

Ocean Man First Nation #69
Consolidated Financial Statements
March 31, 2020



	Page
Management's Responsibility	
Independent Auditor's Report	
Consolidated Financial Statements	
Consolidated Statement of Financial Position.....	1
Consolidated Statement of Operations and Accumulated Surplus.....	2
Consolidated Statement of Changes in Net Financial Assets.....	3
Consolidated Statement of Cash Flows.....	4
Notes to the Consolidated Financial Statements.....	5
Schedules	
Schedule 1 - Consolidated Schedule of Tangible Capital Assets.....	16
Schedule 2 - Consolidated Schedule of Expenses by Object.....	18
Schedule 3 - Schedule of Revenue and Expenses and Surplus (Deficit) - Band Government.....	19
Schedule 4 - Schedule of Revenue and Expenses and Surplus (Deficit) - Band Project Revenue.....	20
Schedule 5 - Schedule of Revenue and Expenses and Surplus (Deficit) - Capital.....	21
Schedule 6 - Schedule of Revenue and Expenses and Surplus (Deficit) - Community Infrastructure.....	22
Schedule 7 - Schedule of Revenue and Expenses and Surplus (Deficit) - Education.....	23
Schedule 8 - Schedule of Revenue and Expenses and Surplus (Deficit) - Health.....	24
Schedule 9 - Schedule of Revenue and Expenses and Surplus (Deficit) - Reserves and Trusts.....	25
Schedule 10 - Schedule of Revenue and Expenses and Surplus (Deficit) - Social Services.....	26

Management's Responsibility



To the Members of Ocean Man First Nation #69:

The accompanying consolidated financial statements of Ocean Man First Nation #69 are the responsibility of management and have been approved by Council.

Management is responsible for the preparation and presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate accounting principles 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 consolidated 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 consolidated financial statements.

The Ocean Man First Nation #69 Council is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the consolidated financial statements. The Council who also acts as management fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and the external auditors. The 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 Council to audit the consolidated financial statements and report directly to the Members of Ocean Man First Nation #69; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Council and management to discuss their audit findings.

February 28, 2022

(Signature on file)

Chief

Independent Auditor's Report

To the Members of Ocean Man First Nation #69:

Qualified Opinion

We have audited the consolidated financial statements of Ocean Man First Nation #69 (the "First Nation"), which comprise the consolidated statement of financial position as at March 31, 2020, and the consolidated statements of operations and accumulated surplus, changes in net financial assets and cash flows for the year ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the First Nation as at March 31, 2020, and the results of its consolidated operations and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Qualified Opinion

Generally accepted accounting principles require the presentation of budget information for comparison to the First Nation's revenues and expenditures. The consolidated budgeted revenues and expenditures and surplus (deficit) have not been reported in these financial statements. The effect of this departure from generally accepted accounting principles is a disclosure omission that has no effect on reported revenues, expenditures and annual surplus for the year ended March 31, 2020.

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 consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

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

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Independent Auditor's Report *continued*

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the First Nation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated 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.

Prince Albert, Saskatchewan

February 28, 2022

MNP LLP

Chartered Professional Accountants

Ocean Man First Nation #69
Consolidated Statement of Financial Position
As at March 31, 2020

	2020	2019
Financial assets		
Current		
Cash and cash equivalents (Note 3)	3,077,891	2,708,177
Accounts receivable (Note 4)	547,285	469,070
Member advances (Note 5)	5,674	1,780
Subtotal of current assets	3,630,850	3,179,027
Restricted cash (Note 8)	894,521	754,328
Portfolio investments (Note 6)	181,730	247,836
Funds held in trust (Note 7)	6,444,090	5,605,665
Total financial assets	11,151,191	9,786,856
Liabilities		
Current		
Accounts payable and accruals	91,440	91,725
Deferred revenue (Note 9)	820,397	838,655
Native Claims loan funding (Note 10)	106,903	106,903
Current portion of long-term debt (Note 11)	142,812	146,074
Subtotal of current liabilities	1,161,552	1,183,357
Long-term debt (Note 11)	1,379,485	1,523,030
Total financial liabilities	2,541,037	2,706,387
Net financial assets	8,610,154	7,080,469
Non-financial assets		
Tangible capital assets (Schedule 1)	13,021,694	13,341,673
Prepaid expenses and deposits	57,561	57,561
Total non-financial assets	13,079,255	13,399,234
Accumulated surplus (Note 12)	21,689,409	20,479,704

Approved on behalf of the First Nation

(Signature on file)

Chief

Ocean Man First Nation #69
Consolidated Statement of Operations and Accumulated Surplus
 For the year ended March 31, 2020

	<i>Schedules</i>	2020	2019
Federal government funding (Note 17)			
Indigenous Services Canada		3,279,831	3,125,563
First Nations and Inuit Health Branch		425,570	368,091
Canada Mortgage and Housing Corporation		175,457	174,095
		3,880,858	3,667,749
Royalty and mineral lease bonuses (OL-6496)		653,095	49,778
Other		291,904	353,878
Land leases		520,347	460,952
First Nations Trust		175,118	175,919
Yorkton Tribal Administration Inc.		483,453	357,999
Painted Hand Community Development Corporation		137,026	134,161
Oil, gas and seismic		116,898	939,829
Interest income		103,860	127,428
Surface leases and right-of-way		80,641	132,991
Taxation bylaw		51,811	56,861
Saskatchewan Indigenous Cultural Centre		33,359	72,190
Rental income		22,065	68,187
Forfeited federal government funding (Note 18)		(19,430)	(11,070)
		6,531,005	6,586,852
Program expenses			
Band Government	3	634,559	626,260
Band Project Revenue	4	736,965	582,110
Capital	5	317,838	364,407
Community infrastructure	6	573,511	436,050
Education	7	2,069,235	1,953,881
Health	8	495,373	361,295
Reserves and Trusts	9	168,854	185,462
Social Services	10	324,965	415,399
		5,321,300	4,924,864
Surplus		1,209,705	1,661,988
Accumulated surplus, beginning of year		20,479,704	18,817,716
Accumulated surplus, end of year		21,689,409	20,479,704

Ocean Man First Nation #69
Consolidated Statement of Changes in Net Financial Assets
For the year ended March 31, 2020

	2020	2019
Annual surplus	1,209,705	1,661,988
Purchases of tangible capital assets	(109,553)	(30,110)
Amortization of tangible capital assets	429,533	428,767
	319,980	398,657
Acquisition of prepaid expenses, net	-	(7,113)
Increase in net financial assets	1,529,685	2,053,532
Net financial assets, beginning of year	7,080,469	5,026,937
Net financial assets, end of year	8,610,154	7,080,469

Ocean Man First Nation #69
Consolidated Statement of Cash Flows
For the year ended March 31, 2020

	2020	2019
Cash provided by (used for) the following activities		
Operating activities		
Surplus	1,209,705	1,661,988
Non-cash items	429,533	428,767
Amortization	429,533	428,767
	1,639,238	2,090,755
Changes in:		
Accounts receivable	(78,215)	(390,096)
Due from members	(3,894)	(1)
Prepaid expenses and deposits	-	(7,113)
Accounts payable and accruals	(282)	(200,759)
Deferred revenue	(18,259)	677,890
	1,538,588	2,170,676
Financing activities		
Repayment of long-term debt	(146,807)	(149,543)
Capital activities		
Purchases of tangible capital assets	(109,553)	(30,110)
Investing activities		
Partnership equity withdrawal from PHC Holdings Limited Partnership	66,106	59,096
Transfer to restricted cash	(140,193)	(178,151)
Investment in Tomahawk Energy Services LP	-	(100,000)
Increase in funds held in trust	(838,427)	(237,978)
	(912,514)	(457,033)
Increase in cash resources	369,714	1,533,990
Cash resources, beginning of year	2,708,177	1,174,187
Cash resources, end of year	3,077,891	2,708,177

1. Operations

The Ocean Man First Nation #69 (the "First Nation") is located in the Province of Saskatchewan, and provides various services to its members. The Ocean Man First Nation #69 financial reporting entity includes the operations of the First Nation and all related entities which are controlled by the First Nation.

Impact on operations of COVID-19 (coronavirus)

In early March 2020 the global outbreak of COVID-19 (coronavirus) began to have significant impact on governments, businesses, and other organizations through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders.

The First Nation's operations were subsequently impacted by COVID-19 due to distancing measures, reduced gaming revenues from First Nations Trust, and reduced office hours. As the First Nation provides essential services to its members, Indigenous Services Canada has increased the amount of financial resources provided to the First Nation in order to ensure the safe and orderly provision of services. The First Nation's total revenues and financial position were not negatively impacted as a result.

2. Significant accounting policies

These consolidated financial statements have been, prepared in accordance with Canadian public sector accounting standards set out in the CPA Canada Handbook - Public Sector Accounting as issued by the Accounting Standards Board in Canada and include the following significant accounting policies:

Reporting entity

The financial statements consolidate the financial activities of all entities and departments comprising the First Nation reporting entity, except for First Nation business entities.

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

- Ocean Man First Nation #69;
- Ocean Man First Nation Housing Authority;
- Lost Horse Hills Ranch Inc; and
- Ocean Man Developments LP

All inter-entity balances have been eliminated on consolidation; however, transactions between departments have not been eliminated in order to present the results of operations for each specific department. Lost Horse Hills Ranch Inc. reports using a fiscal year-end of October 31 compared to the First Nation fiscal year-end of March 31. The operating result of Lost Horse Hills Ranch Inc. are included in the consolidated financial statements using its year-end date of October 31.

Other economic interests

The First Nation is a member of Yorkton Tribal Council (YTC). YTC is an organization of six Nations. YTC's mandate is to enhance the services provided to member Nations.

The First Nation is also a member of Yorkton Tribal Council Child and Family Services Inc. (YTCCFS). The mandate of YTCCFS is to provide child and family protection and prevention services on reserve to the members.

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

Basis of presentation

Sources of financing and expenditures are recorded on the accrual basis of accounting. The accrual basis of accounting recognizes revenue as they become available and measurable; expenditures 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.

Cash and cash equivalents

Cash and cash equivalents includes balances with banks and short-term investments. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

Restricted cash

Restricted cash consists of funds held in the CMHC replacement reserve and operating reserve bank accounts, lawyers trust, as well as funds managed by a project manager. The CMHC reserves are used to pay eligible expenditures of the CMHC housing units, lawyers trust funds to be disbursed in accordance with trust requirements, and the project manager is responsible for completion of capital projects.

Portfolio investments

Long-term investments in entities that are not controlled by the First Nation are accounted for using the cost method. They are recorded at cost, less any provision for other than temporary impairment.

Tangible capital assets

Tangible capital assets are initially recorded at cost. Contributed tangible capital assets are recorded at their fair value at the date of contribution. Land purchased is recorded at purchase price plus acquisition costs.

Amortization

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

	Rate
Buildings	25 years
CMHC housing	40 years
First Nation housing	40 years
Water and sewer infrastructure	10-50 years
Vehicles and equipment	5 years
Computer equipment	4 years
Furniture and fixtures	5 years

Projects under construction are not amortized until they are put into use.

Funds held in Trust Fund

Funds held in trust on behalf of the First Nation members by the Government of Canada in the Ottawa Trust Fund are reported on the consolidated statement of financial position with an offsetting amount in accumulated surplus. Trust monies consist of:

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

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

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 and prepaid expenses.

Net financial assets

The First Nation's financial statements are presented so as to highlight net financial assets as the measurement of financial position. The net financial assets of the First Nation are determined by its financial assets less its liabilities. Net financial assets combined with non-financial assets comprises a second indicator of financial position, accumulated surplus.

Revenue recognition

Government transfers

The First Nation recognizes a government transfer as revenue when the transfer is authorized and all eligibility criteria, if any, have been met. A government transfer with stipulations giving rise to an obligation that meets the definition of a liability is recognized as a liability. In such circumstances, the First Nation recognizes revenue as the liability is settled. Transfers of non-depreciable assets are recognized in revenue when received or receivable.

Non-government funding

Revenue is recognized as it becomes receivable under the terms of applicable funding agreements. Funding received under funding arrangements that relate to a subsequent fiscal period are reflected as deferred revenue on the statement of financial position in the year of receipt.

Tax revenue

The First Nation recognizes taxes as assets and revenue when they meet the definition of an asset; are authorized by a legislative convention; and the taxable event has occurred.

Tax revenue is initially measured at management's best estimate of the amount resulting from the original taxable event in accordance with tax legislation. The related tax receivable is initially recognized at its realizable value at the date of acquisition. At each financial statement date, the First Nation evaluates the tax receivable for collectability and records a valuation allowance to reflect the tax receivable at its net recoverable amount, if necessary.

Other revenue

Lease revenue is recognized over the lease term. Other revenue are earned from services provided by the First Nation and are recognized when the service has been provided.

Funds held in Trust Fund

Due to measurement uncertainty, revenue related to funds held in the Trust Fund is recognized when amounts can be reasonably estimated and collectability is known.

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

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 expenditures during the reporting period. These estimates/assumptions are reviewed periodically and, as adjustments become necessary, they are reported in the records in the periods in which they become known.

Accounts receivable are stated after evaluation as to their collectibility and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of tangible capital assets. Legal provisions are recorded when the likelihood of loss and amount of settlement can be determined. Liabilities for contaminated sites are estimated based on the best information available regarding potentially contaminated sites for which the First Nation is responsible.

Liability for contaminated sites

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 will not recognize any liability as it is not expected any economic benefit will be given up. No liabilities for contaminated sites have been reported in these financial statements.

Segments

The First Nation conducts its business through 8 reportable segments: Band Government, Band Project Revenue, Capital, Community Infrastructure, Education, Health, Reserves and Trusts, and Social Services. These operating segments are established by Chief and Council 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 and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information.

3. Cash and cash equivalents

	2020	2019
Cash in bank	2,992,891	2,545,749
Guaranteed Investment Certificate	-	77,428
Term deposits, bearing interest at 2.25% maturing in October and November 2020	85,000	85,000
	3,077,891	2,708,177

4. Accounts receivable

	2020	2019
Tundra Energy Marketing Ltd.	200,000	400,000
Other	34,934	14,556
Goods and Services Tax	67,038	67,044
Canada Mortgage and Housing Corporation - subsidy	102,123	14,394
Painted Hand Community Development Corporation	25,343	15,303
First Nations and Inuit Health Branch	-	3,000
Land leases	16,680	14,171
Yorkton Tribal Council	166,164	7,626
Indigenous Services Canada	1,968	-
Less: allowance for doubtful accounts	614,250	536,094
	(66,965)	(67,024)
	547,285	469,070

5. Member advances

Advances due from members are unsecured, non-interest bearing and without fixed terms of repayment.

	2020	2019
Amounts due from members	211,915	210,051
Allowance for doubtful accounts	(206,241)	(208,271)
	5,674	1,780

6. Portfolio investments

	2020	2019
Measured at cost:		
PHC Holdings Limited Partnership - 14.28%	81,730	147,836
Tomahawk Energy Services LP - 5.99%	100,000	100,000
	181,730	247,836

The Nation's portfolio investments are in entities which are not traded publicly and for which no active market exists to determine fair value. As such, no fair value of portfolio investment has been provided. The Nation has reported the investments at cost.

7. Funds held in trust

Capital and revenue trust monies are transferred to the First Nation on the authorization of the First Nation's Council, with the consent of the Minister of Indigenous Services Canada.

	2020	2019
Capital Trust		
Balance, beginning of year	5,148,534	5,166,756
Royalties and mineral lease bonuses (OL-6496)	660,140	49,778
	5,808,674	5,216,534
Less: Transfers to Nation	-	68,000
Balance, end of year	5,808,674	5,148,534
Revenue Trust		
Balance, beginning of year	457,131	200,930
Interest	97,644	123,210
Surface leases and right-of-way	80,641	132,991
	635,416	457,131
	6,444,090	5,605,665

Date and No. of BCR	Date Funds Released to First Nation	Balance Beginning of Year	Amount Received from Trust Fund	Actual Amount Spent	Balance End of Year	Purpose for Release of Funds
Revenue Trust						
No withdrawals	-	-	-	-	-	-
Total withdrawals						

8. Restricted cash

	2020	2019
Project management bank account	127,893	128,495
CMHC reserve bank account	315,056	310,889
MLT - Funds Held in Lawyers' Trust Account	451,572	314,944
	894,521	754,328

Project management bank account consists of cash managed by capital project managers who are responsible for payment of expenses relating to capital projects funded by ISC. Funds held in the CMHC replacement reserve bank account are to be used to pay eligible expenditures of the CMHC housing units. Funds held in lawyers' trust account are disbursed in accordance with the terms of the funds held in trust.

9. 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>Amount recognized as revenue</i>	<i>Balance, end of year</i>
ISC low pressure water	7,115	-	-	7,115
ISC school renovation	73,650	-	-	73,650
ISC new school feasibility study	80,000	-	-	80,000
ISC sewage pump station	40,340	-	18,258	22,082
ISC housing	637,550	-	-	637,550
	838,655	-	18,258	820,397

10. Native Claims loan funding

The First Nation is seeking compensation for failure of the Crown to provide certain benefits. The balance payable represents funds advanced via Promissory Notes by the Government of Canada to the First Nation to finance its costs to pursue the claim. The promissory notes are non-interest bearing and are to be repaid by the earlier of March 31, 2022 or the date on which the claim is settled.

11. Long-term debt

The following loans are secured by ministerial guarantees, and relate to the construction of on-reserve housing. The First Nation receives a subsidy from Canada Mortgage and Housing Corporation to assist with the payment of principal and interest on the following loans:

CMHC Phase	<i>Monthly Payment Including Interest</i>	<i>Interest Rate</i>	<i>Renewal Date</i>	2020	2019
I	-	-	-	-	-
IV	1,078	1.44%	1-Feb-2022	84,160	95,797
V	1,125	2.68%	1-Oct-2023	101,717	112,329
VI	1,772	1.14%	1-Jun-2021	126,581	146,281
VII	4,175	2.68%	1-Oct-2023	380,684	420,042
VIII	2,991	1.14%	1-Jun-2021	381,491	412,841
IX	3,310	2.68%	1-Oct-2023	447,664	475,030
				1,522,297	1,662,340
Stoughton Credit Union term loan				-	6,764
				1,522,297	1,669,104
Less: current portion				142,812	146,074
				1,379,485	1,523,030

Principal repayments on long-term debt in each of the next five years, assuming loans are renewed at similar rates and terms, are estimated as follows:

2021	142,812
2022	145,729
2023	148,713
2024	151,766
2025	154,891

12. Accumulated surplus

Accumulated surplus consists of the following:

	2020	2019
Equity in Ottawa Trust Funds (Note 7):		
Balance, beginning of year	5,605,665	5,367,687
Royalties, interest, lease, and other revenue	838,426	305,978
Withdrawals	-	(68,000)
	6,444,091	5,605,665
Equity in CMHC reserves (Note 13):		
Balance, beginning of year	462,763	403,968
Reserve allocation	40,300	65,100
Interest	5,528	4,020
Withdrawals	(69,489)	(10,325)
	439,102	462,763
Equity in tangible capital assets:		
Balance, beginning of year	11,672,570	11,921,684
Acquisition of tangible capital assets	109,555	30,110
Repayment of long-term debt	146,805	149,543
Amortization	(429,533)	(428,767)
	11,499,397	11,672,570
Equity in Native Claims loan:		
Balance, beginning of year	(106,903)	(106,903)
Equity in portfolio investments:		
Balance, beginning of year	247,836	206,932
Acquisition of investment	-	100,000
Withdrawals	(66,106)	(59,096)
	181,730	247,836
Unrestricted surplus:		
Balance, beginning of year	2,597,773	1,024,348
Transfer from (to) equity in Ottawa Trust Funds	(838,426)	(237,978)
Transfer to equity in CMHC reserves	23,661	(58,795)
Transfer from tangible capital assets	173,173	249,114
Transfer from (to) equity in portfolio investment	66,106	(40,904)
Annual surplus (deficit)	1,209,705	1,661,988
	3,231,992	2,597,773
	21,689,409	20,479,704

The First Nation does not have a moveable assets reserve.

13. Equity in CMHC Reserves

Operating Reserve

The First Nation's CMHC Housing Program receives funding pursuant to the Post 1997 - Fixed Subsidy Program. Any surpluses are externally restricted and reserved for future operating losses that relate to the operation of houses under this Program.

At March 31, 2020 \$nil (2019 - \$19,074) is required to be on deposit to fund this reserve. The unfunded portion at March 31, 2020 is \$nil (2019 - underfunded \$19,074).

Replacement Reserve

As required as part of the First Nation's CMHC Housing Program, a replacement reserve has been established for replacement of capital equipment and for major repairs to the houses.

At March 31, 2020 \$439,102 (2019 - \$462,736) is required to be on deposit to fund this reserve. The unfunded portion at March 31, 2020 is \$156,546 (2019 - underfunded 124,427).

14. Credit arrangements

At March 31, 2020, the First Nation had a line of credit totaling \$250,000, none of which was drawn. This line of credit has an interest rate of 3.7% and is secured by assignment of government funding.

15. Segments

During the year, the First Nation had 8 reportable segments. These segments are differentiated by the major activities or services they provide. The First Nation's segments are as follows:

Band Government - includes administration and governance activities.

Band Project Revenue - other band programs not funded by ISC or FNIHB.

Capital - reports on capital projects.

Community Infrastructure - includes activities for the maintenance of the community and its infrastructure.

Education - includes the operations of education programs.

Health - includes the administration and delivery of the health programs.

Reserves and Trusts - includes activities for the development of the First Nation's land.

Social Services - activities include delivering social programs.

Inter-segment transfers are recorded at their exchange amount. The accounting policies of the segments are the same as those described in Note 3.

Details of the segment revenue and expenses are provided in the accompanying schedules. There are no revenue or expenses that have not been allocated to a segment.

16. Economic dependence

Ocean Man First Nation #69 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.

17. Federal government funding reconciliation

	2020	2019
Indigenous Services Canada		
ISC funding per confirmation	3,259,605	3,803,453
Add (deduct): 2018/2019 sewage pump station	18,258	(40,340)
Less: 2018/2019 lift station	-	(637,550)
Add Basic needs	1,968	-
First Nations Inuit and Health Branch	3,279,831	3,125,563
FNIHB funding per confirmation	425,570	368,091
Canada Mortgage and Housing Corporation		
Subsidy	175,457	174,095
	3,880,858	3,667,749

18. Forfeited federal government funding reconciliation

	2020	2019
Indigenous Services Canada		
Basic Needs reconciliation	-	7,560
Provincial School - Direct Services	3,510	3,510
Immunization Prevention and promotion	697	-
Governance Capacity Development reconciliation	1,235	-
HIV/AIDS prevention	48	-
HCC service delivery	638	-
Children's oral health	2,034	-
NNADAP	11,268	-
	19,430	11,070

19. Comparative figures

Certain figures on the 2019 consolidated financial statements have been reclassified to conform with the 2020 consolidated financial statement presentation.

Ocean Man First Nation #69
Schedule 1 Consolidated Schedule of Tangible Capital Assets

For the year ended March 31, 2020

	<i>Buildings</i>	<i>CMHC housing</i>	<i>First Nation housing</i>	<i>Water and sewer infrastructure</i>	<i>Vehicles and equipment</i>	<i>Computer equipment</i>	<i>Subtotal</i>
Cost							
Balance, beginning of year	5,267,418	4,604,690	1,001,201	1,320,463	408,860	121,489	12,724,121
Acquisition of tangible capital assets	-	-	-	-	91,297	-	91,297
Balance, end of year	5,267,418	4,604,690	1,001,201	1,320,463	500,157	121,489	12,815,418
Accumulated amortization							
Balance, beginning of year	1,847,803	1,589,035	557,824	449,190	339,939	121,489	4,905,280
Annual amortization	195,749	115,117	25,153	33,427	45,439	-	414,885
Balance, end of year	2,043,552	1,704,152	582,977	482,617	385,378	121,489	5,320,165
Net book value of tangible capital assets	3,223,866	2,900,538	418,224	837,846	114,779	-	7,495,253
Net book value of tangible capital assets 2019	3,419,615	3,015,655	443,377	871,273	68,921	-	7,818,841

Ocean Man First Nation #69
Schedule 1 Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2020

	<i>Subtotal</i>	<i>Furniture and fixtures</i>	<i>Land</i>	<i>Projects under construction</i>	<i>2020</i>	<i>2019</i>
Cost						
Balance, beginning of year	12,724,121	186,840	5,449,027	36,960	18,396,948	18,366,838
Acquisition of tangible capital assets	91,297	-	-	18,257	109,554	30,110
Balance, end of year	12,815,418	186,840	5,449,027	55,217	18,506,502	18,396,948
Accumulated amortization						
Balance, beginning of year	4,905,280	149,995	-	-	5,055,275	4,626,508
Annual amortization	414,885	14,648	-	-	429,533	428,767
Balance, end of year	5,320,165	164,643	-	-	5,484,808	5,055,275
Net book value of tangible capital assets						
Net book value of tangible capital assets 2019	7,818,841	36,845	5,449,027	55,217	13,021,694	13,341,673

Ocean Man First Nation #69

Schedule 2 - Consolidated Schedule of Expenses by Object

For the year ended March 31, 2020

	2020	2019
Contracted services	801,246	564,197
Salaries and benefits	738,300	747,679
Repairs and maintenance	451,288	412,744
Amortization	429,533	428,767
Tuition	366,576	387,995
Travel	323,813	343,102
Office supplies and training materials	311,138	249,929
Professional fees	307,725	338,948
Social assistance	284,356	328,251
Honorarium and per diems	231,195	247,421
Land transaction management	155,538	68,412
Student allowance	144,586	126,009
Supplies	119,384	107,758
Utilities	116,393	104,096
Insurance	116,292	71,860
Contribution	65,555	17,370
Member assistance	57,204	28,737
Per capita distribution	54,400	49,750
Community donations	48,032	15,344
Community and cultural events	43,376	7,566
Project expenses	38,596	43,863
Workshops and meetings	37,724	55,491
Interest on long-term debt	33,658	33,909
Program expense	12,089	49,334
Student projects and incentives	8,382	19,891
GST and sales tax	8,286	8,280
Taxation bylaws	4,434	3,237
Bank charges and interest	4,039	2,796
Property taxes - LHHR Inc.	2,534	2,535
Medical transportation	1,737	14,009
Youth activities	1,725	41,423
Administration	1,490	6,099
Elders fees	735	-
Office rent	-	1,986
Bad debts (recovery)	(59)	(3,924)
	5,321,300	4,924,864

Schedule 3 - Consolidated Schedule of Revenue and Expenses and Surplus (Deficit)

For the year ended March 31, 2020

	2020	2019
Revenue		
Indigenous Services Canada	476,572	514,720
Other	16,100	200,087
Interest income	6,216	4,218
Painted Hand Community Development Corporation	-	8,920
	498,888	727,945
Expenses		
Honorarium and per diems	219,776	221,696
Contracted services	211,062	151,700
Travel	99,132	89,146
Professional fees	89,623	143,404
Member assistance	41,976	8,777
Community and cultural events	24,936	-
Repairs and maintenance	13,182	34,319
Utilities	12,193	44,793
Office supplies and training materials	10,709	8,109
Workshops and meetings	9,067	898
Community donations	2,350	2,409
Supplies	1,947	-
Bank charges and interest	1,608	1,867
Salaries and benefits	1,227	5,857
Elders fees	735	-
Bad debts (recovery)	36	41
Contribution	-	12
Administration	(105,000)	(86,768)
	634,559	626,260
Surplus (deficit) before transfers	(135,671)	101,685
Transfers between programs	-	68,000
Surplus (deficit)	(135,671)	169,685

Schedule 4 - Consolidated Schedule of Revenue and Expenses and Surplus (Deficit)

For the year ended March 31, 2020

	2020	2019
Revenue		
Canada Mortgage and Housing Corporation	175,457	174,095
Royalty and mineral lease bonuses (OL-6496)	653,095	49,778
Other	179,264	114,017
First Nations Trust	175,118	175,919
Interest income	97,644	123,210
Surface leases and right-of-way	80,641	132,991
Yorkton Tribal Administration Inc.	58,548	45,940
Painted Hand Community Development Corporation	56,000	10,276
Rental income	13,810	56,883
	1,489,577	883,109
Expenses		
Professional fees	212,110	119,540
Amortization	115,117	115,117
Office supplies and training materials	109,944	46,351
Repairs and maintenance	103,763	65,964
Contribution	65,555	17,358
Per capita distribution	54,400	49,750
Interest on long-term debt	33,384	33,110
Contracted services	18,212	61,185
Workshops and meetings	10,300	9,800
GST and Sales tax	8,286	8,280
Travel	5,426	29,430
Bank charges and interest	400	218
Insurance	68	-
Supplies	-	1,000
Community and cultural events	-	5,290
Community donations	-	5,935
Member assistance	-	13,782
	736,965	582,110
Surplus before transfers	752,612	300,999
Transfers between programs	-	(68,000)
Surplus	752,612	232,999

Schedule 5 - Consolidated Schedule of Revenue and Expenses and Surplus (Deficit)

For the year ended March 31, 2020

	2020	2019
Revenue		
Indigenous Services Canada	80,675	93,756
Expenses		
Amortization	314,416	313,649
Contracted services	2,801	-
Repairs and maintenance	621	50,758
	317,838	364,407
Deficit	(237,163)	(270,651)

Schedule 6 - Consolidated Schedule of Revenue and Expenses and Surplus (Deficit)

For the year ended March 31, 2020

	2020	2019
Revenue		
Indigenous Services Canada	131,100	175,874
Rental income	8,255	11,304
Other	4,367	-
	143,722	187,178
Expenses		
Repairs and maintenance	295,382	236,977
Utilities	91,351	52,046
Insurance	88,739	71,860
Contracted services	62,572	46,720
Salaries and benefits	31,570	27,000
Travel	1,811	912
Honorarium and per diems	1,050	-
Community and cultural events	1,025	-
Office supplies and training materials	106	85
Workshops and meetings	-	600
Bad debts (recovery)	(95)	(150)
	573,511	436,050
Deficit	(429,789)	(248,872)

Schedule 7 - Consolidated Schedule of Revenue and Expenses and Surplus (Deficit)

For the year ended March 31, 2020

	2020	2019
Revenue		
Indigenous Services Canada	2,068,688	1,776,781
Other	92,172	38,996
Yorkton Tribal Administration Inc.	388,546	265,156
Painted Hand Community Development Corporation	81,026	97,288
Saskatchewan Indigenous Cultural Centre	33,359	72,190
Forfeited federal government funding	(4,745)	(3,510)
	2,659,046	2,246,901
Expenses		
Salaries and benefits	662,961	685,445
Tuition	366,576	387,995
Contracted services	221,626	111,912
Travel	194,463	171,446
Office supplies and training materials	188,667	194,939
Student allowance	144,586	126,009
Administration	106,490	92,867
Supplies	61,539	39,219
Project expenses	38,596	43,863
Repairs and maintenance	37,788	24,726
Student projects and incentives	8,382	19,891
Utilities	6,475	-
Youth activities	1,725	41,423
Insurance	27,485	-
Honorarium and per diems	419	12,925
Bank charges and interest	1,182	309
Interest on long-term debt	275	799
Workshops and meetings	-	113
	2,069,235	1,953,881
Surplus	589,811	293,020

Schedule 8 - Consolidated Schedule of Revenue and Expenses and Surplus (Deficit)

For the year ended March 31, 2020

	2020	2019
Revenue		
First Nations and Inuit Health Branch	425,570	368,091
Indigenous and Northern Affairs Canada	9,866	9,866
Yorkton Tribal Administration Inc.	36,359	32,089
Painted Hand Community Development Corporation	-	17,677
Forfeited federal government funding	(14,685)	-
	457,110	427,723
Expenses		
Contracted services	257,911	150,211
Supplies	55,898	38,410
Community donations	45,682	7,000
Salaries and benefits	42,542	29,137
Travel	22,980	51,645
Workshops and meetings	18,357	44,079
Community and cultural events	16,815	2,276
Member assistance	12,055	3,753
Honorarium and per diems	9,950	12,600
Professional fees	5,000	2,418
Utilities	3,873	4,757
Medical transportation	1,737	14,009
Office supplies and training materials	1,712	444
Repairs and maintenance	552	-
Bank charges and interest	309	406
Bad debts (recovery)	-	150
	495,373	361,295
Surplus (deficit)	(38,263)	66,428

Schedule 9 - Consolidated Schedule of Revenue and Expenses and Surplus (Deficit)

For the year ended March 31, 2020

	2020	2019
Revenue		
Indigenous Services Canada	113,362	133,162
Land leases	520,347	460,952
Oil, gas and seismic	116,898	939,829
Taxation bylaw	51,811	56,861
	802,418	1,590,804
Expenses		
Land transaction management	155,538	68,412
Contracted services	5,748	4,080
Taxation bylaws	4,434	3,237
Property taxes - LHHR Inc.	2,534	2,535
Community and cultural events	600	-
Office rent	-	1,986
Travel	-	523
Salaries and benefits	-	240
Supplies	-	29,129
Professional fees	-	72,895
Member assistance	-	2,425
	168,854	185,462
Surplus	633,564	1,405,342

Schedule 10 - Consolidated Schedule of Revenue and Expenses and Surplus (Deficit)

For the year ended March 31, 2020

	2020	2019
Revenue		
Indigenous Services Canada	399,568	421,403
Yorkton Tribal Administration Inc.	-	14,813
Other	-	778
Forfeited federal government funding	-	(7,560)
	399,568	429,434
Expenses		
Social assistance	284,356	328,251
Contracted services	21,314	38,389
Program expense	12,089	49,334
Member assistance	3,173	-
Utilities	2,500	2,500
Professional fees	991	690
Bank charges and interest	542	-
Honorarium and per diems	-	200
Bad debts (recovery)	-	(3,965)
	324,965	415,399
Surplus	74,603	14,035