

Financial Statements of

**GABRIEL DUMONT
INSTITUTE OF NATIVE
STUDIES AND APPLIED
RESEARCH, INC.**
Years ended March 31, 2013 and 2012

INDEPENDENT AUDITORS' REPORT

To the Members

We have audited the accompanying financial statements of Gabriel Dumont Institute of Native Studies and Applied Research, Inc., which comprise the statements of financial position as at March 31, 2013, March 31, 2012 and April 1, 2011, the statements of operations, changes in net assets and cash flows for the years ended March 31, 2013 and March 31, 2012, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, 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.

Auditors' Responsibility

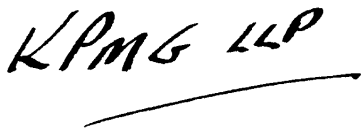
Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion the financial statements present fairly, in all material respects, the financial position of Gabriel Dumont Institute of Native Studies and Applied Research, Inc., as at March 31, 2013, March 31, 2012 and April 1, 2011, and its results of operations and its cash flows for the years ended March 31, 2013 and March 31, 2012 in accordance with Canadian accounting standards for not-for-profit organizations.

The image shows a handwritten signature in black ink that reads "KPMG LLP". The signature is written in a cursive, slightly slanted style. Below the signature is a long, thin horizontal line that extends to the right.

Chartered Accountants
Saskatoon, Canada
July 30, 2013

GABRIEL DUMONT INSTITUTE OF NATIVE STUDIES AND APPLIED RESEARCH, INC.

Statements of Financial Position

March 31, 2013, March 31, 2012 and April 1, 2011

	March 31, 2013	March 31, 2012	April 1, 2011
		(restated - note 12)	
Assets			
Current assets:			
Cash	\$ 2,608,401	\$ 2,847,890	\$ 1,477,710
Short-term investments	172,437	166,569	157,095
Accounts receivable	672,212	752,533	2,814,003
Prepaid expenses	42,733	44,781	43,922
	<u>3,495,783</u>	<u>3,811,773</u>	<u>4,492,730</u>
Property and equipment (note 4)	2,229,297	1,195,564	814,112
	<u>\$ 5,725,080</u>	<u>\$ 5,007,337</u>	<u>\$ 5,306,842</u>

Liabilities and Net Assets

Current liabilities:

Accounts payable and accrued liabilities	\$ 1,626,545	\$ 1,063,530	\$ 1,803,857
Deferred contributions (note 5)	76,465	102,449	38,893
	<u>1,703,010</u>	<u>1,165,979</u>	<u>1,842,750</u>

Net assets (deficiency):

Administration and core services	1,285,824	2,499,526	2,712,278
Invested in property and equipment	2,229,297	1,195,564	814,112
Publishing	(384,986)	(384,986)	(384,986)
S.U.N.T.E.P.	807,070	446,389	237,823
Other specific contract projects	80,760	80,760	80,760
Restricted for endowment purposes (note 6)	4,105	4,105	4,105
	<u>4,022,070</u>	<u>3,841,358</u>	<u>3,464,092</u>

Commitments (note 10)

	<u>\$ 5,725,080</u>	<u>\$ 5,007,337</u>	<u>\$ 5,306,842</u>
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See accompanying notes to financial statements.

Original signed by Geordy McCaffrey

Original signed by Glenn Lafleur

GABRIEL DUMONT INSTITUTE OF NATIVE STUDIES AND APPLIED RESEARCH, INC.

Statements of Operations

Years ended March 31, 2013 and 2012

March 31, 2013	Administration and Core Services	Publishing	S.U.N.T.E.P	Total
Revenue:				
Government of Saskatchewan				
- Saskatchewan Learning	\$ 2,288,100	\$ -	\$ 3,660,589	\$ 5,948,689
Other (schedule 1)	574,780	258,226	370,335	1,203,341
Government of Canada				
- Office of The Federal Interlocutor (schedule 4)	-	625,045	-	625,045
- The Department of Canadian Heritage	-	2,985	-	2,985
	<u>2,862,880</u>	<u>886,256</u>	<u>4,030,924</u>	<u>7,780,060</u>
Expenses				
Salaries and benefits (schedule 3)	1,351,028	495,152	1,687,540	3,533,720
Instructional costs	-	73,450	1,480,129	1,553,579
Operating costs (schedule 2)	915,712	287,538	316,558	1,519,808
Public relations (schedule 3)	75,636	396,643	103,211	575,490
Curriculum development	5,812	156,686	6,088	168,586
Travel and sustenance (schedule 3)	91,011	17,231	44,306	152,548
Kapachee	54,686	-	-	54,686
Library costs	1,645	294	25,478	27,417
Works of art	-	12,064	-	12,064
Scholarships	250	-	1,200	1,450
	<u>2,495,780</u>	<u>1,439,058</u>	<u>3,664,510</u>	<u>7,599,348</u>
Administrative allocation	(552,802)	552,802	-	-
Net revenue (expense)	\$ (185,702)	\$ -	\$ 366,414	\$ 180,712

See accompanying notes to financial statements.

GABRIEL DUMONT INSTITUTE OF NATIVE STUDIES AND APPLIED RESEARCH, INC.

Statements of Operations - continued

Years ended March 31, 2013 and 2012

March 31, 2012 (restated - note 12)	Administration and Core Services	Publishing	S.U.N.T.E.P	Total
Revenue:				
Government of Saskatchewan				
- Saskatchewan Learning	\$ 2,243,100	\$ -	\$ 3,441,211	\$ 5,684,311
Other (schedule 1)	622,858	329,890	543,423	1,496,171
Government of Canada				
- Office of The Federal Interlocutor (schedule 4)	-	428,500	-	428,500
- The Department of Canadian Heritage	-	23,385	-	23,385
	2,865,958	781,775	3,984,634	7,632,367
Expenses				
Salaries and benefits (schedule 3)	1,229,339	503,568	1,749,127	3,482,034
Instructional costs	-	500	1,533,886	1,534,386
Operating costs (schedule 2)	676,303	258,903	323,269	1,258,475
Public relations (schedule 3)	59,344	270,660	51,855	381,859
Curriculum development	8,068	262,758	43,642	314,468
Travel and sustenance (schedule 3)	118,605	24,731	54,918	198,254
Kapachee	55,408	-	-	55,408
Library costs	1,880	400	22,126	24,406
Works of art	-	4,611	-	4,611
Scholarships	-	-	1,200	1,200
	2,148,947	1,326,131	3,780,023	7,255,101
Administrative allocation	(544,356)	544,356	-	-
Net revenue (expense)	\$ 172,655	\$ -	\$ 204,611	\$ 377,266

See accompanying notes to financial statements.

GABRIEL DUMONT INSTITUTE OF NATIVE STUDIES AND APPLIED RESEARCH, INC.

Statements of Changes in Net Assets

Years ended March 31, 2013 and 2012

	Administration and Core Services	Publishing	S.U.N.T.E.P.	Other Specific Contract Projects	Invested in Property and Equipment	Endowment	2013
Net assets (deficiency), April 1, 2011	\$ 2,712,278	\$ (384,986)	\$ 237,823	\$ 80,760	\$ 814,112	\$ 4,105	\$ 3,464,092
Net revenue (restated - note 12)	172,655	-	204,611	-	-	-	377,266
Amortization	77,729	-	12,806	-	(90,535)	-	-
Purchase of property and equipment	(463,136)	-	(8,851)	-	471,987	-	-
Net assets (deficiency) March 31, 2012 (restated - note 12)	2,499,526	(384,986)	446,389	80,760	1,195,564	4,105	3,841,358
Net revenue (expense)	(185,702)	-	366,414	-	-	-	180,712
Amortization	142,558	-	18,969	-	(161,527)	-	-
Purchase of property and equipment	(1,170,558)	-	(24,702)	-	1,195,260	-	-
Net assets (deficiency) March 31, 2013	\$ 1,285,824	\$ (384,986)	\$ 807,070	\$ 80,760	\$ 2,229,297	\$ 4,105	\$ 4,022,070

See accompanying notes to financial statements.

GABRIEL DUMONT INSTITUTE OF NATIVE STUDIES AND APPLIED RESEARCH, INC.

Statements of Cash Flows

Years ended March 31, 2013 and 2012

	2013	2012
		(restated - note 12)
Cash flows from (used in):		
Operations:		
Net revenue	\$ 180,712	\$ 377,266
Item not involving cash:		
Amortization	161,527	90,535
Reinvested investment income	(5,868)	(9,474)
Change in non-cash operating working capital		
Accounts receivable	80,321	2,061,470
Prepaid expenses	2,048	(859)
Accounts payable and accrued liabilities	563,015	(740,327)
Deferred contributions	(25,984)	63,556
	955,771	1,842,167
Investing:		
Purchase of property and equipment	(1,195,260)	(471,987)
Increase (decrease) in cash	(239,489)	1,370,180
Cash, beginning of year	2,847,890	1,477,710
Cash, end of year	\$ 2,608,401	\$ 2,847,890

See accompanying notes to financial statements.

GABRIEL DUMONT INSTITUTE OF NATIVE STUDIES AND APPLIED RESEARCH, INC.

Notes to Financial Statements

Years ended March 31, 2013 and 2012

Gabriel Dumont Institute of Native Studies and Applied Research, Inc. ("GDI" or "the Institute") and its affiliates are Not-for-Profit Organizations incorporated under the *Non-Profit Corporations Act of Saskatchewan* and as such are not subject to income tax under the *Income Tax Act (Canada)*.

On April 1, 2011, the Institute adopted Canadian Accounting Standards for Not-For-Profit Standards in Part III of the CICA Handbook. These are the first financial statements prepared in accordance with Not-For-Profit Standards.

In accordance with the transitional provisions in Not-For-Profit Standards, the Institute has adopted the changes retrospectively, subject to certain exemptions allowed under these standards. The transition date is April 1, 2011 and all comparative information provided has been presented by applying Not-For-Profit Standards.

There are no transitional adjustments recorded to net assets or net revenue (expense).

1. Nature of operations:

The Institute is a not-for-profit organization that provides Métis people in Saskatchewan the opportunity to obtain training and education. This opportunity is provided through the Institute as well as its affiliates, Gabriel Dumont College Inc., Dumont Technical Institute Inc., Gabriel Dumont Scholarship Foundation II and Gabriel Dumont Institute Training and Employment Inc.

The Institute is associated with Gabriel Dumont College, Inc., Dumont Technical Institute Inc., Gabriel Dumont Scholarship Foundation II, and Gabriel Dumont Institute Training and Employment Inc., as the Board of Directors of the Institute are the same directors and the only directors of the associated and related entities. These financial statements do not include the operations of these associated and related entities and further information is disclosed in note 7.

GABRIEL DUMONT INSTITUTE OF NATIVE STUDIES AND APPLIED RESEARCH, INC.

Notes to Financial Statements (continued)

Years ended March 31, 2013 and 2012

2. Significant accounting policies:

These financial statements have been prepared in accordance with Canadian Accounting Standards for Not-For-Profit entities in Part III of the CICA Handbook and reflect the following policies:

(a) Fund accounting:

Revenue and expenses related to program delivery and administrative activities are reported in the following funds:

Administration and Core Services

The finance and operations department which is located in Saskatoon is responsible for carrying out the organization's financial planning, administering personnel services and providing administrative support services to the entire organization.

Core service departments include curriculum development, research, library and information services. The research and curriculum staff are located in Saskatoon and library staff work in both the Regina and Prince Albert Resource Centres. The curriculum department is an important vehicle for the fulfillment of the Institute's mandate, which is the promotion and renewal of Métis culture. The research department is responsible for identifying new projects, developing proposals and identifying funding sources for the successful completion of projects. The library has a unique collection which focuses on Métis history and culture and on issues of concern in Métis and First Nations communities. It serves the research needs of the Institute and has locations in Regina, Saskatoon and Prince Albert.

Publishing

The Publishing fund has allowed the Institute to make important links with Métis communities and organization in Western Canada. The funds allocated have assisted the Institute in creating Métis cultural development in the following areas: public education and cultural preservation, awareness, resource/material development, community consultations, Métis cultural programming and the collection of Métis artifacts. The goals accomplished with the contract between the Federal Interlocutor for Métis and Non-Status Indians Division, Privy Council Office and the Institute will lead to a series of long-term Métis-specific resources and cultural programs that will serve the Métis people and the Canadian public into the future.

GABRIEL DUMONT INSTITUTE OF NATIVE STUDIES AND APPLIED RESEARCH, INC.

Notes to Financial Statements (continued)

Years ended March 31, 2013 and 2012

2. Significant accounting policies (continued):

S.U.N.T.E.P.

The Saskatchewan Urban Native Teacher Education Program ("S.U.N.T.E.P") is a four-year fully accredited Bachelor of Education program, offered by the Institute in cooperation with the Ministry of Advanced Education, Employment and Immigration, the University of Regina and the University of Saskatchewan. The program is offered in three urban centres - Prince Albert, Saskatoon and Regina. The program combines training and a sound academic education with extensive classroom experience and a thorough knowledge of issues facing students in our society.

Other Specific Contract Projects

The Institute has implemented a wide variety of additional education and training offerings throughout Saskatchewan. Many of these programs have been delivered in cooperation with the University of Saskatchewan and the Ministry of Advanced Education, Employment and Immigration.

Endowment Contributions

Endowment contributions are restricted to the provision of scholarships.

(b) Revenue recognition:

The Institute follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue of the appropriate fund in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue of the appropriate fund when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Contributions include grant and contract revenue. Deferred contributions represents funding received related to expenditures and program delivery in future years.

Endowment contributions are reported in the Endowment Fund.

Tuition fees are recognized as revenue when the courses are held.

GABRIEL DUMONT INSTITUTE OF NATIVE STUDIES AND APPLIED RESEARCH, INC.

Notes to Financial Statements (continued)

Years ended March 31, 2013 and 2012

2. Significant accounting policies (continued):

(c) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments that are not in a qualifying hedging relationship and equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Institute has not elected to carry any such financial instruments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Institute determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Institute expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

(d) Property and equipment:

Property and equipment are initially recorded at cost. Donated assets are recorded at their estimated fair market value plus other costs incurred at the date of acquisition. Normal maintenance and repair expenditures are expensed as incurred.

Amortization is recorded in the accounts utilizing the following methods and rates:

Asset	Method	Rate
Building	Declining	5 %
Computer equipment	Declining	20%
Other equipment	Declining	20%
Leasehold Improvements	Straight-line	10%

GABRIEL DUMONT INSTITUTE OF NATIVE STUDIES AND APPLIED RESEARCH, INC.

Notes to Financial Statements (continued)

Years ended March 31, 2013 and 2012

2. Significant accounting policies (continued):

Amortization is charged for the full year in the year of acquisition. No amortization is taken in the year of disposal. It is expected that this policy will charge operations with the total cost of the assets over the useful lives of the assets. Gains or losses on the disposal of individual assets are recognized in income in the year of disposal.

(e) Library costs:

The Institute's library collection includes materials related to the culture and history of Aboriginal peoples not readily available from other sources. These materials assist the Institute in its own cultural and historical research and curriculum activities. The acquisition costs of the library collection are expensed. The library collection is not carried at cost and amortized because they are: held for public exhibition, education and research; protected, cared for and preserved; and any proceeds from sales are used to maintain the existing collection and to acquire other items for the collection.

(f) Employee benefits:

The Institute provides a defined contribution pension plan, life insurance, long and short-term disability coverage, dental, vision, and health care benefits to employees. Cost are expensed in the year incurred.

(g) Use of estimates:

The preparation of the financial statements 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 financial statements and the reported amounts of revenue and expenses during the year. Significant items subject to such estimates and assumptions include the estimated useful life of property and equipment, the collectibility of accounts receivable and the estimates of deferred contributions. Actual results could differ from those estimates.

(h) Allocation of shared expenses:

The Institute and affiliates sometimes incur shared costs that are related to all Gabriel Dumont affiliates. The Institute allocates certain of its general support expenses by identifying the appropriate basis of allocating each expense between the all affiliates.

GABRIEL DUMONT INSTITUTE OF NATIVE STUDIES AND APPLIED RESEARCH, INC.

Notes to Financial Statements (continued)

Years ended March 31, 2013 and 2012

2. Significant accounting policies (continued):

(i) Cash and cash equivalents:

Cash and cash equivalents include bank balances and balances with financial institutions which are highly liquid and have an initial term to maturity of three months or less.

3. Financial instruments and risk management:

The Institute, through its financial assets and liabilities, has exposure to the following risks from its use of financial instruments: credit risk and market risk (interest rate risk and other price risk).

Credit risk

The Institute's principal financial assets subject to credit risk are cash, short-term investments and accounts receivable. The carrying amounts of these financial assets on the statement of financial position represent the Institute's maximum credit exposure at the year-end date.

The Institute's credit risk on its short-term investments is primarily attributable due to the volatility of the markets. The Credit risk related to accounts receivable is minimized as these receivables are normally from government agencies. The credit risk on cash is limited because the counterparties are chartered banks with high credit ratings assigned by national credit-rating agencies.

Interest rate risk

The interest bearing investments have a limited exposure to interest rate risk due to their short-term period to maturity.

Market risk

The Institute is not exposed to significant price risk.

Fair values

Cash and short-term investments are recorded at fair value. For certain of the Institute's financial instruments including accounts receivable and accounts payable and accrued liabilities, the carrying amounts approximate fair value due to the immediate or short-term maturity of these items.

GABRIEL DUMONT INSTITUTE OF NATIVE STUDIES AND APPLIED RESEARCH, INC.

Notes to Financial Statements (continued)

Years ended March 31, 2013 and 2012

4. Property and equipment:

March 31, 2013	Cost	Accumulated amortization	Net book value
Administrative:			
Land	\$ 225,281	\$ -	\$ 225,281
Building	2,606,584	969,427	1,637,157
Computer equipment	319,151	134,401	184,750
Equipment	1,192,576	1,132,182	60,394
	4,343,592	2,236,010	2,107,582
Core services:			
Equipment	317,127	296,566	20,561
Leasehold improvements	64,932	17,097	47,835
	382,059	313,663	68,396
S.U.N.T.E.P.			
Equipment	327,402	274,167	53,235
Other			
Equipment	16,780	16,696	84
	\$ 5,069,833	\$ 2,840,536	\$ 2,229,297

March 31, 2012	Cost	Accumulated amortization	Net book value
Administrative:			
Land	\$ 218,594	\$ -	\$ 218,594
Building	1,615,527	874,012	741,515
Computer equipment	229,029	99,478	129,551
Equipment	1,157,891	1,119,961	37,930
	3,221,041	2,093,451	1,127,590
Core services:			
Equipment	313,543	292,244	21,299
Leasehold improvements	20,509	11,782	8,727
	334,052	304,026	30,026
S.U.N.T.E.P.			
Equipment	302,700	264,857	37,843
Other			
Equipment	16,780	16,675	105
	\$ 3,874,573	\$ 2,679,009	\$ 1,195,564

GABRIEL DUMONT INSTITUTE OF NATIVE STUDIES AND APPLIED RESEARCH, INC.

Notes to Financial Statements (continued)

Years ended March 31, 2013 and 2012

4. Property and equipment (continued):

April 1, 2011	Cost	Accumulated amortization	Net book value
Administrative:			
Land	\$ 174,344	\$ -	\$ 174,344
Building	1,290,626	826,592	464,034
Computer equipment	139,224	78,316	60,908
Equipment	1,155,210	1,110,813	44,397
	<u>2,759,404</u>	<u>2,015,721</u>	<u>743,683</u>
Core services:			
Equipment	313,543	287,780	25,763
Leasehold improvements	18,984	10,812	8,172
	<u>332,527</u>	<u>298,592</u>	<u>33,935</u>
S.U.N.T.E.P.			
Equipment	293,873	257,510	36,363
Other			
Equipment	16,780	16,649	131
	<u>\$ 3,402,584</u>	<u>\$ 2,588,472</u>	<u>\$ 814,112</u>

GABRIEL DUMONT INSTITUTE OF NATIVE STUDIES AND APPLIED RESEARCH, INC.

Notes to Financial Statements (continued)

Years ended March 31, 2013 and 2012

5. Deferred contributions:

The Institute has deferred contributions for the following projects:

Funding Agent	Project	March 31, 2013	March 31, 2012	April 1, 2011
Various	Métis Veteran's War Memorial	\$ 76,465	\$ -	\$ -
The Ministry of Advanced Education, Employment and Immigration	S.U.N.T.E.P.	-	98,972	-
The Ministry of Advanced Education, Employment, and Immigration	Virtual Museum	-	3,477	38,893
		\$ 76,465	\$ 102,449	38,893

See note 12 for prior period restatement of deferred revenue.

6. Endowments:

	March 31, 2013	March 31, 2012	April 1, 2011
Arts Carriere Memorial Fund	\$ 2,769	\$ 2,769	\$ 2,769
Les Fiddler Memorial Fund	1,336	1,336	1,336
		\$ 4,105	\$ 4,105

GABRIEL DUMONT INSTITUTE OF NATIVE STUDIES AND APPLIED RESEARCH, INC.

Notes to Financial Statements (continued)

Years ended March 31, 2013 and 2012

7. Associated and related entities:

The following organizations are associated with the Institute as the Board of Directors are the same directors and the only directors of the Gabriel Dumont College, Inc., Dumont Technical Institute, Inc., Gabriel Dumont Scholarship Foundation II, and the Gabriel Dumont Institute Training & Employment Inc. Amounts shown are for the most recent fiscal year end of each entity.

	Gabriel Dumont College, Inc. March 31, 2013	Dumont Technical Institute, Inc. June 30, 2012	Gabriel Dumont Scholarship Foundation II December 31, 2012	Gabriel Dumont Institute Training & Employment, Inc. March 31, 2013
Total assets	\$ 1,954,869	\$ 5,708,850	\$ 2,811,666	\$ 1,682,878
Total liabilities	18,349	1,470,453	66,505	1,668,392
Net assets				
- internally restricted	1,936,520	3,840,210	405,161	-
- externally restricted	-	398,187	2,340,000	14,486
	\$ 1,954,869	\$ 5,708,850	\$ 2,811,666	1,682,878
Results of operations				
Total revenue	551,086	7,073,602	144,294	11,518,837
Total expenses	343,763	6,870,961	190,135	11,518,837
Net revenue (expense)	\$ 207,323	\$ 202,641	\$ (45,841)	-
Cash flows				
Cash provided by operations	\$ 343,132	\$ 816,924	\$ 5,160	(214,543)
Cash used in financing and investing activities	-	(729,375)	(27,649)	-
Increase (decrease) in cash balances	\$ 343,132	\$ 87,549	\$ (22,489)	(214,543)
Cash balances, end of year	\$ 1,255,341	\$ 1,467,716	\$ 103,623	1,492,193

8. Pension plan:

The Institute contributes to a pension plan for the employees based on a negotiated rate of contribution. The pension expense for the year was \$188,210 (2012 - \$191,976).

GABRIEL DUMONT INSTITUTE OF NATIVE STUDIES AND APPLIED RESEARCH, INC.

Notes to Financial Statements (continued)

Years ended March 31, 2013 and 2012

9. Related party transactions:

The Institute had the following transactions with associated and related parties (note 1) during the year. All transactions were recorded at the exchange amount being amounts agreed upon between the related parties.

	2013	2012
Fees for service (administrative services, at negotiated value)	\$ 355,143	\$ 378,908
Sales and royalties	8,789	5,678
Fees for service (office and equipment rent)	111,694	82,360
Building (rent)	(72,131)	(69,357)
Staff salaries and wages (wage enhancement)	(241,949)	(241,949)
Programming services	(237,098)	(280,991)
	\$ (75,552)	\$ (125,351)

Inter-fund administrative support/facility recovery expenses are charged based on estimated use of services. Amounts included in accounts receivable and accounts payable are as follows:

	Accounts receivable		
	2013	2012	2011
Dumont Technical Institute	\$ 270,640	\$ 267,947	\$ 360,363
Gabriel Dumont Institute Training and Employment Inc.	5,455	3,479	70,375
Gabriel Dumont College Inc.	4,327	362	48,510
	280,422	271,788	479,248

	Accounts payable		
	2013	2012	2011
Dumont Technical Institute	\$ 391,711	\$ 372	\$ 388,253
Gabriel Dumont Institute Training and Employment Inc.	387	362	-
Gabriel Dumont College Inc.	236,448	280,075	546,253
Gabriel Dumont Scholarship Foundation II	600	-	-
	629,146	280,809	934,506

Other related party transactions are described in note 7.

GABRIEL DUMONT INSTITUTE OF NATIVE STUDIES AND APPLIED RESEARCH, INC.

Notes to Financial Statements (continued)

Years ended March 31, 2013 and 2012

10. Commitments:

The Institute is committed pursuant to various operating leases and contractual obligations for services in each of the next five years as follows:

2014	\$	390,755
2015		167,382
2016		95,937
2017		21,866
2018		15,319
	\$	691,259

11. Economic dependence:

Approximately 85% (2012 - 81%) of the Institute's revenue was derived from the Provincial and Federal Governments of Canada. Funding is provided by annual grants under contracts expiring on various dates.

12. Prior period adjustment:

The Institute made adjustments to the 2012 comparative figures as Government of Saskatchewan – Saskatchewan Learning revenue was understated and deferred contributions were overstated by \$109,886 due to the Institute not including eligible library expenses in the March 31, 2012 deferred contributions analysis. As a result, the Institute adjusted the 2012 comparative financial statements as follows:

	Increase (decrease)
Statement of financial position:	
Deferred contributions	\$ (109,886)
Statement of Operations:	
Revenue:	
Government of Saskatchewan - Saskatchewan learning	109,886

This prior period adjustment increased net revenue and net assets as previously reported on the statement of operations for the year ended March 31, 2012 by \$109,886.

GABRIEL DUMONT INSTITUTE OF NATIVE STUDIES AND APPLIED RESEARCH, INC.

Schedules of Other Revenue

Years ended March 31, 2013 and 2012

March 31, 2013	Administration and Core Services	Publishing	S.U.N.T.E.P.	Total
Fees for services	\$ 523,222	\$ 57,923	\$ -	\$ 581,145
Tuition income	-	-	270,339	270,339
Sales and royalties	-	166,395	-	166,395
Teaching income	-	-	50,996	50,996
Prince Albert Grand Council	-	-	49,000	49,000
Miscellaneous	14,896	23,408	-	38,304
Interest	36,662	-	-	36,662
Minister of Advanced Education, Employment and Immigration	-	10,500	-	10,500
	\$ 574,780	\$ 258,226	\$ 370,335	\$ 1,203,341

March 31, 2012	Administration and Core Services	Publishing	S.U.N.T.E.P.	Total
Fees for services	\$ 534,871	\$ 179,467	\$ -	\$ 714,338
Tuition income	-	-	250,011	250,011
Teaching income	-	-	210,412	210,412
Sales and royalties	-	134,532	-	134,532
Prince Albert Grand Council	-	-	83,000	83,000
Interest	37,520	-	-	37,520
Minister of Advanced Education, Employment and Immigration	35,417	-	-	35,417
Miscellaneous	15,050	15,891	-	30,941
	\$ 622,858	\$ 329,890	\$ 543,423	\$ 1,496,171

GABRIEL DUMONT INSTITUTE OF NATIVE STUDIES AND APPLIED RESEARCH, INC.

Schedules of Operating Costs

Years ended March 31, 2013 and 2012

March 31, 2013	Administration and Core Services	Publishing	S.U.N.T.E.P.	Total
Building	\$ 342,992	\$ 132,860	\$ 148,149	\$ 624,001
Consulting and legal service	254,543	4,864	2,091	261,498
Other equipment expenses	21,569	36,672	98,924	157,165
Amortization	142,558	-	18,969	161,527
Computer services	62,664	1,904	14,507	79,075
Telephone	49,819	1,933	1,344	53,096
Museum	-	36,112	-	36,112
Office supplies	10,489	16,276	17,450	44,215
Insurance	23,457	4,764	4,292	32,513
Cultural partnership	-	30,729	-	30,729
Postage and courier	6,358	11,250	4,286	21,894
Duplicating and materials development	3,923	6,144	6,596	16,663
Bank charges	1,365	3,564	70	4,999
Payroll interest & penalties	90	-	-	90
Bad debts recovery	-	-	(120)	(120)
Miscellaneous	(4,115)	466	-	(3,649)
	\$ 915,712	\$ 287,538	\$ 316,558	\$ 1,519,808

GABRIEL DUMONT INSTITUTE OF NATIVE STUDIES AND APPLIED RESEARCH, INC.

Schedules of Operating Costs - continued

Years ended March 31, 2013 and 2012

March 31, 2012	Administration and Core Services	Publishing	S.U.N.T.E.P.	Total
Building	215,287	81,409	145,595	442,291
Consulting and legal service	208,790	50,699	46,658	306,147
Other equipment expenses	15,538	19,882	66,840	102,260
Amortization	77,729	-	12,806	90,535
Computer services	61,122	2,592	18,119	81,833
Telephone	57,977	1,565	1,343	60,885
Museum	-	38,523	-	38,523
Office supplies	9,375	10,643	16,452	36,470
Cultural partnership	-	34,244	-	34,244
Insurance	18,633	5,749	5,290	29,672
Postage and courier	4,740	5,145	5,071	14,956
Duplicating and materials development	4,531	4,108	5,307	13,946
Bank charges	1,003	4,106	82	5,191
Miscellaneous	1,356	238	399	1,993
Payroll interest & penalties	222	-	-	222
Bad debts recovery	-	-	(693)	(693)
	\$ 676,303	\$ 258,903	\$ 323,269	\$ 1,258,475

GABRIEL DUMONT INSTITUTE OF NATIVE STUDIES AND APPLIED RESEARCH, INC.

Schedules of Public Relations, Salary and Benefits and Travel and Sustenance Expenses

Years ended March 31, 2013 and 2012

March 31, 2013	Administration and Core Services	Publishing	S.U.N.T.E.P.	Total
Salaries and benefits:				
Staff salaries and wages	\$ 1,186,022	\$ 430,441	\$ 1,463,977	\$ 3,080,440
Staff benefits	165,006	64,711	223,563	453,280
	<u>\$ 1,351,028</u>	<u>\$ 495,152</u>	<u>\$ 1,687,540</u>	<u>\$ 3,533,720</u>
Public Relations:				
Promotion, publicity and graduation	\$ 66,565	\$ 391,860	\$ 86,352	\$ 544,777
Recruitment	9,071	4,783	15,397	29,251
Orientation	-	-	1,462	1,462
	<u>\$ 75,636</u>	<u>\$ 396,643</u>	<u>\$ 103,211</u>	<u>\$ 575,490</u>
Travel and sustenance:				
Staff and students	\$ 52,381	\$ 17,231	\$ 44,156	\$ 113,768
Board	38,630	-	150	38,780
	<u>\$ 91,011</u>	<u>\$ 17,231</u>	<u>\$ 44,306</u>	<u>\$ 152,548</u>

GABRIEL DUMONT INSTITUTE OF NATIVE STUDIES AND APPLIED RESEARCH, INC.

Schedules of Public Relations, Salary and Benefits and Travel and Sustenance Expenses - continued

Years ended March 31, 2013 and 2012

March 31, 2012	Administration and Core Services	Publishing	S.U.N.T.E.P.	Total
Salaries and benefits:				
Staff salaries and wages	\$ 1,076,733	\$ 432,992	\$ 1,509,332	\$ 3,019,057
Staff benefits	152,606	70,576	239,795	462,977
	\$ 1,229,339	\$ 503,568	\$ 1,749,127	\$ 3,482,034
Public Relations:				
Promotion, publicity and graduation	55,715	270,660	40,791	367,166
Recruitment	3,629	-	11,021	14,650
Orientation	-	-	43	43
	\$ 59,344	\$ 270,660	\$ 51,855	\$ 381,859
Travel and sustenance:				
Staff and students	\$ 41,719	\$ 22,908	\$ 52,868	\$ 117,495
Board	76,886	1,823	2,050	80,759
	\$ 118,605	\$ 24,731	\$ 54,918	\$ 198,254

GABRIEL DUMONT INSTITUTE OF NATIVE STUDIES AND APPLIED RESEARCH, INC.

Government of Canada - Office of the Federal Interlocutor Schedule - MCCI contract

Years ended March 31, 2013 and 2012

	Budget	2013	2012
Revenue			
Office of the Federal Interlocutor	\$ 253,700	\$ 253,700	\$ 253,700
Expenses:			
Resource / materials development	115,000	117,823	151,979
Michif Preservation	40,000	39,146	-
Museum	35,000	36,112	38,523
Cultural partnerships	33,700	30,729	34,244
Administrative services	30,000	29,890	28,954
	253,700	253,700	253,700
	\$ -	\$ -	\$ -

GABRIEL DUMONT INSTITUTE OF NATIVE STUDIES AND APPLIED RESEARCH, INC.

Government of Canada - Office of the Federal Interlocutor Schedule - MCCI amendment #1

Years ended March 31, 2013 and 2012

	Budget	2013	2012
Revenue			
Office of the Federal Interlocutor	\$ 69,000	\$ 69,000	\$ 59,800
Expenses:			
Resource / materials development	60,000	60,024	-
Administrative services	9,000	8,976	22,138
Cultural partnerships	-	-	37,662
	69,000	69,000	59,800
	\$ -	\$ -	\$ -

GABRIEL DUMONT INSTITUTE OF NATIVE STUDIES AND APPLIED RESEARCH, INC.

Government of Canada - Office of the Federal Interlocutor Schedule - MCCI amendment #2

Years ended March 31, 2013 and 2012

	Budget	2013	2012
Revenue:			
Office of the Federal Interlocutor	\$ 60,000	\$ 53,815	\$ 90,000
Expenses:			
Board Governance	52,500	46,315	-
Administrative services	7,500	7,500	10,876
Resource / materials development	-	-	79,124
	60,000	53,815	90,000
	\$ -	\$ -	\$ -

GABRIEL DUMONT INSTITUTE OF NATIVE STUDIES AND APPLIED RESEARCH, INC.

Government of Canada - Office of the Federal Interlocutor Schedule - MCCI amendment #3

Years ended March 31, 2013 and 2012

	Budget	2013	2012
Revenue:			
Office of the Federal Interlocutor	\$ 100,000	\$ 100,000	\$ 25,000
Expenses:			
Cultural augmentation	44,000	39,762	21,824
Role model & leadership	24,000	26,578	-
Archival prep & display	20,000	22,103	-
Administrative services	12,000	11,557	3,176
	100,000	100,000	25,000
	\$ -	\$ -	\$ -

GABRIEL DUMONT INSTITUTE OF NATIVE STUDIES AND APPLIED RESEARCH, INC.

Government of Canada - Office of the Federal Interlocutor Schedule - MCCI amendment #4

Years ended March 31, 2013 and 2012

	Budget	2013	2012
Revenue			
Office of the Federal Interlocutor	\$ 202,232	\$ 148,530	\$ -
Expenses:			
Resource / materials development	120,400	91,670	-
Operating costs	10,100	7,279	-
Wages and benefits	41,892	23,525	-
Public relations	12,400	8,795	-
Administrative services	17,440	17,261	-
	202,232	148,530	-
	\$ -	\$ -	\$ -

Financial Statements of

**DUMONT TECHNICAL
INSTITUTE INC.**

Years ended June 30, 2013 and 2012

INDEPENDENT AUDITORS' REPORT

To the Directors

We have audited the accompanying financial statements of Dumont Technical Institute Inc. which comprise the statements of financial position as at June 30, 2013, June 30, 2012 and July 1, 2011 the statements of operations, changes in net assets and cash flows for the years ended June 30, 2013 and June 30, 2012, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, 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.

Auditors' Responsibility

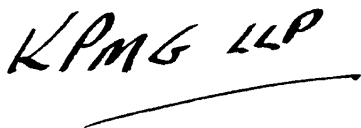
Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform an audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of Dumont Technical Institute Inc. as at June 30, 2013, June 30, 2012 and July 1, 2011 and the results of its operations and its cash flows for the years ended June 30, 2013 and June 30, 2012 in accordance with Canadian accounting policies for not-for-profit organizations.

A handwritten signature in black ink that reads "KPMG LLP". The signature is written in a cursive, slightly slanted style. Below the signature is a long, horizontal, slightly wavy line that extends to the right.

Chartered Accountants

Saskatoon, Canada
October 24, 2013

DUMONT TECHNICAL INSTITUTE INC.

Statements of Financial Position

June 30, 2013, June 30, 2012 and July 1, 2011

	June 30, 2013	June 30, 2012	July 1, 2011
Assets			
Current assets:			
Cash	\$ 619,491	\$ 1,467,716	\$ 1,380,167
Accounts receivable	402,579	199,444	1,059,611
Prepaid expenses	49,956	42,622	32,672
	<u>1,072,026</u>	<u>1,709,782</u>	<u>2,472,450</u>
Investments (note 4)	1,280,321	1,272,299	1,200,779
Property and equipment (note 5)	3,224,570	2,726,769	2,208,022
	<u>\$ 5,576,917</u>	<u>\$ 5,708,850</u>	<u>\$ 5,881,251</u>

Liabilities and Net Assets

Current liabilities:			
Accounts payable and accrued liabilities	\$ 734,609	\$ 506,473	\$ 583,048
Deferred revenue (note 6)	327,912	507,813	766,004
Current portion of long-term debt (note 7)	44,958	41,137	40,404
	<u>1,107,479</u>	<u>1,055,423</u>	<u>1,389,456</u>
Long-term debt (note 7)	369,884	415,030	456,039
Net assets:			
Invested in property and equipment	2,809,728	2,270,602	1,711,579
Core	919,113	1,569,608	1,925,990
Programming	370,713	398,187	398,187
	<u>4,099,554</u>	<u>4,238,397</u>	<u>4,035,756</u>
Commitments (note 8)			
	<u>\$ 5,576,917</u>	<u>\$ 5,708,850</u>	<u>\$ 5,881,251</u>

See accompanying notes to financial statements.

Original signed by Geordy McCaffrey

Original signed by Glenn Lafleur

DUMONT TECHNICAL INSTITUTE INC.

Statements of Operations

Years ended June 30, 2013 and 2012

	Core	BE Programs	Other Programs	2013
Revenue:				
Government of				
Saskatchewan grants	\$ 1,897,401	\$ 1,972,366	\$ 1,003,931	\$ 4,873,698
Tuition and fees	-	166,500	1,946,297	2,112,797
Miscellaneous income	428,652	-	13,671	442,323
Wage enhancement	166,000	75,949	-	241,949
Investment income	37,243	-	-	37,243
	2,529,296	2,214,815	2,963,899	7,708,010
Expenses:				
Salaries	1,074,314	1,114,786	1,100,741	3,289,841
Purchased courses	20,777	237,796	606,788	865,361
Facilities	259,079	300,133	259,645	818,857
Instructional costs	13,179	166,228	435,269	614,676
Staff benefits	221,012	181,144	142,126	544,282
Administrative services	245,494	28,000	134,653	408,147
Public relations	206,788	10,973	32,679	250,440
Equipment and education supplies	112,636	42,549	94,260	249,445
Amortization	233,663	-	-	233,663
Staff travel	52,554	64,282	78,269	195,105
Office supplies	85,097	23,532	43,844	152,473
Telephone and fax	17,918	22,114	31,796	71,828
Professional services	24,979	13,500	19,500	57,979
Interest and bank	34,620	172	133	34,925
Insurance	24,547	1,233	3,733	29,513
Professional development	9,782	7,387	4,430	21,599
Software support	4,226	986	3,507	8,719
	2,640,665	2,214,815	2,991,373	7,846,853
Deficiency of revenue over expenses	\$ (111,369)	\$ -	\$ (27,474)	\$ (138,843)

See accompanying notes to financial statements.

DUMONT TECHNICAL INSTITUTE INC.

Statements of Operations (continued)

Years ended June 30, 2013 and 2012

	Core	BE Programs	Other Programs	2012
Revenue:				
Government of Saskatchewan grants	\$ 1,912,649	\$ 1,936,853	\$ 827,052	\$ 4,676,554
Tuition and fees	-	-	1,610,142	1,610,142
Wage enhancement	166,000	75,949	-	241,949
Miscellaneous income	437,770	-	-	437,770
Investment income	107,187	-	-	107,187
	2,623,606	2,012,802	2,437,194	7,073,602
Coordination revenue (fee)	42,806	(2,920)	(39,886)	-
	2,666,412	2,009,882	2,397,308	7,073,602
Expenses:				
Salaries	1,228,430	1,020,448	804,648	3,053,526
Purchased courses	25,127	214,888	662,477	902,492
Facilities	216,927	239,653	172,120	628,700
Staff benefits	213,329	170,173	112,130	495,632
Instructional costs	4,547	131,898	329,774	466,219
Administrative services	211,409	21,000	110,815	343,224
Amortization	170,352	-	-	170,352
Staff travel	54,329	44,212	69,753	168,294
Equipment and education supplies	72,774	67,280	11,881	151,935
Public relations	69,153	35,493	38,022	142,668
Office supplies	56,063	21,863	21,159	99,085
Telephone and fax	26,756	22,252	27,378	76,386
Professional services	38,144	9,000	18,000	65,144
Interest and bank	35,749	-	14	35,763
Software support	13,194	4,256	4,841	22,291
Insurance	15,253	2,384	2,957	20,594
Bad debts	9,900	-	8,462	18,362
Professional development	2,335	5,082	2,877	10,294
	2,463,771	2,009,882	2,397,308	6,870,961
Excess of revenue over expenses	\$ 202,641	\$ -	\$ -	\$ 202,641

See accompanying notes to financial statements.

DUMONT TECHNICAL INSTITUTE INC.

Statements of Changes in Net Assets

Years ended June 30, 2013 and 2012

	Invested in property and equipment	Core	Programming Funds BE Programs	Other Programs	2013
Balance, beginning of year	\$2,270,602	\$ 1,569,608	\$ -	\$ 398,187	\$ 4,238,397
Excess of revenue over expenses	-	(111,369)	-	(27,474)	(138,843)
Purchase of property and equipment	731,464	(731,464)	-	-	-
Amortization	(233,663)	233,663	-	-	-
Repayment of long-term debt	41,325	(41,325)	-	-	-
Balance, end of year	\$2,809,728	\$ 919,113	\$ -	\$ 370,713	\$ 4,099,554

	Invested in property and equipment	Core	Programming Funds BE Programs	Other Programs	2012
Balance, beginning of year	\$1,711,579	\$ 1,925,990	\$ -	\$ 398,187	\$ 4,035,756
Excess of revenue over expenses	-	202,641	-	-	202,641
Purchase of property and equipment	689,099	(689,099)	-	-	-
Amortization	(170,352)	170,352	-	-	-
Repayment of long-term debt	40,276	(40,276)	-	-	-
Balance, end of year	\$2,270,602	\$ 1,569,608	\$ -	\$ 398,187	\$ 4,238,397

See accompanying notes to financial statements.

DUMONT TECHNICAL INSTITUTE INC.

Statements of Cash Flows

Years ended June 30, 2013 and 2012

	2013	2012
Cash flows from (used in):		
Operations:		
Excess of revenue over expenses	\$ (138,843)	\$ 202,641
Items not involving cash:		
Amortization	233,663	170,352
Investment increase to fair value	(8,022)	(71,520)
Change in non-cash operating working capital:		
Accounts receivable	(203,135)	860,167
Prepaid expenses	(7,334)	(9,950)
Accounts payable and accrued liabilities	228,136	(76,575)
Deferred revenue	(179,901)	(258,191)
	(75,436)	816,924
Financing:		
Repayment of long-term debt	(41,325)	(40,276)
Investing:		
Purchase of property and equipment	(731,464)	(689,099)
Increase (decrease) in cash	(848,225)	87,549
Cash, beginning of year	1,467,716	1,380,167
Cash, end of year	\$ 619,491	\$ 1,467,716
Supplemental cash flow disclosure:		
Interest paid on long-term debt	\$ 20,592	\$ 21,642

See accompanying notes to financial statements.

DUMONT TECHNICAL INSTITUTE INC.

Notes to Financial Statements

Years ended June 30, 2013 and 2012

Dumont Technical Institute Inc. ("the Institute") is incorporated under the Non-Profit Corporations Act of Saskatchewan and as such is not subject to income tax under the Income Tax Act (Canada).

On July 1, 2011, the Institute adopted Canadian Accounting Standards for Not-For-Profit Standards in Part III of the CICA Handbook. These are the first financial statements prepared in accordance with Not-For-Profit Standards.

In accordance with the transitional provision in Not-For-Profit Standards, the Institute has adopted the changes retrospectively, subject to certain exemptions allowed under these standards. The transition date is July 1, 2011 and all comparative information provided has been presented by applying Not-For-Profit Standards.

There are no transitional adjustments recorded to net assets or net revenue (expense).

1. Nature of organization:

The Institute is an organization that provides Métis people in Saskatchewan the opportunity to obtain training and education through the Institute as well as its affiliates, Gabriel Dumont College Inc., Gabriel Dumont Institute of Native Studies and Applied Research Inc., Gabriel Dumont Scholarship Foundation II and Gabriel Dumont Institute Training and Employment Inc.

2. Significant accounting policies:

These financial statements have been prepared in accordance with Canadian Accounting Standards for Not-For-Profit entities in Part III of the CICA Handbook and reflect the following policies:

(a) Fund accounting:

The majority of the skills training programs offered are accredited through Saskatchewan Institute of Applied Science and Technology (SIAST).

Revenue and expenses related to program delivery and administrative activities are reported in the following funds:

Core services

The Core operations are responsible for program coordination, resource management, strategic planning, provision of counselling services and the day-to-day functions of the Institute.

DUMONT TECHNICAL INSTITUTE INC.

Notes to Financial Statements (continued)

Years ended June 30, 2013 and 2012

2. Significant accounting policies (continued):

Basic Education Programs

The Basic Education Programming (BE) includes a wide range of programs aimed at increasing the education and literacy levels of course participants. Programs offered under the BE include adult secondary education, life skills and employment enhancement.

Other Programs

Other programs include a wide range of technical programming with the aim of equipping students with the necessary knowledge and skills to enter the labour market.

(b) Revenue recognition:

The Institute follow the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Contract revenue is recognized as service is provided under the terms of the contract. Deferred revenue represents funding received related to expenditures and program delivery in future years.

Tuition and fees are recognized as revenue when the courses are held.

(c) Investments:

Investments consist of money market mutual funds and fixed income bond pooled funds with a Canadian chartered bank and are carried at market value. These investments are considered long-term in nature as they are held for long-term investment purposes.

In determining fair values, adjustments have not been made for transaction costs as they are not considered significant. The unrealized gain or loss on investments, being the difference between book value and fair value, is included in investment income in the statement of operations.

DUMONT TECHNICAL INSTITUTE INC.

Notes to Financial Statements (continued)

Years ended June 30, 2013 and 2012

2. Significant accounting policies (continued):

(d) Property and equipment:

Property and equipment is initially recorded at cost. Normal maintenance and repair expenditures are expensed as incurred.

Amortization is provided using the following methods and rates:

Asset	Method	Rate
Computer equipment	Declining balance	30%
Furniture and equipment	Declining balance	20%
Building	Declining balance	5%

Amortization is charged for the full year in the year of acquisition. No amortization is taken in the year of disposal. It is expected that this policy will charge operations with the total cost of the assets over the useful life of the assets. Gains or losses on the disposal of individual assets is recognized in income in the year of disposal.

(e) Employee benefits:

The Institute provides a defined contribution pension plan, life insurance, long and short term disability coverage, dental, vision, and health care benefits to employees. Costs are expensed in the year incurred.

(f) Cash:

Cash includes bank balances and balances with financial institutions which are highly liquid and have an initial term to maturity of three months or less.

(g) Use of estimates:

The preparation of the financial statements 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 financial statements and the reported amounts of revenue and expenses during the year. Significant items subject to such estimates and assumptions include the estimated useful life of property and equipment, the collectibility of accounts receivable and the estimates of deferred contributions. Actual results could differ from those estimates.

DUMONT TECHNICAL INSTITUTE INC.

Notes to Financial Statements (continued)

Years ended June 30, 2013 and 2012

3. Financial instruments and risk management:

The Institute, through its financial assets and liabilities, has exposure to the following risks from its use of financial instruments: credit risk and market risk (interest rate risk and other price risks).

Credit risk

The Institute's principal financial assets subject to credit risk are cash, investments and accounts receivable. The carrying amounts of these financial assets on the statement of financial position represent the Institute's maximum credit exposure at the year-end date.

The Institute's credit risk on its investments is primarily attributable to the volatility of the markets. The credit risk related to accounts receivable is minimized as these receivables are normally from related parties and government agencies. The credit risk on cash is limited because the counterparties are chartered banks with high credit ratings assigned by national credit-rating agencies.

Interest rate risk

The interest bearing investments have limited exposure to interest rate risk due to their short-term period to maturity.

Market risk

The Institute is exposed to interest rate and other price risk on its investments.

Fair values

Cash and investments are recorded at fair value. For certain of the Institute's financial instruments including accounts receivable and accounts payable and accrued liabilities, the carrying amounts approximate fair value due to the immediate or short-term maturity of these items.

Due to the non-arms length relationship between the parties, it is not possible to approximate the fair value of amount due to affiliates, that may arise.

DUMONT TECHNICAL INSTITUTE INC.

Notes to Financial Statements (continued)

Years ended June 30, 2013 and 2012

4. Investments:

	July 31, 2013 Cost	July 31, 2013 Market Value	July 31, 2012 Market Value	July 1, 2011 Market Value
Imperial Short Term Bond Pool	\$ 643,666	\$ 644,456	\$ 635,692	\$ 599,883
Imperial Canadian Bond Pool	487,974	510,200	510,126	485,957
Imperial Money Market Pool	72,948	72,956	75,197	66,721
Imperial International Bond Pool	47,398	52,709	51,284	48,218
	\$ 1,251,986	\$ 1,280,321	\$ 1,272,299	\$ 1,200,779

5. Property and equipment:

June 30, 2013	Cost	Accumulated amortization	Net book value
Land	\$ 532,574	\$ -	\$ 532,574
Furniture and equipment	912,429	585,676	326,753
Building	2,828,631	536,506	2,292,125
Computer equipment	259,842	186,724	73,118
	\$ 4,533,476	\$ 1,308,906	\$ 3,224,570

June 30, 2012	Cost	Accumulated amortization	Net book value
Land	\$ 532,574	\$ -	\$ 532,574
Furniture and equipment	675,550	503,989	171,561
Building	2,381,684	415,867	1,965,817
Computer equipment	212,204	155,387	56,817
	\$ 3,802,012	\$ 1,075,243	\$ 2,726,769

DUMONT TECHNICAL INSTITUTE INC.

Notes to Financial Statements (continued)

Years ended June 30, 2013 and 2012

5. Property and equipment (continued):

July 1, 2011	Cost	Accumulated amortization	Net book value
Land	\$ 484,574	\$ -	\$ 484,574
Furniture and equipment	596,813	461,096	135,717
Building	1,823,288	312,759	1,510,529
Computer equipment	208,239	131,037	77,202
	<u>\$ 3,112,914</u>	<u>\$ 904,892</u>	<u>\$ 2,208,022</u>

6. Deferred revenue:

Deferred revenue is comprised of the following:

	June 30, 2013	June 30, 2012	July 1, 2011
Advanced Education Employment and Immigration - BE programs	\$ 182,864	\$ 211,695	\$ 233,098
Workplace essential skills - BE Programs	72,191	-	-
Advanced Education Employment and Immigration - Skills training	49,593	186,228	387,601
Gabriel Dumont Institute Training & Employment Inc.	18,938	105,564	110,826
Other	4,326	4,326	34,479
	<u>\$ 327,912</u>	<u>\$ 507,813</u>	<u>\$ 766,004</u>

DUMONT TECHNICAL INSTITUTE INC.

Notes to Financial Statements (continued)

Years ended June 30, 2013 and 2012

7. Long-term debt:

	June 30, 2013	June 30, 2012	July 1, 2011
Clarence Campeau Development Fund term loan due March 2021, repayable in monthly instalments of \$5,160 including interest at a rate of 2% over the Scotia McLeod five-year bankers acceptance rate (currently 4.3%) against which the building has been pledged as collateral.	\$ 414,842	\$ 456,167	\$ 496,443
Current portion	44,958	41,137	40,404
	<u>\$ 369,884</u>	<u>\$ 415,030</u>	<u>456,039</u>

Estimated principal repayments of long-term debt for each of the next five years and thereafter are as follows:

2014	\$ 44,958
2015	46,930
2016	48,988
2017	51,137
2018	53,380
Thereafter	169,449
	<u>\$ 414,842</u>

DUMONT TECHNICAL INSTITUTE INC.

Notes to Financial Statements (continued)

Years ended June 30, 2013 and 2012

8. Commitments:

The Institute is committed pursuant to various operating leases for premises and office equipment in each of the next five years as follows:

2014	\$	224,200
2015		46,396
2016		26,792
2017		22,456
2018		9,491
	\$	<u>329,335</u>

The majority of operating leases are renewable on an annual basis.

DUMONT TECHNICAL INSTITUTE INC.

Notes to Financial Statements (continued)

Years ended June 30, 2013 and 2012

9. Related Party Transactions:

Dumont Technical Institute Inc. conducts business with several related party organizations through the Gabriel Dumont Institute. The Gabriel Dumont Institute is the educational affiliate of the Métis Nation - Saskatchewan. Related party transactions are recorded at the exchange amount being amounts agreed upon between the related parties.

	June 30, 2013	June 30, 2012	July 1, 2011
Account receivable:			
Gabriel Dumont Institute Training & Employment Inc.	\$ 173,872	\$ 12,314	\$ 2,590
Gabriel Dumont Institute of Native Studies and Applied Research, Inc.	-	-	242,185
Gabriel Dumont Scholarship Foundation II	-	650	-
Accounts payable and accrued liabilities:			
Gabriel Dumont Institute of Native Studies and Applied Research, Inc.	380,458	222,386	119,957
Gabriel Dumont Institute Training & Employment Inc.	3,300	-	245,600
Deferred revenue:			
Gabriel Dumont Institute Training & Employment Inc.	18,938	105,564	110,826

DUMONT TECHNICAL INSTITUTE INC.

Notes to Financial Statements (continued)

Years ended June 30, 2013 and 2012

9. Related Party Transactions (continued):

	2013	2012
Administrative services expense:		
Gabriel Dumont Institute of Native Studies and Applied Research, Inc.	\$ 408,147	\$ 343,224
Facilities expense:		
Gabriel Dumont Institute of Native Studies and Applied Research, Inc. - Rent	124,962	82,337
Public relations expense:		
Gabriel Dumont Institute of Native Studies and Applied Research Inc.	8,462	5,628
Professional development expense:		
Gabriel Dumont College	4,250	-
Revenue - rent (included in miscellaneous income):		
Gabriel Dumont Institute Native Studies and Applied Research Inc.	71,406	69,623
Gabriel Dumont Institute Training & Employment Inc.	72,256	69,721
Revenue - tuition and fees:		
Gabriel Dumont Institute Training & Employment Inc.	1,770,996	1,103,478

10. Economic dependence:

Approximately 63% (2012 - 66%) of the Institute's revenue was derived from the Government of Saskatchewan. Funding is provided by annual grants under contracts expiring on various dates.

11. Pension plan:

The Institute contributed to a pension plan for the employees based on a negotiated rate of contribution. The pension expense for the year was \$189,635 (2012 - \$176,508).

Financial Statements of

**GABRIEL DUMONT
INSTITUTE TRAINING
AND EMPLOYMENT INC.**

Years ended March 31, 2013 and 2012

INDEPENDENT AUDITORS' REPORT

To the Directors

We have audited the accompanying financial statements of Gabriel Dumont Institute Training and Employment Inc. which comprise the statements of financial position as at March 31, 2013, March 31, 2012 and April 1, 2011, the statements of operations and cash flows for the years ended March 31, 2013 and March 31, 2012, and notes comprising a summary of significant accounting policies and other explanatory information. These financial statements have been prepared by management in accordance with financial reporting provisions of the Aboriginal Skills and Employment Training Strategy Métis Funding Agreement dated August 25, 2010, and the Skills and Partnership Fund Article Agreement dated March 21, 2011.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the Aboriginal Skills and Employment Training Strategy Métis Funding Agreement dated August 25, 2010, and the Skills and Partnership Fund Article Agreement dated March 21, 2011, 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform an audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of Gabriel Dumont Institute Training and Employment Inc. as at March 31, 2013, March 31, 2012 and April 1, 2011 and the results of its operations and its cash flows for the years ended March 31, 2013 and March 31, 2012 in accordance with financial reporting provisions of the Aboriginal Skills and Employment Training Strategy Métis Funding Agreement dated August 25, 2010, and of the Skills and Partnership Fund Article Agreement dated March 21, 2011.

Basis of Accounting and Restriction on Use

Without modifying our opinion, we draw attention to Note 1 to the financial statements, which describes the basis of accounting. The financial statements are prepared for Gabriel Dumont Institute Training and Employment Inc. and Service Canada. As a result, the financial statements may not be suitable for another purpose. Our report is intended solely for Gabriel Dumont Institute Training and Employment Inc. and Service Canada and should not be used by parties other than Gabriel Dumont Institute Training and Employment Inc. and Service Canada.

KPMG LLP



Chartered Accountants

Saskatoon, Canada

July 30, 2013

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Statements of Financial Position

March 31, 2013, March 31, 2012 and April 1, 2011

	March 31, 2013	March 31, 2012	April 1, 2011
Assets			
Current assets:			
Cash	\$ 1,492,193	\$ 1,706,736	\$ 303,229
Accounts receivable	78,221	43,087	681,216
GST receivable	97,978	81,403	65,105
	<u>1,668,392</u>	<u>1,831,226</u>	<u>1,049,550</u>
Furniture and equipment (note 2)	14,486	18,108	22,636
	<u>\$ 1,682,878</u>	<u>\$ 1,849,334</u>	<u>\$ 1,072,186</u>

Liabilities

Current liabilities:			
Accounts payable and accrued liabilities	\$ 194,140	\$ 123,720	\$ 292,740
Deferred revenue (note 3)	1,474,252	1,707,506	756,810
	<u>1,668,392</u>	<u>1,831,226</u>	<u>1,049,550</u>
Deferred contributions for furniture and equipment (note 4)	14,486	18,108	22,636
Commitments (note 5)			
	<u>\$ 1,682,878</u>	<u>\$ 1,849,334</u>	<u>\$ 1,072,186</u>

See accompanying notes to financial statements.

Original signed by Geordy McCaffrey

Original signed by Glenn Lafleur

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Statements of Operations

Year ended March 31, 2013 and 2012

	2013	2012
Revenue:		
Service Canada-Aboriginal Skills and Employment Training Strategy Métis Funding ("ASETS") (schedule 1)	\$ 10,444,163	\$ 9,766,912
Skills and Partnership Fund Agreement ("SPF")	1,074,674	603,909
	<u>11,518,837</u>	<u>10,370,821</u>
Expenses (schedule 2):		
Service delivery (schedule 3)	8,022,740	7,170,671
Wages and benefits	2,832,441	2,536,089
Facilities rentals	168,234	189,105
Staff travel	126,286	126,580
Telephone	69,922	65,657
Professional fees	64,994	57,438
Public relations	63,580	64,806
Board travel & professional development	50,678	29,432
Office	30,854	9,010
Office supplies	24,847	34,576
Computer software support	16,646	36,994
Equipment rentals	12,948	15,767
Repairs and maintenance	9,111	11,079
Insurance	7,632	3,659
Postage and courier	5,993	7,004
Contractual services and consulting	4,500	4,983
Interest and bank charges	3,809	3,443
Amortization	3,622	4,528
	<u>11,518,837</u>	<u>10,370,821</u>
Excess of revenue over expenses	\$ -	\$ -

See accompanying notes to financial statements.

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Statements of Cash Flows

Years ended March 31, 2013 and 2012

	2013	2012
Cash flows from (used in):		
Operations:		
Items not involving cash:		
Amortization of furniture and equipment	\$ 3,622	\$ 4,528
Amortization of deferred contributions for furniture and equipment	(3,622)	(4,528)
Change in non-cash operating working capital:		
Accounts receivable	(35,134)	638,129
GST receivable	(16,575)	(16,298)
Accounts payable and accrued liabilities	70,420	(169,020)
Deferred revenue	(233,254)	950,696
Increase (decrease) in cash	(214,543)	1,403,507
Cash, beginning of year	1,706,736	303,229
Cash, end of year	\$ 1,492,193	\$ 1,706,736

See accompanying notes to financial statements.

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Notes to Financial Statements

Years ended March 31, 2013 and 2012

Operations:

Gabriel Dumont Institute Training and Employment Inc. ("the Institute") is a not-for-profit organization that provides Métis people in Saskatchewan the opportunity to obtain training and education. This opportunity is provided through the Institute and funded through the Métis Human Resources Development Agreement signed with Human Resources and Social Development and the Employment Insurance Commission ("Service Canada") (the "AHRDA Agreement") and its successor agreements the Aboriginal Skills and Employment Training Strategy Métis Funding Agreement dated August 25, 2010 ("ASETS Agreement" or "ASETS") and the Skills and Partnership Fund Article Agreement dated March 21, 2011 ("SPF Agreement" or "SPF").

The Institute and its affiliates are incorporated under the Non-Profit Corporations Act of Saskatchewan and as such are not subject to income tax under the Income Tax Act (Canada). The Institute commenced operations in November of 2006. The ASETS Agreement with Service Canada has been renewed to March 31, 2015.

The Institute is jointly controlled with Gabriel Dumont Institute of Native Studies and Applied Research and its related entities: Gabriel Dumont College Inc., Dumont Technical Institute Inc., and Gabriel Dumont Scholarship Foundation II, as the Board of Directors of Gabriel Dumont Institute of Native Studies and Applied Research, Inc. are the same directors and the only directors of the controlled entities. These financial statements do not include the operations of these other entities.

1. Significant accounting policies:

On April 1, 2011, the Institute adopted Canadian Accounting standards for Not-For-Profit Standards in Part III of the CICA Handbook. These are the first financial statements prepared in accordance with Not-For-Profit Standards, with the exception of the modified cash basis for programs as outlined in note 1(a).

In accordance with the transitional provisions in Not-For-Profit Standards, the Institute has adopted the changes retrospectively, subject to certain exceptions allowed under the standards. The transition date is April 1, 2011 and all comparative information provided has been presented by applying Not-For-Profit Standards. There were no adjustments arising on transition.

The financial statements have been prepared for the purposes of reporting to the Institute's primary funding agency, Service Canada. Accordingly, these financial statements have been prepared in accordance with accounting policies specified by Service Canada.

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Notes to Financial Statements (continued)

Years ended March 31, 2013 and 2012

1. Significant accounting policies (continued):

(a) Modified cash basis for programs:

Program claims submitted within sixty days of the financial statement date are accrued as program expenses and included in funding claims from Service Canada. Program expenses not submitted within the sixty day deadline are not recognized in the period when the activity occurred that caused the expense. This differs from Canadian accounting standards for not-for-profit organizations as the expenses are to be recognized in the period incurred.

(b) Revenue recognition:

The Institute follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Interest earned on restricted contributions are recognized as revenue in the year in which the related expenses are incurred.

Contributions restricted for the purchase of furniture and equipment are deferred and recognized into revenue at a rate corresponding with the amortization rate for the related furniture and equipment.

The value of contributed services and related expenses is not recognized in these financial statements.

(c) Cash and cash equivalents:

Cash and cash equivalents include bank indebtedness and balances with financial institutions which are highly liquid and have an initial term to maturity of three months or less.

(d) Furniture and equipment:

Furniture and equipment are recorded at cost. Repairs and maintenance costs are charged to expense. Betterments which extend the estimated life of an asset are capitalized. Amortization is provided using the following method and annual rates:

Asset	Method	Rate
Computer equipment	Declining balance	20%
Furniture and equipment	Declining balance	20%

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Notes to Financial Statements (continued)

Years ended March 31, 2013 and 2012

1. Significant accounting policies (continued):

Amortization is recorded in the month the assets are put into use such that the total costs of the assets will be charged to operations over the useful life of the assets.

(e) Use of estimates:

The preparation of financial statements 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 financial statements and the reported amount of revenue and expenses during the year. Significant items subject to such estimates and assumptions include the collectibility of accounts receivable and the estimates of deferred revenue. Actual results could differ from these estimates.

(f) Employee benefits:

The Institute provides a defined contribution pension plan, life insurance, long-term disability coverage, dental, vision, and health care benefits to employees. Costs are expensed in the year incurred. Pension expense was \$164,319 (\$138,091 for the year ended March 31, 2012).

(g) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments that are not in a qualifying hedging relationship and equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Institute has not elected to carry any such financial instruments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Institute determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Institute expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Notes to Financial Statements (continued)

Years ended March 31, 2013 and 2012

1. Significant accounting policies (continued):

the extent of the improvement, not exceeding the initial carrying value.

(h) Allocation of expenses:

The Institute allocates all of its expenses to individual programs. The costs of each program include the costs of personnel, premises and other expense that are directly related to providing the program services.

2. Furniture and equipment:

March 31, 2013	Cost	Accumulated Amortization	Net book value
Furniture and equipment:			
Head office	\$ 25,217	\$ 19,126	\$ 6,091
Saskatoon	1,646	1,248	398
Prince Albert	5,464	4,143	1,321
Nipawin	4,215	3,197	1,018
La Ronge	3,435	2,605	830
Yorkton	1,646	1,248	398
North Battleford	456	346	110
Meadow Lake	2,463	1,868	595
Ile a la Crosse	606	459	147
La Loche	4,306	3,266	1,040
	49,454	37,506	11,948
Computer equipment:			
Head office	10,506	7,968	2,538
	\$ 59,960	\$ 45,474	\$ 14,486

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Notes to Financial Statements (continued)

Years ended March 31, 2013 and 2012

2. Furniture and equipment (continued):

March 31, 2012	Cost	Accumulated Amortization	Net book value
Furniture and equipment:			
Head office	\$ 25,217	\$ 17,602	\$ 7,615
Saskatoon	1,646	1,149	497
Prince Albert	5,464	3,814	1,650
Nipawin	4,215	2,942	1,273
La Ronge	3,435	2,397	1,038
Yorkton	1,646	1,149	497
North Battleford	456	318	138
Meadow Lake	2,463	1,719	744
Ile a la Crosse	606	423	183
La Loche	4,306	3,006	1,300
	49,454	34,519	14,935
Computer equipment:			
Head office	10,506	7,333	3,173
	\$ 59,960	\$ 41,852	\$ 18,108
April 1, 2011	Cost	Accumulated Amortization	Net book value
Furniture and equipment:			
Head office	\$ 25,217	\$ 15,699	\$ 9,518
Saskatoon	1,646	1,024	622
Prince Albert	5,464	3,401	2,063
Nipawin	4,215	2,624	1,591
La Ronge	3,435	2,138	1,297
Yorkton	1,646	1,024	622
North Battleford	456	284	172
Meadow Lake	2,463	1,533	930
Ile a la Crosse	606	377	229
La Loche	4,306	2,680	1,626
	49,454	30,784	18,670
Computer equipment:			
Head office	10,506	6,540	3,966
	\$ 59,960	\$ 37,324	\$ 22,636

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Notes to Financial Statements (continued)

Years ended March 31, 2013 and 2012

3. Deferred contributions:

Deferred contributions related to expenses of future periods and represent unspent externally restricted contribution for specific programs.

	March 31, 2013	March 31, 2012	April 1, 2011
Service Canada ASETS Agreements	\$ 1,439,375	\$ 1,350,881	\$ 614,443
Interest earned on ASETS funding	25,713	30,212	-
Skills and Partnership Fund	6,978	323,663	142,367
Interest earned on SPF funding	2,186	2,750	-
	<u>\$ 1,474,252</u>	<u>\$ 1,707,506</u>	<u>\$ 756,810</u>

4. Deferred contributions for furniture and equipment:

Deferred contributions for furniture and equipment represent the unamortized amount for the purchase of capital assets. The amortization of deferred contributions for furniture and equipment is recorded as revenue in the statement of operations.

	March 31, 2013	March 31, 2012	April 1, 2011
Balance, beginning of year	\$ 18,108	\$ 22,636	\$ 28,295
Deferred contribution recognized	(3,622)	(4,528)	(5,659)
Balance, end of year	<u>\$ 14,486</u>	<u>\$ 18,108</u>	<u>\$ 22,636</u>

5. Commitments:

The Institute has specific commitments pursuant to operating leases for the rental of office space and equipment, as follows:

2014	\$ 202,118
2015	32,042

The operating leases are primarily based on monthly rentals.

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Notes to Financial Statements (continued)

Years ended March 31, 2013 and 2012

6. Related party transactions:

During the year the Institute paid \$1,388,997 (2012 - \$1,201,858) for service delivery and salaries to Dumont Technical Institute Inc.

The Institute has entered into a lease with each of Dumont Technical Institute Inc. and Gabriel Dumont Institute of Native Studies and Applied Research Inc. for the rental of office space. The Institute paid \$70,870 and \$15,337, respectively, for these services for the year ended March 31, 2013 (2012 - \$74,095 and \$2,789). Accounts payable and accrued liabilities include \$28,215 (2012 - \$3,460) owing to Dumont Technical Institute and \$1,995 (2012 - \$1,754) owing to Gabriel Dumont Institute of Native Studies and Applied Research Inc.

Certain administrative functions of the organization are managed by Gabriel Dumont Institute of Native Studies and Applied Research Inc. at no charge.

7. Economic dependence:

Approximately 100% (2012 - 100%) of the Institute's revenue was derived from Service Canada. The contract with Service Canada has been extended under the ASETS Agreement to March 31, 2015.

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Notes to Financial Statements (continued)

Years ended March 31, 2013 and 2012

8. Financial instruments and risk management:

The Institute, through its financial assets and liabilities, has exposure to the following risks from its use of financial instruments: credit risk and market risk (interest rate risk and other price risks).

Credit risk

The Institute's principal financial assets are cash, funding receivable from Service Canada and GST receivable which are all subject to credit risk. The carrying amounts of these financial assets on the statement of financial position represents the Institute's maximum credit exposure at the statement of financial position date.

The Institute's credit risk is primarily attributable to its accounts receivable. Credit risk related to accounts receivable is minimized as these receivables are from government organizations. The credit risk on cash is limited because the counterparties are chartered banks with high credit ratings assigned by national credit-rating agencies.

Market risk

The Institute is not exposed to significant interest rate or other price risk.

Fair values

The fair values of cash, accounts receivable and accounts payable and accrued liabilities approximate their carrying value due to their short-term period to maturity.

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Schedules of Service Canada ASETS Agreement Revenue

Years ended March 31, 2013 and 2012

	Employment Insurance	Consolidated Revenue Fund	2013
Service Canada contributions	\$ 3,339,852	\$ 7,158,971	\$ 10,498,823
Deferred revenue - beginning of year	247,943	1,133,150	1,381,093
Deferred contributions for furniture and equipment - beginning of year	-	18,108	18,108
Deferred contributions for furniture and equipment - end of year	-	(14,486)	(14,486)
Deferred revenue - end of year	(295,733)	(1,143,642)	(1,439,375)
Revenue recognized	\$ 3,292,062	\$ 7,152,101	\$ 10,444,163

	Employment Insurance	Consolidated Revenue Fund	2012
Service Canada contributions	\$ 3,339,852	\$ 7,158,970	\$ 10,498,822
Deferred revenue - beginning of year	-	614,443	614,443
Deferred contributions for furniture and equipment - beginning of year	-	22,636	22,636
Deferred contributions for furniture and equipment - end of year	-	(18,108)	(18,108)
Deferred revenue - end of year	(247,943)	(1,102,938)	(1,350,881)
Revenue recognized	\$ 3,091,909	\$ 6,675,003	\$ 9,766,912

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Schedule of Expenses

Years ended March 31, 2013 and 2012

March 31, 2013	Employment Insurance	Consolidated Revenue Fund	Skills & Partnership Fund	Total
Program Administration Expenses				
Wages and benefits	\$ -	\$ 1,324,072	\$ 328,174	\$ 1,652,246
Facilities rentals	-	168,234	-	168,234
Staff travel	-	90,103	10,607	100,710
Professional fees	-	64,994	-	64,994
Public relations	-	42,243	18,178	60,421
Board travel & professional development	4,100	45,499	1,079	50,678
Office	-	28,670	2,184	30,854
Telephone	-	19,179	1,908	21,087
Computer software support	198	16,035	413	16,646
Equipment rentals	-	12,948	-	12,948
Office supplies	-	11,952	174	12,126
Repairs and maintenance	-	9,111	-	9,111
Insurance	-	7,632	-	7,632
Contractual services and consulting	-	4,500	-	4,500
Postage and courier	-	4,272	90	4,362
Interest and bank charges	-	3,809	-	3,809
Amortization	-	3,622	-	3,622
	4,298	1,856,875	362,807	2,223,980
Program Assistance Expenses				
Education and training costs	1,019,238	3,155,690	107,828	4,282,756
Student allowances	905,697	1,860,232	7,900	2,773,829
Wages and benefits	1,180,195	-	-	1,180,195
Wage subsidies	90,712	279,304	596,139	966,155
Telephone	48,835	-	-	48,835
Staff travel	25,576	-	-	25,576
Office supplies	12,721	-	-	12,721
Postage and courier	1,631	-	-	1,631
Public relations	3,159	-	-	3,159
	3,287,764	5,295,226	711,867	9,294,857
	\$ 3,292,062	\$ 7,152,101	\$ 1,074,674	\$ 11,518,837

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Schedule of Expenses continued

Years ended March 31, 2013 and 2012

March 31, 2012	Employment Insurance	Consolidated Revenue Fund	Skills & Partnership Fund	Total
Program Administration Expenses				
Wages and benefits	\$ -	\$ 1,163,070	\$ 197,893	\$ 1,360,963
Facilities rentals	-	189,105	-	189,105
Staff travel	-	74,031	8,159	82,190
Professional fees	-	57,438	-	57,438
Public relations	-	41,381	22,387	63,768
Board travel & professional development	-	29,432	-	29,432
Office	-	8,355	655	9,010
Telephone	-	19,552	532	20,084
Computer software support	-	36,786	208	36,994
Equipment rentals	-	13,154	2,613	15,767
Office supplies	-	16,146	2,276	18,422
Repairs and maintenance	-	11,079	-	11,079
Insurance	-	3,659	-	3,659
Contractual services and consulting	-	4,983	-	4,983
Postage and courier	-	5,170	284	5,454
Interest and bank charges	-	3,423	20	3,443
Amortization	-	4,528	-	4,528
	-	1,681,292	235,027	1,916,319
Program Assistance Expenses				
Education and training costs	875,694	2,652,167	5,723	3,533,584
Student allowances	885,640	2,176,804	-	3,062,444
Wages and benefits	1,175,126	-	-	1,175,126
Wage subsidies	37,557	173,927	363,159	574,643
Telephone	45,573	-	-	45,573
Staff travel	44,390	-	-	44,390
Office supplies	16,154	-	-	16,154
Postage and courier	1,550	-	-	1,550
Public relations	1,038	-	-	1,038
	3,082,722	5,002,898	368,882	8,454,502
	\$ 3,082,722	\$ 6,684,190	\$ 603,909	\$ 10,370,821

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Schedule of Service Delivery Expenses

Years ended March 31, 2013 and 2012

March 31, 2013	Saskatoon	Regina	Prince Albert	Nipawin	La Ronge	Yorkton	North Battleford	Meadow Lake	Ile a la Crosse	La Loche	Beauval	Total
Tuition and program delivery	\$1,034,146	\$ 290,424	\$1,065,033	\$ 90,760	\$ 44,638	\$ 87,292	\$ 64,607	\$ 178,303	\$ 166,390	\$ 116,827	\$ 105,404	\$3,243,824
Income support	652,463	342,758	784,300	81,810	54,835	61,413	63,080	252,163	203,420	149,187	128,400	2,773,829
Wage subsidy	230,407	60,622	173,857	25,980	44,908	240	64,040	61,088	156,295	7,781	25,782	851,000
Books	133,825	70,486	106,006	11,170	8,660	7,612	16,176	34,854	29,752	22,359	22,799	463,699
Dependent care	95,346	28,906	62,240	4,590	-	8,222	2,564	18,357	40,929	25,201	16,054	302,409
Student travel	9,934	31,247	54,913	1,029	2,536	15,887	5,039	12,626	20,372	4,471	5,853	163,907
Student work experience	32,826	-	41,002	8,606	8,301	-	-	6,062	5,094	3,010	10,254	115,155
Supplies	33,189	8,910	22,184	645	634	2,150	4,428	6,743	2,909	3,135	2,303	87,230
Special needs allowance	-	400	2,100	-	-	-	4,567	-	297	4,560	-	11,924
Living away from home allowance	1,000	650	4,198	-	250	-	375	1,775	300	1,215	-	9,763
	\$ 2,223,136	\$ 834,403	\$ 2,315,833	\$ 224,590	\$ 164,762	\$ 182,816	\$ 224,876	\$ 571,971	\$ 625,758	\$ 337,746	\$ 316,849	\$ 8,022,740

March 31, 2012	Saskatoon	Regina	Prince Albert	Nipawin	La Ronge	Yorkton	North Battleford	Meadow Lake	Ile a la Crosse	La Loche	Beauval	Total
Tuition and program delivery	\$ 871,978	\$ 231,953	\$ 823,258	\$ 78,270	\$ 35,822	\$ 63,382	\$ 111,727	\$ 137,797	\$ 53,821	\$ 78,449	\$ 190,950	\$2,677,407
Income support	881,049	328,135	981,749	115,905	56,150	68,218	126,101	198,707	70,535	67,275	168,620	3,062,444
Wage subsidy	147,567	35,564	184,897	2,796	-	-	-	40,214	13,180	5,997	6,382	436,597
Books	108,159	38,165	101,977	8,244	4,139	9,098	15,072	22,626	13,501	12,193	13,999	347,173
Dependent care	85,824	24,706	95,267	8,135	6,200	-	5,230	19,747	16,185	11,353	14,169	286,816
Student travel	15,780	24,624	49,125	5,418	1,373	11,873	8,405	20,012	6,844	1,439	11,291	156,184
Student work experience	51,089	-	45,851	2,593	4,383	-	-	9,224	5,514	6,870	12,523	138,047
Supplies	21,890	1,515	13,099	1,149	176	1,374	2,085	2,485	1,000	479	200	45,452
Special needs allowance	476	-	1,650	-	-	-	-	-	-	-	-	2,126
Living away from home allowance	4,125	750	4,775	725	3,975	250	1,850	500	1,100	375	-	18,425
	\$ 2,187,937	\$ 685,412	\$ 2,301,648	\$ 223,235	\$ 112,218	\$ 154,195	\$ 270,470	\$ 451,312	\$ 181,680	\$ 184,430	\$ 418,134	\$ 7,170,671

Financial Statements of

**GABRIEL DUMONT
COLLEGE INC.**

Years ended March 31, 2013 and 2012

INDEPENDENT AUDITORS' REPORT

To the Members

We have audited the accompanying financial statements of Gabriel Dumont College Inc., which comprise the statements of financial position as at March 31, 2013, March 31, 2012 and April 1, 2011, the statements of operations, changes in net assets and cash flows for the years ended March 31, 2013 and March 31, 2012, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, 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.

Auditors' Responsibility

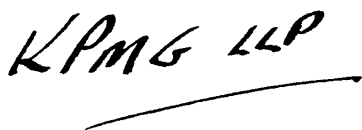
Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion the financial statements present fairly, in all material respects, the financial position of Gabriel Dumont College Inc., as at March 31, 2013, March 31, 2012 and April 1, 2011, and its results of operations and its cash flows for the years ended March 31, 2013 and March 31, 2012 in accordance with Canadian accounting standards for not-for-profit organizations.

The image shows a handwritten signature in black ink that reads "KPMG LLP". The signature is written in a cursive, slightly slanted style. Below the signature, there is a long, horizontal, slightly wavy line that extends across the width of the signature.

Chartered Accountants

Saskatoon, Canada
July 30, 2013

GABRIEL DUMONT COLLEGE INC.

Statements of Financial Position

March 31, 2013, March 31, 2012 and April 1, 2011

	March 31, 2013	March 31, 2012	April 1, 2011
Assets			
Current assets:			
Cash	\$ 1,255,341	\$ 913,209	\$ 360,268
Investments and marketable securities	149,184	143,984	135,588
Accounts receivable	532,387	661,097	930,345
	<u>1,936,912</u>	<u>1,718,290</u>	<u>1,426,201</u>
Equipment (note 3)	17,957	22,446	28,058
	<u>\$ 1,954,869</u>	<u>\$ 1,740,736</u>	<u>\$ 1,454,259</u>

Liabilities and Net Assets

Current liabilities:			
Accounts payable and accrued liabilities	\$ 18,349	\$ 11,539	\$ 57,698
Net assets:			
Invested in equipment	17,957	22,446	28,058
Unrestricted	1,918,563	1,706,751	1,368,503
	<u>1,936,520</u>	<u>1,729,197</u>	<u>1,396,561</u>
	<u>\$ 1,954,869</u>	<u>\$ 1,740,736</u>	<u>\$ 1,454,259</u>

See accompanying notes to financial statements.

Original signed by Geordy McCaffrey

Original signed by Glenn Lafleur

GABRIEL DUMONT COLLEGE INC.

Statements of Operations

Years ended March 31, 2013 and 2012

	2013	2012
Revenue:		
Tuition and related fees	\$ 531,976	\$ 665,810
Interest	19,110	17,675
	<u>551,086</u>	<u>683,485</u>
Expenses:		
Salaries and benefits	238,300	281,011
Scholarships, tuition and student fees	51,958	48,850
Promotions	26,710	6,125
Consulting fees	13,514	-
Audit and legal	5,554	6,220
Amortization	4,489	5,612
Miscellaneous	997	1,500
Travel	831	319
Bank charges	810	25
Start up allowances	600	800
Direct course costs	-	270
Student recruitment	-	117
	<u>343,763</u>	<u>350,849</u>
Excess of revenue over expenses	\$ 207,323	\$ 332,636

See accompanying notes to financial statements.

GABRIEL DUMONT COLLEGE INC.

Statements of Changes in Net Assets

Years ended March 31, 2013 and 2012

	Unrestricted	Invested in Equipment	Total
Net assets, April 1, 2011	\$ 1,368,503	\$ 28,058	\$ 1,396,561
Excess of revenue over expenses	332,636	-	332,636
Amortization	5,612	(5,612)	-
Net assets, March 31, 2012	\$ 1,706,751	\$ 22,446	\$ 1,729,197
Excess of revenue over expenses	207,323	-	207,323
Amortization	4,489	(4,489)	-
Net assets, March 31, 2013	\$ 1,918,563	\$ 17,957	\$ 1,936,520

See accompanying notes to financial statements.

GABRIEL DUMONT COLLEGE INC.

Statements of Cash Flows

Years ended March 31, 2013 and 2012

	2013	2012
Cash flows from (used in):		
Operations:		
Excess of revenue over expenses	\$ 207,323	\$ 332,636
Items not involving cash:		
Amortization	4,489	5,612
Reinvested interest income	(5,200)	(8,396)
Change in non-cash operating working capital:		
Accounts receivable	128,710	269,248
Accounts payable	6,810	(46,159)
	<u>342,132</u>	<u>552,941</u>
Increase in cash	342,132	552,941
Cash, beginning of year	913,209	360,268
Cash, end of year	<u>\$ 1,255,341</u>	<u>\$ 913,209</u>

See accompanying notes to financial statements.

GABRIEL DUMONT COLLEGE INC.

Notes to Financial Statements

Years ended March 31, 2013 and 2012

Gabriel Dumont College Inc. ("GDC" or "the College") is a Not-for-Profit Organization incorporated under the Non Profit Corporations Act of Saskatchewan and as such is not subject to income tax under the Income Tax Act (Canada).

On April 1, 2011, the Organization adopted Canadian Accounting Standards for Not-For-Profit Standards in Part III of the CICA Handbook. These are the first financial statements prepared in accordance with Not-For-Profit Standards.

In accordance with the transitional provisions in Not-For-Profit Standards, the Organization has adopted the changes retrospectively, subject to certain exemptions allowed under these standards. The transition date is April 1, 2011 and all comparative information provided has been presented by applying Not-For-Profit Standards.

There are no transitional adjustments recorded to net assets and excess of revenue over expenditures.

1. Nature of operations:

The College has an affiliation with the University of Saskatchewan. It provides a means of post secondary education for Métis people. Non Métis university students may enroll provided there is space available after Métis students have enrolled to a maximum total capacity of 40 people.

Gabriel Dumont Institute of Native Studies and Applied Research, Inc. controls Gabriel Dumont College Inc., Dumont Technical Institute Inc., Gabriel Dumont Institute Training & Employment Inc., and the Gabriel Dumont Scholarship Foundation II. The Board of Directors of Gabriel Dumont Institute of Native Studies and Applied Research, Inc. are the directors of all the controlled entities.

2. Significant accounting policies:

These financial statements have been prepared in accordance with Canadian Accounting Standards for Not-For-Profit Standards in Part III of the CICA Handbook and reflect the following policies:

(a) Revenue recognition:

Tuition and related fees are recognized when courses are provided and collection of the related receivable is probable, persuasive evidence of an arrangement exists and the sales price is fixed or determinable. Amounts received for future services are deferred until the service is provided.

GABRIEL DUMONT COLLEGE INC.

Notes to Financial Statements (continued)

Years ended March 31, 2013 and 2012

2. Significant accounting policies (continued):

Funds received for programs which have been externally restricted and where the related costs will be incurred in future periods are recorded as deferred revenue on the statement of financial position and will be recorded as revenue on the statement of operations in the period when the related costs are incurred.

(b) Use of estimates:

The preparation of the financial statements 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 financial statements and the reported amounts of revenue and expenses during the year. Significant items subject to such estimates and assumptions include the estimated useful life of equipment and the collectibility of accounts receivable. Actual results could differ from those estimates.

(c) Cash and cash equivalents:

Cash and cash equivalents include bank indebtedness and balances with financial institutions which are highly liquid and have an initial term to maturity of three months or less.

(d) Equipment:

Equipment is recorded at cost. Repairs and maintenance costs are charged to expense. When equipment no longer contributes to the College's ability to provide services its carrying amount is written down to its residual value. Equipment is amortized over its estimated useful lives using the following methods and annual rates:

Asset	Method	Rate
Computer equipment	Declining	20 %
Other equipment	Declining	20 %

Amortization is recorded in the month the assets are put into use such that the total cost of the assets will be charged to operations over the useful life of the assets.

GABRIEL DUMONT COLLEGE INC.

Notes to Financial Statements (continued)

Years ended March 31, 2013 and 2012

2. Significant accounting policies (continued):

(e) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The College has elected to carry their investments and marketable securities at fair value. Fair value fluctuations in these assets including interest earned, interest accrued, gains and losses realized on disposal and unrealized gains and losses are included in interest revenue.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, The College determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount The College expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

GABRIEL DUMONT COLLEGE INC.

Notes to Financial Statements (continued)

Years ended March 31, 2013 and 2012

3. Equipment:

March 31, 2013	Cost	Accumulated amortization	Net book value
Computer equipment	\$ 60,033	\$ 53,037	\$ 6,996
Other equipment	30,098	19,137	10,961
	<hr/>	<hr/>	<hr/>
	\$ 90,131	\$ 72,174	\$ 17,957

March 31, 2012	Cost	Accumulated amortization	Net book value
Computer equipment	\$ 60,033	\$ 51,289	\$ 8,744
Other equipment	30,098	16,396	13,702
	<hr/>	<hr/>	<hr/>
	\$ 90,131	\$ 67,685	\$ 22,446

April 1, 2011	Cost	Accumulated amortization	Net book value
Computer equipment	\$ 60,033	\$ 49,103	\$ 10,930
Other equipment	30,098	12,970	17,128
	<hr/>	<hr/>	<hr/>
	\$ 90,131	\$ 62,073	\$ 28,058

Computer equipment with a net carrying value of \$6,996 (2012 - \$8,744; 2011 - \$10,930) represents Gabriel Dumont College's one third interest in a computer system that is shared with Gabriel Dumont Institute of Native Studies and Applied Research, Inc. and Dumont Technical Institute Inc.

GABRIEL DUMONT COLLEGE INC.

Notes to Financial Statements (continued)

Years ended March 31, 2013 and 2012

4. Related party transactions:

The College had the following transactions with related parties during the year. All transactions were recorded at the exchange amount being amounts agreed upon between the related parties.

	2013	2012
Tuition and related fees	\$ 236,448	\$ 285,619
	\$ 236,448	\$ 285,619

Accounts receivable includes \$241,846 (2012 - \$280,075; 2011 - \$546,253) and accounts payable includes \$5,557 (2012 - \$362; 2011 - \$nil) from Gabriel Dumont Institute of Native Studies and Applied Research, Inc and Dumont Technical Institute Inc.

Certain administrative functions of the College are managed by Gabriel Dumont Institute of Native Studies and Applied Research, Inc. at no charge.

5. Capital management:

The College defines its capital to be its unrestricted net assets. The College monitors its financial performance against budgets. Excess of revenue over expenses are accumulated as unrestricted net assets. In the event revenue declines, the College will budget for reduced operational expenditures. While an annual deficit could arise no such deficit would be allowed to exceed the amount of unrestricted net assets.

6. Financial instruments and risk management:

The College, through its financial assets and liabilities, has exposure to the following risks from its use of financial instruments: credit risk and market risk (interest rate risk and other price risk).

Credit risk

The College's principal financial assets are cash, investments and marketable securities and accounts receivable which are subject to credit risk. The carrying amounts of these financial assets on the statement of financial position represent the College's maximum credit exposure at the year-end date.

The College's credit risk is primarily attributable to its accounts receivable. The amounts disclosed in the statement of financial position are net of allowance for doubtful accounts, estimated by management of the College based on previous experience and its assessment of the current economic environment. The College also has credit risk related to its investments and marketable securities due to the volatility of the markets. The credit risk on cash is limited

GABRIEL DUMONT COLLEGE INC.

Notes to Financial Statements (continued)

Years ended March 31, 2013 and 2012

6. Financial instruments and risk management (continued):

because the counterparties are chartered banks with high credit ratings assigned by national credit-rating agencies.

Interest rate risk

The interest-bearing investments and marketable securities have a limited exposure to interest rate risk due to their short-term maturity.

Fair values

Cash and investments and marketable securities are recorded at fair value. The fair value of accounts receivable and accounts payable approximate their carrying value due to their short-term period to maturity.

Financial Statements of

**THE GABRIEL DUMONT
SCHOLARSHIP FOUNDATION II**

Years ended December 31, 2012 and 2011

INDEPENDENT AUDITORS' REPORT

To the Members

We have audited the accompanying financial statements of The Gabriel Dumont Scholarship Foundation II ("the Foundation"), which comprise the statements of financial position as at December 31, 2012, December 31, 2011 and January 1, 2011 and the statements of operations, changes in net assets and cash flows for the years ended December 31, 2012 and December 31, 2011, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform an audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of The Gabriel Dumont Scholarship Foundation II as at December 31, 2012, December 31, 2011 and January 1, 2011 and the results of its operations and its cash flows for the years ended December 31, 2012 and December 31, 2011 in accordance with Canadian accounting standards for not-for-profit organizations.

A handwritten signature in black ink that reads "KPMG LLP". The signature is written in a cursive, slightly slanted style. Below the signature is a long, thin horizontal line that tapers to a point on the right side.

Chartered Accountants
Saskatoon, Canada
March 14, 2013

THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Statements of Financial Position

December 31, 2012, December 31, 2011 and January 1, 2011

	December 31, 2012	December 31, 2011	January 1, 2011
Assets			
Current assets:			
Cash	\$ 103,623	\$ 126,112	\$ 322,010
Accounts receivable	-	10,000	19,000
	103,623	136,112	341,010
Investments (note 4)	2,708,043	2,704,458	2,459,448
	\$ 2,811,666	\$ 2,840,570	\$ 2,800,458

Liabilities and Net Assets

Current liabilities:			
Accounts payable and accrued liabilities	\$ 12,783	\$ 14,568	\$ 14,811
Deferred revenue (note 5)	53,722	35,000	-
	66,505	49,568	14,811
Net assets:			
Restricted for endowment purposes (note 6)	2,340,000	2,340,000	2,340,000
Unrestricted	405,161	451,002	445,647
	2,745,161	2,791,002	2,785,647
	\$ 2,811,666	\$ 2,840,570	\$ 2,800,458

See accompanying notes to financial statements.

Original signed by Geordy McCaffrey

Original signed by Glenn Lafleur

THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Statement of Operations

Years ended December 31, 2012 and 2011

	2012	2011
Revenue:		
Donations	\$ 82,716	\$ 35,005
Interest and investment income	61,578	77,859
	<u>144,294</u>	<u>112,864</u>
Expenses:		
Scholarships	175,400	93,100
Administrative and professional services	14,721	14,370
Bank charges	14	39
	<u>190,135</u>	<u>107,509</u>
Excess (deficiency) of revenue over expenses	\$ (45,841)	\$ 5,355

See accompanying notes to financial statements.

THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Statement of Changes in Net Assets

Years ended December 31, 2012 and 2011

	Unrestricted	Restricted GDITE Endowment	Restricted GDS Endowment	2012	2011
Balance, beginning of year	\$ 451,002	\$ 1,300,000	\$ 1,040,000	\$ 2,791,002	\$ 2,785,647
Excess (deficiency) of revenue over expenses	(45,841)	-	-	(45,841)	5,355
Balance, end of year	\$ 405,161	\$ 1,300,000	\$ 1,040,000	\$ 2,745,161	\$ 2,791,002

See accompanying notes to financial statements.

THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Statement of Cash Flows

Years ended December 31, 2012 and 2011

	2012	2011
Cash flows from (used in):		
Operations:		
Excess (deficiency) of revenue over expenses	\$ (45,841)	\$ 5,355
Items not involving cash:		
Adjustment for fair value decline on investments	24,064	25,986
Change in non-cash operating working capital:		
Accounts receivable	10,000	9,000
Accounts payable and accrued liabilities	(1,785)	(243)
Deferred revenue	18,722	35,000
	5,160	75,098
Investing:		
Purchase of investments	(1,099,999)	(809,346)
Redemption of investments	1,072,350	538,350
	(27,649)	(270,996)
Decrease in cash	(22,489)	(195,898)
Cash, beginning of year	126,112	322,010
Cash, end of year	\$ 103,623	\$ 126,112

See accompanying notes to financial statements.

THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Notes to Financial Statements

Years ended December 31, 2012 and 2011

1. Nature of operations:

The Gabriel Dumont Scholarship Foundation II (the "Foundation") was established by a Trust Agreement between The Gabriel Dumont Institute of Native Studies and Applied Research, Inc. and the Trustees. This Agreement specifies the restrictions under which the trust may be operated.

On April 1, 2000, the Foundation was incorporated and assets were transferred from the Gabriel Dumont Scholarship ("GDS") Foundation, in accordance with the Trust Agreement.

The purpose of the Foundation is to devote itself to charitable activities of which the primary purpose is the advancement of education of Métis and Non-Status Indians in the Province of Saskatchewan. It is registered with Canada Revenue Agency as a charitable organization and is therefore exempt from income tax.

Gabriel Dumont Institute of Native Studies and Applied Research, Inc. controls Gabriel Dumont College, Inc., Gabriel Dumont Institute Training and Employment Inc., Dumont Technical Institute Inc., and the Gabriel Dumont Scholarship Foundation II, as the Board of Directors of Gabriel Dumont Institute of Native Studies and Applied Research, Inc. are the same directors and the only directors of the controlled entities.

On January 1, 2011, the Foundation adopted Canadian Accounting Standards for Not-For-Profit Organizations in Part III of the CICA Handbook (Not-For-Profit Standards). These are the first financial statements prepared in accordance with Not-For-Profit Standards.

In accordance with the transitional provisions in Not-For-Profit Standards, the Foundation has adopted the changes retrospectively, subject to certain exemptions allowed under these standards. The transition date is January 1, 2011 and all comparative information provided has been presented by applying Not-For-Profit Standards. There were no adjustments arising on transition.

2. Significant accounting policies:

These financial statements have been prepared by management in accordance with Canadian Accounting Standards for Not-For-Profit Organizations in Part III of the CICA Handbook.

THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Notes to Financial Statements (continued)

Years ended December 31, 2012 and 2011

2. Significant accounting policies (continued):

(a) Use of estimates:

The preparation of financial statements in conformity with Canadian Accounting Standards for Not-For-Profit Organizations 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 financial statements and the reported amount of revenue and expenses during the reporting period. Actual results could differ from these estimates.

(b) Revenue recognition:

Interest income from investments is recognized as revenue when earned. Income from donations is recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Deferred revenue represents funding received in advance to be used for scholarships which have not yet been awarded.

(c) Scholarships:

Scholarships are recorded as payable when the scholarships have been granted and the recipient has met all the requirements and obligations.

(d) Administrative services:

The Foundation is charged for administrative services provided by The Gabriel Dumont Institute of Native Studies and Applied Research, Inc. These charges are based on a percentage of interest revenue, not to exceed 10%.

(e) Financial instruments:

Financial assets and financial liabilities are initially recognized at fair value and their subsequent measurement is dependent on their classification as described below:

- Cash and investments are classified as financial assets and are measured at fair value. Fair value fluctuations in these assets which may include interest earned, interest accrued, gains and losses realized on disposal and unrealized gains and losses are included in revenue.
- Accounts receivable are classified as loans and receivables and measured at amortized cost.

THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Notes to Financial Statements (continued)

Years ended December 31, 2012 and 2011

2. Significant accounting policies (continued):

- Accounts payable and accrued liabilities are classified as other liabilities and measured at amortized cost.

Transaction costs related to held for trading financial assets are expensed as incurred.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Foundation determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Foundation expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

3. Financial instruments and risk management:

The Foundation, through its financial assets and liabilities, has exposure to the following risks from its use of financial instruments: credit risk and market risk (interest rate risk and other price risk).

Credit risk

The Foundation's principal financial assets are cash and investments which are subject to credit risk. The carrying amounts of these financial assets on the statement of financial position represent the Foundation's maximum credit exposure at the statement of financial position date.

The Foundation's credit risk is primarily attributable to its investments due to the volatility of the markets. The credit risk on cash is limited because the counterparties are chartered banks with high credit ratings assigned by national credit-rating agencies.

Interest rate risk

The interest-bearing investments and marketable securities have a limited exposure to interest rate risk due to their short-term period to maturity.

Market risk

The Foundation is not exposed to significant interest rate or other price risk.

THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Notes to Financial Statements (continued)

Years ended December 31, 2012 and 2011

3. Financial instruments and risk management (continued):

Fair values

Cash and investments are recorded at fair value.

4. Investments:

Under the terms of the Trust Agreement, GDS Endowment funds can only be invested in investments which are guaranteed by government either through loan guarantees, issuance of bonds or depositor insurance. This criteria allows that, essentially funds can only be invested in guaranteed investment certificates, treasury bills or government bonds.

GDITE Endowment funds have no restrictions in the type of investments permitted.

All investment income from Endowment funds is unrestricted and may be used by the Foundation for scholarships and administration of the Foundation.

5. Deferred revenue:

Deferred revenue consists of the following:

	2012	2011
Saskatoon Health Region	\$ -	\$ 10,000
Saskatchewan Innovation and Opportunity Scholarship	53,722	25,000
	\$ 53,722	\$ 35,000

THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Notes to Financial Statements (continued)

Years ended December 31, 2012 and 2011

6. Net assets restricted for endowment purposes:

In accordance with the terms of the original Trust Agreement, the principal amount originally endowed of \$600,000 must remain untouched. Furthermore, the Trust Agreement stipulates that attempts should be made to maintain the real value, in 1985 dollars, of the \$600,000 principal amount. The consumer price index has been used to measure incremental growth in the endowment. At December 31, 2012, the endowment did not meet this objective.

The Gabriel Dumont Institute of Training & Employment Scholarship and Bursary Program ("GDITE") was created through the support of Service Canada and Gabriel Dumont Institute Training & Employment Inc. In March 2008, an endowment of \$1,300,000 was established through a one time contribution from the Métis Aboriginal Human Resources Development Agreement to support Métis individuals who are improving their employment and educational realities.

7. Related party transactions:

The Foundation had the following transactions with The Gabriel Dumont Institute of Native Studies and Applied Research, Inc.:

	2012	2011
Administrative services	\$ 6,083	\$ 7,768

Accounts payable and accrued liabilities include \$6,083 (2011 - \$9,068) owing to Gabriel Dumont Institute of Native Studies and Applied Research, Inc.