

Financial Statements of

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

Year ended March 31, 2018



INDEPENDENT AUDITORS' REPORT

To the Directors

We have audited the accompanying financial statements of Gabriel Dumont Institute of Native Studies and Applied Research, Inc. which comprise the statement of financial position as at March 31, 2018, the statements of operations, changes in net assets and cash flows for the year then ended, and notes and schedules 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 audit. We conducted our audit 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 of Native Studies and Applied Research, Inc. as at March 31, 2018 and its results of operations and its cash flows for the year then ended 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 horizontal line that starts under the 'K' and ends under the 'P', with a small upward tick at the end.

Chartered Professional Accountants

July 20, 2018
Saskatoon, Canada

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

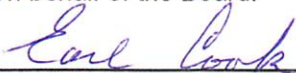
Statement of Financial Position

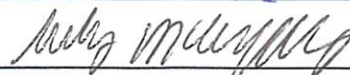
March 31, 2018, with comparative information for 2017

	2018	2017
Assets		
Current assets:		
Cash and cash equivalents	\$ 2,950,692	\$ 3,391,116
Short-term investments	183,029	182,824
Accounts receivable	460,612	228,473
Prepaid expenses	47,727	52,974
	<u>3,642,060</u>	<u>3,855,387</u>
Property and equipment (note 3)	2,276,979	2,237,085
Advances to Gabriel Dumont Institute Press Inc. (note 4)	367,428	339,795
	<u>\$ 6,286,467</u>	<u>\$ 6,432,267</u>
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 1,617,845	\$ 1,421,625
Deferred contributions (note 5)	278,346	719
	<u>1,896,191</u>	<u>1,422,344</u>
Net assets (deficiency):		
Administration and core services	932,503	1,074,084
Invested in property and equipment	2,276,979	2,237,085
Publishing	(384,986)	(384,986)
S.U.N.T.E.P.	1,442,780	1,920,980
Other specific contract projects	-	80,760
Future capital needs	123,000	82,000
	<u>4,390,276</u>	<u>5,009,923</u>
Commitments (note 9)		
	<u>\$ 6,286,467</u>	<u>\$ 6,432,267</u>

See accompanying notes to financial statements.

On behalf of the Board:


 _____ Director


 _____ Director

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

Statement of Operations

Year ended March 31, 2018, with comparative information for 2017

	Administration & Core Services	Publishing	S.U.N.T.E.P	Total 2018	Total 2017
Revenue:					
Government of Saskatchewan					
- Ministry of Advanced Education	\$ 2,287,300	\$ -	\$ 3,567,300	\$ 5,854,600	\$ 6,101,000
Government of Canada					
- Indigenous and Northern Affairs Canada (schedule 4)	-	2,233,573	-	2,233,573	872,981
- The Department of Canadian Heritage (schedule 7)	-	26,691	-	26,691	-
Other (schedule 1)	520,933	582,457	505,249	1,608,639	1,110,093
	2,808,233	2,842,721	4,072,549	9,723,503	8,084,074
Expenses					
Salaries and benefits (schedule 3)	1,457,901	451,158	1,982,717	3,891,776	3,771,410
Operating costs (schedule 2)	809,059	2,212,032	483,377	3,504,468	1,518,278
Instructional costs	-	-	1,870,705	1,870,705	1,781,546
Public relations (schedule 3)	65,810	280,287	108,359	454,456	727,408
Curriculum development	15,988	256,979	8,592	281,559	178,296
Travel and sustenance (schedule 3)	140,968	29,485	86,031	256,484	156,863
Kapachee	54,686	-	-	54,686	54,686
Library costs	1,886	1,228	16,507	19,621	19,344
Works of art	-	8,195	-	8,195	4,671
Scholarships	-	-	1,200	1,200	1,600
	2,546,298	3,239,364	4,557,488	10,343,150	8,214,102
Administrative allocation	(396,643)	396,643	-	-	-
Net revenue	\$ (134,708)	\$ -	\$ (484,939)	\$ (619,647)	\$ (130,028)

See accompanying notes to financial statements.

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

Statement of Changes in Net Assets

Year ended March 31, 2018, with comparative information for 2017

	Administration and Core Services	Publishing	S.U.N.T.E.P.	Other Specific Contract Projects	Future Capital Needs	Invested in Property and Equipment	2018	2017
Net assets (deficiency), beginning of year	\$ 1,074,084	\$ (384,986)	\$ 1,920,980	\$ 80,760	\$ 82,000	\$ 2,237,085	\$ 5,009,923	\$ 5,139,951
Net revenue	(134,708)	-	(484,939)	-	-	-	(619,647)	(130,028)
Amortization	147,336	-	6,739	-	-	(154,075)	-	-
Purchase of property and equipment	(193,969)	-	-	-	-	193,969	-	-
Interfund allocation	80,760	-	-	(80,760)	-	-	-	-
Restricted for facilities use	(41,000)	-	-	-	41,000	-	-	-
Net assets (deficiency), end of year	\$ 932,503	\$ (384,986)	\$ 1,442,780	\$ -	\$ 123,000	\$ 2,276,979	\$ 4,390,276	\$ 5,009,923

See accompanying notes to financial statements.

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

Statement of Cash Flows

Year ended March 31, 2018, with comparative information for 2017

	2018	2017
Cash flows from (used in):		
Operations:		
Net revenue	\$ (619,647)	\$ (130,028)
Item not involving cash:		
Amortization	154,075	152,859
Reinvested investment income	(205)	(2,472)
Change in non-cash operating working capital		
Accounts receivable	(232,139)	1,089,838
Prepaid expenses	5,247	517
Accounts payable and accrued liabilities	196,220	820,109
Deferred contributions	277,627	719
	(218,822)	1,931,542
Financing:		
Advances to Gabriel Dumont Institute Press Inc.	(27,633)	(141,239)
Investing:		
Purchase of property and equipment	(193,969)	(211,958)
Increase (decrease) in cash and cash equivalents	(440,424)	1,578,345
Cash and cash equivalents, beginning of year	3,391,116	1,812,771
Cash and cash equivalents, end of year	\$ 2,950,692	\$ 3,391,116

See accompanying notes to financial statements.

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

Notes to Financial Statements

Year ended March 31, 2018

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, Gabriel Dumont Institute Training and Employment Inc., and Gabriel Dumont Institute Press Inc.

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 are not subject to income tax under the Income Tax Act (Canada).

The Institute is associated with Gabriel Dumont College, Inc., Dumont Technical Institute Inc., Gabriel Dumont Scholarship Foundation II, Gabriel Dumont Institute Training and Employment Inc., and Gabriel Dumont Institute Press 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. Further information about these entities is disclosed in note 6.

2. Significant accounting policies:

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

(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.

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

Notes to Financial Statements (continued)

Year ended March 31, 2018

2. Significant accounting policies (continued):

(a) Fund accounting (continued):

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.

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 of the province of Saskatchewan, 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 of the province of Saskatchewan.

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

Notes to Financial Statements (continued)

Year ended March 31, 2018

2. Significant accounting policies (continued):

(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 revenue represents funding received related to expenditures and program delivery in future years.

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

(c) Financial instruments:

Financial assets and liabilities (cash and cash equivalents, short-term investments, accounts receivable, accounts payable and accrued liabilities, and advances to related parties) 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 Institute has elected to carry their short-term investments 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.

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

Notes to Financial Statements (continued)

Year ended March 31, 2018

2. Significant accounting policies (continued):

(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
Buildings	Declining	5 %
Computer equipment	Declining	20%
Equipment	Declining	20%
Works of art, artifacts	Declining	5%
Leasehold Improvements	Straight-line	10%

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 these procedures 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.

During 2017, the Institute purchased the "Métis Nation – Saskatchewan Archival Collection" from the Métis Nation – Saskatchewan Secretariat Inc. for \$500,000. These Archives contain a large collection of antique books, newspapers, pamphlets, and ephemera related to Métis history.

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

Notes to Financial Statements (continued)

Year ended March 31, 2018

2. Significant accounting policies (continued):

(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. Costs are expensed in the year incurred.

(g) Use of estimates:

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations that 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. Significant items subject to such estimates and assumptions include the estimated useful life of property and equipment, the collectibility of accounts receivable and the estimate of deferred contributions. Actual results could differ from these 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 affiliates.

(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.

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

Notes to Financial Statements (continued)

Year ended March 31, 2018

3. Property and equipment:

			2018	2017
	Cost	Accumulated amortization	Net book value	Net book value
Administrative:				
Land	\$ 270,616	\$ -	\$ 270,616	\$ 270,616
Buildings	2,845,440	1,126,325	1,719,115	1,667,420
Computer equipment	484,502	323,143	161,359	155,611
Equipment	1,211,653	1,168,696	42,957	47,990
	4,812,211	2,618,164	2,194,047	2,141,637
Core services:				
Equipment	310,881	305,501	5,380	6,725
Works of art/artifacts	22,445	5,697	16,748	17,629
Leasehold improvements	70,885	38,929	31,956	35,507
	404,211	350,127	54,084	59,861
S.U.N.T.E.P.				
Equipment	347,440	318,620	28,820	35,552
Other				
Equipment	16,780	16,752	28	35
	\$ 5,580,642	\$ 3,303,663	\$ 2,276,979	\$ 2,237,085

4. Advances to Gabriel Dumont Institute Press Inc.:

The Institute pays for all expenses of Gabriel Dumont Institute Press Inc. ("GDI Press"), a related entity, and all cash received for book sales (net of discounts) by GDI Press is collected by the Institute.

The balance receivable from GDI Press at March 31, 2018 of \$367,428 (2017 - \$339,795) represents the net balance of book sales less expenses for the periods from commencement of operations to March 31, 2018 and working capital advances. This balance is non-interest bearing and the Institute has agreed to not request repayment in the next fiscal year.

All transactions were recorded at the exchange amount being amounts agreed upon between the related parties.

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

Notes to Financial Statements (continued)

Year ended March 31, 2018

5. Deferred contributions:

The Institute has deferred contributions for the following projects:

Funding Agent	Project	2018	2017
Indigenous and Northern Affairs Canada	Métis Cultural Centre Initiative (MCCI)	\$ -	\$ 719
Indigenous and Northern Affairs Canada	Urban Programming for Indigenous Peoples	278,346	-
		\$ 278,346	\$ 719

6. 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, Gabriel Dumont Institute Training & Employment Inc., and Gabriel Dumont Institute Press Inc. Amounts shown are for the most recent fiscal year end of each entity.

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

Notes to Financial Statements (continued)

Year ended March 31, 2018

6. Associated and related entities (continued):

	Gabriel Dumont College Inc. March 31, 2018	Dumont Technical Institute Inc. June 30, 2017	Gabriel Dumont Scholarship Foundation II December 31, 2017	Gabriel Dumont Institute Training & Employment Inc. March 31, 2018	Gabriel Dumont Press Inc. December 31, 2017
Total assets	\$ 2,715,924	\$ 5,878,510	\$ 3,020,699	\$ 1,698,736	\$ 72,990
Total liabilities	172,548	1,188,242	81,372	1,666,288	431,709
Net assets					
- internally restricted/unrestricted	2,543,376	4,578,913	295,222	-	(358,719)
- externally restricted	-	111,355	2,644,105	32,448	-
	\$ 2,715,924	\$ 5,878,510	\$ 3,020,699	\$ 1,698,736	\$ 72,990
Results of operations:					
Total revenue	1,251,307	7,542,598	384,378	12,596,108	174,843
Total expenses	1,166,322	7,641,709	363,395	12,596,108	224,603
Net revenue (expense)	\$ 84,985	\$ (99,111)	\$ 20,983	\$ -	\$ (49,760)
Cash flows:					
Cash provided by (used in) operations	\$ 147,194	370,469	\$ 49,392	1,945,774	(55,758)
Cash provided by (used in) financing and investing activities	-	(355,326)	11,637	-	50,346
Increase (decrease) in cash	\$ 147,194	\$ 15,143	\$ 61,029	\$ 1,945,774	\$ (5,412)
Cash, end of year	\$ 1,933,262	\$ 859,599	\$ 66,601	\$ 1,538,818	\$ 57,204

7. Pension plan:

The Institute contributes to a deferred contribution pension plan for the employees based on a negotiated rate of contribution. The pension expense for the year was \$218,783 (2017 - \$224,073).

8. Related party transactions:

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

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

Notes to Financial Statements (continued)

Year ended March 31, 2018

8. Related party transactions (continued):

	2018	2017
Entities under common control:		
Fees for service (administrative services, at negotiated value) \$	169,705	\$ 195,282
Sales and royalties	10,546	10,246
Fees for service (office and equipment rent)	239,712	239,712
Fees for service (programming services)	203,418	80,325
Building (rent)	(81,125)	(81,125)
Programming services	(844,626)	(319,389)
Other related entities:		
Métis Nation- Saskatchewan Secretariat Inc. library costs- archives	-	(500,000)
	\$ (302,370)	\$ (374,949)

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	
	2018	2017
Dumont Technical Institute Inc.	\$ 114,619	\$ 93,461
Gabriel Dumont Institute Training and Employment Inc.	110	-
Métis Nation - Saskatchewan Secretariat Inc.	1,810	-
Métis National Council	12,296	-
Gabriel Dumont College Inc.	30,598	12,007
	\$ 159,433	\$ 105,468

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

Notes to Financial Statements (continued)

Year ended March 31, 2018

8. Related party transactions (continued):

	Accounts payable	
	2018	2017
Gabriel Dumont Institute Training and Employment Inc.	\$ 75	\$ 283,406
Gabriel Dumont College Inc.	347,122	289,800
Gabriel Dumont Scholarship Foundation II	19,075	1,100
Dumont Technical Institute Inc.	243,591	-
	\$ 609,863	\$ 574,306

9. Commitments:

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

2019	\$ 366,537
2020	69,093
2021	38,105
2022	15,959
2023	4,118
	\$ 493,812

10. Economic dependence:

Approximately 83% (2017 - 86%) 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.

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

Notes to Financial Statements (continued)

Year ended March 31, 2018

11. 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 and cash equivalents, short-term investments, accounts receivable and advances to Gabriel Dumont Institute Press Inc. 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 and cash equivalents is limited because the counterparties are chartered banks with high credit ratings assigned by national credit-rating agencies. The credit risk on advances to Gabriel Dumont Institute Press Inc. relates to the ability of the entity to develop and promote publishing and related activities pursuant to its business plan which will enable the repayment of the advances.

Interest rate risk

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

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

Schedule of Other Revenue

Year ended March 31, 2018, with comparative information for 2017

	Administration and Core Services	Publishing	S.U.N.T.E.P.	2018	2017
Fees for services	\$ 481,821	\$ 56,624	\$ -	\$ 538,445	\$ 479,093
Tuition income	-	-	316,287	316,287	289,209
Teaching income	-	-	188,617	188,617	177,811
Métis National Council (schedule 5)	-	168,500	-	168,500	-
National Indian Brotherhood Trust Fund (schedule 6)	-	150,000	-	150,000	-
Other grants	-	61,000	-	61,000	-
Sales and royalties	-	85,209	-	85,209	79,413
SaskCulture Inc.	-	50,000	-	50,000	-
Interest	35,261	-	-	35,261	27,181
Miscellaneous	-	11,124	345	11,469	16,587
Veterans monument donations	3,851	-	-	3,851	40,799
	\$ 520,933	\$ 582,457	\$ 505,249	\$ 1,608,639	\$ 1,110,093

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

Schedule of Operating Costs

Year ended March 31, 2018, with comparative information for 2017

	Administration & Core Services	Publishing	S.U.N.T.E.P.	2018	2017
Consulting and legal services	\$ 92,636	\$ 1,982,981	\$ 85,078	\$ 2,160,695	\$ 295,091
Building	276,288	115,538	242,501	634,327	603,528
Computer services	137,848	755	62,180	200,783	140,396
Amortization	147,336	-	6,739	154,075	152,859
Other equipment expenses	17,639	8,177	45,403	71,219	71,429
Telephone	60,302	1,678	2,878	64,858	65,478
Insurance	43,833	5,353	4,114	53,300	42,453
Office supplies	11,858	10,836	17,603	40,297	33,266
Museum	-	40,139	-	40,139	30,087
Cultural partnerships	-	33,698	-	33,698	33,765
Postage and courier	10,665	3,880	7,113	21,658	25,442
Duplicating and materials development	6,208	3,131	9,768	19,107	16,134
Bank charges	4,446	5,866	-	10,312	8,437
Bad debts (recovery)	-	-	-	-	(87)
	\$ 809,059	\$ 2,212,032	\$ 483,377	\$ 3,504,468	\$ 1,518,278

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

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

Year ended March 31, 2018, with comparative information for 2017

	Administration & Core Services	Publishing	S.U.N.T.E.P.	2018	2017
Salaries and benefits:					
Staff salaries and wages	\$ 1,210,258	\$ 400,000	\$ 1,719,372	\$ 3,329,630	3,230,348
Staff benefits	247,643	51,158	263,345	562,146	541,062
	<u>\$ 1,457,901</u>	<u>\$ 451,158</u>	<u>\$ 1,982,717</u>	<u>\$ 3,891,776</u>	<u>\$ 3,771,410</u>
Public relations:					
Promotion, publicity and graduation	\$ 65,810	\$ 280,287	\$ 98,023	\$ 444,120	\$ 218,530
Library- archives (note 8)	-	-	-	-	500,000
Recruitment	-	-	10,108	10,108	7,657
Orientation	-	-	228	228	1,221
	<u>\$ 65,810</u>	<u>\$ 280,287</u>	<u>\$ 108,359</u>	<u>\$ 454,456</u>	<u>\$ 727,408</u>
Travel and sustenance:					
Staff and students	\$ 48,346	\$ 27,435	\$ 85,931	\$ 161,712	100,972
Board	92,622	2,050	100	94,772	55,891
	<u>\$ 140,968</u>	<u>\$ 29,485</u>	<u>\$ 86,031</u>	<u>\$ 256,484</u>	<u>\$ 156,863</u>

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

Schedule of Government of Canada - Indigenous and Northern Affairs Canada - Office of the Federal Interlocutor

Year ended March 31, 2018, with comparative information for 2017

	MCCI contract	MCCI amendment #2	MCCI amendment #3	MCCI 2018 Total	MCCI 2017 Total
Revenue:					
Office of the Federal Interlocutor	\$ 253,700	\$ 1,539,154	\$ 440,719	\$ 2,233,573	\$ 872,981
	253,700	1,539,154	440,719	2,233,573	872,981
Expenses:					
Consulting and legal services	-	1,400,411	440,719	1,841,130	119,281
Administrative services	28,924	138,743	-	167,667	29,339
Curriculum development	135,576	-	-	135,576	155,034
Museum	40,139	-	-	40,139	30,087
Michif preservation	15,363	-	-	15,363	5,250
Cultural partnerships	33,698	-	-	33,698	33,765
Library - archives	-	-	-	-	500,225
	253,700	1,539,154	440,719	2,233,573	872,981
Net revenue	\$ -	\$ -	\$ -	\$ -	\$ -

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

Schedule of Métis National Council

Year ended March 31, 2018, with comparative information for 2017

	2018	2017
Revenue:		
Métis National Council	\$ 168,500	\$ -
Expenses:		
Consulting and legal services	77,254	-
Wages and benefits	70,000	-
Material development	10,000	-
Administrative services	8,489	-
Travel and sustenance	1,934	-
Promotions	823	-
	168,500	-
	\$ -	\$ -

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

Schedule of National Indian Brotherhood Trust Fund

Year ended March 31, 2018, with comparative information for 2017

	2018	2017
Revenue:		
National Indian Brotherhood Trust Fund	\$ 150,000	\$ -
Expenses:		
Wages and benefits	50,000	-
Consulting and legal services	40,000	-
Material development	29,407	-
Administrative services	14,211	-
Meetings	9,133	-
Travel and sustenance	3,707	-
Honorarium	1,700	-
Promotions	978	-
Office supplies	864	-
	150,000	-
	\$ -	\$ -

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

Schedule of Government of Canada - Department of Canadian Heritage

Year ended March 31, 2018, with comparative information for 2017

	2018	2017
Revenue:		
Department of Canadian Heritage	\$ 26,691	\$ -
Expenses:		
Curriculum development	26,691	-
	\$ -	\$ -

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

Schedule of SaskCulture Inc.

Year ended March 31, 2018, with comparative information for 2017

	2018	2017
Revenue:		
SaskCulture	\$ 50,000	\$ -
Expenses:		
Consulting and legal services	23,482	-
Meetings	12,253	-
Travel and sustenance	7,465	-
Administrative services	5,000	-
Rent	1,800	-
	<u>50,000</u>	<u>-</u>
	\$ -	\$ -

Financial Statements of

**DUMONT TECHNICAL
INSTITUTE INC.**

Year ended June 30, 2018



INDEPENDENT AUDITORS' REPORT

To the Directors

We have audited the accompanying financial statements of Dumont Technical Institute Inc. which comprise the statement of financial position as at June 30, 2017, the statements of operations, changes in net assets and cash flows for the year then ended, 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 audit. We conducted our audit 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 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, 2018 and the results of its operations and its cash flows for the year then ended 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, horizontal, slightly curved line.

Chartered Professional Accountants

September 28, 2018

Saskatoon, Canada

DUMONT TECHNICAL INSTITUTE INC.

Statement of Financial Position

June 30, 2018, with comparative information for 2017

	2018	2017
Assets		
Current assets:		
Cash and cash equivalents	\$ 404,036	\$ 859,599
Accounts receivable	418,750	95,589
Prepaid expenses	84,109	175,854
	<u>906,895</u>	<u>1,131,042</u>
Investments (note 4)	1,413,812	1,413,724
Property and equipment (note 5)	5,221,053	3,333,744
	<u>\$ 7,541,760</u>	<u>\$ 5,878,510</u>
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 504,671	\$ 274,407
Deferred revenue (note 6)	951,577	532,281
Current portion of long-term debt (note 7)	55,503	53,552
	<u>1,511,751</u>	<u>860,240</u>
Long-term debt (note 7)	112,611	168,088
Deferred capital contributions (note 8)	1,406,000	159,914
Net assets		
Invested in property and equipment	3,646,939	2,952,190
Core	730,442	1,626,723
Programming	134,017	111,355
	<u>4,511,398</u>	<u>4,690,268</u>
Commitments (notes 8 and 9)		
Subsequent event (note 13)		
	<u>\$ 7,541,760</u>	<u>\$ 5,878,510</u>

See accompanying notes to financial statements.

On behalf of the Board:

Earl Cook Director

Lady M. M. M. Director

DUMONT TECHNICAL INSTITUTE INC.

Statement of Operations

Year ended June 30, 2018, with comparative information for 2017

	Core	BE Programs	Other Programs	2018	2017
Revenue:					
Government of Saskatchewan grants	\$ 1,955,272	\$ 1,959,766	\$ 901,152	\$ 4,816,190	\$ 4,858,517
Tuition and fees	-	-	2,204,569	2,204,569	2,214,916
Facility rental and other income	513,420	-	-	513,420	457,675
Investment income	16,024	-	-	16,024	11,490
Amortization of deferred capital contributions	74,000	-	-	74,000	-
	2,558,716	1,959,766	3,105,721	7,624,203	7,542,598
Expenses:					
Salaries	1,418,202	1,074,149	1,055,277	3,547,628	3,717,816
Purchased courses	78,835	118,976	664,149	861,960	813,694
Facilities	269,953	242,069	268,745	780,767	854,491
Staff benefits	290,159	183,656	199,595	673,410	624,182
Instructional costs	8,498	93,284	419,680	521,462	492,591
Amortization	295,394	-	-	295,394	185,096
Staff travel	81,316	37,209	132,417	250,942	170,807
Administrative services	-	39,388	148,088	187,476	178,141
Equipment and education supplies	52,770	50,910	38,962	142,642	69,130
Office supplies	63,320	34,748	31,664	129,732	138,697
Public relations	91,151	17,372	12,436	120,959	87,802
Telephone and fax	24,383	34,149	19,027	77,559	78,970
Insurance	37,490	884	25,037	63,411	58,961
Software support	2,445	11,113	41,050	54,608	68,106
Professional services	17,521	18,000	18,000	53,521	50,152
Professional development	12,423	3,859	8,932	25,214	36,490
Interest and bank charges	16,388	-	-	16,388	16,583
	2,760,248	1,959,766	3,083,059	7,803,073	7,641,709
Excess (deficiency) of revenue over expenses					
	\$ (201,532)	\$ -	\$ 22,662	\$ (178,870)	\$ (99,111)

See accompanying notes to financial statements.

DUMONT TECHNICAL INSTITUTE INC.

Statement of Changes in Net Assets

Year ended June 30, 2018, with comparative information for 2017

	Invested in property and equipment	Core	Programming Funds		2018	2017
			BE Programs	Other Programs		
Balance, beginning of year	\$ 2,952,190	\$ 1,626,723	\$ -	\$ 111,355	\$ 4,690,268	\$ 4,789,379
Excess (deficiency) of revenue over expenses	-	(201,532)	-	22,662	(178,870)	(99,111)
Purchase of property and equipment	2,182,703	(2,182,703)	-	-	-	-
Amortization	(295,394)	295,394	-	-	-	-
Deferred capital contributions	(1,320,086)	1,320,086	-	-	-	-
Amortization of deferred capital contributions	74,000	(74,000)	-	-	-	-
Repayment of long-term debt	53,526	(53,526)	-	-	-	-
Balance, end of year	\$ 3,646,939	\$ 730,442	\$ -	\$ 134,017	\$ 4,511,398	\$ 4,690,268

See accompanying notes to financial statements.

DUMONT TECHNICAL INSTITUTE INC.

Statement of Cash Flows

Year ended June 30, 2018, with comparative information for and 2017

	2018	2017
Cash flows from (used in):		
Operations:		
Deficiency of revenue over expenses	\$ (178,870)	\$ (99,111)
Items not involving cash:		
Amortization	295,394	185,096
Investment increase to fair value	(88)	(1,375)
Amortization of deferred capital contributions	(74,000)	-
Change in non-cash operating working capital:		
Accounts receivable	(323,161)	186,127
Prepaid expenses	91,745	(96,959)
Accounts payable and accrued liabilities	230,264	(35,795)
Deferred revenue	419,296	232,486
	<u>460,580</u>	<u>370,469</u>
Financing:		
Repayment of long-term debt	(53,526)	(51,503)
Deferred capital contributions	1,320,086	159,914
	<u>1,266,560</u>	<u>108,411</u>
Investing:		
Purchase of property and equipment	(2,182,703)	(463,737)
Increase (decrease) in cash	<u>(455,563)</u>	<u>15,143</u>
Cash and cash equivalents, beginning of year	859,599	844,456
Cash and cash equivalents, end of year	<u>\$ 404,036</u>	<u>\$ 859,599</u>

See accompanying notes to financial statements.

DUMONT TECHNICAL INSTITUTE INC.

Notes to Financial Statements

Year ended June 30, 2018

1. Nature of organization:

Dumont Technical Institute Inc. ("the Institute", "DTI") 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, Gabriel Dumont Institute Press Inc. and Gabriel Dumont Institute Training and Employment 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).

The Institute is jointly controlled with Gabriel Dumont Institute of Native Studies and Applied Research and its related entities: Gabriel Dumont College Inc., Gabriel Dumont Institute Training and Employment Inc., Gabriel Dumont Scholarship Foundation II, and Gabriel Dumont Institute Press Inc., 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.

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 CPA Canada Handbook and reflect the following policies:

(a) Fund accounting:

The majority of the skills training programs offered are accredited through Saskatchewan Polytechnic.

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.

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 BE include adult secondary education, life skills and employment enhancement.

DUMONT TECHNICAL INSTITUTE INC.

Notes to Financial Statements (continued)

Year ended June 30, 2018

2. Significant accounting policies (continued):

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 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. 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.

Contributions restricted for the purchase of capital assets are deferred and recognized into revenue at a rate corresponding with the amortization rate for the capital asset.

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

(c) Cash and cash equivalents:

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

(d) 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)

Year ended June 30, 2018

2. Significant accounting policies (continued):

(e) Property and equipment:

Property and equipment are stated at cost less accumulated amortization. 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%

Assets under construction or development are not subject to amortization until the project is substantially complete and available for use. 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 are recognized in income in the year of disposal. Contributions for assets purchased are deferred and amortized on the same basis as the assets to which they relate.

The carrying amount of an item of property and equipment is tested for recoverability whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized when the asset's carrying amount is not recoverable and exceeds its fair value.

(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. Costs are expensed in the year incurred.

DUMONT TECHNICAL INSTITUTE INC.

Notes to Financial Statements (continued)

Year ended June 30, 2018

2. Significant accounting policies (continued):

(g) Use of estimates:

The preparation of the financial statements in conformity with Canadian accounting standards for not-for-profit organization 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 estimates of deferred revenue. Actual results could differ from those estimates.

(h) Allocation of income and expenses:

The Institute recognizes facility rental income in the Core service fund and allocates facility expense to the Basic Education programs and Other program funds. The amount of income recognized and expense allocated is based on a market rent analysis done by a third party.

The rental income and expense allocated are as follows:

	2018	2017
Facility rental income	\$ 272,127	\$ 272,127
Allocated as follows:		
Basic Education programs	169,003	169,003
Other programs	103,124	103,124
	\$ 272,127	\$ 272,127

DUMONT TECHNICAL INSTITUTE INC.

Notes to Financial Statements (continued)

Year ended June 30, 2018

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

The Institute's principal financial assets subject to credit risk are cash and cash equivalents, accounts receivable, and investments. 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 and cash equivalents is limited because the counter parties 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. The Institute also has exposure to interest rate risk on its long-term debt arising from interest at variable rates as well as prevailing interest rates at the time of renewal or refinancing of the debt as it becomes due.

Market risk

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

Fair values

Cash and cash equivalents 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 amounts due to affiliates, that may arise.

DUMONT TECHNICAL INSTITUTE INC.

Notes to Financial Statements (continued)

Year ended June 30, 2018

4. Investments:

		2018	2017
	Cost	Market Value	Market Value
Imperial Short Term Bond Pool	\$ 728,349	\$ 706,216	\$ 697,205
Imperial Canadian Bond Pool	531,604	556,627	584,529
Imperial Money Market Pool	93,843	93,785	74,707
Imperial International Bond Pool	48,291	57,184	57,283
	\$ 1,402,087	\$ 1,413,812	\$ 1,413,724

5. Property and equipment:

			2018	2017
	Cost	Accumulated amortization	Net book value	Net book value
Land	\$ 819,376	\$ -	\$ 819,376	\$ 771,376
Furniture and equipment	1,098,067	951,006	147,061	184,762
Buildings	5,385,245	1,169,636	4,215,609	2,170,063
Computer equipment	329,502	290,495	39,007	47,629
Building under construction	-	-	-	159,914
	\$ 7,632,190	\$ 2,411,137	\$ 5,221,053	\$ 3,333,744

DUMONT TECHNICAL INSTITUTE INC.

Notes to Financial Statements (continued)

Year ended June 30, 2018

6. Deferred revenue:

Deferred revenue is comprised of the following:

	2018	2017
Ministry of Economy - Basic Education programs	\$ 490,074	\$ 345,412
Advanced Education - Skills Training	201,929	148,081
Advanced Education - Employee Assistance for People with Disabilities	9,598	32,370
Gabriel Dumont Institute Training & Employment Inc.	196,552	3,994
Other	53,424	2,424
	<u>\$ 951,577</u>	<u>\$ 532,281</u>

7. Long-term debt:

	2018	2017
Clarence Campeau Development Fund term loan due March 2021, repayable in monthly instalments of \$5,087 including interest at a rate of 2% over the Scotia McLeod five-year bankers acceptance rate (currently 3.81% 2017 - 4.02%) against which a building has been pledged as collateral.	\$ 168,114	\$ 221,640
Current portion	55,503	53,552
	<u>\$ 112,611</u>	<u>\$ 168,088</u>

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

2019	\$	55,503
2020		57,846
2021		54,765
	<u>\$</u>	<u>168,114</u>

DUMONT TECHNICAL INSTITUTE INC.

Notes to Financial Statements (continued)

Year ended June 30, 2018

8. Deferred contributions for La Loche building:

During the previous year, the Institute entered into an agreement (the "Agreement") with the Minister of Advanced Education of the Government of Saskatchewan (the "Minister") for the La Loche Program Centre Addition Project. This Agreement allocated up to \$1,480,000 of Government of Canada funding through the Post Secondary Institutions Strategic Investment Fund towards this project. Project costs were initially estimated at \$1,653,700, with the Institute responsible for funding the difference.

Construction of the La Loche Program Centre was completed in 2018 and during the year \$1,515,259 (2017 - \$159,914) of construction costs have been incurred and capitalized to property and equipment. Deferred capital contributions for the La Loche Centre consist of funds received or receivable for costs incurred. The deferred capital contribution funding is being amortized into income on the same rate (5% declining balance) as the La Loche Centre capital costs.

9. Commitments:

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

2019	\$	222,747
2020		34,220
2021		29,600
2022		27,220
2023		10,163
	\$	323,950

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

DUMONT TECHNICAL INSTITUTE INC.

Notes to Financial Statements (continued)

Year ended June 30, 2018

10. Related party transactions:

Dumont Technical Institute Inc. conducts business with several related party organizations through the Gabriel Dumont Institute (note 1). 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.

	2018	2017
Tuition and fees	\$ 1,477,493	\$ 1,789,867
Service provision & expense reimbursement	267,828	19,457
Rent (included in facility rental and other income)	146,638	160,672
Public relations expense	(7,302)	(9,476)
Administrative services expense	(183,088)	(178,141)
Facilities expense	(193,623)	(199,938)
	\$ 1,507,946	\$ 1,582,441

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	2018	2017
Gabriel Dumont Institute Training & Employment Inc.	\$ 77,721	\$ 1,980
Gabriel Dumont Institute of Native Studies and Applied Research, Inc.	688	69
	\$ 78,409	\$ 2,049

Accounts payable and accrued liabilities	2018	2017
Gabriel Dumont Institute of Native Studies and Applied Research, Inc.	\$ 60,666	\$ 31,700
Gabriel Dumont Institute Training & Employment Inc.	-	9,552
	\$ 60,666	\$ 41,252

DUMONT TECHNICAL INSTITUTE INC.

Notes to Financial Statements (continued)

Year ended June 30, 2018

11. Economic dependence:

Approximately 64% (2017 - 64%) of the Institute's revenue was derived from the Government of Saskatchewan. Funding is provided by annual grants under contracts expiring on various dates.

12. 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 \$218,814 (2017 - \$222,649).

13. Subsequent event:

Subsequent to year end the Institute commenced construction on a new office complex located at its 917 - 22nd Street location in Saskatoon. Construction costs are estimated at \$4,500,000 with financing to be provided by a combination of related party financing, third party interest bearing debt and external grants. Construction is expected to be completed in June of 2019.

Financial Statements of

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

Year ended March 31, 2018



KPMG LLP
500-475 2nd Avenue South
Saskatoon Saskatchewan S7K 1P4
Canada
Tel (306) 934-6200
Fax (306) 934-6233

INDEPENDENT AUDITORS' REPORT

To the Directors

We have audited the accompanying financial statements of Gabriel Dumont Institute Training and Employment Inc. which comprise the statement of financial position as at March 31, 2018, the statements of operations and cash flows for the year then ended, and notes and schedules, 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.

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 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 audit. We conducted our audit 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, 2018 and the results of its operations and its cash flows for the year then ended, in accordance with financial reporting provisions of the Aboriginal Skills and Employment Training Strategy Métis Funding Agreement dated August 25, 2010.

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., Service Canada, and the Minister of Western Economic Diversification. 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., Service Canada and the Minister of Western Economic Diversification and should not be used by parties other than Gabriel Dumont Institute Training and Employment Inc., Service Canada and the Minister of Western Economic Diversification.

KPMG LLP

Chartered Professional Accountants

July 20, 2018
Saskatoon, Canada

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Statement of Financial Position

March 31, 2018, with comparative information for 2017

	2018	2017
Assets		
Current assets:		
Cash and cash equivalents	\$ 1,538,818	\$ -
Accounts receivable	127,470	551,138
	1,666,288	551,138
Furniture, equipment, and vehicle (note 2)	32,448	41,550
	\$ 1,698,736	\$ 592,688

Liabilities

Current liabilities:		
Bank indebtedness	\$ -	\$ 406,956
Accounts payable and accrued liabilities (note 3)	666,710	144,147
Deferred revenue (note 4)	999,578	35
	1,666,288	551,138
Deferred contributions for furniture, equipment, and vehicle (note 5)	32,448	41,550
	\$ 1,698,736	\$ 592,688

See accompanying notes to financial statements.

On behalf of the Board:

Earl Cook Director

Andy Murphy Director

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Statement of Operations

Year ended March 31, 2018, with comparative information for 2017

	2018	2017
Revenue:		
Service Canada-Aboriginal Skills and Employment Training Strategy Métis Funding ("ASETS") (schedule 1)	\$ 11,597,975	\$ 11,926,285
Skills and Partnership Fund Agreement - (SPF)	797,450	-
Western Diversification Program ("WDP")	110,368	1,175,000
Western Diversification Program ("WDP") - Entrepreneurship	90,312	-
	<u>12,596,105</u>	<u>13,101,285</u>
Expenses (schedule 2):		
Service delivery (schedule 3)	8,624,234	9,879,239
Wages and benefits	2,812,903	2,615,536
GDI Scholarship Fund	300,000	-
Facilities rentals	188,123	198,573
Staff travel	133,792	87,756
Public relations	125,722	97,305
Computer software support	94,209	15,505
Office	90,213	9,869
Telephone	63,777	57,361
Professional fees	42,815	43,964
Office supplies	38,639	23,735
Selection committee and professional development	35,797	38,802
Insurance	16,763	10,525
Equipment rentals	11,668	11,482
Amortization	9,102	5,441
Interest and bank charges	3,709	3,078
Postage and courier	3,011	1,218
Repairs and maintenance	1,338	1,367
Contractual services and consulting	290	529
	<u>12,596,105</u>	<u>13,101,285</u>
Excess of revenue over expenses	\$ -	\$ -

See accompanying notes to financial statements.

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Statement of Cash Flows

Year ended March 31, 2018, with comparative information for 2017

	2018	2017
Cash flows from (used in):		
Operations:		
Items not involving cash:		
Amortization of furniture, equipment and vehicles	\$ 9,102	\$ 5,441
Amortization of deferred contributions for furniture, equipment and vehicles	(9,102)	(5,441)
Change in non-cash operating working capital:		
Accounts receivable	423,668	228,034
Accounts payable and accrued liabilities	522,563	(455,402)
Deferred revenue	999,543	(626,894)
	1,945,774	(854,262)
Investing:		
Purchase of furniture, equipment, and vehicle	-	(39,574)
Financing:		
Deferred contributions for furniture, equipment, and vehicle	-	39,574
Increase (decrease) in cash and cash equivalents	1,945,774	(854,262)
Cash and cash equivalents (bank indebtedness), beginning of year	(406,956)	447,306
Cash and cash equivalents (bank indebtedness), end of year	\$ 1,538,818	\$ (406,956)

See accompanying notes to financial statements.

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Notes to Financial Statements

Year ended March 31, 2018

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"), the Western Diversification Project Article Agreement dated November 4, 2014 ("WDP Agreement" or "WDP") and the WDP Entrepreneurship Agreement dated September 14, 2017 with the Minister of Western Economic Diversification.

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, 2019. The WDP Entrepreneurship Agreement with the Minister of Western Economic Diversification has been renewed to March 31, 2020.

The Institute is jointly controlled with Gabriel Dumont Institute of Native Studies and Applied Research, Inc., and its related entities: Gabriel Dumont College Inc., Dumont Technical Institute Inc., Gabriel Dumont Scholarship Foundation II, and Gabriel Dumont Institute Press Inc., 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:

The Institute has adopted Canadian Accounting Standards for Not-For-Profit Organizations in accordance with Part III of the CPA Canada Handbook.

However, the financial statements have been prepared for the purposes of reporting to the Institute's primary funding agency, Service Canada. As a result, these financial statements have been prepared in accordance with Canadian Accounting Standards for Not-For-Profit Organizations, with the exception of the use of the modified cash basis for programs as outlined in note 1(a), and reflect the following accounting policies:

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Notes to Financial Statements (continued)

Year ended March 31, 2018

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, equipment and vehicle are deferred and recognized into revenue at a rate corresponding with the amortization rate for the related furniture, equipment and vehicle.

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.

The Institute has an available credit facility authorized to a maximum of \$500,000 which bears interest at bank prime plus 1% on outstanding amounts.

(d) Furniture, equipment, and vehicle:

Furniture, equipment, and vehicle 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 methods and annual rates:

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Notes to Financial Statements (continued)

Year ended March 31, 2018

1. Significant accounting policies (continued):

Asset	Method	Rate
Furniture and equipment	Declining balance	20%
Computer equipment	Declining balance	20%
Vehicle	Straight-line	20%

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, useful life of furniture, equipment and vehicle 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 \$171,977 (2017- \$153,282).

(g) Financial instruments:

Financial assets and liabilities (cash and cash equivalents, accounts receivable, bank indebtedness and accounts payable and accrued liabilities) are recorded at fair value on initial recognition. All 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.

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Notes to Financial Statements (continued)

Year ended March 31, 2018

1. Significant accounting policies (continued):

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.

(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, equipment, and vehicles:

	Cost	Accumulated Amortization	2018 Net book value	2017 Net book value
Furniture and equipment	\$ 49,454	\$ 45,540	\$ 3,914	\$ 4,893
Computer equipment	10,506	9,674	832	1,040
Vehicle	39,575	11,873	27,702	35,617
	<u>\$ 99,535</u>	<u>\$ 67,087</u>	<u>\$ 32,448</u>	<u>\$ 41,550</u>

3. Accounts payable and accrued liabilities:

Included in accounts payable and accrued liabilities is an optional deferred salary leave plan ("DSLPL") in the amount of \$nil (2017 - \$97,448). The Institute's DSLPL is designed to assist employees in financing a leave of absence. Employees who opt into this plan are paid up to 66.67% of their normal gross pay while the remaining 33.33% is withheld from their salary and invested in a savings account with a chartered financial institution held by Gabriel Dumont Institute of Native Studies and Applied Research, Inc. on behalf of the Institute. The Institute guarantees payment of the deferred amount (including interest earned) upon the employee taking a leave of absence.

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Notes to Financial Statements (continued)

Year ended March 31, 2018

4. Deferred revenue:

Deferred revenue relates to expenses of future periods and represents unspent externally restricted contributions for specific programs.

	2018	2017
Service Canada ASETS Agreements	\$ 767,345	\$ 35
Skills and Partnership Fund	232,233	-
	\$ 999,578	\$ 35

5. Deferred contributions for furniture, equipment and vehicle:

Deferred contributions for furniture, equipment and vehicle represents the unamortized amount related to the purchase of these capital assets. The amortization of deferred contributions for furniture, equipment and vehicle is recorded as revenue in the statement of operations.

	2018	2017
Balance, beginning of year	\$ 41,550	\$ 7,417
Service Canada revenue used to purchase vehicle	-	39,574
Deferred contributions recognized	(9,102)	(5,441)
Balance, end of year	\$ 32,448	\$ 41,550

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Notes to Financial Statements (continued)

Year ended March 31, 2018

6. Commitments:

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

2019	\$	209,397
2020		14,085

The operating leases are primarily based on monthly rentals.

7. Related party transactions:

During the year the Institute paid \$1,685,458 (2017 - \$1,651,085), \$705 (2017 - \$88), and \$32,634 (2017 - \$42,525) for service delivery and salaries to Dumont Technical Institute Inc., Gabriel Dumont Institute of Native Studies and Applied Research, Inc. and Gabriel Dumont College Inc., respectively.

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 \$66,702 and \$48,000, respectively, for these services for the year ended March 31, 2018 (2017 - \$84,684 and \$48,000). Accounts payable and accrued liabilities include \$173,314 (2017 - \$Nil) owing to Dumont Technical Institute, \$110 (2017 - \$Nil) owing to Gabriel Dumont Institute of Native Studies and Applied Research, Inc. and \$300,000 (2017 - \$Nil) owing to The Gabriel Dumont Scholarship Foundation II.

Accounts receivable includes \$75 (2017 - \$283,406) owed from Gabriel Dumont Institute of Native Studies and Applied Research, Inc., \$9,049 (2017 - \$15,125) owed from Dumont Technical Institute Inc. and \$4,916 (2017 - \$Nil) owed from Gabriel Dumont College Inc.

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

8. Economic dependence:

98% (2017 - 91%) 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, 2019.

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Notes to Financial Statements (continued)

Year ended March 31, 2018

9. 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 and cash equivalents, 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 and cash equivalents is limited because the counterparties are chartered banks with high credit ratings assigned by national credit-rating agencies.

Market risk

The Institute is exposed to interest rate risk arising from fluctuations in interest rates on its credit facility agreement. Interest rate risk associated with the credit facility agreement is limited as no amount has been drawn on the line of credit.

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Schedules of Service Canada ASETS Agreement Revenue

Year ended March 31, 2018, with comparative information for 2017

	Employment Insurance	Consolidated Revenue Fund	2018	2017
Service Canada contributions	\$ 3,739,852	\$ 8,580,771	\$ 12,320,623	\$ 11,322,429
Deferred revenue including interest - beginning of year	10	25	35	626,929
Deferred contributions for furniture, equipment and vehicle - beginning of year	-	41,550	41,550	7,417
Deferred contributions for furniture, equipment and vehicle - end of year	-	(32,448)	(32,448)	(41,550)
Interest earned	-	22,660	22,660	12,094
Other revenue	(10)	12,910	12,900	(999)
Deferred revenue including interest - end of year	(35)	(767,310)	(767,345)	(35)
Revenue recognized	\$ 3,739,817	\$ 7,858,158	\$ 11,597,975	\$ 11,926,285

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Schedule of Expenses

Year ended March 31, 2018, with comparative information for 2017

	Employment Insurance	Consolidated Revenue Fund	Western Diversification Program	Skills and Partnership Fund	2018	2017
Program Administration Expenses						
Wages and benefits	\$ -	\$ 815,142	\$ 49,808	\$ 137,242	\$ 1,002,192	\$ 830,794
Public relations	-	95,805	-	13,406	109,211	80,487
Computer software support	-	94,209	-	-	94,209	15,385
Office	-	64,816	4,065	-	68,881	4,148
Professional fees	-	42,815	-	-	42,815	43,964
Staff travel	-	30,754	-	2,148	32,902	23,812
Facilities rentals	-	29,041	-	-	29,041	29,041
Telephone	-	20,608	-	272	20,880	22,878
Insurance	-	16,763	-	-	16,763	10,525
Selection committee and professional development	-	11,661	-	-	11,661	4,956
Office supplies	-	10,962	-	-	10,962	6,342
Amortization	-	9,102	-	-	9,102	5,441
Interest and bank charges	-	3,709	-	-	3,709	3,078
Contractual services and consulting	-	190	-	-	190	529
Postage and courier	-	146	-	-	146	297
	-	1,245,723	53,873	153,068	1,452,664	1,081,677
Program Assistance Expenses						
Education and training costs	1,186,678	3,376,765	42,627	73,800	4,679,870	4,989,777
Student allowances	850,802	1,581,135	250	6,035	2,438,222	2,678,813
Wage subsidies	354,142	484,375	103,930	563,694	1,506,141	2,210,648
GDI Scholarship Fund	-	300,000	-	-	300,000	-
Staff travel	59,665	-	-	-	59,665	47,473
Telephone	42,898	-	-	-	42,898	34,484
Office supplies	17,521	-	-	-	17,521	10,286
Public relations	1,045	-	-	-	1,045	1,519
Postage and courier	765	-	-	-	765	921
	2,513,516	5,742,275	146,807	643,529	9,046,127	9,973,921

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Schedule of Expenses (continued)

Year ended March 31, 2018, with comparative information for 2017

	Employment Insurance	Consolidated Revenue Fund	Western Diversification Program	Skills and Partnership Fund	2018	2017
Employment Assistance Services						
Wages and benefits	1,226,301	584,410	-	-	1,810,711	1,784,742
Facilities rental	-	159,082	-	-	159,082	169,532
Staff travel	-	41,225	-	-	41,225	16,471
Selection committee and professional development	-	23,383	-	753	24,136	33,846
Office	-	21,332	-	-	21,332	5,721
Public relations	-	15,466	-	-	15,466	15,299
Equipment rentals	-	11,668	-	-	11,668	11,482
Office supplies	-	10,156	-	-	10,156	7,107
Postage and courier	-	2,100	-	-	2,100	-
Repairs and maintenance	-	1,338	-	-	1,338	1,367
Contractual services and consulting	-	-	-	100	100	-
Computer software support	-	-	-	-	-	120
	1,226,301	870,160	-	853	2,097,314	2,045,687
	\$ 3,739,817	\$ 7,858,158	\$ 200,680	\$ 797,450	\$ 12,596,105	\$ 13,101,285

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Schedule of Service Delivery Expenses

Year ended March 31, 2018, with comparative information for 2017

	Saskatoon	Regina	Prince Albert	Nipawin	Yorkton	North Battleford	Meadow Lake	Ile a la Crosse	La Loche	Beauval	2018	2017
Tuition and program delivery	\$ 973,488	\$ 598,448	\$ 1,016,184	\$ 207,072	\$ 58,697	\$ 189,461	\$ 170,892	\$ 37,773	\$ 96,986	\$ 124,777	\$ 3,473,758	\$ 3,846,278
Income support	653,868	304,845	550,453	143,186	45,697	200,685	164,993	53,123	105,568	220,053	2,442,471	2,678,813
Wage subsidies	382,834	171,693	184,483	63,126	33,605	88,141	199,998	26,477	27,606	132,767	1,309,030	1,988,627
Books	165,555	59,590	132,050	24,174	17,468	37,938	29,988	15,494	35,606	49,956	557,817	530,743
Dependent care	98,373	34,484	70,841	10,155	-	16,272	26,773	10,569	6,638	19,442	283,768	313,830
Supplies	77,496	15,386	82,232	1,000	4,311	10,890	15,901	1,338	4,470	19,097	231,221	121,590
Student work experience	35,398	1,650	51,940	24,478	4,654	14,881	29,034	3,188	12,902	19,231	197,112	222,022
Student travel	10,418	22,284	34,133	3,707	1,320	12,343	12,377	4,036	6,997	6,962	114,577	167,696
Living away from home allowance	975	375	1,725	-	-	-	-	-	-	-	3,075	6,918
Special needs allowance	340	-	1,047	-	-	-	-	-	-	-	1,387	2,522
	\$ 2,388,793	\$ 1,208,555	\$ 2,125,238	\$ 476,896	\$ 165,750	\$ 588,591	\$ 650,038	\$ 151,917	\$ 297,173	\$ 591,285	\$ 8,824,234	\$ 9,879,239

Financial Statements of

**GABRIEL DUMONT
INSTITUTE PRESS INC.**

Year ended December 31, 2017



KPMG LLP
500-475 2nd Avenue South
Saskatoon Saskatchewan S7K 1P4
Canada
Tel (306) 934-6200
Fax (306) 934-6233

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Gabriel Dumont Institute Press Inc.

We have audited the accompanying financial statements of Gabriel Dumont Institute Press Inc., which comprise the statement of financial position as at December 31, 2017, the statements of operations and net assets and cash flows for the year then ended, 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 audit. We conducted our audit 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 audit is sufficient and appropriate to provide a basis for our audit opinion.



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Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Gabriel Dumont Institute Press Inc. as at December 31, 2017, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

KPMG LLP

Chartered Professional Accountants

March 2, 2018

Saskatoon, Canada

GABRIEL DUMONT INSTITUTE PRESS INC.


Statement of Financial Position

December 31, 2017, with comparative information for 2016

	2017	2016
Assets		
Current assets:		
Cash	\$ 57,204	\$ 62,616
Accounts receivable	15,786	6,288
	<u>\$ 72,990</u>	<u>\$ 68,904</u>
Liabilities and Net Assets (Deficiency)		
Current liabilities:		
Accrued liabilities	\$ 9,500	\$ 6,000
Deferred revenue (note 3)	25,600	25,600
	<u>35,100</u>	<u>31,600</u>
Due to Gabriel Dumont Institute of Native Studies and Applied Research Inc. (note 4)	396,609	346,263
	<u>431,709</u>	<u>377,863</u>
Net assets (deficiency)	(358,719)	(308,959)
Nature of operations (note 1)		
Commitments (note 5)		
	<u>\$ 72,990</u>	<u>\$ 68,904</u>

See accompanying notes to financial statements.

On behalf of the Board:



Governor



Governor

GABRIEL DUMONT INSTITUTE PRESS INC.

Statement of Operations and Net Assets

Year ended December 31, 2017, with comparative information for 2016

	2017	2016
Revenues:		
Book sales (net of discounts)	\$ 159,516	\$ 86,598
Royalties income	14,805	11,894
Interest income	522	70
Grant revenue	-	25,000
	<u>174,843</u>	<u>123,562</u>
Expenses:		
Salaries and benefits	117,052	155,139
Building	42,796	41,268
Printing	21,397	-
Professional fees	12,777	8,082
Advertising	10,438	5,930
Office and general	7,921	6,550
Material development	6,598	53,424
Travel	5,455	2,440
Interest and bank charges	169	199
	<u>224,603</u>	<u>273,032</u>
Deficiency of revenue over expenses	(49,760)	(149,470)
Net assets (deficiency), beginning of year	(308,959)	(159,489)
Net assets (deficiency), end of year	<u>\$ (358,719)</u>	<u>\$ (308,959)</u>

See accompanying notes to financial statements.

GABRIEL DUMONT INSTITUTE PRESS INC.

Statement of Cash Flows

Year ended December 31, 2017, with comparative information for 2016

	2017	2016
Cash provided by (used in):		
Operations:		
Deficiency of revenue over expenses	\$ (49,760)	\$ (149,470)
Changes in non-cash operating working capital:		
Accounts receivable	(9,498)	(6,288)
Accrued liabilities	3,500	-
Deferred revenue	-	25,600
	(55,758)	(130,158)
Financing:		
Advances from Gabriel Dumont Institute of Native Studies and Applied Research, Inc.	50,346	192,774
Increase (decrease) in cash	(5,412)	62,616
Cash, beginning of year	62,616	-
Cash, end of year	\$ 57,204	\$ 62,616

See accompanying notes to financial statements.

GABRIEL DUMONT INSTITUTE PRESS INC.

Notes to Financial Statements

Year ended December 31, 2017

1. Nature of operations:

Gabriel Dumont Institute Press Inc. (the "Organization") is a not-for-profit organization that makes important links to the Métis Community in Western Canada. The Organization contracts Métis authors to publish literature regarding Métis culture and history. The publishing of this literature is the core activity undertaken by the Organization to establish links in the Métis community. The development of these links to the Métis community 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.

The Organization was incorporated under the Non-Profit Corporations Act of Saskatchewan on August 18, 2015 and is not subject to income tax under the Income Tax Act (Canada).

The Organization is associated with Gabriel Dumont Institute of Native Studies and Applied Research Inc., 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 Organization 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.

Gabriel Dumont Institute Press Inc. was previously a division of Gabriel Dumont Institute of Native Studies and Applied Research, Inc. ("GDI - NSAR").

These financial statements have been prepared assuming the Organization will continue as a going concern. For the year ended December 31, 2017, the Organization incurred a deficiency of revenue over expenses of \$49,760 (2016 - \$149,470) and has an accumulated deficit of \$358,959 (2016 - \$308,959). These factors raise significant doubt about the Organization's ability to continue as a going concern and the Organization is dependent upon GDI-NSAR to provide continued financial support (note 6(b)).

2. Significant accounting policies:

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

(a) Revenue recognition:

Book sales and royalties are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Grant revenue is recognized as earned based on the terms of the grant agreement. Grants received for special projects are recognized as revenue in the period the related expenses are incurred.

GABRIEL DUMONT INSTITUTE PRESS INC.

Notes to Financial Statements (continued)

Year ended December 31, 2017

2. Significant accounting policies (continued):

(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 collectibility of accounts receivable and estimates of deferred revenue. Actual results could differ from those estimates.

(c) Library costs:

The Organization's library collection includes materials related to the culture and history of Aboriginal peoples not readily available from other sources. These materials assist the Organization 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.

(d) Financial instruments:

Financial instruments, including cash, accounts receivable, accrued liabilities and due to Gabriel Dumont Institute of Native Studies and Applied Research Inc. are recorded at fair value on initial recognition and are subsequently measured at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Organization has not elected to carry any such financial instruments at fair value.

Accounts receivable are classified as loans and receivables and are recorded at amortized cost. Accrued liabilities and amounts due to Gabriel Dumont Institute of Native Studies and Applied Research Inc. are classified as other liabilities and measured at amortized cost.

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 Organization 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 its estimated recoverable amount. 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 impairment charge.

GABRIEL DUMONT INSTITUTE PRESS INC.

Notes to Financial Statements (continued)

Year ended December 31, 2017

2. Significant accounting policies (continued):

(e) Cash:

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

(f) Employee benefits:

The Organization 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.

(g) Allocation of shared expenses:

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

3. Deferred revenue:

Deferred revenue consists of grants from the following sources:

	2017	2016
Creative Industries		
Production Grant Program	\$ 25,600	\$ 25,600
	\$ 25,600	\$ 25,600

4. Related party transactions:

The balance owing to GDI-NSAR at December 31, 2017 of \$396,609 (2016 - \$346,263) is non-interest bearing and GSI-NSAR has agreed to not request repayment in the next fiscal year.

Certain administrative functions of the Organization are managed by GDI-NSAR at no charge.

All transactions were recorded at the exchange amount being amounts agreed upon between the related parties.

GABRIEL DUMONT INSTITUTE PRESS INC.

Notes to Financial Statements (continued)

Year ended December 31, 2017

5. Commitments:

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

2018	\$	28,742
2019		3,718
2020		3,718
2021		2,768
2022		1,818
	\$	40,764

The amounts have been allocated to the Organization by GDI-NSAR on the basis of estimated space occupied for facilities and estimated usage for equipment.

6. Financial risks and concentration of risk:

The Organization's financial instruments include accounts receivable, accrued liabilities and amounts due to Gabriel Dumont Institute of Native Studies and Applied Research Inc. ("GDI-NSAR"). The Organization has exposure to the following risks arising from its use of financial instruments:

(a) Credit risk:

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

The Organization'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 Organization based on previous experience and its assessment of the current economic environment. The credit risk on cash is limited because the counterparties are chartered banks with high credit ratings assigned by national credit-rating agencies.

GABRIEL DUMONT INSTITUTE PRESS INC.

Notes to Financial Statements (continued)

Year ended December 31, 2017

6. Financial risks and concentration of risk: (continued):

(b) Liquidity risk:

Liquidity risk is the risk that the Organization will not be able to meet its financial obligations as they become due. The Organization is in the start-up stage of operations and the ability of the Organization to continue as an organization is dependent upon its ability to secure long-term funding and generate book sales and other revenue. The Organization has a deficiency of liabilities over assets of \$358,719 (2016 - \$308,959) of which \$396,609 (2016 - \$346,263) is owing to GDI-NSAR. The Organization is economically dependent on GDI-NSAR. GDI-NSAR has agreed not to demand repayment of advances made to the Organization in the next fiscal year and has agreed to continue to provide the necessary financial support to maintain the Organization's operations.

(c) Fair values:

Cash is recorded at fair value. The fair value of accounts receivable and accrued liabilities approximate their carrying value due to their short-term period maturity.

7. Pension Plan:

The Organization contributes to a pension plan for the employees based on a negotiated rate of contribution. The pension expense for the year was \$8,513 (2016- \$8,212).

Financial Statements of

**GABRIEL DUMONT
COLLEGE INC.**

Year ended March 31, 2018



INDEPENDENT AUDITORS' REPORT

To the Directors

We have audited the accompanying financial statements of Gabriel Dumont College Inc., which comprise the statements of financial position as at March 31, 2018, the statements of operations, changes in net assets and cash flows for the year then ended 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 audit. We conducted our audit 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, 2018 and its results of operations and its cash flows for the year then ended 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 horizontal line that starts under the 'K' and ends under the 'P', with a small upward tick at the end.

Chartered Professional Accountants

July 20, 2018
Saskatoon, Canada

GABRIEL DUMONT COLLEGE INC.

Statement of Financial Position

March 31, 2018, with comparative information for 2017

	2018	2017
Assets		
Current assets:		
Cash and cash equivalents	\$ 1,933,262	\$ 1,786,068
Investments and marketable securities	162,208	162,026
Accounts receivable	607,856	539,113
Prepaid expenses	500	-
	<u>2,703,826</u>	<u>2,487,207</u>
Equipment (note 3)	12,098	15,123
	<u>\$ 2,715,924</u>	<u>\$ 2,502,330</u>

Liabilities and Net Assets

Current liabilities:		
Accounts payable and accrued liabilities	\$ 172,548	\$ 43,939
Net assets:		
Unrestricted	2,531,278	2,443,268
Invested in equipment	12,098	15,123
	<u>2,543,376</u>	<u>2,458,391</u>
	<u>\$ 2,715,924</u>	<u>\$ 2,502,330</u>

See accompanying notes to financial statements.

On behalf of the Board:

Carl Cook Director

Willy Murphy Director

GABRIEL DUMONT COLLEGE INC.

Statement of Operations

Year ended March 31, 2018, with comparative information for 2017

	2018	2017
Revenue:		
Tuition and related fees (note 4)	\$ 1,015,267	\$ 789,215
Program grants (note 4)	213,250	128,598
Interest	21,595	17,302
Other	1,195	-
	<u>1,251,307</u>	<u>935,115</u>
Expenses:		
Salaries and benefits	467,453	349,150
Scholarships, tuition and student fees	429,828	247,583
Promotions	103,894	84,883
Consulting fees	90,669	104,171
Facilities and rent	20,696	15,763
Travel	14,956	32,507
Audit and legal	13,417	7,551
Bank charges	8,377	4,597
Student supplies	7,795	-
Amortization	3,025	2,858
Start up allowances	2,600	1,000
Office supplies and services	2,385	2,376
Equipment expense	1,227	4,291
Student recruitment	-	588
Repairs and maintenance	-	149
	<u>1,166,322</u>	<u>857,467</u>
Excess of revenue over expenses	\$ 84,985	\$ 77,648

See accompanying notes to financial statements.

GABRIEL DUMONT COLLEGE INC.

Statement of Changes in Net Assets

Year ended March 31, 2018, with comparative information for 2017

	Unrestricted	Invested in Equipment	Total
Net assets, April 1, 2017	\$ 2,370,140	\$ 10,603	\$ 2,380,743
Excess of revenue over expenses	77,648	-	77,648
Amortization	2,858	(2,858)	-
Purchase of equipment	(7,378)	7,378	-
Net assets, March 31, 2017	\$ 2,443,268	\$ 15,123	\$ 2,458,391
Excess of revenue over expenses	84,985	-	84,985
Amortization	3,025	(3,025)	-
Net assets, March 31, 2018	\$ 2,531,278	\$ 12,098	\$ 2,543,376

See accompanying notes to financial statements.

GABRIEL DUMONT COLLEGE INC.

Statement of Cash Flows

Year ended March 31, 2018, with comparative information for 2017

	2018	2017
Cash flows from (used in):		
Operations:		
Excess of revenue over expenses	\$ 84,985	\$ 77,648
Items not involving cash:		
Amortization	3,025	2,858
Reinvested interest income	(182)	(2,191)
Change in non-cash operating working capital:		
Accounts receivable	(68,743)	(72,237)
Prepaid expenses	(500)	417
Accounts payable	128,609	26,698
	147,194	33,193
Investing:		
Purchase of equipment	-	(7,378)
Increase in cash and cash equivalents	147,194	25,815
Cash and cash equivalents, beginning of year	1,786,068	1,760,253
Cash and cash equivalents, end of year	\$ 1,933,262	\$ 1,786,068

See accompanying notes to financial statements.

GABRIEL DUMONT COLLEGE INC.

Notes to Financial Statements

Year ended March 31, 2018

1. Nature of operations:

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

The College has affiliations with the University of Saskatchewan and the University of Regina. 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.

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., Gabriel Dumont Institute Training & Employment Inc., the Gabriel Dumont Scholarship Foundation II, and Gabriel Dumont Institute Press Inc. 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 Organizations in Part III of the CPA Canada Handbook and reflect the following accounting policies:

(a) Revenue recognition:

The College follows the deferral method of accounting for contributions. 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.

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.

GABRIEL DUMONT COLLEGE INC.

Notes to Financial Statements (continued)

Year ended March 31, 2018

2. Significant accounting policies (continued):

(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 cash, 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.

(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.

GABRIEL DUMONT COLLEGE INC.

Notes to Financial Statements (continued)

Year ended March 31, 2018

2. Significant accounting policies (continued):

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.

3. Equipment:

			2018	2017
	Cost	Accumulated amortization	Net book value	Net book value
Computer equipment	\$ 60,033	\$ 57,741	\$ 2,292	\$ 2,865
Other equipment	39,679	29,873	9,806	12,258
	\$ 99,712	\$ 87,614	\$ 12,098	\$ 15,123

Computer equipment with a net carrying value of \$2,292 (2017 - \$2,865) 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)

Year ended March 31, 2018

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.

	2018	2017
Revenues:		
Tuition and related fees:		
Gabriel Dumont Institute of Native Studies and Applied Research, Inc.	\$ 529,372	\$ 319,389
Gabriel Dumont Institute Training and Employment Inc.	32,634	42,525
Program grants:		
Métis Nation- Saskatchewan Secretariat Inc.	40,000	128,598
Expenses:		
Programming/ services:		
Gabriel Dumont Institute of Native Studies and Applied Research, Inc.	23,109	91,102
Gabriel Dumont Institute Training and Employment Inc.	4,916	-
Dumont Technical Institute Inc.	15,995	-
Administrative services:		
Gabriel Dumont Institute of Native Studies and Applied Research, Inc.	-	10,717

Accounts receivable includes \$347,122 (2017 - \$289,051) and accounts payable includes \$30,598 (2017 - \$12,007) from Gabriel Dumont Institute of Native Studies and Applied Research Inc. Accounts payable also includes \$3,182 to Dumont Technical Institute Inc, and \$4,915 to Gabriel Dumont Institute Training & Employment Inc. Additionally, accounts receivable includes \$16,000 (2017 - \$16,098) from Métis Nation- Saskatchewan Secretariat 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.

GABRIEL DUMONT COLLEGE INC.

Notes to Financial Statements (continued)

Year ended March 31, 2018

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 and cash equivalents, 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 and cash equivalents 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 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

**GABRIEL DUMONT
INSTITUTE PRESS INC.**

Year ended December 31, 2017



KPMG LLP
500-475 2nd Avenue South
Saskatoon Saskatchewan S7K 1P4
Canada
Tel (306) 934-6200
Fax (306) 934-6233

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Gabriel Dumont Institute Press Inc.

We have audited the accompanying financial statements of Gabriel Dumont Institute Press Inc., which comprise the statement of financial position as at December 31, 2017, the statements of operations and net assets and cash flows for the year then ended, 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 audit. We conducted our audit 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 audit is sufficient and appropriate to provide a basis for our audit opinion.



Page 2

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Gabriel Dumont Institute Press Inc. as at December 31, 2017, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

KPMG LLP

Chartered Professional Accountants

March 2, 2018

Saskatoon, Canada

GABRIEL DUMONT INSTITUTE PRESS INC.

Statement of Financial Position

December 31, 2017, with comparative information for 2016


	2017	2016
Assets		
Current assets:		
Cash	\$ 57,204	\$ 62,616
Accounts receivable	15,786	6,288
	<u>\$ 72,990</u>	<u>\$ 68,904</u>

Liabilities and Net Assets (Deficiency)

Current liabilities:		
Accrued liabilities	\$ 9,500	\$ 6,000
Deferred revenue (note 3)	25,600	25,600
	<u>35,100</u>	<u>31,600</u>
Due to Gabriel Dumont Institute of Native Studies and Applied Research Inc. (note 4)	396,609	346,263
	<u>431,709</u>	<u>377,863</u>
Net assets (deficiency)	(358,719)	(308,959)
Nature of operations (note 1)		
Commitments (note 5)		
	<u>\$ 72,990</u>	<u>\$ 68,904</u>

See accompanying notes to financial statements.

On behalf of the Board:



Governor



Governor

GABRIEL DUMONT INSTITUTE PRESS INC.

Statement of Operations and Net Assets

Year ended December 31, 2017, with comparative information for 2016

	2017	2016
Revenues:		
Book sales (net of discounts)	\$ 159,516	\$ 86,598
Royalties income	14,805	11,894
Interest income	522	70
Grant revenue	-	25,000
	<u>174,843</u>	<u>123,562</u>
Expenses:		
Salaries and benefits	117,052	155,139
Building	42,796	41,268
Printing	21,397	-
Professional fees	12,777	8,082
Advertising	10,438	5,930
Office and general	7,921	6,550
Material development	6,598	53,424
Travel	5,455	2,440
Interest and bank charges	169	199
	<u>224,603</u>	<u>273,032</u>
Deficiency of revenue over expenses	(49,760)	(149,470)
Net assets (deficiency), beginning of year	(308,959)	(159,489)
Net assets (deficiency), end of year	<u>\$ (358,719)</u>	<u>\$ (308,959)</u>

See accompanying notes to financial statements.

GABRIEL DUMONT INSTITUTE PRESS INC.

Statement of Cash Flows

Year ended December 31, 2017, with comparative information for 2016

	2017	2016
Cash provided by (used in):		
Operations:		
Deficiency of revenue over expenses	\$ (49,760)	\$ (149,470)
Changes in non-cash operating working capital:		
Accounts receivable	(9,498)	(6,288)
Accrued liabilities	3,500	-
Deferred revenue	-	25,600
	(55,758)	(130,158)
Financing:		
Advances from Gabriel Dumont Institute of Native Studies and Applied Research, Inc.	50,346	192,774
Increase (decrease) in cash	(5,412)	62,616
Cash, beginning of year	62,616	-
Cash, end of year	\$ 57,204	\$ 62,616

See accompanying notes to financial statements.

GABRIEL DUMONT INSTITUTE PRESS INC.

Notes to Financial Statements

Year ended December 31, 2017

1. Nature of operations:

Gabriel Dumont Institute Press Inc. (the "Organization") is a not-for-profit organization that makes important links to the Métis Community in Western Canada. The Organization contracts Métis authors to publish literature regarding Métis culture and history. The publishing of this literature is the core activity undertaken by the Organization to establish links in the Métis community. The development of these links to the Métis community 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.

The Organization was incorporated under the Non-Profit Corporations Act of Saskatchewan on August 18, 2015 and is not subject to income tax under the Income Tax Act (Canada).

The Organization is associated with Gabriel Dumont Institute of Native Studies and Applied Research Inc., 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 Organization 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.

Gabriel Dumont Institute Press Inc. was previously a division of Gabriel Dumont Institute of Native Studies and Applied Research, Inc. ("GDI - NSAR").

These financial statements have been prepared assuming the Organization will continue as a going concern. For the year ended December 31, 2017, the Organization incurred a deficiency of revenue over expenses of \$49,760 (2016 - \$149,470) and has an accumulated deficit of \$358,959 (2016 - \$308,959). These factors raise significant doubt about the Organization's ability to continue as a going concern and the Organization is dependent upon GDI-NSAR to provide continued financial support (note 6(b)).

2. Significant accounting policies:

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

(a) Revenue recognition:

Book sales and royalties are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Grant revenue is recognized as earned based on the terms of the grant agreement. Grants received for special projects are recognized as revenue in the period the related expenses are incurred.

GABRIEL DUMONT INSTITUTE PRESS INC.

Notes to Financial Statements (continued)

Year ended December 31, 2017

2. Significant accounting policies (continued):

(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 collectibility of accounts receivable and estimates of deferred revenue. Actual results could differ from those estimates.

(c) Library costs:

The Organization's library collection includes materials related to the culture and history of Aboriginal peoples not readily available from other sources. These materials assist the Organization 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.

(d) Financial instruments:

Financial instruments, including cash, accounts receivable, accrued liabilities and due to Gabriel Dumont Institute of Native Studies and Applied Research Inc. are recorded at fair value on initial recognition and are subsequently measured at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Organization has not elected to carry any such financial instruments at fair value.

Accounts receivable are classified as loans and receivables and are recorded at amortized cost. Accrued liabilities and amounts due to Gabriel Dumont Institute of Native Studies and Applied Research Inc. are classified as other liabilities and measured at amortized cost.

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 Organization 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 its estimated recoverable amount. 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 impairment charge.

GABRIEL DUMONT INSTITUTE PRESS INC.

Notes to Financial Statements (continued)

Year ended December 31, 2017

2. Significant accounting policies (continued):

(e) Cash:

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

(f) Employee benefits:

The Organization 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.

(g) Allocation of shared expenses:

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

3. Deferred revenue:

Deferred revenue consists of grants from the following sources:

	2017	2016
Creative Industries		
Production Grant Program	\$ 25,600	\$ 25,600
	\$ 25,600	\$ 25,600

4. Related party transactions:

The balance owing to GDI-NSAR at December 31, 2017 of \$396,609 (2016 - \$346,263) is non-interest bearing and GSI-NSAR has agreed to not request repayment in the next fiscal year.

Certain administrative functions of the Organization are managed by GDI-NSAR at no charge.

All transactions were recorded at the exchange amount being amounts agreed upon between the related parties.

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Notes to Financial Statements (continued)

Year ended December 31, 2017

5. Commitments:

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

2018	\$	28,742
2019		3,718
2020		3,718
2021		2,768
2022		1,818
	\$	40,764

The amounts have been allocated to the Organization by GDI-NSAR on the basis of estimated space occupied for facilities and estimated usage for equipment.

6. Financial risks and concentration of risk:

The Organization's financial instruments include accounts receivable, accrued liabilities and amounts due to Gabriel Dumont Institute of Native Studies and Applied Research Inc. ("GDI-NSAR"). The Organization has exposure to the following risks arising from its use of financial instruments:

(a) Credit risk:

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

The Organization'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 Organization based on previous experience and its assessment of the current economic environment. The credit risk on cash is limited because the counterparties are chartered banks with high credit ratings assigned by national credit-rating agencies.

GABRIEL DUMONT INSTITUTE PRESS INC.

Notes to Financial Statements (continued)

Year ended December 31, 2017

6. Financial risks and concentration of risk: (continued):

(b) Liquidity risk:

Liquidity risk is the risk that the Organization will not be able to meet its financial obligations as they become due. The Organization is in the start-up stage of operations and the ability of the Organization to continue as an organization is dependent upon its ability to secure long-term funding and generate book sales and other revenue. The Organization has a deficiency of liabilities over assets of \$358,719 (2016 - \$308,959) of which \$396,609 (2016 - \$346,263) is owing to GDI-NSAR. The Organization is economically dependent on GDI-NSAR. GDI-NSAR has agreed not to demand repayment of advances made to the Organization in the next fiscal year and has agreed to continue to provide the necessary financial support to maintain the Organization's operations.

(c) Fair values:

Cash is recorded at fair value. The fair value of accounts receivable and accrued liabilities approximate their carrying value due to their short-term period maturity.

7. Pension Plan:

The Organization contributes to a pension plan for the employees based on a negotiated rate of contribution. The pension expense for the year was \$8,513 (2016- \$8,212).