

How to Fill Out *Directive 067* – Schedule 3: Financial Summary

June 2, 2023

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This document is provided solely to assist users in preparing and submitting Schedule 3 of *Directive 067*.

Instructions

- The form must be submitted in its original format and must be digitally signed. We cannot accept printed or scanned versions.
- The form should be completed by a person with relevant accounting experience and detailed knowledge of the licensee’s financial statements.
- Attach full audited financial statements when available, matching the totals in this summary. If audited statements are not available, attach management-prepared financial statements.
- If the company is new with no financial history, provide financing details where indicated.
- All numbers must be given in Canadian dollars. If the financial statements are reported in a currency other than Canadian dollars, please indicate the reporting currency and exchange rates used to report in Canadian dollars in the Additional Comments section of the form.
- Additional information may be requested by the AER at a later date.

Below is a description of each fillable line in the Balance Sheet, Profit and Loss, and Cash Flows sections, some with examples of specific information to include.

Balance Sheet

Name	Description	Examples
Assets		
Cash & cash equivalents	The value of an entity's assets that are cash or can be converted into cash immediately.	
Accounts receivable	The value due to the entity for goods or services delivered or used but not yet paid for by customers.	
Due from related parties and shareholders (current)	The amount receivable from related parties, due within one year of the fiscal year end.	
Other current assets	The value of all current assets not listed above.	<ul style="list-style-type: none"> • inventory • restricted cash • prepaid expenses and deposits • risk management and derivative contracts
Assets held for sale	The value of an asset or disposal group that will be recovered principally through sale rather than continuing use within one year of the fiscal year end. The sale must be highly probable.	
Total fixed assets, net	The value of all fixed assets, net of accumulated depreciation.	<ul style="list-style-type: none"> • property, plant, and equipment • exploration and evaluation assets • right of use assets
Intangible assets, including goodwill	The value of an asset that is not physical in nature.	

Name	Description	Examples
Due from related parties and shareholders (non-current)	The amount receivable from related parties, due later than one year after the fiscal year end.	
Other non-current assets	The value of all long-term assets not listed above.	<ul style="list-style-type: none"> • deferred tax assets • investment in joint venture/subsidiary
Liabilities		
Bank indebtedness/overdraft	The amounts borrowed from a lending institution.	
Accounts payable and accrued liabilities	The value owed by an entity for goods or services delivered or used but not yet paid.	
Other short-term debt	The value of an entity's financial obligations that are expected to be paid within one year of the fiscal year end.	<ul style="list-style-type: none"> • current portion of long-term debt • current portion of lease liability
Due to related parties and shareholders (current)	The amount payable to related parties, due within one year of the fiscal year end.	
Current portion of asset retirement obligation	The value associated with the retirement of tangible assets that will be paid within one year of the fiscal year end.	<ul style="list-style-type: none"> • decommissioning liability (current)
Other current liabilities	The value of short-term liabilities not listed above.	<ul style="list-style-type: none"> • interest payable • dividends payable • provisions • risk management and derivative contracts
Bank debt	The value of debt to a financial institution that is due after one year of the fiscal year end.	

Name	Description	Examples
Other long-term debt	The value of long-term debt other than bank debt that is due after one year of the fiscal year end.	<ul style="list-style-type: none"> • notes payable • lease liability • preferred shares • debentures
Due to related parties and shareholders (non-current)	The amount payable to related parties, due after one year of the fiscal year end.	
Asset retirement obligations	The value of the legal obligations of the entity associated with the retirement of tangible assets that are due after one year of the fiscal year end.	<ul style="list-style-type: none"> • decommissioning liability
Other long-term liabilities	The value of long-term liabilities not listed above that are due after one year of the fiscal year end.	<ul style="list-style-type: none"> • deferred tax liability • retirement benefit/pension obligations • provisions • long-term incentive plans
Shareholder Equity		
Share capital	The value raised by the entity through the sale of shares.	<ul style="list-style-type: none"> • issued capital • common shares
Other shareholder equity	The value raised by the entity through the sale of non-share instruments.	<ul style="list-style-type: none"> • contributed surplus • warrants • accumulated other comprehensive income • non-controlling interest • other reserves
Retained earnings (deficit)	The accumulated portion of the entity's profits.	

Profit and Loss

Name	Description	Examples
Revenue		
Crude Oil, natural gas, and NGLs	The value received for the sale of the products in the period.	
Royalties, net	Net value of royalties paid on the products extracted in the period.	
Midstream/services	The revenue generated for processing, storing, transporting and marketing of oil, gas and natural gas liquids.	
Other sales	The value of all other sales not listed above in the period.	
Other income	The value of all other income generated in the period not listed above.	<ul style="list-style-type: none"> • interest income • equity accounted affiliated earnings
Expenses		
Production/operating	Costs incurred by the entity through its normal business operations in the period.	
Transportation	The costs incurred by the entity to get their product to market in the period.	<ul style="list-style-type: none"> • diluent/blending costs
Midstream/services operating	The value of the costs paid for processing, storing, transporting and marketing of the products in the period.	
Other operating	For all operating costs incurred by the entity not listed above in the period. Includes purchased product.	<ul style="list-style-type: none"> • purchased product

Name	Description	Examples
Selling, general, and administrative	The value of all costs not directly tied to production or midstream activities of the entity in the period.	
Exploration and evaluation	Costs incurred by the entity in the period for the exploration and evaluation of mineral resources before technical feasibility and commercial viability is demonstrable.	
Depreciation, depletion, and amortization	Cost recorded by the entity for the estimated reduction of value of its assets that were in use in the period.	
Accretion	Costs representing the change in the remaining discounted cash flows of a liability. Usually related to asset retirement obligation.	
Impairment	The costs incurred by the entity when the fair value of its assets is less than the value recorded in the financial records.	
Interest	The costs incurred by the entity in the period on borrowed funds.	
Realized (gain) loss on risk management contracts	For risk management contracts that have settled in the period, the entity records a gain if the settlement value was greater than the purchase value; a loss is recorded if the settlement value was less than the purchase value.	
Unrealized (gain) loss on risk management contracts	For risk management contracts that have not settled in the period, the entity records a gain if the current fair market value of the contract is greater than the purchase value; a loss is recorded if the current fair market value of the contract is less than the purchase value.	

Name	Description	Examples
(Gain) loss on acquisitions and dispositions	For any acquisitions or dispositions in the period, the entity records a gain or loss depending on the difference between the value recorded in the financial records and the amount paid or received.	
Foreign exchange (gain) loss	In the period the entity buys/sells goods or services in a foreign currency, a gain or loss is recorded if reporting currency appreciates or declines relative to the foreign currency.	
Restructuring costs	Costs incurred by the entity in the period for reorganization of operations.	
Other cash expenses	Costs incurred in the period by the entity that involve a cash transaction but not recorded above. May include items such as transaction costs.	<ul style="list-style-type: none"> • transaction costs
Other non-cash expenses	Costs incurred in the period by the entity that involve a non-cash transaction but not recorded above.	<ul style="list-style-type: none"> • share-based compensation
Total income taxes (recoveries)	Costs related to taxation of the entity by a tax authority in the period.	<ul style="list-style-type: none"> • current tax • deferred tax
Loss (gain) from discontinued operations, after tax	The gain or loss that arose in the period for operations that were classified as discontinued.	
Other after-tax items	Any after tax items incurred in the period by the entity.	

Cash Flows

Required only if the licensee prepares a cash flow statement as a part of regular financial reporting.

Name	Description
Adjustments for non-cash items, total	Include costs from the “Profit and Loss” statement that are non-cash in nature such as depreciation, accretion and impairment.
Asset retirement expenditure	Includes decommissioning costs and abandonment expenditures that were incurred in the period.
Other cash flows from operating activities	All other cash transactions that were incurred in the period in relation to operating activities.
Changes in non-cash working capital related to operating activities	Non-cash working capital transactions that were incurred in the period in relation to operating activities.
Capital and exploration expenditures	Includes expenditures on items such as property, plant and equipment assets, exploration and evaluation assets and right of use assets in the period.
Asset acquisition and disposition	Includes cash outflows and proceeds from acquisition and disposition of assets in the period.
Other cash flows from investing activities	All other cash transactions that were incurred in the period in relation to investing activities.
Changes in non-cash working capital related to investing activities	Non-cash working capital transactions that were incurred in the period in relation to investing activities.
Debt issuance, net of repayments	Proceeds the entity received in the period from issuing debt, net of debt that was repaid in the period.
Net contributions/distributions from equity	Increase or decreases in an entity’s cash flow that results in a change of equity, such as proceeds from stock issuance or stock repurchase.
Dividends paid	The distribution of cash paid by the entity to its shareholders.
Other cash flows from financing activities	All other cash transactions incurred in the period in relation to financing activities.

Name	Description
Changes in non-cash working capital related to financing activities	Non-cash working capital transactions that were incurred in the period in relation to financing activities.
Effect of foreign exchange	Changes in the entity's cash position during the period as a result of foreign exchange.
Cash at beginning of period	The entity's cash balance at the beginning of the period.