Financial Statements of

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

Year ended March 31, 2012

INDEPENDENT AUDITORS' REPORT

To the Members

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

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of Gabriel Dumont Institute of Native Studies and Applied Research, Inc. as at March 31, 2012 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
October 12, 2012

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

Statement of Financial Position

March 31, 2012, with comparative figures for 2011

	2012	2011
Assets		
Current assets:		
Cash	$ 2,847,890	$ 1,477,710
Short-term investments	166,569	157,095
Accounts receivable	752,533	2,814,003
Prepaid expenses	44,781	43,922
	3,811,773	4,492,730
Property, plant and equipment (note 6)	1,195,564	814,112
	$ 5,007,337	$ 5,306,842
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities	$ 1,063,530	$ 1,803,857
Deferred contributions (note 7)	212,335	38,893
	1,275,865	1,842,750
Net assets (deficiency):		
Administration and core services	2,499,526	2,620,899
Invested in property, plant & equipment	1,195,564	814,112
Publishing	(384,986)	(367,412)
S.U.N.T.E.P.	336,503	311,628
Other specific contract projects	80,760	80,760
Restricted for endowment purposes (note 8)	4,105	4,105
	3,731,472	3,464,092
	$ 5,007,337	$ 5,306,842

Commitments (note 12)

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, 2012, with comparative figures for 2011

	Administration and Core Services	Publishing	S.U.N.T.E.P.	Other Specific Contract Projects	Invested in Property Plant and Equipment	Endowment	2012	2011
Net assets (deficiency), beginning of year, a previously reported	$ 2,620,899	$ (367,412)	$ 311,628	$ 80,760	$ 814,112	$ 4,105	$ 3,464,092	$ 2,690,148
Reclassification (note 14)	91,379	(17,574)	(73,805)	-	-	-	-	-
As restated	2,712,278	(384,986)	237,823	80,760	814,112	4,105	3,464,092	2,690,148
Net revenue	172,655	-	94,725	-	-	-	267,380	773,944
Amortization	77,729	-	12,806	-	(90,535)	-	-	-
Purchase of property, plant and equipment	(463,136)	-	(8,851)	-	471,987	-	-	-
	$ 2,499,526	$ (384,986)	$ 336,503	$ 80,760	$ 1,195,564	$ 4,105	$ 3,731,472	$ 3,464,092

See accompanying notes to financial statements.

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

Statement of Operations

Year ended March 31, 2012, with comparative figures for 2011

	Administration & Core Services	Publishing	S.U.N.T.E.P	Total 2012	Total 2011 (note 14)
Revenue:					
Government of Saskatchewan					
- Saskatchewan Learning	$ 2,243,100	$ -	$ 3,331,325	$ 5,574,425	$ 5,300,700
Other (schedule 1)	622,858	329,890	543,423	1,496,171	1,746,645
Government of Canada					
- Office of The Federal Interlocutor (schedule 4)	-	428,500	-	428,500	434,040
- The Department of Canadian Heritage	-	23,385	-	23,385	34,800
	2,865,958	781,775	3,874,748	7,522,481	7,516,185
Expenses					
Salaries and benefits (schedule 3)	1,229,339	503,568	1,749,127	3,482,034	3,170,571
Instructional costs	-	500	1,533,886	1,534,386	1,853,878
Operating costs (schedule 2)	676,303	258,903	323,269	1,258,475	638,092
Public relations (schedule 3)	59,344	270,660	51,855	381,859	234,173
Curriculum development	8,068	262,758	43,642	314,468	359,582
Travel and sustenance (schedule 3)	118,605	24,731	54,918	198,254	328,231
Kapachee	55,408	-	-	55,408	54,687
Library costs	1,880	400	22,126	24,406	21,157
Works of art	-	4,611	-	4,611	80,670
Scholarships	-	-	1,200	1,200	1,200
	2,148,947	1,326,131	3,780,023	7,255,101	6,742,241
Administrative allocation	(544,356)	544,356	-	-	-
Net revenue	$ 172,655	$ -	$ 94,725	$ 267,380	$ 773,944

See accompanying notes to financial statements.

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

Statement of Cash Flows

Year ended March 31, 2012, with comparative figures for 2011

	2012	2011
		(note 14)
Cash flows from (used in):		
Operations:		
Net revenue	$ 267,380	$ 773,944
Item not involving cash:		
Amortization	90,535	67,094
Change in non-cash operating working capital		
Accounts receivable	2,061,470	(1,171,767)
Inventory	-	40,801
Prepaid expenses	(859)	(8,052)
Accounts payable and accrued liabilities	(740,327)	929,130
Deferred contributions	173,442	(21,023)
	1,851,641	610,127
Investing:		
Purchase of property, plant & equipment	(471,987)	(45,066)
Increase in investments	(9,474)	(5,053)
	(481,461)	(50,119)
Increase in cash	1,370,180	560,008
Cash, beginning of year	1,477,710	917,702
Cash, end of year	$ 2,847,890	$ 1,477,710

See accompanying notes to financial statements.

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., Dumont Technical Institute Inc., Gabriel Dumont Scholarship Foundation II and Gabriel Dumont Institute Training and Employment 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., Dumont Technical Institute Inc., Gabriel Dumont Scholarship Foundation II, and Gabriel Dumont Institute Training and Employment Inc., as the Board of Directors of the Institute are the same directors and the only directors of the 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, 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 has locations in Regina, Saskatoon and Prince Albert.

Publishing

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

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

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

Other Specific Contract Projects

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

Endowment Contributions

Endowment contributions are restricted to the provision of scholarships.

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 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 are classified as other liabilities and measured at amortized cost.

Transaction costs related to 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	Straight-line	10%

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

(e) Library costs:

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

(f) Employee benefits:

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

(g) Use of estimates:

The preparation of 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 issued accounting standards:

In December 2010, the Accounting Standards Board released the accounting standards impacting the future financial reporting framework for not-for-profit organizations. The standards require that not-for-profit organizations who choose not to adopt International Financial Reporting Standards will apply the Accounting Standards for Not-for-Profit Organizations contained in Part III of the CICA Handbook-Accounting. This is effective for fiscal years beginning on or after January 1, 2012 with earlier adoption permitted.

The Institute has determined that it intends to adopt Accounting Standards for Not-for-Profit Organizations effective for the fiscal year commencing April 1, 2012 although this determination and the date of adoption may change. The impact of the adoption of these standards is currently being evaluated.

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 risk).

Credit risk

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

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

Interest rate risk

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

Market risk

The Institute is not exposed to significant price risk.

4. Financial instruments and risk management (continued):

Fair values

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

5. Accounts receivable:

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 only $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 continued during the 2011 fiscal year, management collected $500,000 from AEEL associated with this receivable and consequently reduced the allowance for doubtful accounts. The remaining balance of $195,693 was not estimated to be collectable and the remaining accounts receivable balance and allowance for doubtful accounts were adjusted accordingly.

6. Property, plant and equipment:

			2012	2011
	Cost	Accumulated amortization	Net book value	Net book value
Administrative:				
Land	$ 218,594	$ -	$ 218,594	$ 174,344
Building	1,615,527	874,012	741,515	464,034
Computer equipment	229,029	99,478	129,551	60,908
Equipment	1,157,891	1,119,961	37,930	44,397
	3,221,041	2,093,451	1,127,590	743,683
Core services:				
Equipment	313,543	292,244	21,299	25,763
Leasehold improvements	20,509	11,782	8,727	8,172
	334,052	304,026	30,026	33,935
S.U.N.T.E.P.				
Equipment	302,700	264,857	37,843	36,363
Other				
Equipment	16,780	16,675	105	131
	$ 3,874,573	$ 2,679,009	$ 1,195,564	$ 814,112

7. Deferred contributions:

The Institute has deferred contributions for the following projects:

Funding Agent	Project		2012		2011
The Ministry of Advanced Education, Employment and Immigration	S.U.N.T.E.P.	$	208,859	$	-
The Ministry of Advanced Education, Employment, and Immigration	Virtual Museum		3,477		38,893
		$	212,336	$	38,893

8. Endowments:

		2012		2011
Arts Carriere Memorial Fund	$	2,769	$	2,769
Les Fiddler Memorial Fund		1,336		1,336
	$	4,105	$	4,105

9. 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 Training & Employment Inc. Amounts shown are for the most recent fiscal year end of each entity.

	Gabriel Dumont College, Inc. March 31, 2012	Dumont Technical Institute, Inc. June 30, 2011	Gabriel Dumont Scholarship Foundation II December 31, 2011	Gabriel Dumont Institute Training & Employment, Inc. March 31, 2012
Total assets	$ 1,740,736	$ 5,881,251	$ 2,840,570	$ 1,849,334
Total liabilities	11,539	1,845,495	49,568	1,831,226
Net assets				
- internally restricted	1,729,197	3,637,569	2,340,000	-
- externally restricted	-	398,187	451,002	18,108
	$ 1,740,736	$ 5,881,251	$ 2,840,570	1,849,334
Results of operations				
Total revenue	683,485	7,822,766	112,864	10,370,821
Total expenses	350,849	7,100,477	107,509	10,370,821
Net revenue (expense)	$ 332,636	$ 722,289	$ 5,355	-
Cash flows				
Cash provided by operations	$ 552,941	$ 62,310	$ 75,098	1,403,507
Cash provided by (used in) financing and investing activities	-	(1,134,034)	(270,996)	-
Increase (decease) in cash balances	$ 552,941	$ (1,071,724)	$ (195,898)	1,403,507
Cash balances, end of year	$ 913,209	$ 1,380,167	$ 126,112	1,706,736

10. 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 $191,976 (2011 - $165,232).

11. Related party transactions:

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

	2012	2011
Entities under common control		
Fees for service (administrative services, at negotiated value)	$ 378,908	$ 469,477
Sales and royalties	5,678	14,561
Fees for service (30th Anniversary)	-	137,682
Fees for service (office and equipment rent)	82,360	87,000
Building (rent)	(69,357)	(64,530)
Staff salaries and wages (wage enhancement)	(241,949)	(241,949)
	$ 155,640	$ 402,241

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

Accounts receivable includes $267,947 (2011 - $360,363) from Dumont Technical Institute, $3,479 (2011 - $70,375) from Gabriel Dumont Institute Training and Employment Inc. and $362 (2011 - $48,510) from Gabriel Dumont College Inc.

Accounts payables and accrued liabilities include $372 (2011 - $388,253) to Dumont Technical Institute, $362 (2011 - $nil) to Gabriel Dumont Institute Training and Employment Inc, and $280,075 (2011 - $546,253) to Gabriel Dumont College Inc.

Other related party transactions are described in note 9.

12. Commitments:

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

2012	$	344,796
2013		54,645
2014		32,291
2015		22,848
2016		11,701
	$	466,281

13. Economic dependence:

Approximately 81% (2011 - 77%) of the Institute's revenue was derived from the Provincial and Federal Governments of Canada. Funding is provided by annual grants under contracts expiring on various dates.

14. Reclassification of 2011 financial statements presented for comparative purposes:

The prior year figures presented for comparative purposes have been adjusted to reflect the reclassification of certain assets, revenues and expenses of the previous fiscal year. As a result the following balances have been adjusted:

Statement of Changes in Net Assets		Increase (decrease)
Net assets related to Administration and Core Services	$	91,379
Net assets related to Publishing		(17,574)
Net assets related to S.U.N.T.E.P.		(73,805)
Net change	$	-

14. Reclassification of 2011 financial statements presented for comparative purposes (continued):

Statement of Operations		Increase (decrease)
Administration and Core services:		
Revenue - other	$	26,351
Expenses:		
Curriculum development		8,761
Works of art		4,430
Library costs		(15,964)
Operating costs		(53,275)
Salaries and benefits		7,248
Public relations		(8,051)
Travel and sustenance		(8,180)
Publishing:		
Revenue - other	$	(26,351)
Expenses:		
Curriculum development		(8,822)
Works of art		(78,960)
Library costs		(28)
Operating costs		59,235
Public relations		7,801
Salaries and benefits		12,000
S.U.N.T.E.P.		
Expenses:		
Curriculum development		61
Works of art		74,530
Library costs		15,992
Operating costs		(5,960)
Public relations		250
Salaries and benefits		(19,248)
Travel and sustenance		8,180
Net changes	$	-

Schedule 1

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

Schedule of Other Revenue

Year ended March 31, 2012, with comparative figures for 2011

	Administration & Core Services	Publishing	S.U.N.T.E.P.	2012	2011
Fees for services	$ 534,871	$ 179,467	$ -	$ 714,338	$ 862,705
Tuition income	-	-	250,011	250,011	258,957
Teaching income	-	-	210,412	210,412	319,145
Sales and royalties	-	134,532	-	134,532	165,189
Prince Albert Grand Council	-	-	83,000	83,000	55,800
Interest	37,520	-	-	37,520	5,053
Minister of Advanced Education, Employment and Immigration	35,417	-	-	35,417	25,023
Miscellaneous	15,050	15,891	-	30,941	54,773
	$ 622,858	$ 329,890	$ 543,423	$ 1,496,171	$ 1,746,645

Schedule 2

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

Schedule of Operating Costs

Year ended March 31, 2012, with comparative figures for 2011

	Administration & Core Services	Publishing	S.U.N.T.E.P.	2012	2011
Building	$ 215,287	$ 81,409	$ 145,595	$ 442,291	$ 407,412
Consulting and legal service	208,790	50,699	46,658	306,147	216,985
Other equipment expenses	15,538	19,882	66,840	102,260	70,843
Amortization	77,729	-	12,806	90,535	67,094
Computer services	61,122	2,592	18,119	81,833	96,939
Telephone	57,977	1,565	1,343	60,885	79,600
Museum	-	38,523	-	38,523	42,955
Office supplies	9,375	10,643	16,452	36,470	41,723
Cultural partnership	-	34,244	-	34,244	51,533
Insurance	18,633	5,749	5,290	29,672	22,642
Postage and courier	4,740	5,145	5,071	14,956	16,845
Duplicating and materials development	4,531	4,108	5,307	13,946	15,733
Bank charges	1,003	4,106	82	5,191	4,540
Miscellaneous	1,356	238	399	1,993	1,069
Payroll interest & penalties	222	-	-	222	1,158
Bad debts recovery (note 5)	-	-	(693)	(693)	(498,979)
	$ 676,303	$ 258,903	$ 323,269	$ 1,258,475	$ 638,092

Schedule 3

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, 2012, with comparative figures for 2011

	Administration & Core Services	Publishing	S.U.N.T.E.P.	2012	2011
Public Relations:					
Promotion, publicity and graduation	$ 55,715	$ 270,660	$ 40,791	$ 367,166	$ 221,424
Recruitment	3,629	-	11,021	14,650	11,159
Orientation	-	-	43	43	1,590
	$ 59,344	$ 270,660	$ 51,855	$ 381,859	$ 234,173
Salaries and benefits:					
Staff salaries and wages	$ 1,076,733	$ 432,992	$ 1,509,332	$ 3,019,057	2,764,096
Staff benefits	152,606	70,576	239,795	462,977	406,475
	$ 1,229,339	$ 503,568	$ 1,749,127	$ 3,482,034	$ 3,170,571
Travel and sustenance:					
Staff and students	$ 41,719	$ 22,908	$ 52,868	$ 117,495	240,734
Board	76,886	1,823	2,050	80,759	87,497
	$ 118,605	$ 24,731	$ 54,918	$ 198,254	$ 328,231

Schedule 4

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

Government of Canada - Office of the Federal Interlocutor Schedule

Year ended March 31, 2012, with comparative figures for 2011

	MCCI contract	MCCI amendment #1	MCCI amendment #2	MCCI amendment #3	MCCI 2012 Total	MCCI 2011 Total
Revenue:						
Office of the Federal Interlocutor	$ 253,700	$ 59,800	$ 90,000	$ 25,000	$ 428,500	$ 434,040
	253,700	59,800	90,000	25,000	428,500	434,040
Expenses:						
Resource / materials development	151,979	-	79,124	-	231,103	198,493
Cultural partnerships	34,244	37,662	-	21,824	93,730	51,533
Administrative services	28,954	22,138	-	3,176	54,268	16,761
Museum	38,523	-	-	-	38,523	42,955
Meetings	-	-	10,876	-	10,876	17,884
Artifacts	-	-	-	-	-	55,814
Contractual / consulting	-	-	-	-	-	38,600
Wages and benefits	-	-	-	-	-	12,000
Total expenses	253,700	59,800	90,000	25,000	428,500	434,040
Net revenue	$ -	$ -	$ -	$ -	$ -	$ -

Financial Statements of

DUMONT TECHNICAL INSTITUTE INC.

Year ended June 30, 2012

INDEPENDENT AUDITORS' REPORT

To the Directors

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

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of Dumont Technical Institute Inc. as at June 30, 2012 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Chartered Accountants

Saskatoon, Canada
October 12, 2012

DUMONT TECHNICAL INSTITUTE INC.

Statement of Financial Position

June 30, 2012, with comparative figures for 2011

	2012	2011
Assets		
Current assets:		
Cash	$ 1,467,716	$ 1,380,167
Accounts receivable	199,444	1,059,611
Prepaid expenses	42,622	32,672
	1,709,782	2,472,450
Investments (note 4)	1,272,299	1,200,779
Property and equipment (note 5)	2,726,769	2,208,022
	$ 5,708,850	$ 5,881,251
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities	$ 506,473	$ 583,048
Deferred revenue (note 6)	507,813	766,004
Current portion of long-term debt (note 7)	41,137	40,404
	1,055,423	1,389,456
Long-term debt (note 7)	415,030	456,039
Net assets:		
Invested in property and equipment	2,270,602	1,711,579
Core	1,569,608	1,925,990
Programming	398,187	398,187
	4,238,397	4,035,756
	$ 5,708,850	$ 5,881,251

Commitments (note 9)

See accompanying notes to financial statements.

DUMONT TECHNICAL INSTITUTE INC.

Statement of Operations

Year ended June 30, 2012, with comparative figures for 2011

	Core	BE Programs	Other Programs	2012	2011
Revenue:					
Government of Saskatchewan grants	$ 1,912,649	$ 1,936,853	$ 827,052	$ 4,676,554	$ 4,443,092
Tuition and fees	-	-	1,610,142	1,610,142	2,575,758
Wage enhancement	166,000	75,949		241,949	241,949
Miscellaneous income	437,770	-	-	437,770	511,072
Investment income	107,187	-	-	107,187	50,895
	2,623,606	2,012,802	2,437,194	7,073,602	7,822,766
Coordination revenue (fee)	42,806	(2,920)	(39,886)	-	-
	2,666,412	2,009,882	2,397,308	7,073,602	7,822,766
Expenses:					
Salaries	1,228,430	1,020,448	804,648	3,053,526	3,128,179
Purchased courses	25,127	214,888	662,477	902,492	954,684
Facilities	216,927	239,653	172,120	628,700	599,285
Staff benefits	213,329	170,173	112,130	495,632	496,657
Instructional costs	4,547	131,898	329,774	466,219	385,693
Administrative services	211,409	21,000	110,815	343,224	358,188
Amortization	170,352	-	-	170,352	146,517
Staff and board travel	54,329	44,212	69,753	168,294	175,381
Equipment and education supplies	72,774	67,280	11,881	151,935	347,115
Public relations	69,153	35,493	38,022	142,668	132,313
Office supplies	56,063	21,863	21,159	99,085	141,872
Telephone and fax	26,756	22,252	27,378	76,386	75,866
Professional services	38,144	9,000	18,000	65,144	78,293
Interest and bank	35,749	-	14	35,763	22,169
Software support	13,194	4,256	4,841	22,291	10,510
Insurance	15,253	2,384	2,957	20,594	25,178
Bad debts	9,900	-	8,462	18,362	8,012
Professional development	2,335	5,082	2,877	10,294	14,565
	2,463,771	2,009,882	2,397,308	6,870,961	7,100,477
Excess of revenue over expenses	$ 202,641	$ -	$ -	$ 202,641	$ 722,289

See accompanying notes to financial statements.

DUMONT TECHNICAL INSTITUTE INC.

Statement of Changes in Net Assets

Year ended June 30, 2012, with comparative figures for 2011

	Invested in property and equipment	Core	Programming Funds BE Programs	Programming Funds Other Programs	2012	2011
Balance, beginning of year	$1,711,579	$ 1,925,990	$ -	$ 398,187	$ 4,035,756	$3,313,467
Excess of revenue over expenses	-	202,641	-	-	202,641	722,289
Purchase of property and equipment	689,099	(689,099)	-	-	-	-
Amortization	(170,352)	170,352	-	-	-	-
Repayment of long-term debt	40,276	(40,276)	-	-	-	-
Balance, end of year	$2,270,602	$ 1,569,608	$ -	$ 398,187	$ 4,238,397	$4,035,756

See accompanying notes to financial statements.

DUMONT TECHNICAL INSTITUTE INC.

Statement of Cash Flows

Year ended June 30, 2012, with comparative figures for 2011

	2012	2011
Cash flows from (used in):		
Operations:		
Excess of revenue over expenses	$ 202,641	$ 722,289
Items not involving cash:		
Amortization	170,352	146,517
Investment increase to fair value	(71,520)	(36,383)
Change in non-cash operating working capital:		
Accounts receivable	860,167	(78,374)
Prepaid expenses	(9,950)	(24,946)
Accounts payable and accrued liabilities	(76,575)	(331,824)
Deferred revenue	(258,191)	(334,969)
	816,924	62,310
Financing:		
Proceeds from long-term debt	-	500,000
Repayment of long-term debt	(40,276)	(163,400)
	(40,276)	336,600
Investing:		
Purchase of property and equipment	(689,099)	(1,470,634)
Increase (decrease) in cash	87,549	(1,071,724)
Cash, beginning of year	1,380,167	2,451,891
Cash, end of year	$ 1,467,716	$ 1,380,167
Supplemental cash flow disclosure:		
Interest paid on long-term debt	$ 21,642	$ 5,776

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., Gabriel Dumont Institute of Native Studies and Applied Research, Inc., Gabriel Dumont Scholarship Foundation II and Gabriel Dumont Institute Training and Employment Inc. The Institute is incorporated under the Non-Profit Corporations Act of Saskatchewan and as such is not subject to income tax under the Income Tax Act (Canada).

The Institute'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 received can be reasonably estimated and collection is reasonably assured. Contract revenue is recognized as service is provided under the terms of the contract. Deferred revenue represents funding received related to expenditures and program delivery in future years.

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

(f) Financial instruments:

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 are classified as loans and receivables and are recorded at amortized cost.

Accounts payable and accrued liabilities 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. Future accounting changes:

In December 2010, the Accounting Standards Board released the accounting standards impacting the future financial reporting framework for not-for-profit organizations. The standards require that not-for-profit organizations who choose not to adopt International Financial Reporting Standards will apply the Accounting Standards for Not-for-Profit Organizations contained in Part III of the CICA Handbook - Accounting. This is effective for fiscal years beginning on or after January 1, 2012 with earlier adoption permitted.

The Entity has determined that it intends to adopt Accounting Standards for Not-for-Profit Organizations effective for the fiscal year commencing July 1, 2012. The impact of the adoption of these standards is currently being evaluated.

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.

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 accounts 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:

	Cost	2012 Market Value	2011 Market Value
Imperial Canadian Bond Pool	$ 470,154	$ 510,126	$ 485,957
Imperial Short Term Bond Pool	624,726	635,692	599,883
Imperial Money Market Pool	75,160	75,197	66,721
Imperial International Bond Pool	47,479	51,284	48,218
	$ 1,217,519	$ 1,272,299	$ 1,200,779

5. Property and equipment:

	Cost	Accumulated amortization	2012 Net book value	2011 Net book value
Land	$ 532,574	$ -	$ 532,574	$ 484,574
Furniture and equipment	675,550	503,989	171,561	135,717
Building	2,381,684	415,867	1,965,817	1,510,529
Computer equipment	212,204	155,387	56,817	77,202
	$ 3,802,012	$ 1,075,243	$ 2,726,769	$ 2,208,022

6. Deferred revenue:

Deferred revenue is comprised of the following:

	2012	2011
Advanced Education Employment and Immigration - BE programs	$ 211,695	$ 233,098
Advanced Education Employment and Immigration - Skills training	186,228	387,601
Gabriel Dumont Institute Training & Employment Inc.	105,564	110,826
Other	4,326	34,479
	$ 507,813	$ 766,004

7. Long-term debt:

		2012		2011
Clarence Campeau Development Fund term loan due March 2021, repayable in monthly blended instalments of $5,160 including interest at a rate of 2% over the Scotia McLeod five-year bankers acceptance rate (4.75%) against which the building has been pledged as collateral.	$	456,167	$	496,443
Current portion		41,137		40,404
	$	415,030	$	456,039

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

2013	$	41,137
2014		43,135
2015		45,229
2016		47,424
2017		49,727
Thereafter		229,515
	$	456,167

8. Related Party Transactions:

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

8. Related Party Transactions (continued):

		2012		2011
Administrative services expense:				
Gabriel Dumont Institute of Native Studies and Applied Research, Inc.	$	343,224	$	358,188
Facilities expense:				
Gabriel Dumont Institute of Native Studies and Applied Research, Inc. - Rent		82,337		88,436
Revenue - rent (included in miscellaneous income):				
Gabriel Dumont Institute Native Studies and Applied Research Inc.		69,623		64,056
Gabriel Dumont Institute Training & Employment Inc.		69,721		53,917
Revenue - service provision & expense reimbursement (included in miscellaneous income):				
Gabriel Dumont Institute Native Studies and Applied Research Inc.		-		1,504
Gabriel Dumont Institute Training & Employment Inc.		-		183,929
Revenue - tuition and fees:				
Gabriel Dumont Institute Training & Employment Inc.		1,103,478		2,297,530
Revenue - promotional items:				
Gabriel Dumont Institute of Native Studies and Applied Research Inc.		5,628		65,274
Account receivable:				
Gabriel Dumont Institute Training & Employment Inc.		12,314		2,590
Gabriel Dumont Institute of Native Studies and Applied Research, Inc.		-		242,185
Gabriel Dumont Scholarship Foundation II		650		-
Accounts payable and accrued liabilities:				
Gabriel Dumont Institute of Native Studies and Applied Research, Inc.		222,386		119,957
Gabriel Dumont Institute Training & Employment Inc.		-		245,600
Deferred revenue:				
Gabriel Dumont Institute Training & Employment Inc.		105,564		110,826

9. Commitments:

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

2013	$	162,907
2014		32,697
2015		21,239

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

10. Economic dependence:

Approximately 66% (2011 - 57%) of the Institute's revenue 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 benefits for the employees, based on a negotiated rate of contribution. The pension expense for the year was $176,508 (2011 - $168,201).

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, 2012

INDEPENDENT AUDITORS' REPORT

To the Directors

We have audited the accompanying financial statements of Gabriel Dumont Institute Training and Employment Inc. which comprise the statement of financial position as at March 31, 2011, the statements of operations and cash flows for the year then ended, and notes comprising a summary of significant accounting policies and other explanatory information. These financial statements have been prepared to comply with the Métis Human Resources Development Agreement with Human Resources and Social Development and the Employment Insurance Commission and its successor agreement with the Aboriginal Skills and Employment Training Strategy.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of Gabriel Dumont Institute Training and Employment Inc. as at March 31, 2011 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 Gabriel Dumont Institute Training and Employment Inc. and Human Resources and Social Development and the Employment Insurance Commission to comply with the Métis Human Resources Development Agreement and its successor agreement with the Aboriginal Skills and Employment Training Strategy. 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 25, 2012

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Statement of Financial Position

March 31, 2012, with comparative figures for the year ended March 31, 2011

		2012		2011
Assets				
Current assets:				
Cash	$	1,706,736	$	303,229
Funding receivable from Service Canada		43,087		681,216
GST receivable		81,403		65,105
		1,831,226		1,049,550
Furniture and equipment (note 5)		18,108		22,636
	$	1,849,334	$	1,072,186
Liabilities				
Current liabilities:				
Accounts payable and accrued liabilities	$	123,720	$	292,740
Deferred revenue (note 6)		1,707,506		756,810
		1,831,226		1,049,550
Deferred contributions for furniture and equipment (note 7)		18,108		22,636
	$	1,849,334	$	1,072,186

Commitments (note 8)

See accompanying notes to financial statements.

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Statement of Operations

Year ended March 31, 2012, with comparative figures for the year ended March 31, 2011

	2012	2011
Revenue:		
Service Canada AHRDA / ASETS Agreements (schedule 1)	$ 9,766,912	$ 10,697,998
Skills and Partnership Fund - ("SPF")	603,909	-
Aboriginal Skills and Training Strategic Investment Fund - Health ("ASTSIF - Health")	-	3,116,369
Aboriginal Skills and Training Strategic Investment Fund - Partnership ("ASTSIF - Partnership")	-	330,259
	10,370,821	14,144,626
Expenses (schedule 2):		
Service Delivery (schedule 3)	7,170,671	10,812,701
Wages and benefits	2,536,089	2,547,656
Facilities rentals	189,105	189,690
Staff travel	126,580	170,563
Telephone	65,657	67,562
Public relations	64,806	75,592
Professional fees	57,438	48,385
Computer software support	36,994	17,773
Office supplies	34,576	38,081
Board travel & professional development	29,432	49,235
Equipment rentals	15,767	13,583
Repairs and maintenance	11,079	15,693
Office	9,010	59,920
Postage and courier	7,004	5,057
Contractual services and consulting	4,983	14,263
Amortization	4,528	5,659
Insurance	3,659	8,424
Interest and bank charges	3,443	4,518
Miscellaneous	-	271
	10,370,821	14,144,626
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, 2012, with comparative figures for the year ended March 31, 2011

	2012	2011
Cash flows from (used in):		
Operations:		
Items not involving cash:		
Amortization of furniture and equipment	4,528	$ 5,659
Amortization of deferred contributions for furniture and equipment	(4,528)	(5,659)
Change in non-cash operating working capital:		
Funding receivable from Service Canada	638,129	(248,017)
GST receivable	(16,298)	(18,470)
Prepaid expenses and deposits	-	663
Accounts payable and accrued liabilities	(169,020)	(551,077)
Deferred revenue	950,696	(51,148)
Increase (decrease) in cash position	1,403,507	(868,049)
Cash position, beginning of year	303,229	1,171,278
Cash position, end of year	$ 1,706,736	$ 303,229

See accompanying notes to financial statements.

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

During 2012, the Institute received funding from the Skills and Partnership Fund ("SPF"). During 2011, the Institute also received funding from the Aboriginal Skills and Training Strategic Investment Fund.

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 as described in note 2(c). 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. Interest earned on restricted contributions are recognized as revenue in the year in which the related expenses are incurred.

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

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

(c) Modified cash basis for programs:

Program claims submitted within sixty days of the financial statement date are accrued as program expenses and included in funding claims from Service Canada. Program expenses not submitted within the sixty day deadline are not recognized in the period when the activity occurred that caused the expense. This differs from Canadian generally accepted accounting principles as 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 the year incurred. Pension expense was $138,091 ($135,515 for the year ended March 31, 2011).

(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. Future accounting changes:

In December 2010, the Accounting Standards Board ("AcSB") released the accounting standards impacting the future financial reporting framework for not-for-profit organizations. The standards require that not-for-profit organizations who choose not to adopt International Financial Reporting Standards ("IFRS") will apply the Accounting Standards for Not-for-Profit Organizations contained in Part III of the CICA Handbook-Accounting. This is effective for fiscal years beginning on or after January 1, 2012 with earlier adoption permitted.

The Institute has determined that it intends to adopt Accounting Standards for Not-for-Profit Organizations effective for the fiscal year commencing April 1, 2012. The impact of the adoption of these standards is currently being evaluated.

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	2012 Net book value	2011 Net book value
Furniture and equipment:				
Head office	$ 25,217	$ 17,602	$ 7,615	$ 9,518
Saskatoon	1,646	1,149	497	622
Prince Albert	5,464	3,814	1,650	2,063
Nipawin	4,215	2,942	1,273	1,591
La Ronge	3,435	2,397	1,038	1,297
Yorkton	1,646	1,149	497	622
North Battleford	456	318	138	172
Meadow Lake	2,463	1,719	744	930
Ile a la Crosse	606	423	183	229
La Loche	4,306	3,006	1,300	1,626
Computer equipment:				
Head office	10,506	7,333	3,173	3,966
	$ 59,960	$ 41,852	$ 18,108	$ 22,636

6. Deferred revenue:

Deferred revenue consists of the following:

	2012	2011
Service Canada AHRDA / ASETS Agreements	$ 1,350,881	$ 614,443
Skills and Partnership Fund	323,663	142,367
Interest earned on ASETS funding	30,211	-
Interest earned on SPF funding	2,751	-
	$ 1,707,506	$ 756,810

7. Deferred contributions for furniture and equipment:

	2012	2011
Balance, beginning of year	$ 22,636	$ 28,295
Deferred revenue recognized	(4,528)	(5,659)
Balance, end of year	$ 18,108	$ 22,636

8. Commitments:

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

2013	$ 185,968
2014	26,233
2015	26,233

The operating leases are primarily based on monthly rentals.

9. Related party transactions:

During the year the Institute paid $1,201,858 (2011 - $2,742,551) for service delivery and salaries to Dumont Technical Institute Inc. and nil (2011 - $144,353) for salaries and administrative costs to Gabriel Dumont Institute of Native Studies and Applied Research.

The Institute has entered into a lease with Dumont Technical Institute Inc. and Gabriel Dumont Institute of Native Studies and Applied Research Inc. to rent space. The Institute paid $74,095 and $2,789, respectively, for these services for the year ended March 31, 2012 (2011 - $61,317 and nil). Accounts payable and accrued liabilities include $3,460 (2011 - $83,885) to Dumont Technical Institute and $1,754 (2010 - $70,332) to Gabriel Dumont Institute of Native Studies and Applied Research Inc.

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

10. Economic dependence:

Approximately 100% (2011 - 100%) of the Institute's revenue was derived from Service Canada. The contract with Service Canada has been extended under the ASETS Agreement to March 31, 2015.

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Schedule 1

Schedule of Service Canada ASETS Agreement Revenue

Year ended March 31, 2012, with comparative figures for the year ended March 31, 2011

	Employment Insurance	Consolidated Revenue Fund	2012	2011
Service Canada contributions	$ 3,339,852	$ 7,158,970	$ 10,498,822	$ 10,498,824
Deferred revenue - beginning of year	-	614,443	614,443	807,958
Deferred contributions for furniture and equipment - beginning of year	-	22,636	22,636	28,295
Deferred contributions for furniture and equipment - end of year	-	(18,108)	(18,108)	(22,636)
Deferred revenue - end of year	(247,943)	(1,102,938)	(1,350,881)	(614,443)
Revenue recognized	$ 3,091,909	$ 6,675,003	$ 9,766,912	$ 10,697,998

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Schedule 2

Schedule of Expenses

Year ended March 31, 2012, with comparative figures for the year ended March 31, 2011

	Employment Insurance	Consolidated Revenue Fund	Skills & Partnership Fund	2012	2011
Program Administration Expenses					
Wages and benefits	$ -	$ 1,163,070	$ 197,893	$ 1,360,963	$ 1,561,842
Facilities rentals	-	189,105	-	189,105	189,690
Staff travel	-	74,031	8,159	82,190	142,174
Public relations	-	41,381	22,387	63,768	75,142
Professional fees	-	57,438	-	57,438	48,385
Computer software support	-	36,786	208	36,994	17,773
Board travel & professional development	-	29,432	-	29,432	49,235
Telephone	-	19,552	532	20,084	20,176
Office supplies	-	16,146	2,276	18,422	21,443
Equipment rentals	-	13,154	2,613	15,767	13,583
Repairs and maintenance	-	11,079	-	11,079	15,693
Office	-	8,355	655	9,010	59,920
Postage and courier	-	5,170	284	5,454	655
Contractual services and consulting	-	4,983	-	4,983	14,263
Amortization	-	4,528	-	4,528	5,659
Insurance	-	3,659	-	3,659	8,424
Interest and bank charges	-	3,423	20	3,443	4,518
Miscellaneous	-	-	-	-	271
	-	1,681,292	235,027	1,916,319	2,248,846
Program Assistance Expenses					
Education and training costs	875,694	2,652,167	5,723	3,533,584	5,809,835
Student allowances	885,640	2,176,804	-	3,062,444	4,586,949
Wages and benefits	1,175,126	-	-	1,175,126	985,814
Wage subsidies	37,557	173,927	363,159	574,643	415,917
Telephone	45,573	-	-	45,573	47,386
Staff travel	44,390	-	-	44,390	28,389
Office supplies	16,154	-	-	16,154	16,638
Postage and courier	1,550	-	-	1,550	4,402
Public relations	1,038	-	-	1,038	450
	3,082,722	5,002,898	368,882	8,454,502	11,895,780
	$ 3,082,722	$ 6,684,190	$ 603,909	$ 10,370,821	$ 14,144,626

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Schedule 3

Schedule of Service Delivery Expenses

Year ended March 31, 2012, with comparative figures for the year ended March 31, 2011

	Saskatoon	Regina	Prince Albert	Nipawin	La Ronge	Yorkton	North Battleford	Meadow Lake	Ile a la Crosse	La Loche	Beauval	2012	2011
Income Support	$ 881,049	$ 328,135	$ 981,749	$ 115,905	$ 56,150	$ 68,218	$ 126,101	$ 198,707	$ 70,535	$ 67,275	$ 168,620	$ 3,062,444	$ 4,586,948
Tuition and Program Delivery	871,978	231,953	823,258	78,270	35,822	63,382	111,727	137,797	53,821	78,449	190,950	2,677,407	4,535,639
Wage Subsidy	147,567	35,564	184,897	2,796	-	-	-	40,214	13,180	5,997	6,382	436,597	239,261
Books	108,159	38,165	101,977	8,244	4,139	9,098	15,072	22,626	13,501	12,193	13,999	347,173	415,284
Dependent Care	85,824	24,706	95,267	8,135	6,200	-	5,230	19,747	16,185	11,353	14,169	286,816	522,792
Student Travel	15,780	24,624	49,125	5,418	1,373	11,873	8,405	20,012	6,844	1,439	11,291	156,184	256,678
Student Work Experience	51,089	-	45,851	2,593	4,383	-	-	9,224	5,514	6,870	12,523	138,047	176,655
Supplies	21,890	1,515	13,099	1,149	176	1,374	2,085	2,485	1,000	479	200	45,452	59,392
Living Away From Home Allowance	4,125	750	4,775	725	3,975	-	250	1,850	500	1,100	375	18,425	16,284
Special Needs Allowance	476	-	1,650	-	-	-	-	-	-	-	-	2,126	3,768
	$ 2,187,937	$ 685,412	$ 2,301,648	$ 223,235	$ 112,218	$ 153,945	$ 268,870	$ 452,662	$ 181,080	$ 185,155	$ 418,509	$ 7,170,671	$10,812,701

Financial Statements of

GABRIEL DUMONT COLLEGE INC.

Year ended March 31, 2012

INDEPENDENT AUDITORS' REPORT

To the Members

We have audited the accompanying financial statements of Gabriel Dumont College Inc., which comprise the statement of financial position as at March 31, 2012, and the statements of revenue and expenses, changes in net assets and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Gabriel Dumont College Inc. as at March 31, 2012, and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Chartered Accountants

Saskatoon, Canada
July 25, 2012

GABRIEL DUMONT COLLEGE INC.

Statement of Financial Position

March 31, 2012, with comparative figures for 2011

		2012		2011
Assets				
Current assets:				
Cash	$	913,209	$	360,268
Investments and marketable securities		143,984		135,588
Accounts receivable		661,097		930,345
		1,718,290		1,426,201
Equipment (note 6)		22,446		28,058
	$	1,740,736	$	1,454,259
Liabilities and Net Assets				
Current liabilities:				
Accounts payable and accrued liabilities	$	11,539	$	57,698
Net assets:				
Invested in equipment		22,446		28,058
Unrestricted		1,706,751		1,368,503
		1,729,197		1,396,561
	$	1,740,736	$	1,454,259

See accompanying notes to financial statements.

GABRIEL DUMONT COLLEGE INC.

Statement of Revenue and Expenses

Year ended March 31, 2012, with comparative figures for 2011

		2012		2011
Revenue:				
Tuition and related fees	$	665,810	$	659,247
Interest		17,675		4,478
Program funding		-		25,000
		683,485		688,725
Expenses:				
Salaries and benefits		281,011		284,902
Scholarships, tuition and student fees		48,850		109,487
Audit and legal		6,220		5,799
Promotions		6,125		50,391
Amortization		5,612		7,014
Miscellaneous		1,500		141
Start up allowances		800		600
Travel		319		388
Direct course costs		270		819
Student recruitment		117		-
Bank charges		25		38
Consulting fees		-		2,833
Staff recruitment		-		7
		350,849		462,419
Excess of revenue over expenses		332,636		226,306

See accompanying notes to financial statements.

GABRIEL DUMONT COLLEGE INC.

Statement of Changes in Net Assets

Year ended March 31, 2012, with comparative figures for 2011

	Unrestricted	Invested in Equipment	Total 2012	Total 2011
Net assets, beginning of year	$ 1,368,503	$ 28,058	$ 1,396,561	$ 1,170,255
Excess of revenue over expenses	332,636	-	332,636	226,306
Amortization	5,612	(5,612)	-	-
Net assets, end of year	$ 1,706,751	$ 22,446	$ 1,729,197	$ 1,396,561

See accompanying notes to financial statements.

GABRIEL DUMONT COLLEGE INC.

Statement of Cash Flows

Year ended March 31, 2012, with comparative figures for 2011

	2012	2011
Cash flows from (used in):		
Operations:		
Excess of revenue over expenses	$ 332,636	$ 226,306
Items not involving cash:		
Amortization	5,612	7,014
Reinvested investment income	(8,396)	(4,478)
Accounts receivable	269,248	108,423
Accounts payable	(46,159)	45,001
	552,941	382,266
Investing:		
Purchase of equipment	-	(20,280)
Increase in cash position	552,941	361,986
Cash (bank indebtedness), beginning of year	360,268	(1,718)
Cash, end of year	$ 913,209	$ 360,268

See accompanying notes to financial statements.

1. Nature of operations:

Gabriel Dumont College Inc. ("GDC", "the College") has an affiliation with the University of Saskatchewan. It provides a means of post-secondary education for Métis people. Non-Métis university students may enroll provided there is space available after Métis students have enrolled to a maximum total capacity of 40 people. 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., 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 value 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 are classified as other liabilities and measured at amortized cost.

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

3. Future accounting changes:

In December 2010, the Accounting Standards Board ("AcSB") released the accounting standards impacting the future financial reporting framework for not-for-profit organizations. The standards require that not-for-profit organizations who choose not to adopt International Financial Reporting Standards ("IFRS") will apply the Accounting Standards for Not-for-Profit Organizations contained in Part III of the CICA Handbook-Accounting. This is effective for fiscal years beginning on or after January 1, 2012 with earlier adoption permitted.

The College has determined that it intends to adopt Accounting Standards for Not-for-Profit Organizations effective for the fiscal year commencing April 1, 2012. The impact of the adoption of these standards is currently being evaluated.

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

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

Interest rate risk

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

Fair values

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

5. Related party transactions:

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

	2012	2011
Entities under common control		
Program funding	$ -	$ 25,000
Tuition and related fees	285,619	275,154
Scholarships, tuition and student fees	-	(40,977)
Promotions	-	(48,510)
	$ 285,619	$ 210,667

Accounts receivable includes $280,075 (2011 - $546,253) and accounts payable includes $362 (2011 - nil) from Gabriel Dumont Institute of Native Studies and Applied Research, Inc.

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

6. Equipment:

			2012	2011
	Cost	Accumulated amortization	Net book value	Net book value
Computer equipment	$ 60,033	$ 51,289	$ 8,744	$ 10,930
Other equipment	30,098	16,396	13,702	17,128
	$ 90,131	$ 67,685	$ 22,446	$ 28,058

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

7. Capital management:

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

Financial Statements of

THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Year ended December 31, 2011

INDEPENDENT AUDITORS' REPORT

To the Members

We have audited the accompanying financial statements of The Gabriel Dumont Scholarship Foundation II ("the Entity"), which comprise the Statement of Financial Position as at December 31, 2011, and the statements of operations, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of The Gabriel Dumont Scholarship Foundation II as at December 31, 2011, 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 20, 2012

THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Statement of Financial Position

December 31, 2011, with comparative figures for 2010

		2011		2010
Assets				
Current assets:				
Cash	$	126,112	$	322,010
Accounts receivable		10,000		19,000
		136,112		341,010
Investments (note 5)		2,704,458		2,459,448
	$	2,840,570	$	2,800,458
Liabilities and Net Assets				
Current liabilities:				
Accounts payable and accrued liabilities	$	14,568	$	14,811
Deferred revenue (note 6)		35,000		-
		49,568		14,811
Net assets:				
Restricted for endowment purposes (note 7)		2,340,000		2,340,000
Unrestricted		451,002		445,647
		2,791,002		2,785,647
	$	2,840,570	$	2,800,458

See accompanying notes to financial statements.

THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Statement of Operations

Year ended December 31, 2011, with comparative figures for 2010

	2011	2010
Revenue:		
Interest and investment income	$ 77,859	$ 95,599
Donations	35,005	19,179
	112,864	114,778
Expenses:		
Scholarships	93,100	84,700
Administrative and professional services	14,370	16,146
Bank charges	39	27
	107,509	100,873
Excess of revenue over expenses	$ 5,355	$ 13,905

See accompanying notes to financial statements.

THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Statement of Changes in Net Assets

Year ended December 31, 2011, with comparative figures for 2010

	Unrestricted	Restricted GDITE Endowment	Restricted GDS Endowment	2011	2010
Balance, beginning of year	$ 445,647	$ 1,300,000	$ 1,040,000	$ 2,785,647	$ 2,771,742
Excess of revenue over expenses	5,355	-	-	5,355	13,905
Balance, end of year	$ 451,002	$ 1,300,000	$ 1,040,000	$ 2,791,002	$ 2,785,647

See accompanying notes to financial statements.

THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Statement of Cash Flows

Year ended December 31, 2011, with comparative figures for 2010

	2011	2010
Cash flows from (used in):		
Operations:		
Excess of revenue over expenses	$ 5,355	$ 13,905
Items not involving cash:		
Adjustment for fair value decline on investments	25,986	17,051
Change in non-cash operating working capital:		
Accounts receivable	9,000	(9,763)
Accounts payable and accrued liabilities	(243)	(11,380)
Deferred revenue	35,000	-
	75,098	9,813
Investing:		
Purchase of investments	(809,346)	(338,113)
Redemption of investments	538,350	360,000
Proceeds from disposal of investments	-	136,305
	(270,996)	158,192
Increase (decrease) in cash	(195,898)	168,005
Cash, beginning of year	322,010	154,005
Cash, end of year	$ 126,112	$ 322,010

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

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.

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

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.

3. Future accounting changes:

In December 2010, the Accounting Standards Board ("AcSB") released the accounting standards impacting the future financial reporting framework for not-for-profit organizations. The standards require that not-for-profit organizations who choose not to adopt International Financial Reporting Standards ("IFRS") will apply the Accounting Standards for Not-for-Profit Organizations contained in Part III of the CICA Handbook-Accounting. This is effective for fiscal years beginning on or after January 1, 2012 with earlier adoption permitted.

The Foundation has determined that it intends to adopt Accounting Standards for Not-for-Profit Organizations effective for the fiscal year commencing January 1, 2012. The impact of the adoption of these standards is currently being evaluated.

4. 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.

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.

5. 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.

6. Deferred revenue:

Deferred revenue consists of the following:

		2011		2010
Saskatoon Health Region	$	10,000	$	-
Saskatchewan Innovation and Opportunity Scholarship		25,000		-
	$	35,000	$	-

7. 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, 2011, 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.

8. Related party transactions:

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

		2011		2010
Administrative services	$	7,768	$	9,560