2020

5. Restricted cash

| | 2020 | 2019 |
|--------------------------|----------------|----------------|
| Ottawa Trust Funds | 46,799 | 45,872 |
| CMHC replacement reserve | 483,096 | 371,803 |
| | 529,895 | 417,675 |

Ottawa Trust Fund

The Ottawa Trust Fund arises from monies derived from capital or revenue sources as outlined in Section 62 of the Indian Act. These funds are held in trust in the Consolidated Revenue Fund of the Government of Canada and are subject to audit by the Office of the Auditor General of Canada. The management of these funds is similarly governed by Sections 63 to 69 of the Indian Act. Revenue from the Ottawa Trust Fund is recognized in the year in which it is earned, when it is measurable and when collection is reasonably assured. Trust monies are transferred to the First Nation on the authorization of the Minister of Indigenous Services Canada, with consent of the First Nation's Chief and Council.

Capital trust \$1,884 (2019 - \$1,884); interest revenue - \$nil (2019 - \$nil)
 Revenue trust \$44,915 (2019 - \$43,988); interest revenue - \$927 (2019 - \$1,044)

CMHC replacement reserve

As required as part of the First Nation's Canada Mortgage and Housing Corporation ("CMHC") Housing program, a separate bank account has been established for replacement of capital equipment and for major repairs to the houses. Under the terms of the agreements with CMHC, the replacement reserve must either be held in a separate bank account or invested in accounts or instruments secured by the Canada Deposit Insurance Corporation or as may otherwise be approved by CMHC from time to time. At March 31, 2020, the replacement reserve bank account was fully funded (2019 - under funded by \$75,943).

CMHC operating surplus reserve

Under the terms of the agreements with CMHC, excess federal assistance payments received may be retained in an operating surplus reserve. The reserve is to be comprised of monies deposited in a separate bank account and/or invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as may otherwise be approved by CMHC from time to time. The funds in this account may only be used to meet future subsidy requirements of income-tested occupants. The reserve has not been funded in a separate interest bearing account at March 31, 2020 or 2019.

6. Accounts payable and accruals

| | 2020 | 2019 |
|-------------------------------|------------------|------------------|
| Trade accounts payable | 1,597,322 | 1,828,481 |
| Accrued salaries and benefits | 254,610 | 178,307 |
| Indigenous Services Canada | 221 | 221 |
| | 1,852,153 | 2,007,009 |

Deer Lake First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2020

7. Deferred revenue

The following table represents changes in the deferred revenue balance attributable to each major category of external restrictions:

| | <i>Balance, beginning of year</i> | <i>Contributions received</i> | <i>Revenue Recognized</i> | <i>Balance, end of year</i> |
|---|---|-----------------------------------|-------------------------------|---------------------------------|
| Public Works - Water | - | 230,983 | - | 230,983 |
| Public Works - Wastewater Operations and Maintenance | - | 35,898 | - | 35,898 |
| Public Works - Water and Sewer Extension | - | 1,493 | - | 1,493 |
| Health - Headstart | - | 21,047 | - | 21,047 |
| Health - Operation and Maintenance | - | 4,048 | - | 4,048 |
| Health - Building Healthy Communities | - | 3,420 | - | 3,420 |
| Health - Aboriginal Diabetes Initiatives | - | 7,387 | - | 7,387 |
| Health - Brighter Futures | - | 5,847 | - | 5,847 |
| Health - Community Health Promotion | - | 5,992 | - | 5,992 |
| Health - Canada Prenatal Nutrition | - | 3,562 | - | 3,562 |
| Health - Youth Suicide | - | 5,465 | - | 5,465 |
| Health - Healthy Child Development | 5,294 | 18,013 | 5,294 | 18,013 |
| Health - Maternal Child Health | - | 1,764 | - | 1,764 |
| Health - Management and Support | - | 27,333 | - | 27,333 |
| Health - National Native Alcohol and Drug Abuse Program | 34,006 | 28,597 | 34,006 | 28,597 |
| Health - Dental | - | 974 | - | 974 |
| Health - Medical Transportation | - | 30,335 | - | 30,335 |
| Health - Security | - | 7,680 | - | 7,680 |
| Health - Mental Wellness | 10,619 | 14,209 | 10,619 | 14,209 |
| Health - Healthy Living | 10,146 | 32,392 | 10,146 | 32,392 |
| Health - Communicable Disease Control | - | 376 | - | 376 |
| Health - Nutrition North Canada | - | 51 | - | 51 |
| Health - Jordan's Principle | - | 76,815 | - | 76,815 |
| Health - Jordan's Principle Choice | - | 117,872 | - | 117,872 |
| Health - Ministry of Health and Long-Term Care | - | 18,219 | - | 18,219 |
| Health - Opioid Agonist Treatment | 13,199 | 10,301 | 13,199 | 10,301 |
| Health - Clinical Support Worker | - | 51,170 | - | 51,170 |
| Administration - Governance - Capacity Development | 42,650 | 16,823 | 42,650 | 16,823 |
| Administration - CFS Band Rep Reimbursement | - | 414,924 | - | 414,924 |
| Social - Prevention Services | 97,334 | 45,022 | 97,334 | 45,022 |
| Social - SAPD - COVID -19 | - | 63,502 | - | 63,502 |
| Education - Special Education - High Cost | 19,004 | - | 19,004 | - |
| Education - Counselling | 212,555 | - | 212,555 | - |
| Education - New Path | 34,340 | - | 34,340 | - |
| Education - Jordan's Principal - Suicide Prevention | - | 124,680 | - | 124,680 |
| Education - Youth Life Promotion Initiatives | 59,046 | - | 59,046 | - |
| Education - Funding Flow Through | - | 1,617,387 | - | 1,617,387 |
| Education - First Nation Student Success Program | 88,404 | - | 88,404 | - |
| Band Housing - Insurance replacement proceeds | 353,000 | - | 353,000 | - |
| | 979,597 | 3,043,581 | 979,597 | 3,043,581 |

Deer Lake First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2020

8. Long-term debt

| | 2020 | 2019 |
|---|------------------|-------------|
| Phase 1 - Mortgage payable to CMHC in monthly payments of \$3,152 including interest at 1.12% per annum, renewal date of May 2020, maturity date of December 2024, secured by a Ministerial guarantee and assignment of fire insurance. | 174,865 | 210,509 |
| Phase 2 - Mortgage payable to CMHC in monthly payments of \$3,629 including interest at 2.35% per annum, renewal date of July 2023, maturity date of April 2028, secured by a Ministerial guarantee and assignment of fire insurance. | 320,483 | 356,066 |
| Phase 3 - Mortgage payable to CMHC in monthly payments of \$5,375 including interest at 1.12% per annum, renewal date of May 2020, maturity date of February 2030, secured by a Ministerial guarantee and assignment of fire insurance. | 605,127 | 662,497 |
| Phase 4 - Mortgage payable to CMHC in monthly payments of \$2,459 including interest at 1.98% per annum, renewal date of May 2020, maturity date of April 2034, secured by a Ministerial guarantee and assignment of fire insurance. | 362,677 | 384,784 |
| Phase 5 - Mortgage payable to CMHC in monthly payments of \$1,181 including interest at 1.04% per annum, renewal date of October 2020, maturity date of July 2035, secured by a Ministerial guarantee and assignment of fire insurance. | 200,795 | 212,809 |
| Phase 6 - Mortgage payable to CMHC in monthly payments of \$4,650 including interest at 2.49% per annum, renewal date of May 2022, maturity date of February 2038, secured by a Ministerial guarantee and assignment of fire insurance. | 806,785 | 842,077 |
| Equipment loan payable in two annual installments of \$99,083 plus interest of 1.50% per annum, maturity date of April 2022. Secured by equipment with a net book value of \$156,175 (2019 - \$234,262). | 198,166 | 198,166 |
| Equipment loan payable in monthly installments of \$2,402 including interest of 5.00% per annum, maturity date of June 2020. Secured by equipment with a net book value of \$27,500 (2019 - \$55,000). | 28,060 | 54,772 |
| Equipment loan payable in monthly installments of \$2,517 including interest of 5.30% per annum, maturity date of February 2023. Secured by equipment with a net book value of \$85,200 (2019 - \$nil). | 81,446 | - |
| <u>Loan repaid during the year</u> | <u>-</u> | <u>286</u> |
| | 2,778,404 | 2,921,966 |

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

| | |
|------|---------|
| 2021 | 354,932 |
| 2022 | 331,716 |
| 2023 | 235,110 |
| 2024 | 211,693 |
| 2025 | 205,846 |

Deer Lake First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2020

8. Long-term debt *(Continued from previous page)*

Subsequent to year-end, 4 mortgages with CMHC were subject to renewed loan terms, as follows:

- Phase 1 was renewed with required monthly payments of \$3,123 including interest at 0.69% per annum, maturing December 2024, with a scheduled renewal date of December, 2024.
- Phase 3 was renewed with required monthly payments of \$5,270 including interest at 0.70% per annum, maturing February 2030, with a scheduled renewal date of September 2025.
- Phase 4 was renewed with required monthly payments of \$2,263 including interest at 0.73% per annum, maturing April 2034, with a scheduled renewal date of July 2025.
- Phase 5 was renewed with required monthly payments of \$1,151 including interest at 0.68% per annum, maturing July 2035, with a scheduled renewal date of October 2025.

9. Contingencies

The First Nation has entered into contribution agreements with various federal and provincial government departments. Funding received under these contribution agreements is subject to repayment if the First Nation fails to comply with the terms and conditions of the agreements. As at March 31, 2020 the First Nation management believes they are in compliance with the terms and conditions of the agreements.

10. Inventories held for use

| | 2020 | 2019 |
|-----------|------------------|------------------|
| Materials | 564,353 | 1,244,927 |
| Fuels | 451,395 | 608,852 |
| | 1,015,748 | 1,853,779 |

11. Accumulated surplus

| | 2020 | 2019 |
|--|-------------------|-------------------|
| Ottawa Trust Funds | 46,799 | 45,872 |
| Investment in tangible capital assets | 17,890,673 | 20,681,868 |
| CMHC replacement reserve | 483,096 | 447,746 |
| CMHC operating fund reserve | 228,982 | 235,289 |
| Equipment replacement reserves | 83,680 | 83,680 |
| Internally restricted for capital construction | 642,874 | - |
| Operating surplus | 3,019,978 | 3,114,154 |
| | 22,396,082 | 24,608,609 |

During the year an amount of \$642,874 (2019 - \$nil) was included in accumulated surplus which has been internally restricted for future capital construction purposes.

Deer Lake First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2020

12. Reconciliation of funding from Indigenous Services Canada

The Indigenous Services Canada ("ISC") revenue of \$16,709,361 (2019 – \$13,304,529) on the consolidated statement of operations and accumulated surplus agrees to the ISC confirmation.

13. Ontario First Nations Limited Partnership

Based on the agreement between the Province of Ontario and Ontario First Nations Limited Partnership ("OFNLP"), the Province of Ontario shall pay to OFNLP twelve monthly payments equal to one-twelfth of 1.70% of the aggregate provincial gross gaming revenue. The use of these funds, according to agreements, is restricted to expenditures supporting community development, health, education, cultural development and economic development.

14. Operating facility

The First Nation has available total credit facilities of \$230,000 by way of revolving lines of credit bearing interest at prime plus 1.50% per annum, repayable on demand. The facilities are secured by first interest in all present and future acquired personal property of the First Nation, Band Council Resolutions ("BCRs") supporting the facilities, and BCRs directing all present and future Indigenous Services Canada funding directly to the CIBC branch in Sioux Lookout, Ontario, for deposit to the First Nation's bank accounts. No amounts were outstanding on these facilities at March 31, 2020 and 2019.

The prime rate at March 31, 2020 was 2.95% (2019 - 3.95%).

15. Economic dependence

Deer Lake First Nation receives a significant portion of its revenue from Indigenous Services Canada ("ISC") as a result of Treaties entered into with the Government of Canada. These Treaties are administered by ISC under the terms and conditions of the Indian Act. The ability of the First Nation to continue operations is dependent upon the Government of Canada's continued financial commitments as guaranteed by these Treaties.

16. Budget information

The disclosed budget information has been approved by the Chief and Council of Deer Lake First Nation.

17. Compliance with laws and regulations

First Nations Financial Transparency Act

The First Nation was required to post its consolidated financial statements on a website and submit the consolidated financial statements to Indigenous Services Canada by July 29, 2020. Since the audit report date is dated after this date, the First Nation has not complied with this requirement. The possible effect of this non-compliance has not yet been determined. The First Nation fully intends to post its consolidated financial statements on a website upon release of these consolidated financial statements.

Provision for site rehabilitation

The Ontario Environmental Protection Act sets out the regulatory requirements to properly close and maintain active and inactive landfill sites. Under this environmental law, there is a requirement for closure and post-closure care of solid waste sites including covering and landscaping and ongoing environmental monitoring, site inspection and maintenance. As directed by PS 3270, a liability must be recognized beginning when the landfill first accepts waste to the date the landfill stops accepting waste. The liability for closure and post-closure care is recognized as the site capacity is used to the extent of the proportion of site capacity used compared to the estimated total expenditure required for closure and post-closure care.

The estimated total expenditure represents the sum of discounted future cash flows associated with closure and post-closure care considering current technology, the length of the post-closure care period and current environmental regulations. Expenditures that relate to an existing condition caused by past operations, and which do not contribute to future asset service potential, are expensed in the current year.

At year-end, the extent to which the First Nation is bound by environmental laws of The Ontario Environmental Protection Act was not determinable, and therefore, no liability has been recorded in these consolidated financial statements.

Deer Lake First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2020

18. Comparative figures

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

Deer Lake First Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2020

| | <i>Automotive</i> | <i>Equipment</i> | <i>Housing</i> | <i>Infrastructure</i> | <i>CMHC Housing</i> | 2020 | 2019 |
|---|-------------------|------------------|-------------------|-----------------------|-------------------------|--------------------|--------------------|
| <hr/> | | | | | | | |
| Cost | | | | | | | |
| Balance, beginning of year | 2,179,941 | 3,359,490 | 31,207,414 | 89,138,165 | 4,703,671 | 130,588,681 | 129,133,757 |
| Acquisition of tangible capital assets | 545,240 | 527,308 | 1,269,000 | 166,078 | - | 2,507,626 | 1,454,924 |
| Balance, end of year | 2,725,181 | 3,886,798 | 32,476,414 | 89,304,243 | 4,703,671 | 133,096,307 | 130,588,681 |
| <hr/> | | | | | | | |
| Accumulated amortization | | | | | | | |
| Balance, beginning of year | 1,640,472 | 2,895,366 | 29,883,278 | 70,188,961 | 2,376,770 | 106,984,847 | 101,991,748 |
| Annual amortization | 393,167 | 302,664 | 176,642 | 4,381,763 | 188,147 | 5,442,383 | 4,993,099 |
| Balance, end of year | 2,033,639 | 3,198,030 | 30,059,920 | 74,570,724 | 2,564,917 | 112,427,230 | 106,984,847 |
| Net book value of tangible capital assets | 691,542 | 688,768 | 2,416,494 | 14,733,519 | 2,138,754 | 20,669,077 | 23,603,834 |
| 2019 Net book value of tangible capital assets | 539,469 | 464,124 | 1,324,136 | 18,949,204 | 2,326,901 | 23,603,834 | |

Deer Lake First Nation
Schedule 2 - Consolidated Schedule of Expenses by Object
For the year ended March 31, 2020

| | 2020 | 2019 |
|--|-------------------|-------------------|
| Consolidated expenses by object | | |
| Amortization | 5,442,383 | 4,993,099 |
| Bad debts (recovery) | (65,113) | 95,375 |
| Bank charges and interest | 26,887 | 33,906 |
| Fuel | 548,298 | 401,928 |
| Honouraria | 811,245 | 804,016 |
| Insurance | 574,069 | 487,078 |
| Interest on long-term debt | 60,316 | 99,761 |
| Other | 150,475 | 404,883 |
| Professional development | 220,234 | 309,859 |
| Professional fees | 464,395 | 498,577 |
| Program expense | 1,427,602 | 1,640,595 |
| Repairs and maintenance | 1,825,276 | 1,298,059 |
| Salaries and benefits | 7,383,847 | 7,433,809 |
| Social assistance | 3,039,598 | 2,771,314 |
| Supplies | 298,831 | 493,574 |
| Telephone | 106,119 | 120,731 |
| Training | 460,521 | 340,616 |
| Travel | 665,600 | 1,015,421 |
| Utilities | 818,676 | 970,802 |
| Youth activities | 357,810 | 250,024 |
| | 24,617,069 | 24,463,427 |

Deer Lake First Nation
Schedule 3 - Consolidated Summary Schedule of Segment Operations
For the year ended March 31, 2020

| | Schedule Number | Revenue | Expenses | Transfers From (To) | 2020 Surplus (Deficit) | 2019 Year Surplus (Deficit) |
|---|-----------------|-------------------|-------------------|---------------------|------------------------|-----------------------------|
| Segments | | | | | | |
| Arena | 4 | - | 74,744 | - | (74,744) | (71,651) |
| Band Housing | 5 | 2,279,517 | 1,279,545 | (101,730) | 898,242 | 270,749 |
| Capital | 6 | 586 | - | - | 586 | 10,184 |
| CMHC Housing | 7 | 259,291 | 353,882 | - | (94,591) | (124,767) |
| Deer Cable | 8 | 185,564 | 227,806 | - | (42,242) | (32,772) |
| Educational Services | 9 | 6,530,824 | 4,897,374 | (86,774) | 1,546,676 | 1,091,777 |
| Economic Development | 10 | 74,000 | 66,596 | - | 7,404 | 12,832 |
| First Nations Management | 11 | 1,033,414 | 6,809,733 | 393,515 | (5,382,804) | (4,315,714) |
| Health Services | 12 | 3,628,018 | 3,302,156 | (22,042) | 303,820 | 269,599 |
| Ontario First Nations Limited Partnership | 13 | 1,334,491 | 1,251,491 | (83,000) | - | - |
| Operating Programs | 14 | 1,381,744 | 987,884 | (187,281) | 206,579 | 331,546 |
| Public Works | 15 | 2,362,784 | 2,053,486 | 65,270 | 374,568 | 407,082 |
| Social Services | 16 | 3,158,276 | 3,312,372 | 22,042 | (132,054) | (41,100) |
| Total | | 22,228,509 | 24,617,069 | - | (2,388,560) | (2,192,235) |

Deer Lake First Nation
Arena
Schedule 4 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2020

| | 2020 | 2019 |
|---------------------------|-----------------|-------------|
| Expenses | | |
| Bank charges and interest | 114 | - |
| Insurance | 53,018 | 40,248 |
| Program expense | 148 | - |
| Repairs and maintenance | 1,530 | 599 |
| Utilities | 19,934 | 30,804 |
| | 74,744 | 71,651 |
| Deficit | (74,744) | (71,651) |

Deer Lake First Nation
Band Housing
Schedule 5 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2020

| | 2020 | 2019 |
|--|------------------|------------------|
| Revenue | | |
| Indigenous Services Canada | 1,424,132 | 902,464 |
| Sioux Lookout Area Aboriginal Management Board | 227,561 | 279,776 |
| Canada Mortgage and Housing Corporation | 198,160 | 57,555 |
| Other revenue | 76,664 | 406,452 |
| Revenue deferred from prior year | 353,000 | 168,272 |
| Revenue deferred to subsequent year | - | (353,000) |
| | 2,279,517 | 1,461,519 |
| Expenses | | |
| Bad debts | 1,403 | 15,274 |
| Bank charges and interest | 1,402 | 1,535 |
| Insurance | 213,345 | 114,837 |
| Other | - | 1,933 |
| Professional fees | 20,006 | 9,975 |
| Program expense | 5,030 | - |
| Repairs and maintenance | 515,829 | 266,396 |
| Salaries and benefits | 513,592 | 607,228 |
| Telephone | 1,398 | 1,398 |
| Travel | 5,751 | 7,019 |
| Utilities | 1,789 | 650 |
| | 1,279,545 | 1,026,245 |
| Surplus before transfers | 999,972 | 435,274 |
| Transfers between segments | (101,730) | (164,525) |
| Surplus | 898,242 | 270,749 |

Deer Lake First Nation
Capital
Schedule 6 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2020

| | 2020 | 2019 |
|-----------------|-------------|-------------|
| Revenue | | |
| Other revenue | 586 | 460 |
| Expenses | | |
| Recovery debts | - | (9,724) |
| Surplus | 586 | 10,184 |

Deer Lake First Nation
CMHC Housing
Schedule 7 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2020

| | 2020 | 2019 |
|---|-----------------|-------------|
| Revenue | | |
| Canada Mortgage and Housing Corporation | 259,291 | 260,789 |
| Expenses | | |
| Amortization | 198,010 | 195,773 |
| Bank charges and interest | 297 | 287 |
| Insurance | 86,028 | 85,374 |
| Interest on long-term debt | 47,051 | 49,022 |
| Professional fees | 18,800 | 18,800 |
| Repairs and maintenance | 3,696 | 21,450 |
| Utilities | - | 14,850 |
| | 353,882 | 385,556 |
| Deficit | (94,591) | (124,767) |

Deer Lake First Nation
Deer Cable
Schedule 8 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2020

| | 2020 | 2019 |
|-------------------------------------|-----------------|-------------|
| Revenue | | |
| Sales | 185,564 | 261,569 |
| Expenses | | |
| Bad debts | 672 | 540 |
| Bank charges and interest | 1,677 | 420 |
| Other | 5,136 | 1,706 |
| Professional fees | 826 | 2,065 |
| Program expense | 75,122 | 147,088 |
| Repairs and maintenance | - | 65,944 |
| Salaries and benefits | 53,365 | 51,093 |
| Supplies | 84,321 | 30,518 |
| Telephone | 1,784 | 2,468 |
| Travel | - | 5,889 |
| Utilities | 4,903 | 1,610 |
| | 227,806 | 309,341 |
| Deficit before transfers | (42,242) | (47,772) |
| Transfers between programs | - | 15,000 |
| Deficit | (42,242) | (32,772) |

Deer Lake First Nation
Educational Services
Schedule 9 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2020

| | 2020 | 2019 |
|-------------------------------------|------------------|------------------|
| Revenue | | |
| Indigenous Services Canada | 7,066,910 | 5,353,218 |
| Other revenue | 792,632 | 939,588 |
| Revenue deferred from prior year | 413,349 | 619,366 |
| Revenue deferred to subsequent year | (1,742,067) | (413,349) |
| | 6,530,824 | 6,498,823 |
| Expenses | | |
| Bank charges and interest | 3,456 | 3,761 |
| Honouraria | 85,200 | 82,630 |
| Insurance | 119,341 | 79,766 |
| Interest on long-term debt | 2,479 | 32,274 |
| Other | 62,915 | 126,296 |
| Professional development | 220,234 | 309,859 |
| Professional fees | 77,535 | 179,754 |
| Program expense | 624,826 | 716,814 |
| Repairs and maintenance | 407,869 | 395,641 |
| Salaries and benefits | 2,643,753 | 2,721,744 |
| Supplies | 45,171 | 100,801 |
| Telephone | 12,055 | 26,379 |
| Training | 95,375 | 1,382 |
| Travel | 124,881 | 83,882 |
| Utilities | 372,284 | 470,974 |
| | 4,897,374 | 5,331,957 |
| Surplus before transfers | 1,633,450 | 1,166,866 |
| Transfers between segments | (86,774) | (75,089) |
| Surplus | 1,546,676 | 1,091,777 |

Deer Lake First Nation
Economic Development
Schedule 10 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2020

| | 2020 | 2019 |
|-----------------------------------|---------------|-------------|
| Revenue | | |
| Indigenous Services Canada | 74,000 | 122,000 |
| Expenses | | |
| Other | 2,490 | 75,477 |
| Salaries and benefits | 42,239 | 24,252 |
| Travel | 21,867 | 21,439 |
| | 66,596 | 121,168 |
| Surplus before transfers | 7,404 | 832 |
| Transfers between segments | - | 12,000 |
| Surplus | 7,404 | 12,832 |

Deer Lake First Nation
First Nations Management
Schedule 11 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2020

| | 2020 | 2019 |
|-----------------------------------|--------------------|--------------------|
| Revenue | | |
| Indigenous Services Canada | 585,884 | 951,958 |
| Rent | 250,329 | 218,923 |
| Other revenue | 197,201 | 304,211 |
| | 1,033,414 | 1,475,092 |
| Expenses | | |
| Amortization | 5,244,373 | 4,797,326 |
| Bad debts (recovery) | (67,188) | 26,484 |
| Bank charges and interest | 12,256 | 17,539 |
| Fuel | 57,600 | 57,600 |
| Honouraria | 664,423 | 670,316 |
| Insurance | 20,203 | 20,951 |
| Other | 21,179 | 12,766 |
| Professional fees | 145,707 | 156,189 |
| Program expense | 2,950 | 6,764 |
| Salaries and benefits | 320,128 | 314,697 |
| Telephone | 38,308 | 32,160 |
| Training | 111,309 | 114,299 |
| Travel | 238,485 | 461,226 |
| | 6,809,733 | 6,688,317 |
| Deficit before transfers | (5,776,319) | (5,213,225) |
| Transfers between segments | 393,515 | 897,511 |
| Deficit | (5,382,804) | (4,315,714) |

Deer Lake First Nation
Health Services
Schedule 12 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2020

| | 2020 | 2019 |
|---------------------------------------|------------------|------------------|
| Revenue | | |
| Indigenous Services Canada | 3,513,949 | 3,240,716 |
| Ministry of Health and Long Term Care | 134,663 | 134,663 |
| Other revenue | 399,011 | 340,152 |
| Revenue deferred from prior year | 73,264 | 300,200 |
| Revenue deferred to subsequent year | (492,869) | (73,264) |
| | 3,628,018 | 3,942,467 |
| Expenses | | |
| Bad debts (recovery) | - | 270 |
| Bank charges and interest | 1,158 | 1,267 |
| Honouraria | 61,622 | 51,070 |
| Insurance | 26,714 | 20,392 |
| Other | 16,858 | 45,110 |
| Professional fees | 90,599 | 79,821 |
| Program expense | 421,445 | 431,494 |
| Repairs and maintenance | 135,814 | 113,241 |
| Salaries and benefits | 1,881,316 | 1,687,485 |
| Supplies | 158,604 | 318,118 |
| Telephone | 37,737 | 33,109 |
| Training | 225,320 | 194,476 |
| Travel | 135,070 | 336,266 |
| Utilities | 81,154 | 78,897 |
| Youth activities | 28,745 | 35,322 |
| | 3,302,156 | 3,426,338 |
| Surplus before transfers | 325,862 | 516,129 |
| Transfers between segments | (22,042) | (246,530) |
| Surplus | 303,820 | 269,599 |

Deer Lake First Nation
Ontario First Nations Limited Partnership
Schedule 13 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2020

| | 2020 | 2019 |
|---|------------------|-------------|
| Revenue | | |
| Ontario First Nations Limited Partnership | 1,334,491 | 1,542,636 |
| Expenses | | |
| Bank charges and interest | 501 | 249 |
| Social assistance | 890,910 | 772,885 |
| Travel | 36,533 | 42,254 |
| Youth activities | 323,547 | 212,702 |
| | 1,251,491 | 1,028,090 |
| Surplus before transfers | 83,000 | 514,546 |
| Transfers between segments | (83,000) | (514,546) |
| Surplus | - | - |

Deer Lake First Nation
Operating Programs
Schedule 14 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2020

| | 2020 | 2019 |
|-------------------------------------|------------------|-------------|
| Revenue | | |
| Indigenous Services Canada | 1,026,298 | 50,000 |
| Rent | 322,121 | 282,027 |
| Other revenue | 422,422 | 415,887 |
| Revenue deferred from prior year | 42,650 | - |
| Revenue deferred to subsequent year | (431,747) | (42,650) |
| | 1,381,744 | 705,264 |
| Expenses | | |
| Bank charges and interest | 115 | 255 |
| Insurance | 11,190 | 11,897 |
| Interest on long-term debt | - | 16,983 |
| Other | 11,669 | 26,829 |
| Professional fees | 46,827 | 10,500 |
| Repairs and maintenance | 526,622 | 243 |
| Salaries and benefits | 354,717 | 259,849 |
| Telephone | 1,896 | 2,925 |
| Travel | 9,011 | 12,504 |
| Utilities | 20,319 | 31,733 |
| Youth activities | 5,518 | 2,000 |
| | 987,884 | 375,718 |
| Surplus before transfers | 393,860 | 329,546 |
| Transfers between segments | (187,281) | 2,000 |
| Surplus | 206,579 | 331,546 |

Deer Lake First Nation
Public Works
Schedule 15 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2020

| | 2020 | 2019 |
|-------------------------------------|------------------|------------------|
| Revenue | | |
| Indigenous Services Canada | 2,376,168 | 1,872,960 |
| Other revenue | 254,990 | 225,669 |
| Revenue deferred from prior year | - | 560,223 |
| Revenue deferred to subsequent year | (268,374) | - |
| | 2,362,784 | 2,658,852 |
| Expenses | | |
| Bad debts | - | 62,531 |
| Bank charges and interest | 1,807 | 2,945 |
| Fuel | 490,698 | 344,328 |
| Insurance | 44,230 | 113,613 |
| Interest on long-term debt | 10,786 | 1,482 |
| Other | 15,732 | 61,838 |
| Professional fees | 38,020 | 16,300 |
| Repairs and maintenance | 233,916 | 434,545 |
| Salaries and benefits | 889,269 | 869,805 |
| Supplies | 10,735 | 44,137 |
| Utilities | 318,293 | 341,284 |
| | 2,053,486 | 2,292,808 |
| Surplus before transfers | 309,298 | 366,044 |
| Transfers between segments | 65,270 | 41,038 |
| Surplus | 374,568 | 407,082 |

Deer Lake First Nation
Social Services
Schedule 16 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2020

| | 2020 | 2019 |
|---|------------------|------------------|
| Revenue | | |
| Indigenous Services Canada | 642,020 | 811,213 |
| Ministry of Community and Social Services | 2,507,102 | 2,586,539 |
| Other revenue | 20,344 | 3,786 |
| Revenue deferred from prior year | 97,334 | 37,517 |
| Revenue deferred to subsequent year | (108,524) | (97,334) |
| | 3,158,276 | 3,341,721 |
| Expenses | | |
| Bank charges and interest | 4,104 | 5,648 |
| Other | 14,496 | 52,928 |
| Professional fees | 26,075 | 25,173 |
| Program expense | 298,081 | 338,435 |
| Salaries and benefits | 685,468 | 897,656 |
| Social assistance | 2,148,688 | 1,998,429 |
| Telephone | 12,941 | 22,292 |
| Training | 28,517 | 30,459 |
| Travel | 94,002 | 44,942 |
| | 3,312,372 | 3,415,962 |
| Deficit before transfers | (154,096) | (74,241) |
| Transfers between segments | 22,042 | 33,141 |
| Deficit | (132,054) | (41,100) |