Financial Statements of

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

Year ended March 31, 2015

INDEPENDENT AUDITORS' REPORT

To the Directors

We have audited the accompanying financial statements of Gabriel Dumont Institute of Native Studies and Applied Research, Inc. which comprise the statements of financial position as at March 31, 2015, the statements of operations, changes in net assets and cash flows for the year then ended, and notes comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform 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, 2015 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

KPMG LLP

Chartered Accountants

Saskatoon, Canada
July 29, 2015

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

Statement of Financial Position

March 31, 2015, with comparative information for 2014

	2015	2014
Assets		
Current assets:		
Cash and cash equivalents	$ 1,952,592	$ 1,822,705
Short-term investments	180,230	170,416
Accounts receivable	371,523	365,383
Prepaid expenses	71,021	64,612
	2,575,366	2,423,116
Property and equipment (note 4)	2,363,633	2,340,613
	$ 4,938,999	$ 4,763,729
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities (note 5)	$ 938,524	$ 774,466
Deferred contributions (note 6)	-	69,171
	938,524	843,637
Net assets (deficiency):		
Administration and core services	341,443	900,428
Invested in property and equipment	2,363,633	2,340,613
Publishing	(384,986)	(384,986)
S.U.N.T.E.P.	1,599,625	983,277
Other specific contract projects	80,760	80,760
	4,000,475	3,920,092
	$ 4,938,999	$ 4,763,729

See accompanying notes to financial statements.

Original signed by Geordy McCaffrey Original signed by Glenn Lafleur

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

Statement of Operations

Year ended March 31, 2015, with comparative information for 2014

	Administration & Core Services	Publishing	S.U.N.T.E.P	Total 2015	Total 2014
Revenue:					
Government of Saskatchewan					
- Saskatchewan Learning	$ 2,383,800	$ -	$ 3,717,800	$ 6,101,600	$ 5,982,000
Other (schedule 1)	884,011	262,624	633,278	1,779,913	1,671,739
Government of Canada					
- Office of The Federal Interlocutor	-	-	-	-	494,547
- The Department of Canadian Heritage	-	59,700	-	59,700	-
	3,267,811	322,324	4,351,078	7,941,213	8,148,286
Expenses					
Salaries and benefits (schedule 3)	1,822,141	664,691	1,628,523	4,115,355	3,773,362
Instructional costs	-	50	1,642,064	1,642,114	1,777,944
Operating costs (schedule 2)	941,571	199,125	302,398	1,443,094	1,716,901
Public relations (schedule 3)	36,275	106,631	94,770	237,676	462,337
Travel and sustenance (schedule 3)	119,239	23,732	51,425	194,396	216,848
Curriculum development	4,013	121,770	11,359	137,142	203,434
Kapachee	54,686	-	-	54,686	54,686
Library costs	4,304	1,678	12,697	18,679	27,326
Works of art	5,000	11,459	29	16,488	6,516
Scholarships	-	-	1,200	1,200	6,805
	2,987,229	1,129,136	3,744,465	7,860,830	8,246,159
Administrative allocation	(806,812)	806,812	-	-	-
Net revenue (expense)	$ (526,230)	$ -	$ 606,613	$ 80,383	$ (97,873)

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, 2015, with comparative information for 2014

	Administration and Core Services	Publishing	S.U.N.T.E.P.	Other Specific Contract Projects	Invested in Property Plant and Equipment	2015	2014
Net assets (deficiency), beginning of year	$ 900,428	$ (384,986)	$ 983,277	$ 80,760	$ 2,340,613	$ 3,920,092	$ 4,022,070
Net revenue (expense)	(526,230)	-	606,613	-	-	80,383	(97,873)
Transfer to Gabriel Dumont Scholarship Foundation II	-	-	-	-	-	-	(4,105)
Amortization	148,851	-	9,735	-	(158,586)	-	-
Purchase of property and equipment	(181,606)	-	-	-	181,606	-	-
Net assets (deficiency), end of year	$ 341,443	$ (384,986)	$ 1,599,625	$ 80,760	$ 2,363,633	$ 4,000,475	$ 3,920,092

See accompanying notes to financial statements.

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

Statement of Cash Flows

Year ended March 31, 2015, with comparative information for 2014

	2015	2014
Cash flows from (used in):		
Operations:		
Net revenue (expense)	$ 80,383	$ (97,873)
Item not involving cash:		
Amortization	158,586	158,902
Reinvested investment income	(9,814)	(2,084)
Change in non-cash operating working capital		
Accounts receivable	(6,140)	306,829
Prepaid expenses	(6,409)	(21,879)
Accounts payable and accrued liabilities	164,058	(852,079)
Deferred contributions	(69,171)	(7,294)
	311,493	(515,478)
Investing:		
Purchase of property, plant & equipment	(181,606)	(270,218)
Increase (decrease) in cash	129,887	(785,696)
Cash and cash equivalents, beginning of year	1,822,705	2,608,401
Cash and cash equivalents, end of year	$ 1,952,592	$ 1,822,705

See accompanying notes to financial statements.

1. Nature of operations:

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

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

The Institute is associated with Gabriel Dumont College, Inc., Dumont Technical Institute Inc., Gabriel Dumont Scholarship Foundation II, and Gabriel Dumont Institute Training and Employment Inc., as the Board of Directors of the Institute are the same directors and the only directors of the associated and related entities. These financial statements do not include the operations of these associated and related entities and further information about these entities is disclosed in note 6.

2. Significant accounting policies:

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

(a) Fund accounting:

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

Administration and Core Services

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

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

2. Significant accounting policies (continued):

Métis history and culture and on issues of concern in Métis and First Nations communities. It serves the research needs of the Institute and has locations in Regina, Saskatoon and Prince Albert.

Publishing

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

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

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

Other Specific Contract Projects

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

2. Significant accounting policies (continued):

(b) Revenue recognition:

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

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

(c) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Institute has elected to carry their short-term investments at fair value.

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

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

2. Significant accounting policies (continued):

(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.

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.

2. Significant accounting policies (continued):

(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. Significant items subject to such estimates and assumptions include the estimated useful life of property and equipment, the collectibility of accounts receivable and the estimate of deferred contributions. Actual results could differ from these estimates.

(h) Allocation of shared expenses:

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

(i) Cash and cash equivalents:

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

3. Financial instruments and risk management:

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

Credit risk

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

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

Interest rate risk

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

Market risk

The Institute is not exposed to significant price risk.

Fair values

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

4. Property, plant and equipment:

			2015	2014
	Cost	Accumulated amortization	Net book value	Net book value
Administrative:				
Land	$ 225,281	$ -	$ 225,281	$ 225,281
Building	2,949,575	1,145,255	1,804,320	1,760,191
Computer equipment	349,563	206,415	143,148	160,113
Equipment	1,239,604	1,164,488	75,116	77,084
	4,764,023	2,516,158	2,247,865	2,222,669
Core services:				
Equipment	310,881	300,374	10,507	13,134
Works of art/artifacts	22,445	2,911	19,534	3,936
Leasehold improvements	70,885	27,049	43,836	48,707
	404,211	330,334	73,877	65,777
S.U.N.T.E.P.				
Equipment	336,641	294,804	41,837	52,100
Other				
Equipment	16,780	16,726	54	67
	$ 5,521,655	$ 3,158,022	$ 2,363,633	$ 2,340,613

5. Accounts payable and accrued liabilities:

Included in accounts payable and accrued liabilities is an optional deferred salary leave plan (DSLP) in the amount of $69,402. The Institute's DSLP is designed to assist employees in financing a leave of absence. Employees who opt into this plan are paid up to 66.67% of their normal gross pay while the remaining 33.33% is withheld from their salary and invested in a savings account with a Chartered financial institution held by the Institute. The Institute guarantees payment of the deferred amount (including interest) upon the employee taking a leave of absence.

6. Deferred contributions:

The Institute has deferred contributions for the following projects:

Funding Agent	Project	2015	2014
Various	Métis Veteran's War Memorial	$ -	$ 69,171
		$ -	$ 69,171

7. Associated and related entities:

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

	Gabriel Dumont College Inc. March 31, 2015	Dumont Technical Institute Inc. June 30, 2014	Gabriel Dumont Scholarship Foundation II December 31, 2014	Gabriel Dumont Institute Training & Employment Inc. March 31, 2015
Total assets	$ 2,244,076	$ 5,881,140	$ 2,606,556	$ 269,976
Total liabilities	9,790	1,703,174	13,402	260,706
Net assets				
- internally restricted/unrestricted	2,234,286	3,909,290	249,049	-
- externally restricted	-	268,676	2,344,105	9,270
	$ 2,244,076	$ 5,881,140	$ 2,606,556	269,976
Results of operations:				
Total revenue	658,919	7,774,995	319,503	11,174,889
Total expenses	565,961	7,696,583	393,831	11,174,889
Net revenue (expense)	$ 92,958	$ 78,412	$ (74,328)	-
Cash flows:				
Cash provided by (used in) operations	$ 98,850	$ 600,619	$ (168,620)	(580,508)
Cash provided by (used in) financing and investing activities	(2,202)	(218,610)	845,285	-
Increase (decease) in cash balances	$ 96,648	$ 382,009	$ 676,665	(580,508)
Cash balances, end of year	$ 1,552,641	$ 1,001,500	$ 752,332	(14,288)

8. Pension plan:

The Institute contributes to a pension plan for the employees based on a negotiated rate of contribution. The pension expense for the year was $225,097 (2014 - $213,955).

9. Related party transactions:

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

		2015		2014
Entities under common control				
Fees for service (administrative services, at negotiated value)	$	388,472	$	444,224
Sales and royalties		6,602		14,173
Fees for service (office and equipment rent)		220,650		206,354
Building (rent)		(83,094)		(78,662)
Staff salaries and wages (wage enhancement)		(241,949)		(241,949)
Programming services		(256,680)		(250,760)
	$	34,001	$	93,380

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

Amounts included in accounts receivable and accounts payable are as follows:

		Accounts receivable		
		2015		2014
Dumont Technical Institute	$	265,154	$	291,549
Gabriel Dumont Institute Training and Employment Inc.		3,513		177
Gabriel Dumont College Inc.		663		850
	$	269,330	$	292,576

9. Related party transactions (continued):

	Accounts payable 2015	2014
Dumont Technical Institute	$ 241,949	$ 468
Gabriel Dumont Institute Training and Employment Inc.	20,422	-
Gabriel Dumont College Inc.	239,581	250,760
Gabriel Dumont Scholarship Foundation II	-	4,105
	$ 501,952	$ 255,333

10. Commitments:

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

2016	$ 394,109
2017	211,778
2018	198,947
2019	82,954
2020	-
	$ 887,788

11. Economic dependence:

Approximately 78% (2014 - 79%) of the Institute's revenue was derived from the Provincial and Federal Governments of Canada. Funding is provided by annual grants under contracts expiring on various dates.

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

Schedule of Other Revenue

Year ended March 31, 2015, with comparative information for 2014

	Administration and Core Services	Publishing	S.U.N.T.E.P.	2015	2014
Fees for services	$ 661,598	$ 2,007	$ -	$ 663,605	$ 742,472
Tuition income	-	-	339,663	339,663	310,269
Teaching income	-	-	293,615	293,615	248,664
Sales and royalties	-	245,937	-	245,937	201,331
Veterans monument donations	181,370	-	-	181,370	117,259
Interest	33,732	-	-	33,732	27,850
Miscellaneous	7,311	14,680	-	21,991	19,394
Minister of Advanced Education, Employment and Immigration	-	-	-	-	4,500
	$ 884,011	$ 262,624	$ 633,278	$ 1,779,913	$ 1,671,739

Schedule 2

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

Schedule of Operating Costs

Year ended March 31, 2015, with comparative information for 2014

	Administration & Core Services	Publishing	S.U.N.T.E.P.	2015	2014
Building	$ 301,385	$ 138,931	$ 181,960	$ 622,276	$ 608,566
Consulting and legal service	267,479	1,612	10,809	279,900	447,481
Amortization	148,851	-	9,735	158,586	158,902
Other equipment expenses	32,130	21,680	37,161	90,971	141,440
Computer services	72,646	1,290	13,925	87,861	64,476
Telephone	51,421	1,887	2,112	55,420	61,116
Office supplies	9,069	10,146	12,911	32,126	52,052
Cultural partnership	-	-	-	-	40,837
Insurance	26,193	6,442	6,007	38,642	37,618
Museum	-	-	-	-	36,881
Bad debts (recovery)	16,857	-	-	16,857	36,781
Duplicating and materials development	6,414	4,784	7,588	18,786	14,906
Postage and courier	6,926	4,486	20,190	31,602	10,030
Bank charges	2,200	7,867	-	10,067	5,800
Miscellaneous	-	-	-	-	15
	$ 941,571	$ 199,125	$ 302,398	$ 1,443,094	$ 1,716,901

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, 2015, with comparative information for 2014

	Administration & Core Services	Publishing	S.U.N.T.E.P.	2015	2014
Salaries and benefits:					
Staff salaries and wages	$ 1,559,879	$ 573,579	$ 1,398,119	$ 3,531,577	3,261,378
Staff benefits	262,262	91,112	230,404	583,778	511,984
	$ 1,822,141	$ 664,691	$ 1,628,523	$ 4,115,355	$ 3,773,362
Public Relations:					
Promotion, publicity and graduation	$ 36,275	$ 106,631	$ 86,877	$ 229,783	$ 438,292
Recruitment	-	-	7,469	7,469	22,653
Orientation	-	-	424	424	1,392
	$ 36,275	$ 106,631	$ 94,770	$ 237,676	$ 462,337
Travel and sustenance:					
Staff and students	$ 65,676	$ 20,532	$ 51,425	$ 137,633	137,011
Board	53,563	3,200	-	56,763	79,837
	$ 119,239	$ 23,732	$ 51,425	$ 194,396	$ 216,848

Financial Statements of

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Year ended March 31, 2015

INDEPENDENT AUDITORS' REPORT

To the Directors

We have audited the accompanying financial statements of Gabriel Dumont Institute Training and Employment Inc. which comprise the statements of financial position as at March 31, 2015, 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 by management in accordance with financial reporting provisions of the Aboriginal Skills and Employment Training Strategy Métis Funding Agreement dated August 25, 2010.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the Aboriginal Skills and Employment Training Strategy Métis Funding Agreement dated August 25, 2010, and the Western Diversification Project Article Agreement dated November 4, 2014, 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, 2015 and the results of its operations and its cash flows for the year then ended, in accordance with financial reporting provisions of the Aboriginal Skills and Employment Training Strategy Métis Funding Agreement dated August 25, 2010, and of the Western Diversification Project Article Agreement dated November 4, 2014.

Basis of Accounting and Restriction on Use

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

KPMG LLP

Chartered Accountants

Saskatoon, Canada
July 29, 2015

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Statement of Financial Position

March 31, 2015, with comparative information for 2014

		2015		2014
Assets				
Current assets:				
Cash	$	-	$	566,220
Accounts receivable		260,706		213,088
		260,706		779,308
Furniture and equipment (note 2)		9,270		11,588
	$	269,976	$	790,896
Liabilities				
Current liabilities:				
Bank indebtedness (note 3)	$	14,288	$	-
Accounts payable and accrued liabilities		232,160		335,828
Deferred revenue (note 4)		14,258		443,480
		260,706		779,308
Deferred contributions for furniture and equipment (note 5)		9,270		11,588
	$	269,976	$	790,896

See accompanying notes to financial statements.

Original signed by Geordy McCaffrey

Original signed by Glenn Lafleur

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Statement of Operations

Year ended March 31, 2015, with comparative information for 2014

	2015	2014
Revenue:		
Service Canada-Aboriginal Skills and Employment Training Strategy Métis Funding ("ASETS") (schedule 1)	$ 10,947,307	$ 11,542,786
Western Diversification Program- (WDP)	227,582	-
Skills and Partnership Fund Agreement- (SPF)	-	1,232,345
	11,174,889	12,775,131
Expenses (schedule 2):		
Service delivery (schedule 3)	7,994,369	9,236,106
Wages and benefits	2,536,275	2,799,829
Facilities rentals	188,712	187,889
Staff travel	93,972	134,084
Telephone	71,658	72,174
Public relations	66,946	68,963
Professional fees	59,124	59,269
Board travel and professional development	35,771	55,985
Office	35,659	37,844
Office supplies	25,286	30,082
Equipment rentals	17,545	18,465
Computer software support	16,778	17,203
Insurance	12,095	8,741
Postage and courier	8,236	6,141
Repairs and maintenance	7,198	6,277
Interest and bank charges	2,487	5,406
Amortization	2,318	2,898
Contractual services and consulting	460	27,775
	11,174,889	12,775,131
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, 2015, with comparative information for 2014

	2015	2014
Cash flows from (used in):		
Operations:		
Items not involving cash:		
Amortization of furniture and equipment	$ 2,318	$ 2,898
Amortization of deferred contributions for furniture and equipment	(2,318)	(2,898)
Change in non-cash operating working capital:		
Accounts receivable	(47,618)	(36,889)
Accounts payable and accrued liabilities	(103,668)	141,688
Deferred revenue	(429,222)	(1,030,772)
Decrease in cash	(580,508)	(925,973)
Cash, beginning of year	566,220	1,492,193
Cash (bank indebtedness), end of year	$ (14,288)	$ 566,220

See accompanying notes to financial statements.

Operations:

Gabriel Dumont Institute Training and Employment Inc. (“the Institute”) is a not-for-profit organization that provides Métis people in Saskatchewan the opportunity to obtain training and education. This opportunity is provided through the Institute and funded through the Métis Human Resources Development Agreement signed with Human Resources and Social Development and the Employment Insurance Commission ("Service Canada") (the "AHRDA Agreement") and its successor agreements the Aboriginal Skills and Employment Training Strategy Métis Funding Agreement dated August 25, 2010 ("ASETS Agreement" or "ASETS") and the Western Diversification Project Article Agreement dated November 4, 2014 ("WDP Agreement" or "WDP").

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, 2016.

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

1. Significant accounting policies:

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

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

(a) Modified cash basis for programs:

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

1. 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) Cash and cash equivalents:

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

(d) Furniture and equipment:

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

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

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.

1. 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 year. Significant items subject to such estimates and assumptions include the collectibility of accounts receivable and the estimates of deferred revenue. Actual results could differ from these estimates.

(f) Employee benefits:

The Institute provides a defined contribution pension plan, life insurance, long-term disability coverage, dental, vision, and health care benefits to employees. Costs are expensed in the year incurred. Pension expense was $145,933 (2014- $169,514).

(g) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Institute has not elected to carry any such financial instruments at fair value.

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

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

1. Significant accounting policies (continued):

(h) Allocation of expenses:

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

2. Furniture and equipment:

	Cost	Accumulated Amortization	2015 Net book value	2014 Net book value
Furniture and equipment:				
Head office	$ 25,217	$ 21,320	$ 3,897	$ 4,873
Saskatoon	1,646	1,392	254	318
Prince Albert	5,464	4,619	845	1,056
Nipawin	4,215	3,563	652	815
La Ronge	3,435	2,904	531	664
Yorkton	1,646	1,391	255	318
North Battleford	456	385	71	88
Meadow Lake	2,463	2,083	380	476
Ile a la Crosse	606	512	94	117
La Loche	4,306	3,640	666	832
	49,454	41,809	7,645	9,557
Computer equipment:				
Head office	10,506	8,881	1,625	2,031
	$ 59,960	$ 50,690	$ 9,270	$ 11,588

3. Bank Indebtedness:

Bank indebtedness in the amount of $14,288 consists of cash on hand and on deposit with a financial institution of $43,566 less outstanding cheques of $57,854.The Institute has an available credit facility authorized to a maximum of $500,000 which bears interest at bank prime plus 1% on outstanding amounts. As at March 31, 2015 no amount has been advanced on this facility.

4. Deferred contributions:

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

	2015	2014
Service Canada ASETS Agreements	$ 14,258	$ 424,023
Interest earned on ASETS funding	-	19,457
	$ 14,258	$ 443,480

5. Deferred contributions for furniture and equipment:

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

	2015	2014
Balance, beginning of year	$ 11,588	$ 14,486
Deferred contribution recognized	(2,318)	(2,898)
Balance, end of year	$ 9,270	$ 11,588

6. Commitments:

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

2016	$ 204,885
2017	10,132
2018	10,132
2019	10,132
2020	10,132

The operating leases are primarily based on monthly rentals.

7. Related party transactions:

During the year the Institute paid $1,337,746 (2014 - $1,529,873) and $0 (2014 - $8,727) for service delivery and salaries to Dumont Technical Institute Inc. and Gabriel Dumont Institute of Native Studies and Applied Research Inc., respectively.

The Institute has entered into a lease with each of Dumont Technical Institute Inc. and Gabriel Dumont Institute of Native Studies and Applied Research Inc. for the rental of office space. The Institute paid $84,000 and $24,149, respectively, for these services for the year ended March 31, 2015 (2014 - $72,970 and $22,942). Accounts payable and accrued liabilities include $177,761 (2014 - $37,218) owing to Dumont Technical Institute and $3,513 (2014 - $177) owing to Gabriel Dumont Institute of Native Studies and Applied Research Inc.

Accounts receivable includes $17,099 (2014 - $0) owed from Gabriel Dumont Institute of Native Studies and Applied Research ("GDI NSAR") who provided these funds for payroll expenses from a previous period which were not claimed back to Service Canada pursuant to funding agreements.

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

8. Economic dependence:

98% (2014 - 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, 2016.

9. Financial instruments and risk management:

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

Credit risk

The Institute's principal financial assets are cash, 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 exposed to interest rate risk arising from fluctuations in interest rates on the credit facility agreement. Interest rate risk associated with the credit facility agreement is limited as no amount has been drawn on the line of credit.

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.

10. Comparative figures:

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

Schedule 1

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Schedules of Service Canada ASSETS Agreement Revenue

Year ended March 31, 2015, with comparative information for 2014

	Employment Insurance	Consolidated Revenue Fund	2015	2014
Service Canada contributions	$ 3,339,352	$ 7,158,472	$ 10,497,824	$ 10,498,823
Deferred revenue including interest - beginning of year	212	443,268	443,480	1,465,088
Deferred contributions for furniture and equipment - beginning of year	-	11,588	11,588	14,486
Deferred contributions for furniture and equipment - end of year	-	(9,270)	(9,270)	(11,588)
Interest earned	-	17,943	17,943	19,457
Deferred revenue including interest - end of year	(924)	(13,334)	(14,258)	(443,480)
Revenue recognized	$ 3,338,640	$ 7,608,667	$ 10,947,307	$ 11,542,786

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Schedule of Expenses

Year ended March 31, 2015, with comparative information for 2014

	Employment Insurance	Consolidated Revenue Fund	Western Diversification Program	Skills and Partnership Fund	2015	2014
Program Administration Expenses						
Wages and benefits	$ -	$ 689,543	$ 38,022	$ -	$ 727,565	$ 1,601,567
Professional fees	-	59,124	-	-	59,124	59,269
Public relations	-	51,596	-	-	51,596	65,485
Facilities rentals	-	26,753	-	-	26,753	187,889
Telephone	-	22,520	-	-	22,520	20,740
Staff travel	-	17,347	-	-	17,347	99,046
Computer software support	-	16,584	-	-	16,584	17,203
Insurance	-	12,095	-	-	12,095	8,741
Office	-	7,881	-	-	7,881	37,844
Postage and courier	-	5,381	-	-	5,381	4,465
Office supplies	-	3,539	94	-	3,633	14,788
Interest and bank charges	-	2,487	-	-	2,487	5,406
Amortization	-	2,318	-	-	2,318	2,897
Board travel and professional development	1,176	942	-	-	2,118	55,985
Contractual services and consulting	-	-	-	-	-	27,775
Equipment rentals	-	-	-	-	-	18,465
Repairs and maintenance	-	-	-	-	-	6,277
	1,176	918,110	38,116	-	957,402	2,233,842
Program Assistance Expenses						
Education and training costs	957,033	3,316,735	140,074	-	4,413,842	4,512,022
Student allowances	946,189	2,223,047	32,227	-	3,201,463	3,050,994
Wage subsidies	101,476	260,421	17,167	-	379,064	1,673,091
Wages and benefits	-	87,809	-	-	87,809	1,198,262
Telephone	48,818	-	-	-	48,818	51,434
Staff travel	31,329	-	-	-	31,329	35,038
Office supplies	11,390	-	-	-	11,390	15,294
Public relations	3,165	-	-	-	3,165	3,478
Postage and courier	950	-	-	-	950	1,676
	2,100,350	5,888,012	189,468	-	8,177,830	10,541,289

Schedule 2

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Schedule of Expenses (continued)

Year ended March 31, 2015, with comparative information for 2014

	Employment Insurance	Consolidated Revenue Fund	Western Diversification Program	Skills and Partnership Fund	2015	2014
Employment Assistance Services						
Wages and benefits	1,237,466	483,435	-	-	1,720,901	-
Facilities rental	-	161,959	-	-	161,959	-
Staff travel	-	45,296	-	-	45,296	-
Board travel and professional development	-	33,653	-	-	33,653	-
Office	-	27,778	-	-	27,778	-
Equipment rentals	-	17,545	-	-	17,545	-
Public relations	-	12,185	-	-	12,185	-
Office supplies	-	10,263	-	-	10,263	-
Repairs and maintenance	-	7,198	-	-	7,198	-
Postage and courier	-	1,905	-	-	1,905	-
Contractual services and consulting	-	460	-	-	460	-
Telephone	-	320	-	-	320	-
Computer software support	-	194	-	-	194	-
	1,237,466	802,191	-	-	2,039,657	-
	$ 3,338,992	$ 7,608,313	$ 227,584	$ -	$ 11,174,889	$ 12,775,131

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Schedule of Service Delivery Expenses

Year ended March 31, 2015, with comparative information for 2014

	Saskatoon	Regina	Prince Albert	Nipawin	La Ronge	Yorkton	North Battleford	Meadow Lake	Ile a la Crosse	La Loche	Beauval	2015	2014
Tuition and program delivery	1,147,133	247,998	780,300	89,155	(3,000)	55,959	158,073	177,325	67,828	79,156	102,908	2,902,835	3,085,386
Income support	864,491	369,822	834,895	159,420	22,617	56,498	238,351	221,316	120,885	144,678	168,489	3,201,462	3,050,994
Wage subsidies	71,668	2,010	49,241	35,957	-	-	13,037	19,732	12,141	-	37,910	241,696	1,530,684
Books	144,564	81,783	130,097	21,231	-	10,787	29,900	37,693	13,385	25,623	23,389	518,452	531,693
Dependent care	84,761	55,274	94,182	17,503	700	9,978	42,897	30,181	15,374	18,089	8,006	376,945	349,330
Program delivery	-	304,413	-	-	-	-	-	-	-	-	-	304,413	249,065
Student travel	23,335	35,886	64,008	10,975	870	9,065	14,969	20,274	15,859	4,279	4,964	204,484	166,222
Student work experience	38,439	-	49,481	9,803	1,493	1,661	8,878	7,850	2,720	12,090	4,951	137,366	142,407
Supplies	37,420	6,745	19,404	1,100	200	3,128	7,716	10,125	4,135	2,940	3,351	96,264	115,002
Living away from home allowance	125	-	4,370	875	-	-	-	1,700	-	-	-	7,070	12,273
Special needs allowance	570	-	2,812	-	-	-	-	-	-	-	-	3,382	3,050
	2,412,506	1,103,931	2,028,790	346,019	22,880	147,076	513,821	526,196	252,327	286,855	353,968	7,994,369	9,236,106

Financial Statements of

GABRIEL DUMONT COLLEGE INC.

Year ended March 31, 2015

INDEPENDENT AUDITORS' REPORT

To the Directors

We have audited the accompanying financial statements of Gabriel Dumont College Inc., which comprise the statements of financial position as at March 31, 2015, the statements of operations, changes in net assets and cash flows for the year then ended and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

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

Opinion

In our opinion the financial statements present fairly, in all material respects, the financial position of Gabriel Dumont College Inc., as at March 31, 2015 and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

KPMG LLP

Chartered Accountants

Saskatoon, Canada
July 29, 2015

GABRIEL DUMONT COLLEGE INC.

Statement of Financial Position

March 31, 2015, with comparative information for 2014

		2015		2014
Assets				
Current assets:				
Cash and cash equivalents	$	1,552,641	$	1,455,993
Investments and marketable securities		159,728		151,030
Accounts receivable		518,453		540,712
		2,230,822		2,147,735
Equipment (note 3)		13,254		14,366
	$	2,244,076	$	2,162,101
Liabilities and Net Assets				
Current liabilities:				
Accounts payable and accrued liabilities	$	9,790	$	20,773
Net assets:				
Unrestricted		2,221,032		2,126,962
Invested in equipment		13,254		14,366
		2,234,286		2,141,328
	$	2,244,076	$	2,162,101

See accompanying notes to financial statements.

Original signed by Geordy McCaffrey

Original signed by Glenn Lafleur

GABRIEL DUMONT COLLEGE INC.

Statement of Operations

Year ended March 31, 2015, with comparative information for 2014

		2015		2014
Revenue:				
Tuition and related fees (note 4)	$	632,675	$	648,120
Interest		26,244		18,492
		658,919		666,612
Expenses:				
Scholarships, tuition and student fees (note 4)		245,424		156,008
Salaries and benefits		240,367		251,397
Promotions		34,019		32,083
Consulting fees		28,136		7,264
Travel		7,322		873
Audit and legal		4,885		7,163
Amortization		3,314		3,591
Bank charges		1,171		1,344
Start up allowances		800		600
Office supplies and services		306		1,115
Student supplies		-		366
Repairs and maintenance		217		-
		565,961		461,804
Excess of revenue over expenses	$	92,958	$	204,808

See accompanying notes to financial statements.

GABRIEL DUMONT COLLEGE INC.

Statement of Changes in Net Assets

Year ended March 31, 2015, with comparative information for 2014

	Unrestricted	Invested in Equipment	Total
Net assets, April 1, 2014	$ 1,918,563	$ 17,957	$ 1,936,520
Excess of revenue over expenses	204,808	-	204,808
Amortization	3,591	(3,591)	-
Net assets, March 31, 2014	$ 2,126,962	$ 14,366	$ 2,141,328
Excess of revenue over expenses	92,958	-	92,958
Amortization	3,314	(3,314)	-
Equipment purchase	(2,202)	2,202	-
Net assets, March 31, 2015	$ 2,221,032	$ 13,254	$ 2,234,286

See accompanying notes to financial statements.

GABRIEL DUMONT COLLEGE INC.

Statement of Cash Flows

Year ended March 31, 2015, with comparative information for 2014

	2015	2014
Cash flows from (used in):		
Operations:		
Excess of revenue over expenses	$ 92,958	$ 204,808
Items not involving cash:		
Amortization	3,314	3,591
Reinvested interest income	(8,698)	(1,846)
Change in non-cash operating working capital:		
Accounts receivable	22,259	(8,325)
Accounts payable	(10,983)	2,424
	98,850	200,652
Investing:		
Purchase of equipment	(2,202)	-
Increase in cash	96,648	200,652
Cash and cash equivalents, beginning of year	1,455,993	1,255,341
Cash and cash equivalents, end of year	$ 1,552,641	$ 1,455,993

See accompanying notes to financial statements.

1. Nature of operations:

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

The College has 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 Institute is jointly controlled with Gabriel Dumont Institute of Native Studies and Applied Research and its related entities: Gabriel Dumont College Inc., Dumont Technical Institute Inc., Gabriel Dumont Institute Training & Employment Inc., and the Gabriel Dumont Scholarship Foundation II. The Board of Directors of Gabriel Dumont Institute of Native Studies and Applied Research, Inc. are the directors of all the controlled entities.

2. Significant accounting policies:

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

(a) Revenue recognition:

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

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

(b) Use of estimates:

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Significant items subject to such estimates and assumptions include the estimated useful life of equipment and the collectibility of accounts receivable. Actual results could differ from those estimates.

2. Significant accounting policies (continued):

(c) Cash and cash equivalents:

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

(d) Equipment:

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

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

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

(e) Financial instruments:

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

2. Significant accounting policies (continued):

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

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

3. Equipment:

March 31, 2015	Cost	Accumulated amortization	Net book value
Computer equipment	$ 60,033	$ 55,556	$ 4,477
Other equipment	32,300	23,523	8,777
	$ 92,333	$ 79,079	$ 13,254

March 31, 2014	Cost	Accumulated amortization	Net book value
Computer equipment	$ 60,033	$ 54,436	$ 5,597
Other equipment	30,098	21,329	8,769
	$ 90,131	$ 75,765	$ 14,366

Computer equipment with a net carrying value of $4,477 (2014 - $5,597) represents Gabriel Dumont College's one third interest in a computer system that is shared with Gabriel Dumont Institute of Native Studies and Applied Research, Inc. and Dumont Technical Institute Inc.

4. 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.

	2015	2014
Tuition and related fees	$ 239,581	$ 250,760
Administrative Services	12,862	-
Programming/Services	73,289	-
	$ 325,732	$ 250,760

Accounts receivable includes $239,581 (2014 - $250,760) and accounts payable includes $663 (2014 - $850) from Gabriel Dumont Institute of Native Studies and Applied Research, Inc and Dumont Technical Institute Inc.

During the year, Gabriel Dumont College provided scholarship funding in the amount of $73,289 (2014 - $nil) to the Gabriel Dumont Scholarship Foundation used as a matching component for the Saskatchewan Advantage Scholarship Fund.

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

5. Capital management:

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

6. Financial instruments and risk management:

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

Credit risk

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

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

Interest rate risk

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

Fair values

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

Financial Statements of

DUMONT TECHNICAL INSTITUTE INC.

Year ended June 30, 2015

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, 2015, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform 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, 2015 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting policies for not-for-profit organizations.

KPMG LLP

Chartered Accountants

Saskatoon, Canada
September 29, 2015

DUMONT TECHNICAL INSTITUTE INC.

Statement of Financial Position

June 30, 2015, with comparative information for 2014

	2015	2014
Assets		
Current assets:		
Cash and cash equivalents	$ 1,001,544	$ 1,001,500
Accounts receivable	152,368	264,099
Prepaid expenses	115,183	106,828
	1,269,095	1,372,427
Investments (note 4)	1,377,920	1,329,123
Property and equipment (note 5)	3,128,430	3,179,590
	$ 5,775,445	$ 5,881,140
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities	$ 340,873	$ 575,071
Deferred revenue (note 6)	508,279	758,219
Current portion of long-term debt (note 7)	50,096	46,930
	899,248	1,380,220
Long-term debt (note 7)	273,143	322,954
Net assets		
Invested in property and equipment	2,805,191	2,809,706
Core	1,574,972	1,099,584
Programming	222,891	268,676
	4,603,054	4,177,966
Commitments (note 8)		
	$ 5,775,445	$ 5,881,140

See accompanying notes to financial statements.

Original signed by Geordy McCaffrey

Original signed by Glenn Lafleur

DUMONT TECHNICAL INSTITUTE INC.

Statement of Operations

Year ended June 30, 2015, with comparative information for 2014

	Core	BE Programs	Other Programs	2015	2014
Revenue:					
Government of Saskatchewan grants	$ 2,019,326	$ 2,521,453	$ 815,417	$ 5,356,196	$ 5,133,033
Tuition and fees	-	125,000	1,613,918	1,738,918	1,830,760
Miscellaneous income	451,433	-	-	451,433	504,260
Wage enhancement	241,949	-		241,949	241,949
Investment income	60,673	-	-	60,673	64,993
	2,773,381	2,646,453	2,429,335	7,849,169	7,774,995
Expenses:					
Salaries	1,133,402	1,390,937	1,034,898	3,559,237	3,522,475
Facilities	238,813	324,605	247,854	811,272	796,369
Purchased courses	39,196	294,551	412,388	746,135	916,017
Staff benefits	220,954	216,970	164,593	602,517	573,631
Instructional costs	4,141	136,359	337,535	478,035	448,432
Administrative services	193,289	41,500	112,185	346,974	448,551
Amortization	204,228	-	-	204,228	218,632
Equipment and education supplies	28,840	93,086	9,802	131,728	144,820
Office supplies	46,963	32,887	24,456	104,306	103,565
Staff travel	27,896	37,537	35,972	101,405	158,262
Public relations	49,036	14,336	15,753	79,125	78,335
Telephone and fax	18,571	29,191	25,377	73,139	73,602
Insurance	26,476	5,250	25,892	57,618	60,111
Professional services	20,961	13,500	15,500	49,961	66,940
Professional development	28,901	8,802	5,187	42,890	28,217
Interest and bank	17,394	1	-	17,395	20,614
Software support	3,447	6,941	803	11,191	24,879
Bad debts	-	-	6,925	6,925	13,131
	2,302,508	2,646,453	2,475,120	7,424,081	7,696,583
Excess (deficiency) of revenue over expenses	$ 470,873	$ -	$ (45,785)	$ 425,088	$ 78,412

See accompanying notes to financial statements.

DUMONT TECHNICAL INSTITUTE INC.

Statement of Changes in Net Assets

Year ended June 30, 2015, with comparative information for 2014

	Invested in property and equipment	Core	Programming Funds BE Programs	Programming Funds Other Programs	2015	2014
Balance, beginning of year	$ 2,809,706	$ 1,099,584	$ -	$ 268,676	$ 4,177,966	$ 4,099,554
Excess (deficiency) of revenue over expenses	-	470,873	-	(45,785)	425,088	78,412
Purchase of property and equipment	153,068	(153,068)	-	-	-	-
Amortization	(204,228)	204,228	-	-	-	-
Repayment of long-term debt	46,645	(46,645)	-	-	-	-
Balance, end of year	$ 2,805,191	$ 1,574,972	$ -	$ 222,891	$4,603,054	$ 4,177,966

See accompanying notes to financial statements.

DUMONT TECHNICAL INSTITUTE INC.

Statement of Cash Flows

Year ended June 30, 2015, with comparative information for and 2014

	2015	2014
Cash flows from (used in):		
Operations:		
Excess (deficiency) of revenue over expenses	$ 425,088	$ 78,412
Items not involving cash:		
Amortization	204,228	218,632
Investment increase to fair value	(48,797)	(48,802)
Change in non-cash operating working capital:		
Accounts receivable	111,731	138,480
Prepaid expenses	(8,355)	(56,872)
Accounts payable and accrued liabilities	(234,198)	(159,538)
Deferred revenue	(249,940)	430,307
	199,757	600,619
Financing:		
Repayment of long-term debt	(46,645)	(44,958)
Investing:		
Purchase of property and equipment	(153,068)	(173,652)
Increase (decrease) in cash	44	382,009
Cash and cash equivalents, beginning of year	1,001,500	619,491
Cash and cash equivalents, end of year	$ 1,001,544	$ 1,001,500
Supplemental cash flow disclosure:		
Interest paid on long-term debt	$ 14,759	$ 17,080

See accompanying notes to financial statements.

1. Nature of organization:

Dumont Technical Institute Inc. ("the Institute") is an organization that provides Métis people in Saskatchewan the opportunity to obtain training and education through the Institute as well as its 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 is jointly controlled with Gabriel Dumont Institute of Native Studies and Applied Research and its related entities: Gabriel Dumont College Inc., Gabriel Dumont Institute Training and Employment Inc., 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:

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

(a) Fund accounting:

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

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

Core services

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

Basic Education Programs

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

2. Significant accounting policies (continued):

Other Programs

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

(b) Revenue recognition:

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

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

(c) Cash and cash equivalents:

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

(d) Investments:

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

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

2. Significant accounting policies (continued):

(e) Property and equipment:

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

Amortization is provided using the following methods and rates:

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

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

(f) Employee benefits:

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

(g) Use of estimates:

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Significant items subject to such estimates and assumptions include the estimated useful life of property and equipment, the collectibility of accounts receivable and estimates of deferred revenue. Actual results could differ from those estimates.

3. Financial instruments and risk management:

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

Credit risk

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

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

Interest rate risk

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

Market risk

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

Fair values

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

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

4. Investments:

		2015	2014
	Cost	Market Value	Market Value
Imperial Short Term Bond Pool	$ 677,595	$ 687,965	$ 661,170
Imperial Canadian Bond Pool	511,951	558,182	542,118
Imperial Money Market Pool	74,226	74,235	70,789
Imperial International Bond Pool	46,205	57,538	55,046
	$ 1,309,977	$ 1,377,920	$ 1,329,123

5. Property and equipment:

			2015	2014
	Cost	Accumulated amortization	Net book value	Net book value
Land	$ 543,942	$ -	$ 543,942	$ 542,389
Furniture and equipment	988,188	726,525	261,663	301,734
Building	3,058,205	777,784	2,280,421	2,282,827
Computer equipment	269,861	227,457	42,404	52,640
	$ 4,860,196	$ 1,731,766	$ 3,128,430	$ 3,179,590

6. Deferred revenue:

Deferred revenue is comprised of the following:

	2015	2014
Advanced Education Employment and Immigration - BE programs	$ 461,911	$ 514,044
Workplace essential skills - BE Programs	-	122,079
Advanced Education Employment and Immigration - Skills training	46,368	46,368
Gabriel Dumont Institute Training & Employment Inc.	-	46,402
Other	-	29,326
	$ 508,279	$ 758,219

7. Long-term debt:

	2015	2014
Clarence Campeau Development Fund term loan due March 2021, repayable in monthly instalments of $5,045 including interest at a rate of 2% over the Scotia McLeod five-year bankers acceptance rate (currently 3.47%) against which the building has been pledged as collateral.	$ 323,239	$ 369,884
Current portion	50,096	46,930
	$ 273,143	$ 322,954

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

2016	$ 50,096
2017	51,889
2018	53,705
2019	55,599
2020	57,556
Thereafter	54,394
	$ 323,239

8. Commitments:

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

2016	$ 245,921
2017	34,952
2018	14,514
2019	3,828
2020	1,402
	$ 300,617

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

9. Related party transactions:

Dumont Technical Institute Inc. conducts business with several related party organizations through the Gabriel Dumont Institute (note 1). The Gabriel Dumont Institute is the educational affiliate of the Métis Nation - Saskatchewan. Related party transactions are recorded at the exchange amount being amounts agreed upon between the related parties.

	2015	2014
Tuition and fees	$ 1,375,711	$ 1,443,613
Rent (included in miscellaneous income)	164,652	153,259
Administrative services expense	(340,474)	(413,534)
Facilities expense	(201,251)	(188,491)
Public relations expense	(12,062)	(8,031)
Professional development expense	(4,000)	(4,250)
	$ 982,576	$ 982,566

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

Amounts included in accounts receivable and accounts payable are as follows:

Accounts receivable	2015	2014
Gabriel Dumont Institute Training & Employment Inc.	$ 2,726	$ 479
Gabriel Dumont Institute of Native Studies and Applied Research, Inc.	226	4,334
	$ 2,952	$ 4,813

Accounts payable and accrued liabilities	2015	2014
Gabriel Dumont Institute of Native Studies and Applied Research, Inc.	$ 48,244	$ 90,269
	$ 48,244	$ 90,269

Deferred revenue includes $0 (2014 - $46,402) in program contributions from Gabriel Dumont Institute Training and Employment Inc.

10. Economic dependence:

Approximately 68% (2014 - 66%) of the Institute's revenue was derived from the Government of Saskatchewan. Funding is provided by annual grants under contracts expiring on various dates.

11. Pension plan:

The Institute contributed to a pension plan for the employees based on a negotiated rate of contribution. The pension expense for the year was $227,324 (2014 - $205,801).

Financial Statements of

THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Year ended December 31, 2014

INDEPENDENT AUDITORS' REPORT

To the Members

We have audited the accompanying financial statements of The Gabriel Dumont Scholarship Foundation II ("the Foundation"), which comprise the statement of financial position as at December 31, 2014 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 accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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, 2014, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

KPMG LLP

Chartered Accountants

Saskatoon, Canada
April 9, 2015

THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Statement of Financial Position

December 31, 2014, with comparative information for 2013

		2014		2013
Assets				
Current assets:				
Cash	$	752,332	$	75,667
Accounts receivable		6,000		-
		758,332		75,667
Investments (note 4)		1,848,224		2,689,852
	$	2,606,556	$	2,765,519
Liabilities and Net Assets				
Current liabilities:				
Accounts payable and accrued liabilities	$	7,402	$	11,423
Deferred revenue (note 5)		6,000		90,719
		13,402		102,142
Net assets:				
Restricted for endowment purposes (note 6)		2,344,105		2,340,000
Unrestricted		249,049		323,377
		2,593,154		2,663,377
	$	2,606,556	$	2,765,519

See accompanying notes to financial statements.

Original signed by Geordy McCaffrey Original signed by Glenn Lafleur

THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Statement of Revenue and Expenses

Year ended December 31, 2014, with comparative information for 2013

	2014	2013
Revenue:		
Donations	$ 268,657	$ 106,476
Interest and investment income	50,846	46,785
	319,503	153,261
Expenses:		
Scholarships	386,400	223,400
Administrative and professional services	7,406	11,595
Bank charges	25	50
	393,831	235,045
Deficiency of revenue over expenses	$ (74,328)	$ (81,784)

See accompanying notes to financial statements.

THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Statement of Changes in Net Assets

Year ended December 31, 2014, with comparative information for 2013

	Unrestricted	Restricted Fiddler & Carriere Endowment	Restricted GDITE Endowment	Restricted GDS Endowment	2014	2013
Balance, beginning of year	$ 323,377	$	$ 1,300,000	$ 1,040,000	$ 2,663,377	$ 2,745,161
Deficiency of revenue over expenses	(74,328)	-	-	-	(74,328)	(81,784)
Restricted for endowment purposes	-	4,105	-	-	4,105	-
Balance, end of year	$ 249,049	$ 4,105	$ 1,300,000	$ 1,040,000	$ 2,593,154	$ 2,663,377

See accompanying notes to financial statements.

THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Statement of Cash Flows

Year ended December 31, 2014 , with comparative information for 2013

		2014		2013
Cash flows from (used in):				
Operations:				
Deficiency of revenue over expenses	$	(74,328)	$	(81,784)
Item not involving cash:				
Adjustment for fair value (increase) decrease on investments and reinvested investment income		448		(4,899)
Change in non-cash operating working capital:				
Accounts receivable		(6,000)		-
Accounts payable and accrued liabilities		(4,021)		(1,360)
Deferred revenue		(84,719)		36,997
		(168,620)		(51,046)
Financing:				
Restricted for endowment purposes		4,105		-
Investing:				
Purchase of investments		(92,620)		(2,250,086)
Redemption of investments		933,800		1,179,616
Sale of investments		-		1,093,560
		841,180		23,090
Increase (decrease) in cash		676,665		(27,956)
Cash, beginning of year		75,667		103,623
Cash, end of year	$	752,332	$	75,667

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 Gabriel Dumont Institute of Native Studies and Applied Research, Inc. and the Trustees of the Foundation. The Trust Agreement was originally dated October 10, 1986 and was updated on March 1, 2000, May 10, 2002 and August 8, 2014. 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 peoples 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. The Board of Governors of Gabriel Dumont Institute of Native Studies and Applied Research, Inc. are the same governors and the only governors of the controlled entities.

2. Significant accounting policies:

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

(a) Use of estimates:

The preparation of financial statements in conformity with Canadian Accounting Standards for Not-For-Profit Organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenue and expenses during the reporting period. Actual results could differ from these estimates.

(b) Revenue recognition:

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

2. Significant accounting policies (continued):

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

(c) Scholarships:

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

(d) Administrative services:

The Foundation may be 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 and invested revenue, not to exceed 10%.

(e) Financial instruments:

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

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

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

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

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

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

3. Financial instruments and risk management:

The Foundation, through its financial assets and liabilities, has exposure to the following risks from its use of financial instruments:

Credit risk

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

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

Interest rate risk

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

Market risk

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

Fair values

Cash and investments are recorded at fair value.

4. Investments:

Under the terms of the Trust Agreement, the objective of the investment portfolio is to preserve the capital base of the Foundation while maximizing current income to meet scholarship demand. The Foundation has established asset allocation and quality guidelines with respect to investments of the Foundation. Investments are to be allocated between cash and short-term investments (20% - 40%), fixed income securities (60% - 80%) and equities (0% - 15%). The Quality guidelines provide for minimum investment ratings, maximum limits for any individual investment, and limitations on the type of equity investments that may be held by the Foundation. At December 31, 2014 the Foundation's investment allocation consisted of cash and short-term investments of 29% (2013 - 2%); fixed income (including mutual fund savings accounts) investments of 71% (2013 - 98%) and equities of 0% (2013 - 0%).

4. Investments (continued):

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

5. Deferred revenue:

Deferred revenue consists of the following:

		2014		2013
Cameco Corporation	$	6,000	$	-
Saskatchewan Innovation and Opportunity Scholarship		-		70,719
Saskatoon Health Region		-		10,000
AREVA Resources Canada Inc.		-		10,000
	$	6,000	$	90,719

6. Net assets restricted for endowment purposes:

Under the terms of the Trust Agreement, the capital base of assets restricted for endowment purposes is not to fall below $2,340,000 consisting of the following endowments:

a) Gabriel Dumont Scholarship Program:

The Napoleon Lafontaine Economic Development Scholarship Program (‘Gabriel Dumont Scholarship or GDS”) was created in 1986 to encourage Saskatchewan Métis people to pursue full-time educational training in the fields of academic studies related to the development of the Métis peoples. This endowment amounts to $1,040,000.

b) Gabriel Institute of Training & Employment Scholarship and Bursary Program:

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

In 2014, Gabriel Dumont Institute of Native Studies and Applied Research Inc. transferred $4,105 and the related administration responsibilities of the Fiddler & Carrier Endowment Fund to the Foundation. This endowment fund was originally created in 1980.

7. Related party transactions:

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

	2014	2013
Administrative services	$ -	$ 4,623

Accounts payable and accrued liabilities include $nil (2013 - $4,623) owing to Gabriel Dumont Institute of Native Studies and Applied Research, Inc.

During the year, Gabriel Dumont College provided scholarship funding in the amount of $73,289 (2013 - $nil) to the Foundation to assist in matching funds per the Saskatchewan Innovation and Opportunity Scholarship funding agreement.

Also during the year, Gabriel Dumont Institute of Native Studies and Applied Research Inc. transferred $4,105 to the Foundation for the Fiddler and Carriere Endowment Fund.