

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

FINANCIAL STATEMENTS

March 31, 2006

Auditors' Report

To the Members

Gabriel Dumont Institute of Native Studies and Applied Research, Inc.

We have audited the statement of financial position of **Gabriel Dumont Institute of Native Studies and Applied Research, Inc.** as at March 31, 2006 and the statements of operations, changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the Institute's management. 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 plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Institute as at March 31, 2006 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Deloitte + Touche LLP

Chartered Accountants

Regina, Saskatchewan
October 20, 2006

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

Statement of Financial Position

As at March 31, 2006

	<u>2006</u>	<u>2005</u>
CURRENT ASSETS		
Cash	\$ 247,759	\$ 622,600
Short-term investments	211,871	209,080
Accounts receivable	541,699	247,881
Inventory	64,802	71,474
Prepaid expenses	45,885	33,927
	1,112,016	1,184,962
AMOUNT DUE FROM AFFILIATES (Note 3)	684,019	475,497
MORTGAGE RECEIVABLE (Note 4)	121,142	114,096
PROPERTY, PLANT & EQUIPMENT (Note 5)	687,381	730,567
	\$ 2,604,558	\$ 2,505,122
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 451,683	\$ 395,647
Deferred contribution (Note 6)	161,671	131,516
	613,354	527,163
NET ASSETS (DEFICIENCY)		
Unrestricted	703,675	703,609
Invested in property, plant & equipment	687,381	730,567
Externally restricted		
Core service	(8,926)	(3,515)
Metis Cultural Centre	(318)	(8,353)
S.U.N.T.E.P.	524,527	470,850
Other specific contract projects	80,760	80,760
Restricted for endowment purposes (Note 7)	4,105	4,041
	1,991,204	1,977,959
	\$ 2,604,558	\$ 2,505,122

See accompanying notes

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

Statement of Changes in Net Assets

Year ended March 31, 2006

	Unrestricted	Externally Restricted				Invested in Property, Plant & Equipment	Endowment	2006	2005
	Administration	Core Service	Metis Cultural Centre	S.U.N.T.E.P.	Other Specific Contract Projects				
Net assets (deficiency), beginning of year	\$ 703,609	\$ (3,515)	\$ (8,353)	\$ 470,850	\$ 80,760	\$ 730,567	\$ 4,041	\$ 1,977,959	\$ 1,838,752
Net revenue (expense)	(499,116)	182,340	11,035	318,986	-	-	-	13,245	139,207
Amortization	38,982	11,544	-	12,926	-	(63,452)	-	-	-
Loss on disposal of property, plant, & equipment	-	33	-	-	-	(33)	-	-	-
Purchase of property, plant & equipment	(7,743)	(11,347)	-	(1,209)	-	20,299	-	-	-
Earnings on endowment funds	(64)	-	-	-	-	-	64	-	-
Interfund transfers - administration support/ facility recovery	468,007	(187,981)	(3,000)	(277,026)	-	-	-	-	-
	\$ 703,675	\$ (8,926)	\$ (318)	\$ 524,527	\$ 80,760	\$ 687,381	\$ 4,105	\$ 1,991,204	\$ 1,977,959

See accompanying notes

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

Statement of Operations

Year ended March 31, 2006

	Unrestricted	Externally Restricted			2006	2005
	Administration	Core Service	Metis Cultural Centre	S.U.N.T.E.P.		
REVENUE						
Government of Canada						
- Privy Council Office	\$ -	\$ -	\$ 193,710	\$ -	\$ 193,710	\$ 130,000
- The Department of Canadian Heritage	-	187,316	-	-	187,316	89,035
- Canada Council	-	32	-	-	32	10,998
Government of Saskatchewan	-	-	-	-	-	-
- Saskatchewan Learning	32,695	860,409	-	2,158,386	3,051,490	3,071,437
Other (Schedule 1)	460,311	155,310	-	589,425	1,205,046	994,769
	493,006	1,203,067	193,710	2,747,811	4,637,594	4,296,239
EXPENSES						
Salaries and benefits (Schedule 3)	414,849	508,656	-	1,135,577	2,059,082	1,959,120
Instructional costs	-	3,373	1,100	1,026,697	1,031,170	1,073,256
Operating costs (Schedule 2)	366,837	253,359	15,514	208,281	843,991	748,491
Curriculum development	9,204	124,577	150,600	239	284,620	151,026
Travel and sustenance (Schedule 3)	190,574	50,390	7,177	38,633	286,774	123,122
Public relations (Schedule 3)	10,387	13,345	4,454	10,731	38,917	28,311
Kapachee	-	54,686	-	-	54,686	53,614
Library costs	271	12,236	20	7,467	19,994	17,492
Works of art	-	105	3,810	-	3,915	1,100
Scholarships	-	-	-	1,200	1,200	1,500
	992,122	1,020,727	182,675	2,428,825	4,624,349	4,157,032
NET REVENUE (EXPENSE)	\$ (499,116)	\$ 182,340	\$ 11,035	\$ 318,986	\$ 13,245	\$ 139,207

See accompanying notes

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

Statement of Cash Flows

Year ended March 31, 2006

	<u>2006</u>	<u>2005</u>
OPERATING ACTIVITIES		
Net revenue	\$ 13,245	\$ 139,207
Items not affecting cash:		
Accrued mortgage interest	(7,046)	(5,691)
Loss on disposal of property, plant & equipment	33	456
Amortization	63,452	72,470
	<u>69,684</u>	206,442
Net change in non-cash working capital accounts (Note 8)	(212,913)	28,788
CASH (USED IN) PROVIDED BY OPERATING ACTIVITIES	<u>(143,229)</u>	235,230
INVESTING ACTIVITIES		
Advances to affiliates	(208,522)	(94,975)
Purchase of property, plant & equipment	(20,299)	(75,752)
Purchase of short term investments	(2,791)	(3,025)
CASH USED IN INVESTING ACTIVITIES	<u>(231,612)</u>	(173,752)
(DECREASE) INCREASE IN CASH DURING THE YEAR	<u>(374,841)</u>	61,478
CASH, BEGINNING OF YEAR	<u>622,600</u>	561,122
CASH, END OF YEAR	<u>\$ 247,759</u>	\$ 622,600

See accompanying notes

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

Notes to the Financial Statements

Year ended March 31, 2006

1. NATURE OF ORGANIZATION

Gabriel Dumont Institute of Native Studies and Applied Research, 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 as well as its affiliates, Gabriel Dumont College Inc. and Dumont Technical Institute, Inc. 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 controls Gabriel Dumont College, Inc., Gabriel Dumont Institute Community Training Residence Inc., Dumont Technical Institute Inc., and Gabriel Dumont Scholarship Foundation II, as the Board of Directors of Gabriel Dumont Institute of Native Studies and Applied Research, Inc. are the same directors and the only directors of the controlled entities. These financial statements do not include the operations of these controlled entities and further information is included in Note 9.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles and reflect the following policies:

a) *Fund accounting*

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

Administration

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

Core

These departments include curriculum development, research, and 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 is located in Regina, Saskatoon and Prince Albert.

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

Notes to the Financial Statements

Year ended March 31, 2006

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

a) *Fund accounting (continued)*

Métis Cultural Centre

The Métis Cultural Centre fund has allowed the Institute to make important links with Métis communities and organizations 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 certainly lead to a series of long-term Métis-specific resources and cultural programs that will serve the Métis people and the Canadian public well into the future.

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

The Saskatchewan Urban Native Teacher Education Program is a four-year fully accredited Bachelor of Education program, offered by the Institute in cooperation with Saskatchewan Post-Secondary Education and Skills Training, 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 Regina, the University of Saskatchewan and Saskatchewan Post-Secondary Education and Skills Training.

Endowment Contributions

Endowment contributions are restricted to the provision of scholarships.

b) *Revenue recognition*

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

Endowment contributions are reported in the Endowment Fund.

Tuition fees are recognized as revenue of the S.U.N.T.E.P. Fund when the courses are held.

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

Notes to the Financial Statements

Year ended March 31, 2006

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

c) *Short-term investments*

Short-term investments consist of a fixed income fund with a Canadian chartered bank. The investment is recorded at the lower of cost or market.

d) *Property, plant & equipment*

Property, plant, 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 on the diminishing balance method at the following rates:

Building	5%
Computer equipment	20%
Other equipment	20%

Leasehold improvements are amortized straight line, over the term of the lease.

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.

f) *Inventory*

Inventory is recorded at the lower of average cost or market.

g) *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.

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

Notes to the Financial Statements

Year ended March 31, 2006

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

h) Financial instruments

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

i) Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Actual results could differ from those estimates.

3. AMOUNT DUE FROM/TO AFFILIATES

Amounts due from/to affiliates bear no interest and have no fixed terms of repayment.

	<u>2006</u>	<u>2005</u>
Due from affiliates		
Dumont Technical Institute, Inc.	\$ 319,523	\$ 135,764
Gabriel Dumont Institute Community Training Residence, Inc.	296,039	289,506
Gabriel Dumont College, Inc.	56,319	43,747
Gabriel Dumont Scholarship Foundation II	12,138	6,480
	<u>\$ 684,019</u>	<u>\$ 475,497</u>

4. MORTGAGE RECEIVABLE

The mortgage receivable is with Gabriel Dumont Institute Community Training Residence, Inc. ("CTR") and is due on demand, bearing interest at CIBC prime plus 1% [6.18% at March 31, 2006; 5.25% - at March 31, 2005], with CTR's building pledged as collateral. The Institute does not intend to demand repayment in the next year. The fair value of the mortgage receivable approximates the carrying amount due to it being a floating rate.

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

Notes to the Financial Statements

Year ended March 31, 2006

5. PROPERTY, PLANT & EQUIPMENT

	2006		2005	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Administration				
Land	\$ 117,000	\$ -	\$ 117,000	\$ -
Building	883,958	498,637	877,537	478,357
Computer equipment	58,366	26,678	58,366	18,757
Other equipment	1,070,163	1,027,444	1,068,841	1,016,764
	2,129,487	1,552,759	2,121,744	1,513,878
Accumulated amortization	1,552,759		1,513,878	
	576,728		607,866	
Core Services				
Equipment	285,767	246,989	280,966	237,562
Works of art/artifacts	6,245	312	-	-
Leasehold improvements	18,984	5,145	18,984	3,607
	310,996	252,446	299,950	241,169
Accumulated amortization	252,446		241,169	
	58,550		58,781	
S.U.N.T.E.P.				
Equipment	267,065	215,363	265,858	202,438
Accumulated amortization	215,363		202,438	
	51,702		63,420	
Other				
Equipment	16,780	16,379	16,780	16,280
Accumulated amortization	16,379		16,280	
	401		500	
Total	2,724,328	2,036,947	2,704,332	1,973,765
Less accumulated amortization	2,036,947		1,973,765	
	\$ 687,381		\$ 730,567	

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

Notes to the Financial Statements

Year ended March 31, 2006

6. DEFERRED CONTRIBUTIONS

The Institute has deferred contributions for various projects as follows:

<u>Funding Agent</u>	<u>Project</u>	<u>2006</u>	<u>2005</u>
Canada Heritage	Back to Batoche	\$ 48,815	\$ 31,710
	Michif/ALI	-	38,319
Canada Council for the Arts / SaskCulture / Sask. Publishers Group	Publishing	8,627	8,800
Canada Heritage / Sask Learning / Sask Culture / Metis National Council	Virtual Museum	54,424	39,292
SaskCulture Inc.	Metis Cultural Development	22,443	10,640
Canada Council for the Arts	Big Beaver House	2,722	2,755
First Nations & Metis Relations	Centre of Excellence	22,000	-
Saskatoon Catholic Board of Ed.	Graphic Novel	2,640	-
		\$ 161,671	\$ 131,516

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

Notes to the Financial Statements

Year ended March 31, 2006

7. ENDOWMENTS

	<u>2006</u>	<u>2005</u>
Art Carriere Memorial Fund	\$ 2,769	\$ 2,726
Les Fiddler Memorial Fund	1,336	1,315
	<u>\$ 4,105</u>	<u>\$ 4,041</u>

These funds are to be used for a memorial scholarship awarded to a student entering in the second year of S.U.N.T.E.P. – Regina.

8. NET CHANGE IN NON-CASH WORKING CAPITAL ACCOUNTS

	<u>2006</u>	<u>2005</u>
Accounts receivable	\$ (293,818)	\$ 405,906
Inventory	6,672	15,064
Prepaid expenses	(11,958)	(18,463)
Accounts payable and accrued liabilities	56,036	(267,716)
Deferred contributions	30,155	(106,003)
	<u>\$ (212,913)</u>	<u>\$ 28,788</u>

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

Notes to the Financial Statements

Year ended March 31, 2006

9. CONTROLLED AND RELATED ENTITIES

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

	Gabriel Dumont College, Inc. March 31, 2006	Institute Community Training Residence, Inc. March 31, 2006	Dumont Technical Institute, Inc. June 30, 2005	Gabriel Dumont Scholarship Foundation II December 31, 2005
Financial position				
Total assets	\$ 674,166	\$ 341,904	\$ 2,347,106	\$ 1,242,840
Total liabilities	54,107	423,403	1,247,737	13,178
Net assets				
- internally restricted	620,059	153,552	1,099,369	189,662
- externally restricted	-	(235,051)	-	1,040,000
	674,166	341,904	2,347,106	1,242,840
Results of operations				
Total revenue	236,996	55,904	3,397,718	64,682
Total expenses	265,282	36,166	3,173,014	65,014
Net revenue	(28,286)	19,738	224,704	(332)
Cash flows				
Cash provided by (used in) operations	42,946	22,004	43,465	7,049
Cash (used in) provided by financing and investing activities	(1,468)	-	24,987	(21,545)
Increase (decrease) in cash	\$ 41,478	\$ 22,004	\$ 68,452	\$ (14,496)

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

Notes to the Financial Statements

Year ended March 31, 2006

10. RELATED PARTY TRANSACTIONS

The Institute had the following transactions with related parties during the year. All transactions were recorded at fair market value (except where otherwise indicated).

	<u>2006</u>	<u>2005</u>
Entities under Common Control		
Administrative services revenue, at negotiated value	\$ 237,274	\$ 205,675
Interest income accrued on mortgage receivable	7,046	5,691
Office rent revenue	66,214	66,600
Metis Nation Saskatchewan		
Promotion expense	8,812	3,959
Consulting expense	-	32,000

Inter-fund administrative support/facility recovery expenses are charged by way of a transfer between the net assets of the administration fund and the other funds based on use of services.

11. COMMITMENTS

The Institute is committed under term leases as follows:

University of Regina classroom and office space to August 31, 2008 at a monthly rental of \$12,552.

University of Saskatchewan classroom and office space to June 30, 2006 at a monthly rental of \$2,601.

Saskatoon office space to April 30, 2013 at a monthly rental of \$5,663.

12. ECONOMIC DEPENDENCE

The majority of funding for the operations of the Institute is provided by various levels of government. Funding is provided by annual grants and under contracts expiring on various dates.

13. PENSION PLAN

The Institute contributes to a pension plan for the employees based on a negotiated rate of contribution. The pension expense for the year was \$97,387 (2005 - \$96,430).

14. COMPARATIVE FIGURES

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

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

Schedule of Other Revenue - Schedule 1

Year Ended March 31, 2006

	<u>Administration</u>	<u>Core Service</u>	<u>Metis Cultural Centre</u>	<u>S.U.N.T.E.P.</u>	<u>2006</u>	<u>2005</u>
Fees for services	\$ 303,488	\$ 21,000	\$ -	\$ -	\$ 324,488	\$ 294,771
General Assembly contributions and fees	137,334	-	-	-	137,334	-
Interest	19,373	-	-	-	19,373	14,425
Metis Nation- Saskatchewan	-	-	-	-	-	11,829
Metis National Council	-	10,000	-	-	10,000	-
First Nations and Metis Relations	-	3,000	-	-	3,000	-
Miscellaneous	116	11,888	-	3,876	15,880	20,122
Prince Albert Grand Council	-	-	-	72,800	72,800	6,125
Sales and royalties	-	91,192	-	-	91,192	84,812
Saskatchewan Publishers Group	-	7,673	-	-	7,673	-
SaskCulture Inc.	-	10,197	-	-	10,197	15,856
Saskatoon Catholic Board of Education	-	360	-	-	360	-
Tuition income	-	-	-	385,642	385,642	396,605
Teaching income	-	-	-	127,107	127,107	150,224
	\$ 460,311	# \$ 155,310	# \$ -	# \$ 589,425	# \$ 1,205,046	# \$ 994,769

GABRIEL DUMONT INSTITUTE OF NATIVE STUDIES AND APPLIED RESEARCH, INC.**Schedule of Operating Costs - Schedule 2**

Year Ended March 31, 2006

	<u>Administration</u>	<u>Core Service</u>	<u>Metis Cultural Centre</u>	<u>S.U.N.T.E.P.</u>	<u>2006</u>	<u>2005</u>
Amortization	\$ 38,982	\$ 11,544	\$ -	\$ 12,926	\$ 63,452	\$ 72,470
Bank charges	2,236	-	-	-	2,236	2,805
Building	128,921	122,301	100	85,457	336,779	344,912
Computer services	16,190	11,165	536	3,995	31,886	26,579
Consulting and legal services	82,112	33,522	6,098	1,355	123,087	70,627
Duplicating	1,165	1,322	-	7,030	9,517	10,917
Insurance	17,480	6,807	-	4,274	28,561	21,917
Miscellaneous	40,017	13,936	1,178	12,714	67,845	31,693
Office supplies	9,754	11,721	412	10,979	32,866	29,991
Other equipment expenses	6,340	21,613	7,100	34,439	69,492	65,165
Postage and courier	8,565	9,667	90	2,798	21,120	25,206
Telephone	15,075	9,761	-	32,314	57,150	46,209
	\$ 366,837	# \$ 253,359	# \$ 15,514	# \$ 208,281	\$ 843,991	\$ 748,491

GABRIEL DUMONT INSTITUTE OF NATIVE STUDIES AND APPLIED RESEARCH, INC.
Schedule of Public Relations, Salaries and Benefits, and Travel and Sustenance Expenses - Schedule 3
Year Ended March 31, 2006

	<u>Administration</u>	<u>Core Service</u>	<u>Metis Cultural Centre</u>	<u>S.U.N.T.E.P.</u>	<u>2006</u>	<u>2005</u>
Public relations						
Promotion, publicity and graduation	\$ 7,865	\$ 12,757	\$ 4,454	\$ 6,637	\$ 31,713	\$ 21,355
Recruitment	2,522	588	-	3,661	6,771	6,328
Orientation	-	-	-	433	433	628
	\$ 10,387	\$ 13,345	\$ 4,454	\$ 10,731	\$ 38,917	\$ 28,311
Salaries and benefits						
Staff salaries and wages	\$ 348,795	\$ 433,978	\$ -	\$ 970,781	\$ 1,753,554	\$ 1,654,071
Staff benefits	66,054	74,678	-	164,796	305,528	305,049
	\$ 414,849	\$ 508,656	\$ -	\$ 1,135,577	\$ 2,059,082	\$ 1,959,120
Travel and sustenance						
Staff and students	\$ 110,076	\$ 49,502	\$ 7,177	\$ 37,864	\$ 204,619	\$ 79,694
Board	80,498	888	-	769	82,155	43,428
	\$ 190,574	\$ 50,390	\$ 7,177	\$ 38,633	\$ 286,774	\$ 123,122

GABRIEL DUMONT COLLEGE, INC.

FINANCIAL STATEMENTS

March 31, 2006


Auditors' Report

To the Members
Gabriel Dumont College, Inc.

We have audited the statement of financial position of **Gabriel Dumont College, Inc.** as at March 31, 2006 and the statements of operations, changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the organization's management. 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 plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the College as at March 31, 2006 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.



Chartered Accountants

Regina, Saskatchewan
June 16, 2006

GABRIEL DUMONT COLLEGE, INC.

Statement of Financial Position

As at March 31, 2006

	<u>2006</u>	<u>2005</u>
CURRENT ASSETS		
Cash	\$ 328,569	\$ 287,091
Short-term investments	111,951	110,483
Accounts receivable	199,199	242,469
Prepaid expenses	-	6,842
	639,719	646,885
EQUIPMENT (Note 3)	34,447	43,058
	\$ 674,166	\$ 689,943
CURRENT LIABILITIES		
Accounts payable	\$ 7,000	\$ 7,367
Due to affiliate (Note 4)	47,107	34,231
	54,107	41,598
NET ASSETS		
Unrestricted	585,612	605,287
Invested in equipment	34,447	43,058
	620,059	648,345
	\$ 674,166	\$ 689,943

See accompanying notes

GABRIEL DUMONT COLLEGE, INC.

Statement of Operations

Year ended March 31, 2006

	<u>2006</u>	<u>2005</u>
REVENUE		
Program funding revenue	\$ 169,008	\$ 156,268
Tuition and student fees	60,042	131,262
Interest revenue	7,946	5,673
	<u>236,996</u>	<u>293,203</u>
EXPENSES		
Administrative services	24,645	12,500
Amortization	8,611	10,763
Audit and legal	10,937	7,883
Bank charges	25	27
Computer	6,283	-
Consulting	7,321	5,363
Miscellaneous	3,229	475
Promotions	8,901	-
Salaries	169,008	156,476
Staff recruitment	1,663	722
Start up allowance	600	800
Student recruitment	731	1,163
Tuition and student fees	23,328	9,739
	<u>265,282</u>	<u>205,911</u>
NET (EXPENSE) REVENUE	\$ (28,286)	\$ 87,292

See accompanying notes

GABRIEL DUMONT COLLEGE, INC.

Statement of Changes in Net Assets

Year ended March 31, 2006

	<u>Unrestricted</u>	<u>Invested in Equipment</u>	<u>Total 2006</u>	<u>Total 2005</u>
Net assets, beginning of year	\$ 605,287	\$ 43,058	\$ 648,345	\$ 561,053
Net (expense) revenue	(28,286)	-	(28,286)	87,292
Amortization	8,611	(8,611)	-	-
NET ASSETS, END OF YEAR	\$ 585,612	\$ 34,447	\$ 620,059	\$ 648,345

See accompanying notes

GABRIEL DUMONT COLLEGE, INC.

Statement of Cash Flows

Year ended March 31, 2006

	<u>2006</u>	<u>2005</u>
OPERATING ACTIVITIES		
Net (expense) revenue	\$ (28,286)	\$ 87,292
Items not affecting cash:		
Amortization	8,611	10,763
Net change in non-cash working capital accounts (Note 5)	-	(236,749)
CASH PROVIDED BY OPERATING ACTIVITIES	(19,675)	(138,694)
INVESTING ACTIVITIES		
Increase in short-term investments	(1,468)	(1,601)
Purchase of equipment	-	(14,096)
CASH USED IN INVESTING ACTIVITIES	(1,468)	(15,697)
INCREASE (DECREASE) IN CASH	(21,143)	(154,391)
CASH, BEGINNING OF YEAR	287,091	441,482
CASH, END OF YEAR	\$ 265,948	\$ 287,091

See accompanying notes

GABRIEL DUMONT COLLEGE, INC.

Notes to the Financial Statements

Year ended March 31, 2006

1. NATURE OF OPERATIONS

Gabriel Dumont College, Inc. (“GDC”, “the College”) has an affiliation with Saskatchewan Post-Secondary Education and Skills Training and the University of Saskatchewan. It provides a means of post-secondary education for Métis people. Non-Métis university students may enroll provided there is space available after Métis students have enrolled to a maximum total capacity of 40 people. The College 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).

Gabriel Dumont Institute of Native Studies and Applied Research, Inc. controls Gabriel Dumont College, Inc., Gabriel Dumont Institute Community Training Residence, Inc., Dumont Technical Institute Inc., and the Gabriel Dumont Scholarship Foundation. 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 generally accepted accounting principles and reflect the following policies:

a) Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

b) Revenue recognition

The College 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.

c) Short-term investments

Short-term investments consist of an income fund with a Canadian chartered bank. The investment is recorded at cost.

GABRIEL DUMONT COLLEGE, INC.

Notes to the Financial Statements

Year ended March 31, 2006

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

d) *Equipment*

Equipment is recorded at cost. Amortization is recorded in the accounts on the diminishing balance method at the following rates:

Computer equipment	20%
Other equipment	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*

For certain of the College's financial instruments, including short-term investments, accounts receivable and accounts payable, the carrying amounts approximate fair value due to the immediate or short-term maturity of these items.

3. EQUIPMENT

	<u>Cost</u>	<u>Amortization</u>	<u>2006</u>	<u>2005</u>
Other equipment	\$ 9,818	\$ 7,060	\$ 2,758	\$ 3,448
Computer equipment	58,366	26,677	31,689	39,610
	<u>\$ 68,184</u>	<u>\$ 33,737</u>	<u>\$ 34,447</u>	<u>\$ 43,058</u>

Computer equipment with a net value of \$11,277 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.

4. DUE TO AFFILIATE

This represents amounts due to Gabriel Dumont Institute of Native Studies and Applied Research, Inc., which are non-interest bearing and have no set repayment terms.

GABRIEL DUMONT COLLEGE, INC.

Notes to the Financial Statements

Year ended March 31, 2006

5. NET CHANGE IN NON-CASH WORKING CAPITAL ACCOUNTS

	<u>2006</u>	<u>2005</u>
Accounts receivable	\$ 43,270	\$ (219,657)
Prepaid expenses	6,842	(6,842)
Accounts payable	(367)	1,852
Due to affiliate	12,876	(12,102)
	<u>\$ 62,621</u>	<u>\$ (236,749)</u>

6. RELATED PARTY TRANSACTIONS

Significant transactions undertaken with Gabriel Dumont Institute of Native Studies and Applied Research, Inc. during the year are as follows:

	<u>2006</u>	<u>2005</u>
Administrative services	\$ 24,645	\$ 12,500
Apportion costs for Anniversary General Meeting	2,058	-
	<u>\$ 26,703</u>	<u>\$ 12,500</u>

**GABRIEL DUMONT INSTITUTE
COMMUNITY TRAINING
RESIDENCE, INC.**

FINANCIAL STATEMENTS

March 31, 2006

Auditors' Report

To the Members

Gabriel Dumont Institute Community Training Residence, Inc.

We have audited the statement of financial position of **Gabriel Dumont Institute Community Training Residence, Inc.** as at March 31, 2006 and the statements of operations and changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the organization's management. 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 plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the organization as at March 31, 2006 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.



Chartered Accountants

Regina, Saskatchewan
June 16, 2006

GABRIEL DUMONT INSTITUTE COMMUNITY TRAINING RESIDENCE, INC.
Statement of Financial Position
As at March 31, 2006

	<u>2006</u>	<u>2005</u>
CURRENT ASSETS		
Cash	\$ 61,498	\$ 39,495
Accounts receivable and prepaid expenses	11,796	8,900
	<u>73,294</u>	<u>48,395</u>
PROPERTY, PLANT & EQUIPMENT (Note 3)	268,610	277,613
	<u>\$ 341,904</u>	<u>\$ 326,008</u>
CURRENT LIABILITIES		
Accounts payable	\$ 6,223	\$ 23,645
Due to affiliate (Note 4)	296,038	289,505
	<u>302,261</u>	<u>313,150</u>
DEBT (Note 5)	121,142	114,095
	<u>423,403</u>	<u>427,244</u>
NET ASSETS (DEFICIENCY)		
Unrestricted - residence operations	(382,519)	(376,570)
Invested in property, plant & equipment	147,468	163,518
Restricted - building fund	153,552	111,815
	<u>(81,499)</u>	<u>(101,237)</u>
	<u>\$ 341,904</u>	<u>\$ 326,008</u>

See accompanying notes

GABRIEL DUMONT INSTITUTE COMMUNITY TRAINING RESIDENCE, INC.**Statement of Operations and Changes in Net Assets**

Year ended March 31, 2006

	<u>Unrestricted - Residence Operations</u>	<u>Invested in Property, Plant & Equipment</u>	<u>Restricted - Building Fund</u>	<u>Total 2006</u>	<u>Total 2005</u>
REVENUE					
Department of Corrections and Public Safety	\$ -	\$ -	\$ 55,904	\$ 55,904	\$ 43,580
	-	-	55,904	55,904	43,580
EXPENSES					
Audit and legal	5,949	-	-	5,949	17,833
Amortization	242	-	8,762	9,004	9,430
Insurance	-	-	2,782	2,782	2,431
Interest	-	-	7,046	7,046	5,691
Office supplies	-	-	-	-	25
Property taxes	-	-	10,259	10,259	11,301
Repairs and maintenance	-	-	1,126	1,126	817
	6,191	-	29,975	36,166	47,528
NET REVENUE (EXPENSE)	(6,191)	-	25,929	19,738	(3,948)
NET ASSETS (DEFICIT), BEGINNING OF YEAR	(376,570)	163,518	111,815	(101,237)	(97,289)
INTERFUND TRANSFERS					
- AMORTIZATION	242	(9,004)	8,762	-	-
- MORTGAGE INTEREST	-	(7,046)	7,046	-	-
NET ASSETS (DEFICIT), END OF YEAR	\$ (382,519)	\$ 147,468	\$ 153,552	\$ (81,499)	\$ (101,237)

See accompanying notes

GABRIEL DUMONT INSTITUTE COMMUNITY TRAINING RESIDENCE, INC.
Statement of Cash Flows
Year ended March 31, 2006

	<u>2006</u>	<u>2005</u>
OPERATING ACTIVITIES		
Net revenue (expense)	\$ 19,738	\$ (3,948)
Charges to operations not affecting cash		
Accrued mortgage interest	7,046	5,691
Amortization	9,004	9,430
Net change in non-cash working capital accounts (Note 6)	(13,784)	24,885
CASH PROVIDED BY OPERATING ACTIVITIES	22,004	36,058
FINANCING ACTIVITIES		
Repayment of debt	-	-
CASH USED IN FINANCING ACTIVITIES	-	-
INCREASE (DECREASE) IN CASH	22,004	36,058
CASH, BEGINNING OF YEAR	39,494	3,436
CASH, END OF YEAR	\$ 61,498	# \$ 39,494

See accompanying notes

GABRIEL DUMONT INSTITUTE COMMUNITY TRAINING RESIDENCE, INC.
Notes to the Financial Statements
Year ended March 31, 2006

1. NATURE OF ORGANIZATION

Gabriel Dumont Institute Community Training Residence, Inc. ("CTR") is a not-for-profit organization that was established to provide training and counselling to female offenders through funding from the Department of Corrections and Public Safety (formerly Saskatchewan Department of Justice). The funding agreement with the Department of Corrections and Public Safety under which the organization has carried on its operations for training expired on March 31, 1996. Under the terms of that agreement the Department of Corrections and Public Safety is required to lease the building out of which the organization's operations have been conducted, until March 31, 2016.

The organization 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).

Gabriel Dumont Institute of Native Studies and Applied Research, Inc. controls Gabriel Dumont College, Inc., Gabriel Dumont Institute Community Training Residence, Inc., Dumont Technical Institute Inc., and the Gabriel Dumont Scholarship Foundation. 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 generally accepted accounting principles and reflect the following policies:

a) Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

b) Fund accounting

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

Residence Operations

This fund is used for the general operations of the organization. All operational transactions are recorded in the accounts of this fund.

Building Fund

This fund includes revenues specifically designated by the Department of Corrections and Public Safety for the mortgage payments and related building expenses including amortization, insurance, interest and property taxes.

GABRIEL DUMONT INSTITUTE COMMUNITY TRAINING RESIDENCE, INC.
Notes to the Financial Statements
Year ended March 31, 2006

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

c) Revenue recognition

CTR follows the deferral method of accounting. 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.

d) Property, plant & equipment

Property, plant & 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 on the diminishing balance method at the following rates:

Furniture and equipment	20%
Building	4%

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) Financial instruments

For certain of the CTR's financial instruments, including accounts receivable and accounts payable, the carrying amounts approximate fair value due to the immediate or short-term maturity of these items.

3. PROPERTY, PLANT & EQUIPMENT

	Cost	Accumulated Amortization	Net Book Value	
			2006	2005
Land	\$ 57,344	\$ -	\$ 57,344	\$ 57,344
Furniture and equipment	33,657	32,689	968	1,210
Building	403,141	192,843	210,298	219,059
	494,142	225,532	268,610	277,613

GABRIEL DUMONT INSTITUTE COMMUNITY TRAINING RESIDENCE, INC.
Notes to the Financial Statements
Year ended March 31, 2006

4. DUE TO AFFILIATE

The amounts due to Gabriel Dumont Institute of Native Studies and Applied Research, Inc. are non-interest bearing and have no set repayment terms.

5. DEBT

	<u>2006</u>	<u>2005</u>
Gabriel Dumont Institute of Native Studies and Applied Research, Inc. loan due on demand bearing interest at CIBC prime plus 1% [6.18% at March 31, 2006; 5.25% at March 31, 2005] against which the building has been pledged as collateral. Unpaid interest is added to the debt balance. The Institute does not intend to demand repayment in the next year.	<u>\$ 121,142</u>	<u>\$ 114,095</u>

The carrying value of debt approximates fair value.

6. NET CHANGE IN NON-CASH WORKING CAPITAL ACCOUNTS

	<u>2006</u>	<u>2005</u>
Accounts receivable and prepaid expenses	\$ (2,896)	\$ (8,490)
Accounts payable	(17,421)	(2,321)
Due to affiliate	6,533	23,323
	<u>\$ (13,784)</u>	<u>\$ 12,512</u>

7. RELATED PARTY TRANSACTIONS

Significant transactions undertaken with related parties during the year are as follows:

	<u>2006</u>	<u>2005</u>
Gabriel Dumont Institute of Native Studies and Applied Research Inc.		
Interest expense	<u>\$ 7,046</u>	<u>\$ 5,691</u>

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

**THE GABRIEL DUMONT
SCHOLARSHIP FOUNDATION II**

FINANCIAL STATEMENTS

December 31, 2005



Deloitte & Touche LLP
900 - 2103 11th Ave
Bank of Montreal Building
Regina SK S4P 3Z8
Canada

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Auditors' Report

To the Members
The Gabriel Dumont Scholarship Foundation II

We have audited the statement of financial position of The Gabriel Dumont Scholarship Foundation II as at December 31, 2005 and the statements of operations, changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the Foundation's management. 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 plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Foundation as at December 31, 2005 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

A handwritten signature in black ink that reads "Deloitte + Touche LLP". The signature is written in a cursive, flowing style.

Chartered Accountants

Regina, Saskatchewan
June 2, 2006

THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Statement of Financial Position

As at December 31, 2005

	<u>2005</u>	<u>2004</u>
ASSETS		
Cash	\$ 24,952	\$ 39,449
Accounts receivable	30,609	32,026
Investments (Note 3)	1,187,279	1,165,519
	<u>\$ 1,242,840</u>	<u>\$ 1,236,994</u>
LIABILITIES		
Accounts payable to Gabriel Dumont Institute of Native Studies and Applied Research, Inc.	\$ 12,138	\$ 5,700
Deferred revenue	1,040	1,300
	<u>13,178</u>	<u>7,000</u>
NET ASSETS		
Unrestricted	189,662	189,994
Restricted for endowment purposes (Note 6)	1,040,000	1,040,000
	<u>1,229,662</u>	<u>1,229,994</u>
	<u>\$ 1,242,840</u>	<u>\$ 1,236,994</u>

See accompanying notes

THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Statement of Operations

Year ended December 31, 2005

	<u>2005</u>	<u>2004</u>
REVENUE		
Interest	\$ 54,422	\$ 57,032
Donations	10,260	18,000
	<u>64,682</u>	<u>75,032</u>
EXPENSES		
Administrative services	5,433	5,700
Advertising	1,005	-
Bank charges	173	25
Scholarships (Note 4)	58,403	70,162
	<u>65,014</u>	<u>75,887</u>
NET EXPENSE	\$ (332)	\$ (855)

See accompanying notes

THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Statement of Changes in Net Assets

Year ended December 31, 2005

	<u>Unrestricted</u>	<u>Restricted for Endowment Purposes</u>	<u>Total 2005</u>	<u>Total 2004</u>
BALANCE, BEGINNING				
OF YEAR	\$ 189,994	\$ 1,040,000	\$ 1,229,994	\$ 1,230,849
Net expense	(332)	-	(332)	(855)
BALANCE, END OF YEAR	\$ 189,662	\$ 1,040,000	\$ 1,229,662	\$ 1,229,994

See accompanying notes

THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Statement of Cash Flows

Year ended December 31, 2005

	<u>2005</u>	<u>2004</u>
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Net expense	\$ (332)	\$ (855)
Adjustment for non cash items		
Amortization of discount on investments	(215)	(753)
Changes in non-cash working capital		
Account receivable	1,417	10,291
Accounts payable to Gabriel Dumont Institute of Native Studies and Applied Research, Inc.	6,438	5,700
Deferred revenue	(260)	(8,000)
	<u>7,048</u>	<u>6,383</u>
CASH FLOWS (USED IN) FROM INVESTING ACTIVITIES		
Purchase of investments	(228,545)	(197,034)
Redemption of investments	207,000	221,000
	<u>(21,545)</u>	<u>23,966</u>
NET (DECREASE) INCREASE IN CASH	(14,497)	30,349
CASH POSITION, BEGINNING OF YEAR	39,449	9,100
CASH POSITION, END OF YEAR	\$ 24,952	\$ 39,449

See accompanying notes

THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Notes to the Financial Statements

Year ended December 31, 2005

1. DESCRIPTION OF BUSINESS

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

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

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

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

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles and include the following significant accounting policies:

a) Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimations.

b) Investments

Investments are recorded at cost. A write-down is recorded if an impairment in value exists that is other than temporary.

c) Revenue recognition

The Foundation 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 revenue on investments is recorded as it is earned.

THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Notes to the Financial Statements

Year ended December 31, 2005

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

d) Scholarships

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

e) Administrative services

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

f) Financial instruments

For certain of the Foundation's financial instruments, including short-term investments, accounts receivable and accounts payable, the carrying amounts approximate fair value due to the immediate or short-term maturity of these items.

3. INVESTMENTS

	2005				
	Interest Rates	Guaranteed Investment Certificates and Treasury Bills	Federal and Provincial Bonds	Total	Total Market Value
2006	3.40-5.80	145,748	71,794	217,542	216,737
2007	4.35-5.30	58,534	93,319	151,853	153,855
2008	4.20-4.55	402,888	-	402,888	402,887
2009	3.95-4.00	133,212	-	133,212	133,212
2010	4.00-5.45	131,542	50,242	181,784	180,631
Thereafter	5.08	-	100,000	100,000	99,434
		\$ 871,924	\$ 315,355	\$ 1,187,279	\$ 1,186,756

THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Notes to the Financial Statements

Year ended December 31, 2005

3. INVESTMENTS (continued)

	2004				Total Market Value
	Interest Rates	Guaranteed Investment Certificates and Treasury Bills	Federal and Provincial Bonds	Total	
2005	5.05-6.35	\$ 174,239	\$ 40,785	\$ 215,024	\$ 215,920
2006	3.40-5.80	137,509	73,318	210,827	208,405
2007	4.35-5.30	58,534	93,319	151,853	156,050
2008	4.20-4.55	402,888	-	402,888	402,888
2009	3.95-4.00	133,212	-	133,212	133,212
Thereafter	5.45	-	51,715	51,715	52,632
		\$ 906,382	\$ 259,137	\$ 1,165,519	\$ 1,169,107

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

4. SCHOLARSHIPS

The trust agreement restricts the amount of scholarships awarded each year. In 2005, the undergraduate scholarships paid exceeded 15% of the designated return and the entrance scholarships paid exceeded 5% of the designated return and therefore were not within prescribed limits.

5. RELATED PARTY TRANSACTIONS

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

	2005	2004
Administrative services	\$ 5,433	\$ 5,700
Advertising	1,055	-

6. NET ASSETS RESTRICTED FOR ENDOWMENT PURPOSES

In accordance with the terms of the original trust agreement, the principal amount originally endowed of \$600,000 must remain untouched. Furthermore, the trust agreement stipulates that attempts should be made to maintain the real value, in 1985 dollars, of the \$600,000 principal amount. The consumer price index has been used to measure incremental growth in the endowment. At December 31, 2005, the endowment met this objective.

DUMONT TECHNICAL INSTITUTE INC.

FINANCIAL STATEMENTS

June 30, 2006


Auditors' Report

To the Members
Dumont Technical Institute Inc.

We have audited the statement of financial position of **Dumont Technical Institute Inc.** as at June 30, 2006 and the statements of changes in net assets, operations and cash flows for the year then ended. These financial statements are the responsibility of the Institute's management. 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 plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Institute as at June 30, 2006 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.



Chartered Accountants

Regina, Saskatchewan
December 5, 2006

DUMONT TECHNICAL INSTITUTE INC.

Statement of Financial Position

As at June 30, 2006

	<u>2006</u>	<u>2005</u>
CURRENT ASSETS		
Cash	\$ 1,570,618	\$ 863,254
Short term investments	100,326	144,772
Accounts receivable	129,435	97,183
Prepaid expenses	18,559	19,001
	1,818,938	1,124,210
LONG TERM INVESTMENTS (Note 4)	568,324	527,629
PROPERTY, PLANT AND EQUIPMENT (Note 5)	688,178	695,266
	\$ 3,075,440	\$ 2,347,105
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 101,679	\$ 81,852
Amount due to affiliate (Note 3)	432,693	171,392
Deferred revenue	39,656	39,656
Unexpended contributions repayable (Note 6)	1,230,349	729,752
Current portion of term debt (Note 7)	12,804	12,390
	1,817,181	1,035,042
TERM DEBT (Note 7)	199,981	212,694
	2,017,162	1,247,736
NET ASSETS		
Invested in property, plant and equipment	475,394	470,182
Unrestricted	582,884	629,187
	1,058,278	- 1,099,369
	\$ 3,075,440	\$ 2,347,105

DUMONT TECHNICAL INSTITUTE INC.**Statement of Changes in Net Assets**

Year ended June 30, 2006

	Invested in Property, Plant and Equipment	Core	Programming Funds		2006	2005
			BE Programs	Other Programs		
Balance, beginning of year	\$ 470,182	\$ 434,779	\$ 134,733	\$ 59,675	\$ 1,099,369	\$ 874,665
Net revenue (expenses)	-	(296,616)	291,519	(35,994)	(41,091)	224,704
Purchase of property, plant and equipment	60,713	(60,713)	-	-	-	-
Amortization	(67,801)	67,801	-	-	-	-
Repayment of loan	12,300	(12,300)	-	-	-	-
Write off of property, plant and equipment	-	-	-	-	-	-
Interfund transfers for core services, equipment rental and facility recovery	-	209,335	(185,650)	(23,685)	-	-
BALANCE, END OF YEAR	\$ 475,394	\$ 342,286	\$ 240,602	\$ (4)	\$ 1,058,278	\$ 1,099,369

DUMONT TECHNICAL INSTITUTE INC.

Statement of Operations

Year ended June 30, 2006

	<u>Core</u>	<u>BE Programs</u>	<u>Other Programs</u>	<u>2006</u>	<u>2005</u>
REVENUE					
Government of Saskatchewan grants	\$ 649,060	\$ 1,752,383	\$ 529,297	\$ 2,930,740	\$ 2,774,551
Interest income	51,856	-	-	51,856	31,697
Metis Nation of Saskatchewan					
- Clarence Campeau Development Fund	-	-	-	-	5,573
- Metis Employment and Training of Sask.	5,590	-	-	5,590	-
Miscellaneous	2,001	-	-	2,001	1,788
Other grants	-	35,000	10,000	45,000	35,000
Pathways	-	-	-	-	24,000
Saskatchewan Institute of Applied Science & Technology	-	-	32,604	32,604	24,000
Tuition and fees	-	-	668,678	668,678	501,108
	708,507	1,787,383	1,240,579	3,736,469	3,397,717
EXPENSES					
Administrative services	82,587	15,750	92,580	190,917	136,876
Amortization	67,801	-	-	67,801	66,786
Computer software support	8,763	17,791	6,000	32,554	16,497
Contractual services and consulting	12,764	3,240	7,185	23,189	6,521
Equipment	14,160	9,116	3,121	26,397	34,478
Instructional costs	10,144	300,881	701,336	1,012,361	692,833
Insurance	19,762	-	-	19,762	17,631
Interest and bank charges	13,816	-	-	13,816	14,239
Loss on investments	25,543	-	-	25,543	-
Miscellaneous	13,080	6,718	26,421	46,219	14,554
Office supplies	20,254	22,306	7,727	50,287	39,681
Professional services	22,918	21,000	-	43,918	45,462
Public relations	16,054	1,476	1,268	18,798	2,886
Facilities	39,510	112,500	61,266	213,276	219,249
Salaries	432,012	784,661	296,028	1,512,701	1,462,987
Staff and board travel	79,757	35,006	16,323	131,086	108,009
Staff benefits	104,356	135,288	50,254	289,898	256,738
Telephone and fax	21,842	30,131	7,064	59,037	37,586
	1,005,123	1,495,864	1,276,573	3,777,560	3,173,013

DUMONT TECHNICAL INSTITUTE INC.

Statement of Cash Flows

Year ended June 30, 2006

	<u>2006</u>	<u>2005</u>
OPERATING ACTIVITIES		
Net revenue	\$ (41,091)	\$ 224,704
Add items not affecting cash		
Amortization	67,801	66,786
Unrealized loss on investments	16,597	-
Write off of property, plant and equipment	-	2,172
Net change in non-cash working capital balance (Note 8)	488,615	(252,896)
CASH PROVIDED BY OPERATING ACTIVITIES	531,922	40,766
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(60,713)	(37,985)
CASH USED IN INVESTING ACTIVITIES	(60,713)	(37,985)
FINANCING ACTIVITIES		
Purchase of investments	(185,507)	(18,163)
Proceeds on sale of investments	172,661	-
Amount due to affiliate	261,301	95,584
Repayment of term loan	(12,300)	(14,449)
CASH PROVIDED BY FINANCING ACTIVITIES	236,155	62,972
INCREASE IN CASH	707,364	65,753
CASH, BEGINNING OF YEAR	863,254	797,501
CASH, END OF YEAR	\$ 1,570,618	# \$ 863,254
Supplementary information:		
Interest paid	\$ 10,316	\$ 14,239

DUMONT TECHNICAL INSTITUTE INC.

Notes to the Financial Statements

June 30, 2006

1. NATURE OF ORGANIZATION

Dumont Technical Institute Inc. (“the Institute”) is an organization that provides Métis people in Saskatchewan the opportunity to obtain training and education through the Institute as well as its jointly controlled affiliates, Gabriel Dumont College, Inc. and Gabriel Dumont Institute of Native Studies and Applied Research, 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’s operations are divided into three main segments.

- The Core operations are responsible for program coordination, resource management, strategic planning, provision of counseling services and the day-to-day functions of the Institute.
- The Basic Education Programming (BE) includes a wide range of programs aimed at increasing the education and literacy levels of course participants. Programs offered under the BE include adult secondary education, life skills and employment enhancement.
- Other programs offered include a wide range of technical programming with the aim of equipping students with the necessary knowledge and skills to enter the labour market.

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

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles applied within the framework of the accounting policies summarized below:

a) Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

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 contract.

DUMONT TECHNICAL INSTITUTE INC.

Notes to the Financial Statements

June 30, 2006

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

c) Investments

Short-term investments consist of a money market mutual fund with a Canadian chartered bank. The investment is recorded at the lower of cost and market.

Long-term investments consist of fixed income bond pooled funds and are carried at cost unless there is an other than temporary impairment in value.

d) Property, plant and equipment

Property, plant and equipment are initially recorded at cost. Normal maintenance and repair expenditures are expensed as incurred. Amortization has been provided on the diminishing balance method at the following rates:

Furniture and equipment	20%
Building	5%

Amortization is charged in the year of acquisition for the full year. No amortization is charged in the year of disposal. It is expected that these procedures will charge operations with the total cost of the assets over the useful life of the assets. Any gain or loss on the disposal of individual assets is recognized in income in the year of disposal.

e) Employee benefits

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

f) Financial instruments

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

3. AMOUNT DUE FROM/ TO AFFILIATES

Amounts due to/from affiliates bear no interest and have no fixed repayment.

	<u>2006</u>	<u>2005</u>
Due to affiliates		
Gabriel Dumont Institute of Native Studies and Applied Research, Inc.	\$ 423,745	\$ 161,876
Gabriel Dumont College, Inc.	8,948	9,516
	<u>\$ 432,693</u>	<u>\$ 171,392</u>

DUMONT TECHNICAL INSTITUTE INC.

Notes to the Financial Statements

June 30, 2006

4. LONG TERM INVESTMENTS

	2006		2005	
	Carrying Value	Market Value	Cost	Market Value
Imperial Short term Bond Pool	\$ 267,218	\$ 267,218	\$ 338,785	\$ 339,140
Imperial Canadian Bond Pool	287,589	287,589	120,561	124,616
Imperial International Bond Pool	13,517	13,517	68,283	66,030
	\$ 568,324	\$ 568,324	\$ 527,629	\$ 529,786

The June 30, 2006 carrying value reflects a write-down of \$16,597 from original cost.

5. PROPERTY, PLANT AND EQUIPMENT

	2006		2005	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Land	\$ 109,574	\$ -	\$ 109,574	\$ -
Furniture and equipment	478,061	289,009	417,348	243,127
Building	530,213	140,661	530,213	118,742
	1,117,848	429,670	1,057,135	361,869
Accumulated amortization	429,670		361,869	
	\$ 688,178		\$ 695,266	

6. UNEXPENDED CONTRIBUTIONS REPAYABLE

Unexpended contributions repayable consist of education program funds from the Government of Saskatchewan. These funds are used to provide courses under the Basic Education Program, Saskatchewan Skills Extension Program, the Saskatchewan Quick Skills Program and the Saskatchewan Link to Employment Program. Funds received in excess of course expenses must be repaid and are therefore, recorded as a liability.

DUMONT TECHNICAL INSTITUTE INC.

Notes to the Financial Statements

June 30, 2006

7. TERM DEBT

	<u>2006</u>	<u>2005</u>
Metis Nation-Saskatchewan Secretariat Inc.		
Operating as Clarence Campeau Development Fund		
Term loan due December, 2008, repayable in monthly blended instalments of \$1,884 bearing interest at Bank of Nova Scotia prime plus 2% [6.25% at June 30th, 2006] against which the building has been pledged as collateral.	\$ 212,784	\$ 225,084
Less current portion	<u>12,803</u>	<u>12,390</u>
	<u>\$ 199,981</u>	<u>\$ 212,694</u>

Principal payments over the next three years are as follows:

2007	\$ 12,803
2008	13,397
2009	14,047

The carrying value of debt approximates fair value.

8. NET CHANGE IN NON-CASH WORKING CAPITAL BALANCES

	<u>2006</u>	<u>2005</u>
Accounts receivable	\$ (32,252)	\$ (74,753)
Prepaid expenses	442	(6,394)
Accounts payable and accrued liabilities	19,828	(148,795)
Unexpended contributions repayable	<u>500,597</u>	<u>(22,954)</u>
	<u>\$ 488,615</u>	<u>\$ (252,896)</u>

DUMONT TECHNICAL INSTITUTE INC.

Notes to the Financial Statements

June 30, 2006

9. RELATED PARTY TRANSACTIONS

The Institute conducts business with several organizations which are affiliated through the Métis Nation of Saskatchewan. Related party transactions are completed at fair market value. The following activities and balances above are included in the accounts.

	<u>2006</u>	<u>2005</u>
<i>Public relations</i>		
MNS New Breed	\$ -	\$ 205
<i>Miscellaneous</i>		
Metis Sports & Culture	-	87
<i>Staff and board travel</i>		
Gabriel Dumont Institute of Native Studies and Applied Research, Inc.	37,500	37,602
<i>Administrative services expense</i>		
Gabriel Dumont Institute of Native Studies and Applied Research, Inc.	190,917	136,890
<i>Rent expense</i>		
Eastern Region II A	-	9,179
Gabriel Dumont Institute of Native Studies and Applied Research, Inc.	67,743	74,918
Clearwater Clear Lake Metis Council	-	(2,050)
Nipawin Metis Local	-	11,353
<i>Revenue - tuition and fees</i>		
Métis Employment & Training of Saskatchewan Inc.	488,574	447,082
<i>Revenue - pathways</i>		
Métis Employment & Training of Saskatchewan Inc.	-	6,800
<i>Account receivable</i>		
Métis Employment & Training of Saskatchewan Inc.	39,349	1,850
Gabriel Dumont Institute of Native Studies and Applied Research, Inc.	19,312	18,933
<i>Accounts payable</i>		
Métis Employment & Training of Saskatchewan Inc.	1,158	174
Moose Jaw Métis Local #160	1,146	-
Métis National Council	-	3,102
Clarence Campeau Development Fund	877	-
Regina Metis Sport & Culture	-	500

DUMONT TECHNICAL INSTITUTE INC.

Notes to the Financial Statements

June 30, 2006

10. COMMITMENTS

The Institute is committed under various term leases with payment due as follows:

2007	\$ 111,469
2008	8,466
2009	1,652

11. ECONOMIC DEPENDENCE

The majority of funding for the operations of the Institute is provided by the Government of Saskatchewan. Funding is provided by annual grants.

12. PENSION PLAN

The Institute contributed to a defined contribution pension plan that provides pension for the employees, based on a negotiated rate of contribution. The pension expense for the year was \$72,025 (2005 - \$73,529).