Financial Statements of

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

Year ended March 31, 2010

KPMG LLP
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AUDITORS' REPORT TO THE MEMBERS

We have audited the the statement of financial position of Gabriel Dumont Institute of Native Studies and Applied Research, Inc. as at March 31, 2010 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 March 31, 2010 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

KPMG LLP

Chartered Accountants

Saskatoon, Canada
November 8, 2010

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

Statement of Financial Position

March 31, 2010, with comparative figures for 2009

	2010	2009
Assets		
Current assets:		
Cash	$ 917,702	$ 255,464
Short-term investments	152,042	146,546
Accounts receivable (note 5)	1,590,031	2,911,394
Inventory 40,801		40,788
Prepaid expenses	35,870	34,678
Due from affiliates (note 6)	52,205	110,515
Current portion of mortgage receivable (note 7)	-	25,000
	2,788,651	3,524,385
Mortgage receivable (note 7)	-	68,297
Property, plant and equipment (note 8)	836,140	617,624
	$ 3,624,791	$ 4,210,306
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities	$ 874,727	$ 1,128,700
Deferred contributions (note 9)	59,916	204,017
	934,643	1,332,717
Net assets (deficiency)		
Administration and core services	2,277,237	2,607,934
Invested in property, plant & equipment	836,140	617,624
Publishing	(371,728)	(349,713)
S.U.N.T.E.P.	(136,366)	(83,121)
Other specific contract projects	80,760	80,760
Restricted for endowment purposes (note 10)	4,105	4,105
	2,690,148	2,877,589
	$ 3,624,791	$ 4,210,306

Commitments (note 15)

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, 2010, with comparative figures for 2009

	Administration and Core Services	Publishing	S.U.N.T.E.P.	Other Specific Contract Projects	Invested in Property Plant and Equipment	Endowment	2010	2009
Net assets (deficiency), beginning of year	$ 2,607,934	$ (349,713)	$ (83,121)	$ 80,760	$ 617,624	$ 4,105	$ 2,877,589	$ 2,732,652
Net revenue (expense)	19,183	(22,015)	(49,095)	-	-	-	(51,927)	144,937
Amortization	50,455	-	7,711	-	(58,166)	-	-	-
Purchase of property, plant and equipment	(24,693)	-	(11,861)	-	36,554	-	-	-
Amalgamation of Gabriel Dumont Institute Community Training Residence Inc.	(375,642)	-	-	-	240,128	-	(135,514)	-
	$ 2,277,237	$ (371,728)	$ (136,366)	$ 80,760	$ 836,140	$ 4,105	$ 2,690,148	$ 2,877,589

See accompanying notes to financial statements.

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

Statement of Operations

Year ended March 31, 2010, with comparative figures for 2009

	Administration & Core Services	Publishing	S.U.N.T.E.P	Total 2010	Total 2009
Revenue:					
Government of Canada					
- Office of The Federal Interlocutor	$ -	$ 273,201	$ -	$ 273,201	$ 258,700
- The Department of Canadian Heritage	-	-	-	-	229,750
Government of Saskatchewan					
- Saskatchewan Learning	2,056,900	-	3,123,458	5,180,358	4,712,252
Other (schedule 1)	590,587	242,794	389,844	1,223,225	1,165,589
	2,647,487	515,995	3,513,302	6,676,784	6,366,291
Expenses					
Salaries and benefits (schedule 3)	1,010,707	497,326	1,644,175	3,152,208	3,207,656
Instructional costs	-	545	1,127,715	1,128,260	1,188,565
Operating Costs (schedule 2)	601,138	112,073	944,144	1,657,355	908,028
Curriculum development	81,925	203,042	53,860	338,827	386,720
Travel and sustenance (schedule 3)	110,816	34,613	37,257	182,686	262,643
Public relations (schedule 3)	63,611	58,056	20,756	142,423	135,590
Kapachee 54,686		-	-	54,686	54,687
Library costs	17,703	188	6,790	24,681	24,695
Works of art	12,718	32,167	200	45,085	52,570
Scholarships	-	-	2,500	2,500	200
	1,953,304	938,010	3,837,397	6,728,711	6,221,354
Administrative allocation	(675,000)	400,000	275,000	-	-
Net revenue (expense)	$ 19,183	$ (22,015)	$ (49,095)	$ (51,927)	$ 144,937

See accompanying notes to financial statements.

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

Statement of Cash Flows

Year ended March 31, 2010, with comparative figures for 2009

	2010	2009
Cash flows from (used in):		
Operations:		
Net revenue	$ (51,927)	$ 144,937
Item not involving cash:		
Amortization	58,166	57,547
	6,239	202,484
Net change in non-cash working capital accounts (Note 11)	932,948	(1,287,988)
	939,187	(1,085,504)
Financing:		
Decrease in mortgage receivable	-	43,135
Investing:		
Advances from affiliates	(271,703)	272,989
Purchase of property, plant & equipment	(36,554)	(50,332)
Decrease (increase) in investments	(5,496)	184,697
Amalgamation of Gabriel Dumont Institute Community Training Residence Inc.	36,804	-
	(276,949)	407,354
Increase (decrease) in cash	662,238	(635,015)
Cash balance, beginning of year	255,464	890,479
Cash balance, end of year	$ 917,702	$ 255,464

See accompanying notes to financial statements.

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

Notes to Financial Statements

Year ended March 31, 2010

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1. Nature of operations:

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 is associated with Gabriel Dumont College, Inc., Gabriel Dumont Institute Community Training Residence Inc., Dumont Technical Institute Inc., Gabriel Dumont Scholarship Foundation II, and Gabriel Dumont Training and Employment Inc., as the Board of Directors of the Institute 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 and Core Services

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

Core service departments include curriculum development, research, 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

2. Significant accounting policies (continued):

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.

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 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 Saskatchewan and Saskatchewan Post-Secondary Education and Skills Training.

Endowment Contributions

Endowment contributions are restricted to the provision of scholarships.

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.

Endowment contributions are reported in the Endowment Fund.

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

(c) Financial instruments:

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

- Cash and short term investments are classified as financial assets held for trading and are measured at fair value. Fair value fluctuations in these assets including interest earned, interest accrued, gains and losses realized on disposal and unrealised gains and losses are included in interest revenue.

- Accounts receivable, due from affiliates and mortgage receivable are classified as loans and receivables and are recorded at amortized cost.

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

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

(d) Property, plant and 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.

2. Significant accounting policies (continued):

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

Asset	Method	Rate
Building	Declining	5 %
Computer equipment	Declining	20 %
Other equipment	Declining	20 %

Leasehold improvements are amortized on the straight line method, 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 net realizable value.

(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. Cost are expensed in the year incurred.

2. Significant accounting policies (continued):

(h) 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 the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenue and expenses during the reporting period. Actual results could differ from these estimates.

3. Recently adopted standards:

Effective April 1, 2009 the Institute adopted the Canadian Institute of Chartered Accountants ("CICA") amendments to section 1000 of the CICA Handbook. These amendments clarified the criteria for recognition of an asset or liability, removing the ability to recognize assets or liabilities solely on the basis of matching of revenue and expense items. Adoption of these recommendations had no significant impact on the financial statements for the year ended March 31, 2010.

Effective April 1, 2009, the Institute adopted the CICA amendments to the 4400 Sections of the CICA Handbook. These amendments eliminate the requirement to show net assets invested in capital assets as a separate component of net assets, clarify the requirement for revenue and expenses to be presented on a gross basis when the not-for-profit organization is acting as principal and require a statement of cash flow. Adoption of these recommendations had no significant impact on the financial statements for the year ended March 31, 2010.

Effective April 1, 2009, the Institute adopted CICA Handbook Section 4470, Disclosure of Allocated Expenses by Not-for-Profit Organizations which establishes disclosure standards for entities that choose to classify their expenses by function and allocate expenses from one function to another. Adoption of these recommendations had no significant impact on the financial statements for the year ended March 31, 2010.

Accounting standard setting bodies in Canada are currently deliberating the future of financial reporting for not-for-profit organizations. The Accounting Standards Board ("AcSB") has already announced that not-for-profit organizations will be permitted to apply International Financial Reporting Standards ("IFRS"). An exposure draft that was issued in March, 2010 proposes a migration of the existing Section 4400 Accounting Standards for Not-For-Profit Organizations into the Accounting Standards for Private Enterprises ("ASPE"), as an alternative to IFRS. The AcSB expects these final standards will be issued in late 2010, and proposes that not-for-profit organizations will select one of the two available sets of accounting standards and apply them for fiscal years beginning on or after January 1, 2012. Until such time that these standards are

3. Recently adopted standards (continued):

finalized, the Institute will not be able to reasonably estimate the impact on the financial statements.

4. Financial instruments and risk management:

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

Credit risk

The Institute's principal financial assets subject to credit risk are cash, short term investments and accounts receivable. The carrying amounts of these financial assets on the statement of financial position represent the Institute's maximum credit exposure at the balance sheet 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 from government agencies. The credit risk on cash is limited because the counterparties are chartered banks with high credit ratings assigned by national credit-rating agencies.

Interest rate risk

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

Market risk

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

Fair values

Cash and investments are recorded at fair value. For certain of the Institute's financial instruments including accounts receivable and accounts payable and accrued liabilities, the carrying amounts approximate fair value due to the immediate or short-term maturity of these items. It is not possible to determine the fair value of amounts due from affiliates due to the non-arms length nature of the relationships between the related parties.

5. Accounts receivable:

	2010	2009
Accounts receivable	$ 2,285,724	$ 2,911,394
Less: Allowance for doubtful accounts	(695,693)	-
	$ 1,590,031	$ 2,911,394

The allowance for doubtful accounts for an amount of $695,693 relates to the S.U.N.T.E.P. program. During the 2010 fiscal year the Institute invoiced Advanced, Education, Employment, and Labour ("AEEL") for $875,576. However, after discussion with AEEL, management concluded that $179,883 was collectible as of March 31, 2010. As a result, management provided $695,693 as an allowance for doubtful accounts for the year ended March 31, 2010. Negotiations with respect to the collectibility of these amounts are ongoing and any subsequent recovery will be reflected in the year amounts are collected.

6. Due from (to) affiliates:

Amounts due from (to) affiliates bear no interest and have no fixed terms of repayments.

	2010	2009
Dumont Technical Institute, Inc.	$ 252,205	$ 251,818
Gabriel Dumont Institute Community Training Residence, Inc.	-	330,013
Gabriel Dumont College, Inc.	(200,000)	(494,784)
Gabriel Dumont Scholarship Foundation II	-	23,468
	$ 52,205	$ 110,515

7. Mortgage receivable:

The mortgage receivable was with Gabriel Dumont Institute Community Training Residence, Inc. ("GDI CTR") and was due on demand, bearing interest at CIBC prime plus 1%, with GDI CTR's building pledged as collateral. During 2009, the Institute agreed to not demand repayment but requested that $25,000 be paid during the 2010 fiscal year.

Effective October 10, 2009 GDI NSAR amalgamated with GDI CTR. After the amalgamation, the building is included with the Institute's property, plant and equipment and the related mortgage receivable has been eliminated upon amalgamation and related transfer of the building.

8. Property, plant and equipment:

	Cost	Accumulated amortization	2010 Net book value	2009 Net book value
Administrative:				
Land	$ 174,344	$ -	$ 174,344	$ 117,000
Building	1,290,626	794,633	495,993	330,364
Computer equipment	114,486	66,181	48,305	43,424
Equipment	1,142,570	1,101,293	41,277	46,885
	2,722,026	1,962,107	759,919	537,673
Core services:				
Equipment	307,298	280,831	26,467	33,083
Works of art/artifacts	6,245	1,413	4,832	5,087
Leasehold improvements	18,984	9,905	9,079	10,088
	332,527	292,149	40,378	48,258
S.U.N.T.E.P.				
Equipment	286,185	250,506	35,679	31,487
Other				
Equipment	16,780	16,616	164	206
	$ 3,357,518	$ 2,521,378	$ 836,140	$ 617,624

9. Deferred contributions:

The Institute has deferred contributions for various projects as follows:

Funding Agent	Project	2010	2009
Office of The Federal Interlocutor	MCCI	$ -	$ 133,542
Saskatchewan Advanced Education, Employment, and Labour	Virtual Museum	59,916	70,475
		$ 59,916	$ 204,017

10. Endowments:

	2010	2009
Arts Carriere Memorial Fund	$ 2,769	$ 2,769
Les Fiddler Memorial Fund	1,336	1,336
	$ 4,105	$ 4,105

11. Net change in non-cash working capital accounts:

	2010	2009
Accounts receivable	$ 1,321,363	$ (1,772,625)
Inventory	(13)	(4,757)
Prepaid expenses	(1,192)	(4,145)
Accounts payable and accrued liabilities	(253,973)	568,647
Deferred contributions	(144,101)	(75,108)
Amounts related to amalgamation with GDICTR	10,864	-
	$ 932,948	$ (1,287,988)

12. Associated and related entities:

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

	Gabriel Dumont College, Inc. March 31, 2010	Dumont Technical Institute, Inc. June 30, 2009	Gabriel Dumont Scholarship Foundation II December 31, 2009	Gabriel Dumont Institute Training & Employment, Inc. March 31, 2010
Total assets	$ 1,184,670	$ 3,979,606	$ 2,797,933	$ 1,680,070
Total liabilities	14,415	1,680,082	26,191	1,651,775
Net assets				
- internally restricted	1,170,255	1,438,764	2,771,742	-
- externally restricted	-	860,760	-	28,295
	$ 1,184,670	$ 3,979,606	$ 2,797,933	1,680,070
Results of operations				
Total revenue	550,142	6,491,283	276,555	12,252,052
Total expenses	326,816	6,444,017	88,048	12,252,052
Net revenue (expense)	$ 223,326	$ 47,266	$ 188,507	-
Cash flows				
Cash provided by (used in) operations	$ (52,912)	$ 107,953	$ 37,865	753,713
Cash provided by (used in) financing and investing activities	-	(302,952)	(217,649)	-
Increase (decease) in cash balances	$ (52,912)	$ (194,999)	$ (179,784)	753,713
Cash balances, end of year	$ (1,718)	$ 1,286,184	$ 154,005	1,171,278

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 $155,585 (2009- $139,996).

14. Related party transactions:

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

		2010		2009
Entities under common control				
Administrative services revenue, at negotiated value	$	376,794	$	251,947
Interest income on mortgage receivable		1,586		6,865
Office and equipment rent		81,000		81,000
Rent expense		(61,133)		(43,585)
Wage enhancement		(241,949)		(241,949)
	$	156,298	$	54,278

Inter-fund administrative support/facility recovery expenses are charged based on estimated use of services.

Accounts receivable includes $356,345 (2009 - $345, 975) from Dumont Technical Institute, $21,258 (2009 - $11,759) from Gabriel Dumont In stitute Training and Em ployment Inc, $13,630 (2009 - $4,666) from Gabriel Dumont Scholarship Foundation II, and $739 (2009 - $8,524) from Gabriel Dumont College Inc.

Accounts payables and accrued liabilities include $267,537 (2009 - $266,949) to Dumont Technical Institute and $nil (2009 - $13,907) to Gabriel Dumont College Inc.

Other related party transactions are described in notes 6,7,12 and 17.

15. Commitments:

The Institute is committed under the operating leas es and contractual obligations for services in each of the next five years as follows:

2011	$	310,758
2012		231,794
2013		209,721
2014		14,937
2015		1,465
	$	768,675

16. 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.

17. Amalgamation:

Effective October 10, 2009, the assets and liabilities of Gabriel Dumont Institute Community Training Residence, Inc. were transferred, at their net book value, to Gabriel Dumont Institute of Native Studies and Applied Research, Inc. and the combined operations were continued under that name. The assets and liabilities transferred on October 10, 2009 are summarized in the table below:

Net assets transferred		
Cash	$	60,827
Accounts receivable and prepaid expenses		16,364
Property, plant and equipment		240,127
Accounts payable and accrued liabilities		(5,500)
Mortgage payable		(94,883)
Due to Gabriel Dumont Institute of Native Studies and Applied Research		(216,935)
	$	-

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

Schedule of Other Revenue

Year ended March 31, 2010, with comparative figures for 2009

	Administration & Core Services	Publishing	S.U.N.T.E.P.	2010	2009
Fees for services	$ 481,944	$ -	$ -	$ 481,944	$ 336,397
Tuition income	-	-	222,097	222,097	306,455
Sales and royalties	-	189,755	-	189,755	108,247
Teaching income	-	-	91,775	91,775	220,909
Miscellaneous	38,812	46,039	3,172	88,023	21,501
Prince Albert Grand Council	-	-	72,800	72,800	72,800
Saskatchewan Advance Education & Employment	62,747	7,000	-	69,747	56,456
Interest	7,084	-	-	7,084	33,324
Métis National Council	-	-	-	-	9,500
	$ 590,587	$ 242,794	$ 389,844	$ 1,223,225	$ 1,165,589

Schedule 2

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

Schedule of Operating Costs

Year ended March 31, 2010, with comparative figures for 2009

	Administration & Core Services	Publishing	S.U.N.T.E.P.	2010	2009
Bad debt expense (note 5)	$ -	$ 3,418	$ 698,102	$ 701,520	$ 22,617
Building	215,084	78,103	146,506	439,693	346,074
Consulting and legal service	122,423	3,922	10,852	137,197	129,154
Telephone	105,321	2,224	1,089	108,634	82,927
Other equipment expenses	30,146	7,655	31,204	69,005	50,562
Amortization	42,575	-	15,591	58,166	57,547
Computer services	29,213	449	11,269	40,931	70,154
Office supplies	14,972	10,270	12,977	38,219	42,161
Insurance	16,303	1,315	1,966	19,584	22,804
Postage and courier	15,364	640	3,535	19,539	21,979
Duplicating and materials development	1,113	2,953	7,019	11,085	17,919
Miscellaneous	5,022	1,124	4,002	10,148	34,941
Bank charges	3,540	-	32	3,572	4,678
Payroll interest & penalties	62	-	-	62	4,511
	$ 601,138	$ 112,073	$ 944,144	$ 1,657,355	$ 908,028

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

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

Year ended March 31, 2010, with comparative figures for 2009

	Administration & Core Services	Publishing	S.U.N.T.E.P.	2010	2009
Public Relations:					
Promotion, publicity and graduation	$ 63,545	$ 58,056	$ 11,177	$ 132,778	$ 118,263
Recruitment	66	-	8,083	8,149	15,649
Orientation	-	-	1,496	1,496	1,678
	$ 63,611	$ 58,056	$ 20,756	$ 142,423	$ 135,590
Salaries and benefits:					
Staff salaries and wages	$ 1,019,971	$ 424,818	$ 1,406,467	$ 2,851,256	$ 2,930,064
Staff benefits (recovery)	(9,264)	72,508	237,708	300,952	277,592
	$ 1,010,707	$ 497,326	$ 1,644,175	$ 3,152,208	$ 3,207,656
Travel and sustenance:					
Staff and students	$ 34,663	$ 33,813	$ 37,057	$ 105,533	$ 151,212
Board	76,153	800	200	77,153	111,431
	$ 110,816	$ 34,613	$ 37,257	$ 182,686	$ 262,643

Financial Statements of

DUMONT TECHNICAL INSTITUTE INC.

Year ended June 30, 2010

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Internet www.kpmg.ca

AUDITORS' REPORT TO THE MEMBERS

We have audited the statement of financial position of Dumont Technical Institute Inc. as at June 30, 2010 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 June 30, 2010 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

KPMG LLP

Chartered Accountants

Saskatoon, Canada
December 14, 2010

DUMONT TECHNICAL INSTITUTE INC.

Statement of Financial Position

June 30, 2010, with comparative figures for 2009

	2010	2009
Assets		
Current assets:		
Cash	$ 2,451,891	$ 1,286,184
Accounts receivable	981,237	756,425
Prepaid expenses	7,726	30,451
	3,440,854	2,073,060
Investments (note 4)	1,164,396	1,109,140
Property and equipment (note 5)	883,905	797,406
	$ 5,489,155	$ 3,979,606
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities	$ 914,872	$ 672,906
Deferred revenue	1,100,973	571,725
Current portion of long-term debt (note 6)	15,702	14,269
Amount due to affiliates (note 7)	-	261,153
	2,031,547	1,520,053
Long-term debt (note 6)	144,141	160,029
Net assets:		
Invested in property and equipment	724,062	623,108
Core	2,103,600	815,656
Programming	485,805	860,760
	3,313,467	2,299,524
	$ 5,489,155	$ 3,979,606

Commitments (note 9)

See accompanying notes to financial statements.

DUMONT TECHNICAL INSTITUTE INC.

Statement of Operations

Year ended June 30, 2010, with comparative figures for 2009

	Core	BE Programs	Other Programs	2010	2009
Revenue:					
Government of Saskatchewan grants	$ 1,836,332	$ 1,831,157	$ 617,587	$ 4,285,076	$ 3,946,998
Tuition and fees	415,184	-	2,547,009	2,962,193	1,662,710
Wage enhancement	241,949	-	-	241,949	241,934
Miscellaneous income	114,855	-	13,170	128,025	560,516
Investment income	64,791	-	-	64,791	79,125
	2,673,111	1,831,157	3,177,766	7,682,034	6,491,283
Coordination fee (revenue)	(78,750)	-	78,750	-	-
	2,751,861	1,831,157	3,099,016	7,682,034	6,491,283
Expenses:					
Salaries	941,550	830,721	1,112,946	2,885,217	2,488,540
Purchased courses	25,369	155,673	741,990	923,032	1,523,866
Facilities	89,938	267,358	218,349	575,645	566,246
Administrative services	256,086	14,000	203,761	473,847	192,792
Staff benefits	163,953	123,971	127,633	415,557	387,986
Equipment and education supplies	49,795	215,716	109,565	375,076	200,923
Instructional costs	3,933	62,613	299,151	365,697	370,421
Staff and board travel	42,145	33,777	90,384	166,306	226,050
Office supplies	30,516	39,838	37,184	107,538	80,517
Amortization	96,507	-	-	96,507	89,053
Public relations	38,631	15,163	30,066	83,860	70,050
Professional services	28,990	12,429	15,214	56,633	72,174
Software support	4,853	31,155	18,757	54,765	38,906
Interest and bank	24,292	17	65	24,374	25,041
Insurance	1,440	8,966	12,307	22,713	31,507
Telephone and fax	16,905	825	1,713	19,443	57,868
Professional development	6,804	3,360	3,810	13,974	-
Miscellaneous	6,516	10	61	6,587	11,262
Bad debts	-	-	1,320	1,320	10,815
	1,828,223	1,815,592	3,024,276	6,668,091	6,444,017
Transfer:					
Wage enhancement	(130,244)	130,244	-	-	-
Excess of revenue over expenses	$ 793,394	$ 145,809	$ 74,740	$ 1,013,943	$ 47,266

See accompanying notes to financial statements.

DUMONT TECHNICAL INSTITUTE INC.

Statement of Changes in Net Assets

Year ended June 30, 2010, with comparative figures for 2009

	Invested in property and BE equipment	Core	Programming Funds Programs	Programming Funds Other Programs	2010	2009
Balance, beginning of year	$ 623,108	$1,411,160	$ (145,809)	$ 411,065	$ 2,299,524	$2,252,258
Excess of revenue over expenses	-	793,394	145,809	74,740	1,013,943	47,266
Purchase of property and equipment	183,006	(183,006)	-	-	-	-
Amortization	(96,507)	96,507	-	-	-	-
Repayment of long-term debt	14,455	(14,455)	-	-	-	-
Balance, end of year	$ 724,062	$2,103,600	$ -	$ 485,805	$ 3,313,467	$2,299,524

See accompanying notes to financial statements.

DUMONT TECHNICAL INSTITUTE INC.

Statement of Cash Flows

Year ended June 30, 2010, with comparative figures for 2009

	2010	2009
Cash flows from (used in):		
Operations:		
Excess of revenue over expenses	$ 1,013,943	$ 47,266
Items not involving cash:		
Amortization	96,507	89,053
Investment increase to fair value	(55,256)	(55,531)
Change in non-cash operating working capital:		
Accounts receivable	(224,812)	96,716
Prepaid expenses	22,725	(9,612)
Accounts payable and accrued liabilities	241,966	19,412
Deferred revenue	529,248	(134,882)
	1,624,321	52,422
Financing:		
Repayment of long-term debt	(14,455)	(13,472)
Amount due to affiliates	(261,153)	6,925
	(275,608)	(6,547)
Investing:		
Purchase of property and equipment	(183,006)	(240,874)
Increase (decrease) in cash	1,165,707	(194,999)
Cash balance, beginning of year	1,286,184	1,481,183
Cash balance, end of year	$ 2,451,891	$ 1,286,184
Supplemental cash flow disclosure:		
Interest on long-term debt	$ 8,989	$ 10,395

See accompanying notes to financial statements.

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 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 counselling 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 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).

1. **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 the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenue and expenses during the reporting period. Actual results could differ from these estimates.

1. Significant accounting policies (continued):

(b) Revenue recognition:

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

(c) Investments:

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

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

(d) Property and equipment:

Property and equipment is stated at cost. Amortization is provided using the following methods and annual rates:

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

1. Significant accounting policies (continued):

(e) Employee benefits:

The Institute provides a def ined 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:

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

Cash and investments are classified as financial assets held for trading and are measured at fair value.

Accounts receivable is classified as loans and receivables and is recorded at amortized cost.

Accounts payable and accrued liabilities, amount s due to affiliates and long-term debt are classified as other liabilities and measured at amortized cost.

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

2. Recently adopted standards:

Effective July 1, 2009 the In stitute adopted the Canadian Instit ute of Chartered Accountants ("CICA") amendments to secti on 1000 of the CICA Handbook. T hese amendments clarified the criteria for recognition of an asset or liability, re moving the ability to recognize assets or liabilities solely on the basis of matching of rev enue and expense items. Adoption of these recommendations had no significant impact on t he financial statements for the year ended June 30, 2010.

Effective July 1, 2009, the In stitute adopted the CICA amendments to the 4400 Sections of the CICA Handbook. These amendments eliminate the requirement to show net assets invested in capital assets as a separate component of net assets, clarify the requirement for revenue and expenses to be presented on a gross basis when the not-for-profit organization is acting as principal and require a statement of cash fl ow. Adoption of these recommendations had no significant impact on the financial statements for the year ended June 30, 2010.

2. Recently adopted standards (continued):

Effective July 1, 2009, the Institute adopted CICA Handbook Section 4470, Disclosure of Allocated Expenses by Not-for-Profit Organizations which establishes disclosure standards for entities that choose to classify their expenses by function and allocate expenses from one function to another. Adoption of these recommendations had no significant impact on the financial statements for the year ended June 30, 2010.

Accounting standard setting bodies in Canada are currently deliberating the future of financial reporting for not-for-profit organizations. The Accounting Standards Board ("AcSB") announced that not-for-profit organizations will be permitted to apply International Financial Reporting Standards ("IFRS"). An exposure draft that was issued in March, 2010 proposes a migration of the existing Section 4400 Accounting Standards for Not-For-Profit Organizations into the Accounting Standards for Private Enterprises ("ASPE"), as an alternative to IFRS. The AcSB expects these final standards will be issued in late 2010, and proposes that not-for-profit organizations will select one of the two available sets of accounting standards and apply them for fiscal years beginning on or after January 1, 2012. Until such time that these standards are finalized, the Institute will not be able to reasonably estimate the impact on the financial statements.

3. Financial instruments and risk management:

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

Credit risk

The Institute's principal financial assets are 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 Institute's maximum credit exposure at that 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 primarily from related parties and government agencies. The credit risk on cash is limited because the counterparties are chartered banks with high credit ratings assigned by national credit-rating agencies.

Interest rate risk

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

3. Financial instruments and risk management (continued):

Market risk

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

Fair values

Cash and investments are recorded at fair value.

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

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

4. Investments:

	2010 Market Value	2009 Market Value
Imperial Canadian Bond Pool (Cost $524,965)	$ 540,930	$ 356,766
Imperial Short Term Bond Pool (Cost $452,401)	462,001	563,995
Imperial Money Market Pool (Cost $124,768)	124,768	152,969
Imperial International Bond Pool (Cost $35,466)	36,697	35,410
	$ 1,164,396	$ 1,109,140

5. Property and equipment:

	Cost	Accumulated amortization	2010 Net book value	2009 Net book value
Land	$ 114,574	$ -	$ 114,574	$ 114,574
Furniture and equipment	584,927	427,169	157,758	105,458
Building	773,706	233,255	540,451	492,159
Computer equipment	169,072	97,950	71,122	85,215
	$ 1,642,279	$ 758,374	$ 883,905	$ 797,406

6. Long-term debt:

		2010		2009
Clarence Campeau Development Fund term loan due December 2018, repayable in monthly blended instalments of $1,908 including interest at 4.7% (interest renegotiated annually applicable to the period January to December) against which the building has been pledged as collateral.	$	159,843	$	174,298
Current portion		15,702		14,269
	$	144,141	$	160,029

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

2011	$	15,702
2012		16,500
2013		17,200
2014		18,100
2015		18,900
Thereafter		73,441
	$	159,843

7. Amount due to affiliates:

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

		2010		2009
Gabriel Dumont Institute of Native Studies and Applied Research, Inc.	$	-	$	252,205
Gabriel Dumont College, Inc.		-		8,948
	$	-	$	261,153

DUMONT TECHNICAL INSTITUTE INC.

Notes to Financial Statements (continued)

Year ended June 30, 2010

8. Related Party Transactions:

The Institute conducts business with several organizations which are affiliated through the Metis Nation of Saskatchewan. Related party transactions are recorded at the exchange amount.

	2010	2009
Administrative services expense:		
Gabriel Dumont Institute of Native Studies and Applied Research, Inc.	$ 459,847	$ 192,792
Rent expense:		
Gabriel Dumont Institute of Native Studies and Applied Research, Inc.	82,337	82,337
Revenue - rent:		
Gabriel Dumont Institute Native Studies and Applied Research Inc.	61,764	53,840
Gabriel Dumont Institute Training & Employment Inc.	63,859	43,175
Revenue - tuition and fees:		
Gabriel Dumont Institute Training & Employment Inc.	2,884,908	1,543,195
Revenue - promotional items:		
Gabriel Dumont Institute of Native Studies and Applied Research Inc.	2,631	-
Account receivable:		
Gabriel Dumont Institute Training & Employment Inc.	404,660	137,362
Gabriel Dumont Institute of Native Studies and Applied Research, Inc.	10,166	274,588
Accounts payable and accrued liabilities:		
Gabriel Dumont Institute of Native Studies and Applied Research, Inc.	733,211	559,035
Gabriel Dumont College, Inc.	-	8,948

9. Commitments:

The Institute is committed under various operating leases for premises and office equipment with payments due as follows:

2011	$	319,705
2012		66,343
2013		28,153

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

10. Economic Dependence:

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

11. 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 $131,120 (2009 - $110,593).

12. Comparative figures:

Certain comparative figures have been reclassified to conform with the financial statement presentation adopted in the current year.

Financial Statements of

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Year ended March 31, 2010

KPMG LLP
Chartered Accountants
600-128 4th Avenue South
Saskatoon Saskatchewan S7K 1M8
Canada

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AUDITORS' REPORT TO THE BOARD OF DIRECTORS

We have audited the statement of financial position of Gabriel Dumont Institute Training and Employment Inc. as at March 31, 2010 and the statements of operations and cash flows for the year then ended. These financial statements have been prepared to comply with the Métis Human Resources Development Agreement dated November 7, 2006 with Human Resources and Social Development and the Employment Insurance Commission. 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, 2010 and the results of its operations and its cash flows for the year then ended in accordance with the basis of accounting described in note 2 to the financial statements.

These financial statements, which have not been, and were not intended to be, prepared in accordance with Canadian generally accepted accounting principles, are solely for the information and use of the Directors of the Institute and Human Resources and Social Development and the Employment Insurance Commission to comply with the Métis Human Resources Development Agreement dated November 7, 2006. The financial statements are not intended to be and should not be used by anyone other than the specified users or for any other purpose.

KPMG LLP

Chartered Accountants

Saskatoon, Canada
July 23, 2010

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Statement of Financial Position

March 31, 2010, with comparative figures for the year ended March 31, 2009

	2010	2009
Assets		
Current assets:		
Cash	$ 1,171,278	$ 417,565
Funding receivable from Service Canada	433,199	1,008
GST receivable	46,635	30,986
Prepaid expenses and deposits	663	
	1,651,775	449,559
Furniture and equipment (note 5)	28,295	35,369
	$ 1,680,070	$ 484,928
Liabilities		
Current liabilities:		
Accounts payable and accrued liabilities	$ 843,817	$ 227,165
Deferred revenue (note 7)	807,958	222,394
	1,651,775	449,559
Deferred contributions for furniture and equipment (note 8)	28,295	35,369
	$ 1,680,070	$ 484,928

Commitments (note 9)

See accompanying notes to financial statements.

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Statement of Operations

Year ended March 31, 2010, with comparative figures for the year ended March 31, 2009

	2010	2009
Revenue:		
Service Canada AHRDA Agreement (schedule 1)	$ 10,169,842	$ 11,755,558
Aboriginal Skills and Training Strategic Investment Fund - Health ("ASTSIF - Health")	1,524,443	-
Other	442,076	-
Aboriginal Skills and Training Strategic Investment Fund - Partnership ("ASTSIF - Partnership")	115,691	-
	12,252,052	11,755,558
Expenses (schedule 2):		
Service Delivery (schedule 3)	9,581,002	9,110,893
Wages and benefits	2,112,213	1,989,272
Facilities rentals	185,435	185,185
Staff travel	96,246	109,389
Telephone	57,653	54,466
Professional fees	45,305	44,038
Public relations	42,319	38,434
Office supplies	27,226	40,641
Equipment rentals	24,150	24,617
Board travel & professional development	20,371	52,783
Repairs and maintenance	13,992	15,395
Computer software support	13,416	37,062
Insurance	9,845	14,097
Office	8,290	9,500
Amortization	7,074	8,842
Interest and bank charges	4,520	3,903
Postage and courier	2,475	1,910
Miscellaneous	520	1,703
Contractual services and consulting	-	13,428
	12,252,052	11,755,558
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, 2010, with comparative figures for the year ended March 31, 2009

	2010	2009
Cash flows from (used in):		
Operations:		
Items not involving cash:		
Amortization of furniture and equipment	7,074	$ 8,842
Amortization of deferred contributions for furniture and equipment	(7,074)	(8,842)
Change in non-cash operating working capital:		
Funding receivable from Service Canada	(432,191)	2,135,010
GST receivable	(15,649)	(15,911)
Prepaid expenses and deposits	(663)	-
Accounts payable and accrued liabilities	616,652	(446,980)
Deferred revenue	585,564	(1,247,883)
Increase in cash position	753,713	424,236
Cash position, beginning of year	417,565	(6,671)
Cash position, end of year	$ 1,171,278	$ 417,565

See accompanying notes to financial statements.

1. Organization:

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"). 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 AHRDA Agreement with Service Canada expired March 31, 2010. The AHRDA Agreement has been extended to September 30, 2010. Negotiations with respect to a new agreement are in progress.

During 2010, the Institute also received funding from Aboriginal Skills and Training Improvement Fund, the Saskatchewan Ministry of Advanced Education, Employment and Labour (Career and Employment Services) and Northern Career Quest.

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

2. Significant accounting policies:

(a) Basis of presentation:

The financial statements have not been prepared in accordance with Canadian generally accepted accounting principles. Because these financial statements have not been prepared for general purposes, some users may require further information.

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

2. Significant accounting policies (continued):

(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.

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

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

(c) Modified cash basis for programs:

Program claims submitted within twenty 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 twenty days deadline are not recognized in the period when the activity occurred that caused the expense. This differs from Canadian generally accepted accounting principles in the expenses are to be recognized in the period incurred.

(d) Furniture and equipment:

Furniture and equipment are stated at cost. Amortization is provided using the following method and annual rates:

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

2. Significant accounting policies (continued):

(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 reporting period. 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 year incurred. Pension expense was $97,691 ($82,646 for the year ended March 31, 2009).

(g) Financial instruments:

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

Cash is classified as financial assets held for trading and is measured at fair value.

Funding receivable from Service Canada and GST receivable are classified as loans and receivables and are recorded at amortized cost.

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

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

3. Recently adopted standards:

Effective April 1, 2009 the Institute adopted the Canadian Institute of Chartered Accountants ("CICA") amendments to section 1000 of the CICA Handbook. These amendments clarified the criteria for recognition of an asset or liability, removing the ability to recognize assets or liabilities solely on the basis of matching of revenue and expense items. Adoption of these recommendations had no significant impact on the financial statements for the year ended March 31, 2010.

Effective April 1, 2009, the Institute adopted the CICA amendments to the 4400 Sections of the CICA Handbook. These amendments eliminate the requirement to show net assets invested in capital assets as a separate component of net assets, clarify the requirement for revenue and expenses to be presented on a gross basis when the not-for-profit organization is acting as principal and require a statement of cash flow. Adoption of these recommendations had no significant impact on the financial statements for the year ended March 31, 2010.

Effective April 1, 2009, the Institute adopted CICA Handbook Section 4470, Disclosure of Allocated Expenses by Not-for-Profit Organizations which establishes disclosure standards for entities that choose to classify their expenses by function and allocate expenses from one function to another. Adoption of these recommendations had no significant impact on the financial statements for the year ended March 31, 2010.

4. Financial instruments and risk management:

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

Credit risk

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

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

Market risk

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

Fair values

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

5. Furniture and equipment:

		Cost		Accumulated amortization		2010 Net book value		2008 Net book value
Furniture and equipment:								
Head office	$	25,217	$	13,318	$	11,899	$	14,875
Saskatoon		1,646		869		777		971
Prince Albert		5,464		2,885		2,579		3,223
Nipawin		4,215		2,226		1,989		2,486
La Ronge		3,435		1,814		1,621		2,026
Yorkton		1,646		869		777		971
North Battleford		456		241		215		269
Meadow Lake		2,463		1,301		1,162		1,453
Ile a la Crosse		606		320		286		358
La Loche		4,306		2,274		2,032		2,540
Computer equipment:								
Head office		10,506		5,548		4,958		6,197
	$	59,960	$	31,665	$	28,295	$	35,369

6. Related party transactions:

During the year the Institute paid $2,720,352 for service delivery (2009 - $1,579,958) to Dumont Technical Institute Inc.

The Institute has entered into a lease with Dumont Technical Institute Inc. to rent space and reception services. The Institute paid $107,368 for these services for the year ended March 31, 2010 (2009 - $65,769). Accounts payable and accrued liabilities include $559,773 (2009 - $15,675) to Dumont Technical Institute and $87 (2009 - $2,827) to Gabriel Dumont Institute of Native Studies and Applied Research.

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

7. Deferred revenue:

All deferred revenue is in relation to Service Canada.

8. Deferred contributions for furniture and equipment:

	2010	2009
Balance, beginning of year	$ 35,369	$ 44,211
Deferred revenue recognized	(7,074)	(8,842)
Balance, end of year	$ 28,295	$ 35,369

9. Commitments:

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

2011	$ 152,389
2012	11,376
2013	11,376
2014	11,376
2015	11,376

The operating leases are primarily based on monthly rentals.

10. Economic dependence:

Approximately 83% of the Institute's revenue was derived from Service Canada. The contract with Service Canada expired on March 31, 2010. The contract has been extended to September 30, 2010.

11. Comparative figures:

Certain comparative figures have been reclassified to conform with the financial statement presentation adopted in the current year.

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Schedule 1

Schedule of Service Canada AHRDA Agreement Revenue

Year ended March 31, 2010, with comparative figures for the year ended March 31, 2009

	Employment Insurance	Consolidated Revenue Fund	2010	2009
Service Canada contributions	$ 3,589,852	$ 7,158,480	$ 10,748,332	$ 10,498,833
Deferred revenue - beginning of year	-	222,394	222,394	1,470,277
Deferred revenue - end of year	-	(807,958)	(807,958)	(222,394)
Deferred contributions for furniture and equipment - beginning of year	-	35,369	35,369	44,211
Deferred contributions for furniture and equipment - end of year	-	(28,295)	(28,295)	(35,369)
Revenue recognized	$ 3,589,852	$ 6,579,990	$ 10,169,842	$ 11,755,558

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Schedule 2

Schedule of Expenses

Year ended March 31, 2010, with comparative figures for the year ended March 31, 2009

	Employment Insurance	Consolidated Revenue Fund	ASTSIF Partnership	ASTSIF Health	Other	2010	2009
Program Administration Expenses							
Wages and benefits	$ -	$ 914,060	$ 83,417	$ 113,567	$ -	$ 1,111,044	$ 956,362
Staff travel	-	69,371	8,465	5,710	-	83,546	88,948
Facilities rentals	-	185,435	-	-	-	185,435	185,185
Professional fees	-	45,305	-	-	-	45,305	44,038
Miscellaneous	-	520	-	-	-	520	1,703
Office supplies	-	8,516	2,978	-	-	11,494	13,493
Telephone	-	12,696	270	387	-	13,353	9,033
Public relations	-	24,823	16,989	369	-	42,181	38,427
Equipment rentals	-	24,150	-	-	-	24,150	24,617
Insurance	-	9,845	-	-	-	9,845	14,097
Interest and bank charges	-	4,098	211	211	-	4,520	3,903
Board travel & professional development	-	20,371	-	-	-	20,371	52,783
Amortization	-	7,074	-	-	-	7,074	8,842
Contractual services and consulting	-	-	-	-	-	-	13,428
Postage and courier	-	270	174	20	-	464	(112)
Computer software support	-	13,416	-	-	-	13,416	37,062
Office	-	5,103	3,187	-	-	8,290	9,500
Repairs and maintenance	-	13,992	-	-	-	13,992	15,395
	-	1,359,045	115,691	120,264	-	1,595,000	1,516,704
Program Assistance Expenses							
Student allowances	1,022,154	2,243,050	-	172,475	68,710	3,506,389	3,907,161
Education and training costs	1,300,380	2,525,460	-	1,231,704	373,366	5,430,910	4,845,282
Wages and benefits	1,001,169	-	-	-	-	1,001,169	1,032,910
Wage subsidies	191,268	452,435	-	-	-	643,703	358,450
Telephone	44,300	-	-	-	-	44,300	45,433
Staff travel	12,700	-	-	-	-	12,700	20,441
Office supplies	15,732	-	-	-	-	15,732	27,148
Public relations	138	-	-	-	-	138	7
Postage and courier	2,011	-	-	-	-	2,011	2,022
	3,589,852	5,220,945	-	1,404,179	442,076	10,657,052	10,238,854
	$ 3,589,852	$ 6,579,990	$ 115,691	$ 1,524,443	$ 442,076	$ 12,252,052	$ 11,755,558

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Schedule of Service Delivery Expenses

Year ended March 31, 2010, with comparative figures for the year ended March 31, 2009

	Saskatoon	Regina	Prince Albert	Nipawin	La Ronge	Yorkton	North Battleford	Meadow Lake	Ile a la Crosse	La Loche	Beauval	2010	2009
Living Away From Home Allowance	$ 2,800	$ -	$ 5,175	$ -	$ 550	$ 1,600	$ 450	$ 2,700	$ -	$ 625	$ -	$ 13,900	$ 37,479
Income Support	998,362	538,157	948,346	109,152	199,582	38,229	153,116	119,231	128,987	158,102	115,125	3,506,389	3,907,157
Student Travel	50,484	27,016	54,814	1,950	2,780	4,702	28,988	11,513	11,268	3,462	7,356	204,333	189,895
Dependent Care	110,274	62,813	111,961	4,887	43,369	4,550	26,609	15,131	17,490	24,405	11,272	432,761	508,158
Tuition	1,151,565	580,732	1,118,654	179,835	521,332	42,695	173,265	80,038	121,504	245,237	163,072	4,377,929	3,648,936
Books	97,106	43,663	89,959	13,919	8,616	7,755	15,741	18,564	3,932	20,064	15,772	335,091	400,317
Wage Subsidy	40,718	20,957	149,734	32,051	47,861	15,028	702	25,127	8,206	47,048	2,447	389,879	252,129
Student Work Experience	13,074	-	61,204	-	26,436	6,229	-	-	11,690	106,936	28,255	253,824	106,321
Special Needs Allowance	6,912	247	3,709	440	-	-	-	-	-	469	-	11,777	24,779
Supplies	23,020	7,396	14,112	1,570	291	823	3,629	1,968	435	983	892	55,119	35,722
	$ 2,494,315	$ 1,280,981	$ 2,557,668	$ 343,804	$ 850,817	$ 121,611	$ 402,500	$ 274,272	$ 303,512	$ 607,331	$ 344,191	$ 9,581,002	$ 9,110,893

Financial Statements of

GABRIEL DUMONT COLLEGE, INC.

Year ended March 31, 2010

KPMG LLP
Chartered Accountants
600-128 4th Avenue South
Saskatoon Saskatchewan S7K 1M8
Canada

Telephone (306) 934-6200
Fax (306) 934-6233
Internet www.kpmg.ca

AUDITORS' REPORT TO THE MEMBERS

We have audited the statement of financial position of Gabriel Dumont College, Inc. as at March 31, 2010 and the statements of revenue and expenses, changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the College'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, 2010 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

KPMG LLP

Chartered Accountants

Saskatoon, Canada
August 3, 2010

GABRIEL DUMONT COLLEGE, INC.

Statement of Financial Position

March 31, 2010, with comparative figures for 2009

	2010	2009
Assets		
Current assets:		
Cash	$ -	$ 51,194
Investments and marketable securities	131,110	126,227
Accounts receivable	1,038,768	766,614
	1,169,878	944,035
Equipment (note 6)	14,792	18,490
	$ 1,184,670	$ 962,525
Liabilities and Net Assets		
Current liabilities:		
Bank indebtedness	$ 1,718	$ -
Accounts payable and accrued liabilities	12,697	15,596
	14,415	15,596
Net assets:		
Invested in equipment	14,792	18,490
Unrestricted	1,155,463	928,439
	1,170,255	946,929
	$ 1,184,670	$ 962,525

See accompanying notes to financial statements.

GABRIEL DUMONT COLLEGE, INC.

Statement of Revenue and Expenses

Year ended March 31, 2010, with comparative figures for 2009

	2010	2009
Revenue:		
Tuition and related fees	$ 545,259	$ 551,411
Interest	4,883	5,898
	550,142	557,309
Expenses:		
Salaries and benefits	228,510	259,235
Scholarships, tuition and student fees	83,072	63,237
Audit and legal	8,009	3,472
Amortization	3,698	4,623
Promotions	2,033	1,756
Staff recruitment	703	590
Start up allowances	400	1,200
Bad debts	245	-
Student recruitment	121	67
Bank charges	25	25
Consulting fees	-	21,531
Computer	-	4,612
Direct course costs	-	28
Miscellaneous	-	1,001
	326,816	361,377
Excess of revenue over expenses	223,326	195,932

See accompanying notes to financial statements.

GABRIEL DUMONT COLLEGE, INC.

Statement of Changes in Net Assets

Year ended March 31, 2010, with comparative figures for 2009

	Unrestricted	Invested in Equipment	Total 2010	Total 2009
Net assets, beginning of year	$ 928,439	$ 18,490	$ 946,929	$ 750,997
Excess of revenue over expenses	223,326	-	223,326	195,932
Amortization	3,698	(3,698)	-	-
Net assets, end of year	$ 1,155,463	$ 14,792	$ 1,170,255	$ 946,929

See accompanying notes to financial statements.

GABRIEL DUMONT COLLEGE, INC.

Statement of Cash Flows

Year ended March 31, 2010, with comparative figures for 2009

	2010	2009
Cash flows from (used in):		
Operations:		
Excess of revenue over expenses	$ 223,326	$ 195,932
Items not involving cash:		
Amortization	3,698	4,623
Reinvested investment income	(4,883)	(4,440)
Net change in non-cash working capital accounts (note 7)	(275,053)	(305,552)
	(52,912)	(109,437)
Decrease in cash	(52,912)	(109,437)
Cash, beginning of year	51,194	160,631
Cash (bank indebtedness), end of year	$ (1,718)	$ 51,194

See accompanying notes to financial statements.

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., Gabriel Dumont Training & Employment 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 the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenue and expenses during the reporting period. Actual results could differ from these estimates.

(b) Revenue recognition:

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

2. Significant accounting policies (continued):

(c) Equipment:

Equipment is stated at cost. Amortization is provided 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.

(d) Financial instruments:

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

- Cash and investments and marketable securities are classified as financial assets held for trading and are measured 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.

- Accounts receivable are classified as loans and receivables and are recorded at amortized cost.

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

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

3. Recently adopted standards:

Effective April 1, 2009 the College adopted the Canadian Institute of Chartered Accountants ("CICA") amendments to section 1000 of the CICA Handbook. These amendments clarified the criteria for recognition as an asset or liability, removing the ability to recognize assets or liabilities solely on the basis of matching of revenue and expense items. Adoption of these recommendations had no significant impact on the financial statements for the year ended March 31, 2010.

Effective April 1, 2009, the College adopted the CICA amendments to the 4400 Sections of the CICA Handbook. These amendments eliminate the requirement to show net assets invested in capital assets as a separate component of net assets, clarify the requirement for revenue and expenses to be presented on a gross basis when the not-for-profit organization is acting as principal and require a statement of cash flow. Adoption of these recommendations had no significant impact on the financial statements for the year ended March 31, 2010.

Effective April 1, 2009, the College adopted CICA Handbook Section 4470, Disclosure of Allocated Expenses by Not-for-Profit Organizations which establishes disclosure standards for entities that choose to classify their expenses by function and allocate expenses from one function to another. Adoption of these recommendations had no significant impact on the financial statements for the year ended March 31, 2010.

4. Financial instruments and risk management:

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

Credit risk

The College's principal financial assets are cash, investments and marketable securities, accounts receivable and due from related parties, 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 balance sheet date.

4. Financial instruments and risk management (continued):

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

5. Related party transactions:

Accounts receivable includes $764,275 (2009 - $754,790) from Gabriel Dumont Institute of Native Studies and Applied Research and $8,948 (2009 - $8,948) from Dumont Technical Institute. Accounts payable and accrued liabilities include nil (2009 - $8,212) to Gabriel Dumont Institute of Native Studies and Applied Research $703 (2009 - nil) to Dumont Technical Institute.

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

6. Equipment:

						2010		2009
		Cost		Accumulated amortization		Net book value		Net book value
Computer equipment	$	60,033	$	46,370	$	13,663	$	17,078
Other equipment		9,818		8,689		1,129		1,412
	$	69,851	$	55,059	$	14,792	$	18,490

Computer equipment with a net carrying value of $13,663 (2009 - $17,078) 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.

7. Net change in non-cash working capital accounts:

		2010		2009
Accounts receivable	$	(272,154)	$	(313,483)
Accounts payable		(2,899)		7,931
	$	(275,053)	$	(305,552)

8. Comparative figures:

Certain comparative figures have been reclassified to conform with the financial statement presentation adopted in the current year.

Financial Statements of

THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Year ended December 31, 2009

KPMG LLP
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600-128 4th Avenue South
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Canada

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Fax (306) 934-6233
Internet www.kpmg.ca

AUDITORS' REPORT TO THE MEMBERS

We have audited the statement of financial position of The Gabriel Dumont Scholarship Foundation II as at December 31, 2009 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, 2009 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

KPMG LLP

Chartered Accountants

Saskatoon, Canada
April 1, 2010

THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Statement of Financial Position

December 31, 2009, with comparative figures for 2008

		2009		2008
Assets				
Current assets:				
Cash	$	154,005	$	333,789
Accounts receivable		9,237		-
		163,242		333,789
Investments (note 4)		2,634,691		2,282,579
	$	2,797,933	$	2,616,368
Liabilities and Net Assets				
Current liabilities:				
Accounts payable and accrued liabilities	$	26,191	$	33,133
Net assets:				
Restricted for endowment purposes (note 5)		2,340,000		2,340,000
Unrestricted		431,742		243,235
		2,771,742		2,583,235
	$	2,797,933	$	2,616,368

See accompanying notes to financial statements.

THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Statement of Operations

Year ended December 31, 2009, with comparative figures for 2008

	2009	2008
Revenue:		
GDITE endowment (note 5)	$ -	$ 1,300,000
Interest and investment income	257,555	120,659
Donations	19,000	10,000
	276,555	1,430,659
Expenses:		
Scholarships	74,610	47,493
Administrative and professional services	12,987	9,666
Bank charges	451	25
	88,048	57,184
Excess of revenue over expenses	$ 188,507	$ 1,373,475

See accompanying notes to financial statements.

THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Statement of Changes in Net Assets

Year ended December 31, 2009, with comparative figures for 2008

	Unrestricted	Restricted GDITE Endowment	Restricted GDS Endowment	2009	2008
Balance, beginning of year	$ 243,235	$ 1,300,000	$ 1,040,000	$ 2,583,235	$ 1,209,760
Excess of revenue over expenses	188,507	-	-	188,507	1,373,475
Balance, end of year	$ 431,742	$ 1,300,000	$ 1,040,000	$ 2,771,742	$ 2,583,235

See accompanying notes to financial statements.

THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Statement of Cash Flows

Year ended December 31, 2009, with comparative figures for 2008

	2009	2008
Cash flows from (used in):		
Operations:		
Excess of revenue over expenses	$ 188,507	$ 1,373,475
Items not involving cash:		
Amortization of discount on investments	-	(299)
Adjustment for fair value on investments	(134,463)	(39,444)
Change in non-cash operating working capital:		
Accounts receivable	(9,237)	-
Accounts payable and accrued liabilities	(6,942)	9,665
	37,865	1,343,397
Investing:		
Purchase of investments	(1,602,655)	(3,028,603)
Redemption of investments	213,212	1,946,989
Proceeds from disposal of investments	1,171,794	-
	(217,649)	(1,081,614)
Increase (decrease) in cash	(179,784)	261,783
Cash, beginning of year	333,789	72,006
Cash, end of year	$ 154,005	$ 333,789

See accompanying notes to financial statements.

1. Nature of operations:

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

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

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

Gabriel Dumont Institute of Native Studies and Applied Research, Inc. controls Gabriel Dumont College, Inc., Gabriel Dumont Institute Community Training Residence, Inc., Dumont Technical Instate 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 the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenue and expenses during the reporting period. Actual results could differ from these estimates.

(b) Revenue recognition:

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

2. Significant accounting policies (continued):

(c) Scholarships:

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

(d) Administrative services:

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

(e) Financial instruments:

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

- Cash and investments are classified as financial assets held for trading and are measured at fair value.
- Accounts receivable are classified as loans and receivables and measured at amortized cost.
- Accounts payable and accrued liabilities are classified as other liabilities and measured at amortized cost.

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

2. Significant accounting policies (continued):

(f) Recently issued accounting standards:

Effective January 1, 2009 the Foundation adopted the Canadian Institute of Chartered Accountants ("CICA") amendments to section 1000 of the CICA Handbook. These amendments clarified the criteria for recognition of an asset or liability, removing the ability to recognize assets or liabilities solely on the basis of matching of revenue and expense items. Adoption of these recommendations had no effect on the financial statements for the year ended December 31, 2009.

Effective January 1, 2009, the Foundation adopted the CICA amendments to the 4400 Sections of the CICA Handbook. These amendments eliminate the requirement to show net assets invested in capital assets as a separate component of net assets, clarify the requirement for revenue and expenses to be presented on a gross basis when the not-for-profit organization is acting as principal and require a statement of cash flow. Adoption of these recommendations had no effect on the financial statements for the year ended December 31, 2009.

Effective January 1, 2009, the Foundation adopted CICA Handbook Section 4470, Disclosure of Allocated Expenses by Not-for-Profit Organizations which establishes disclosure standards for entities that choose to classify their expenses by function and allocate expenses from one function to another. Adoption of these recommendations had no effect on the financial statements for the year ended December 31, 2009.

3. Financial instruments and risk management':

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

Credit risk

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

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

3. Financial instruments and risk management' (continued):

Interest rate risk

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

Market risk

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

Fair values

Cash and investments are recorded at fair value.

4. Investments:

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

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

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

5. 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, 2009, the endowment did not meet this objective.

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

6. Related party transactions:

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

	2009	2008
Administrative services	$ 5,201	$ 4,666
	$ 5,201	$ 4,666

Accounts payable and accrued liabilities include $13,468 (2008 - $23,468) owing to The Gabriel Dumont Institute of Native Studies and Applied Research, Inc.

Financial Statements of

GABRIEL DUMONT INSTITUTE COMMUNITY TRAINING RESIDENCE, INC.

Period ended October 9, 2009

KPMG LLP
Chartered Accountants
600-128 4th Avenue South
Saskatoon Saskatchewan S7K 1M8
Canada

Telephone (306) 934-6200
Fax (306) 934-6233
Internet www.kpmg.ca

AUDITORS' REPORT TO THE MEMBERS

We have audited the statement of financial position of Gabriel Dumont Institute Community Training Residence, Inc. as at October 9, 2009 and the statements of operations and changes in net assets and cash flows for the period then ended. These financial statements are the responsibility of the Residence'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 Residence as at October 9, 2009 and the results of its operations and its cash flows for the period then ended in accordance with Canadian generally accepted accounting principles.

KPMG LLP

Chartered Accountants

Saskatoon, Canada
June 24, 2010

GABRIEL DUMONT INSTITUTE COMMUNITY TRAINING RESIDENCE, INC.

Statement of Financial Position

October 9, 2009, with comparative figures for March 31, 2009

	October 9, 2009	March 31, 2009
Assets		
Current assets:		
Cash	$ -	$ 51,135
Account receivable and prepaid expenses	-	5,212
	-	56,347
Property, plant and equipment	-	243,898
	$ -	$ 300,245
Liabilities and Net Assets (Deficiency)		
Current liabilities:		
Accounts payable and accrued liabilities	$ -	$ 7,500
Due to related parties (note 4)	135,517	330,013
Current portion of mortgage payable (note 6)	-	25,000
	135,517	362,513
Mortgage payable (note 6)	-	68,297
Net assets (deficiency)		
Unrestricted - residence operations	(418,186)	(409,138)
Invested in property, plant and equipment	145,244	150,601
Restricted - building fund	137,425	127,972
	(135,517)	(130,565)
	$ -	$ 300,245

See accompanying notes to financial statements.

GABRIEL DUMONT INSTITUTE COMMUNITY TRAINING RESIDENCE, INC.

Statement of Operations and Changes in Net Assets

Period ended October 9, 2009, with comparative figures for year ended March 31, 2009

	Unrestricted - Residence Operations	Invested in Property, Plant & Equipment	Restricted - Building Fund	October 9, 2009	March 31, 2009
Revenue	$ -	$ -	$ 24,717	$ 24,717	$ 30,000
Expenses:					
Repairs and maintenance	-	-	8,444	8,444	6,725
Amortization	50	-	3,720	3,770	7,876
Accrued mortgage interest	-	-	1,587	1,587	6,865
Professional fees	6,384	-	-	6,384	8,504
Property taxes	-	-	4,356	4,356	1,747
Insurance	-	-	2,464	2,464	2,632
Office and general	83	-	-	83	725
Staff travel	1,316	-	-	1,316	1,779
Groundskeeping	153	-	-	153	-
Miscellaneous expense	1,112	-	-	1,112	-
	9,098	-	20,571	29,669	36,853
Net (expense) revenue	(9,098)	-	4,146	(4,952)	(6,853)
Net (deficit) assets, beginning of period	(409,138)	150,601	127,972	(130,565)	(123,712)
Amortization	50	(3,770)	3,720	-	-
Mortgage interest	-	(1,587)	1,587	-	-
Net (deficit) assets, end of period	$ (418,186)	$ 145,244	$ 137,425	$ (135,517)	(130,565)

See accompanying notes to financial statements.

GABRIEL DUMONT INSTITUTE COMMUNITY TRAINING RESIDENCE, INC.

Statement of Cash Flows

Period ended October 9, 2009, with comparative figures for year ended March 31, 2009

	October 9, 2009	March 31, 2009
Cash flows from (used in):		
Operations:		
Net expense	$ (4,952)	$ (6,853)
Items not involving cash:		
Accrued mortgage interest	1,587	6,865
Amortization	3,770	7,876
Net change in non-cash working capital accounts (note 5)	(196,784)	27,755
	(196,379)	35,643
Financing:		
Repayment of mortgage payable	(94,884)	(50,000)
Transfer of property, plant and equipment	240,128	-
	145,244	(50,000)
Decrease in cash	(51,135)	(14,357)
Cash, beginning of period	51,135	65,492
Cash, end of period	$ -	$ 51,135

See accompanying notes to financial statements.

Gabriel Dumont Institute Community Training Residence, Inc. (the "Residence") 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 Residence 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 Residence's operations have been conducted, until March 31, 2016.

The Residence 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. manages 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. The ongoing operations of Gabriel Dumont Institute Community Training Residence, Inc. is dependent upon the continued support of Gabriel Dumont Institute of Native Studies and Applied Research, Inc.

Effective October 9, 2009, the assets and liabilities of Gabriel Dumont Institute Community Training Residence, Inc. have been transferred to Gabriel Dumont Institute of Native Studies and Applied Research, Inc. and the combined operations were continued under that name. The assets and liabilities transferred on October 9, 2009 are summarized in the table below:

Net assets transferred	
Cash	$ 60,827
Accounts receivable and prepaid expenses	16,364
Property, plant and equipment	240,128
Accounts payable and accrued liabilities	(5,500)
Mortgage payable	(94,884)
	$ 216,935

1. 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 the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenue and expenses during the reporting period. Actual results could differ from these estimates.

(b) Fund accounting:

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

(i) Residence operations:

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

(ii) Building fund:

The 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.

(c) Revenue recognition:

The Residence 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 and 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.

1. Significant accounting policies (continued):

Amortization is recorded in the accounts on the declining balance method at the following rates:

Asset	Method	Rate
Furniture and equipment	Declining balance	20%
Building	Declining balance	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:

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

- Cash is classified as financial assets held for trading and is measured at fair value.
- Accounts receivable are classified as loans and receivables and are recorded at amortized cost.
- Accounts payable and accrued liabilities and other long-term liabilities are classified as other liabilities and measured at amortized cost.

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

2. Recently issued accounting standards:

Effective April 1, 2009 the Residence adopted the Canadian Institute of Chartered Accountants ("CICA") amendments to section 1000 of the CICA Handbook. These amendments clarified the criteria for recognition of an asset or liability, removing the ability to recognize assets or liabilities solely on the basis of matching of revenue and expense items. Adoption of these recommendations had no effect on the financial statements for the period ended October 9, 2009.

2. Recently issued accounting standards (continued):

Effective April 1, 2009 the Residence adopted the CICA amendments to the 4400 sections of the CICA Handbook. These amendments eliminated the requirement to show net assets invested in capital assets as a separate component of net assets, clarify the requirement for revenue and expenses to be presented on a gross basis when the not-for-profit organization is acting as principal and require a statement of cash flow. Adoption of these recommendations had no effect on the financial statements for the period ended October 9, 2009.

Effective April 1, 2009 the Residence adopted CICA Handbook section 4470, Disclosure of allocated expenses by not-for-profit organizations which establishes disclosure standards for entities that choose to classify their expenses by function and allocate expenses from one function to another. Adoption of these recommendations had no effect on the financial statements for the period ended October 9, 2009.

3. Financial instruments and risk management:

The Residence, 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 Residence's principal financial assets are 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 Residence's maximum credit exposure at the balance sheet date.

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

Market risk

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

3. Financial instruments and risk management (continued):

Fair values

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

The fair value of the Residence's mortgage payable approximates the carrying value and was estimated based on discounted future cash flows using current rates for similar financial instruments subject to similar risks and maturities.

4. Due to related parties:

The amounts due to related parties are non-interest bearing and have no set repayment terms.

5. Net change in non-cash working capital accounts:

	October 9, 2009	March 31, 2009
Accounts receivable and prepaid expenses	$ 5,212	$ 1,567
Accounts payable and accrued liabilities	(7,500)	(834)
Due to related parties	(194,496)	27,022
	$ (196,784)	$ 27,755

6. Mortgage payable:

	2009	2008
Gabriel Dumont Institute of Native Studies and Applied Research, Inc. loan due on demand bearing interest at CIBC prime plus 1% (2.50 % at March 31, 2009; 5.25% at March 31, 2008) against which the building has been pledged as collateral. Unpaid interest is added to the debt balance.	$ -	$ 93,297
Current portion	-	(25,000)
	$ -	$ 68,297

7. Related party transactions:

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

		October 9, 2009		March 31, 2009
Gabriel Dumont Institute of Native Studies and Applied Research Inc.				
Interest expense	$	1,587	$	8,025
	$	1,587	$	8,025

Certain administrative functions of the Residence are managed by Gabriel Dumont institute of Native Studies and Applied research, Inc. at no charge.

During the period all of the assets and liabilities of the Residence were transferred to the Gabriel Dumont Institute of Native Studies and Applied Research Inc.