Financial Statements of

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

Year ended March 31, 2016

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, 2016, the statements of operations, changes in net assets and cash flows for the year then ended, and notes and schedules comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of Gabriel Dumont Institute of Native Studies and Applied Research, Inc. as at March 31, 2016 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.

Chartered Professional Accountants

Saskatoon, Canada
July 15, 2016

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

Statement of Financial Position

March 31, 2016, with comparative information for 2015

	2016	2015
Assets		
Current assets:		
Cash and cash equivalents	$ 1,812,771	$ 1,952,592
Short-term investments	180,352	180,230
Accounts receivable	1,318,311	371,523
Prepaid expenses	53,491	71,021
	3,364,925	2,575,366
Property and equipment (note 4)	2,177,986	2,363,633
Advances to GDI Press Inc. (note 5)	198,556	-
	$ 5,741,467	$ 4,938,999
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities (note 6)	$ 601,516	$ 938,524
Net assets (deficiency):		
Administration and core services	1,347,507	341,443
Invested in property and equipment	2,177,986	2,363,633
Publishing	(384,986)	(384,986)
S.U.N.T.E.P.	1,877,684	1,599,625
Other specific contract projects	80,760	80,760
Future capital needs	41,000	-
	5,139,951	4,000,475
Commitments (note 10)		
	$ 5,741,467	$ 4,938,999

See accompanying notes to financial statements.

On behalf of the Board:

_______________ Director

_______________ Director

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

Statement of Operations

Year ended March 31, 2016, with comparative information for 2015

	Administration & Core Services	Publishing	S.U.N.T.E.P	Total 2016	Total 2015
Revenue:					
Government of Saskatchewan					
- Ministry of Advanced Education	$ 2,407,700	$ -	$ 3,755,000	$ 6,162,700	$ 6,101,600
Other (schedule 1)	1,461,742	247,298	432,849	2,141,889	1,779,913
Government of Canada					
- The Department of Canadian Heritage	-	37,000	-	37,000	59,700
	3,869,442	284,298	4,187,849	8,341,589	7,941,213
Expenses					
Salaries and benefits (schedule 3)	1,532,397	419,400	1,633,054	3,584,851	4,115,355
Instructional costs	-	1,250	1,743,431	1,744,681	1,642,114
Operating costs (schedule 2)	818,177	173,637	355,396	1,347,210	1,443,094
Public relations (schedule 3)	39,285	82,018	98,083	219,386	237,676
Travel and sustenance (schedule 3)	100,196	15,220	50,266	165,682	194,396
Curriculum development	5,839	36,004	12,735	54,578	137,142
Kapachee	54,686	-	-	54,686	54,686
Library costs	5,027	662	16,547	22,236	18,679
Works of art	-	7,112	491	7,603	16,488
Scholarships	-	-	1,200	1,200	1,200
	2,555,607	735,303	3,911,203	7,202,113	7,860,830
Administrative allocation	(451,005)	451,005	-	-	-
Net revenue	$ 862,830	$ -	$ 276,646	$ 1,139,476	$ 80,383

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, 2016, with comparative information for 2015

	Administration and Core Services	Publishing	S.U.N.T.E.P.	Other Specific Contract Projects	Future Capital Needs	Invested in Property Plant and Equipment	2016	2015
Net assets (deficiency), beginning of year	$ 341,443	$ (384,986)	$ 1,599,625	$ 80,760	$ -	$ 2,363,633	$ 4,000,475	$ 3,920,092
Net revenue	862,830	-	276,646	-	-	-	1,139,476	80,383
Amortization	146,552	-	9,456	-	-	(156,008)	-	-
Purchase of property and equipment	(142,686)	-	(8,043)	-	-	150,729	-	-
Disposal of property and equipment (net)	180,368	-	-	-	-	(180,368)	-	-
Restricted for facilities use	(41,000)	-	-	-	41,000	-	-	
Net assets (deficiency), end of year	$ 1,347,507	$ (384,986)	$ 1,877,684	$ 80,760	$ 41,000	$ 2,177,986	$ 5,139,951	$ 4,000,475

See accompanying notes to financial statements.

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

Statement of Cash Flows

Year ended March 31, 2016, with comparative information for 2015

	2016	2015
Cash flows from (used in):		
Operations:		
Net revenue	$ 1,139,476	$ 80,383
Item not involving cash:		
Amortization	156,008	158,586
Gain on disposal of property and equipment	(969,632)	-
Reinvested investment income	(122)	(9,814)
Change in non-cash operating working capital		
Accounts receivable	(946,788)	(6,140)
Accounts receivable on disposal of property and equipment sale	1,123,067	-
Prepaid expenses	17,530	(6,409)
Accounts payable and accrued liabilities	(337,008)	164,058
Deferred contributions	-	(69,171)
	182,531	311,493
Financing:		
Advances to GDI Press Inc.	(198,556)	-
Investing:		
Purchase of property and equipment	(150,729)	(181,606)
Proceeds on disposal of property and equipment	1,150,000	-
Accounts receivable on disposal of property and equipment sale	(1,123,067)	-
	(123,796)	(181,606)
Increase (decrease) in cash	(139,821)	129,887
Cash and cash equivalents, beginning of year	1,952,592	1,822,705
Cash and cash equivalents, end of year	$ 1,812,771	$ 1,952,592

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

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

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

2. Significant accounting policies (continued):

successful completion of projects. The library has a unique collection which focuses on Métis history and culture and on issues of concern in Métis and First Nations communities. It serves the research needs of the Institute and has locations in Regina, Saskatoon, and Prince Albert.

Publishing

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

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

The Saskatchewan Urban Native Teacher Education Program ("S.U.N.T.E.P") is a four-year fully accredited Bachelor of Education program, offered by the Institute in cooperation with the Ministry of Advanced Education, Employment and Immigration 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, and the collectibility of accounts receivable. 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:

	Cost	Accumulated amortization	2016 Net book value	2015 Net book value
Administrative:				
Land	$ 215,623	$ -	$ 215,623	$ 225,281
Building	2,593,624	948,087	1,645,537	1,804,320
Computer equipment	393,845	243,901	149,944	143,148
Equipment	1,205,947	1,145,959	59,988	75,116
	4,409,039	2,337,947	2,071,092	2,247,865
Core services:				
Equipment	310,881	302,475	8,406	10,507
Works of art/artifacts	22,445	3,888	18,557	19,534
Leasehold improvements	70,885	31,432	39,453	43,836
	404,211	337,795	66,416	73,877
S.U.N.T.E.P.				
Equipment	344,684	304,249	40,435	41,837
Other				
Equipment	16,780	16,737	43	54
	$ 5,174,714	$ 2,996,728	$ 2,177,986	$ 2,363,633

5. Advances to GDI Press Inc.:

The Institute paid for all expenses of GDI Press Inc., a related entity, and all cash received for book sales (net of discounts) by GDI Press Inc. was collected by the Institute.

The balance receivable from GDI Press Inc at March 31, 2016 of $198,556 represents the net balance of book sales less expenses for the period ended March 31, 2016. This balance is non-interest bearing and the Institute has agreed to not request repayment in the next fiscal year.

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

6. Accounts payable and accrued liabilities:

Included in accounts payable and accrued liabilities is an optional deferred salary leave plan (DSLP) in the amount of $nil (2014 - $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.

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

	Gabriel Dumont College Inc. March 31, 2016	Dumont Technical Institute Inc. June 30, 2015	Gabriel Dumont Scholarship Foundation II December 31, 2015	Gabriel Dumont Institute Training & Employment Inc. March 31, 2016	Gabriel Dumont Press Inc. December 31, 2015
Total assets	$ 2,397,984	$ 5,775,445	$ 2,594,720	$ 1,233,895	$ -
Total liabilities	17,241	1,172,391	18,503	1,226,478	159,489
Net assets					
- internally restricted/unrestricted	2,380,743	4,380,163	232,112	-	(159,489)
- externally restricted	-	222,891	2,344,105	7,417	-
	$ 2,397,984	$ 5,775,445	$ 2,594,720	$ 1,233,895	$ -
Results of operations:					
Total revenue	830,558	7,849,169	213,838	11,513,969	4,304
Total expenses	684,101	7,424,081	230,775	11,513,969	163,793
Net revenue (expense)	$ 146,457	$ 425,088	$ (16,937)	$ -	$ (159,489)
Cash flows:					
Cash provided by (used in) operations	$ 207,612	199,757	$ (32,922)	461,594	-
Cash provided by (used in) financing and investing activities	-	(199,713)	(692,115)	-	-
Increase(decrease) in cash balance	$ 207,612	$ 44	$ (725,037)	$ 461,594	$ -
Cash balances, end of year	$ 1,760,253	$ 1,001,544	$ 27,295	$ 447,306	$ -

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 $211,120 (2015 - $225,097).

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.

	2016	2015
Entities under common control		
Fees for service (administrative services, at negotiated value)	$ 162,077	$ 388,472
Sales and royalties	14,523	6,602
Fees for service (office and equipment rent)	249,207	220,650
Fees for service (programming services)	14,094	-
Building (rent)	(81,818)	(83,094)
Staff salaries and wages (wage enhancement)	-	(241,949)
Programming services	(271,329)	(256,680)
	$ 86,754	$ 34,001

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 2016	2015
Dumont Technical Institute	$ 82,692	$ 265,154
Gabriel Dumont Institute Training and Employment Inc.	12,193	3,513
Gabriel Dumont College Inc.	1,278	663
	$ 96,163	$ 269,330

9. Related party transactions (continued):

	Accounts payable 2016	2015
Dumont Technical Institute	$ -	$ 241,949
Gabriel Dumont Institute Training and Employment Inc.	64,850	20,422
Gabriel Dumont College Inc.	254,079	239,581
Gabriel Dumont Scholarship Foundation II	2,346	-
	$ 321,275	$ 501,952

10. Commitments:

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

2017	$ 478,335
2018	413,622
2019	186,014
2020	29,691
2021	29,351
2022	8,395
	$ 1,145,408

11. Economic dependence:

Approximately 74% (2015 - 78%) 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.

Schedule 1

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

Schedule of Other Revenue

Year ended March 31, 2016, with comparative information for 2015

	Administration and Core Services	Publishing	S.U.N.T.E.P.	2016	2015
Gain on disposal of property and equipment	$ 969,632	$ -	$ -	$ 969,632	$ -
Fees for services	462,883	-	-	462,883	663,605
Tuition income	-	-	269,401	269,401	339,663
Sales and royalties	-	211,793	-	211,793	245,937
Teaching income	-	-	163,448	163,448	293,615
Miscellaneous	6,027	35,505	-	41,532	21,991
Interest	17,114	-	-	17,114	33,732
Veterans monument donations	6,086	-	-	6,086	181,370
	$ 1,461,742	$ 247,298	$ 432,849	$ 2,141,889	$ 1,779,913

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

Schedule of Operating Costs

Year ended March 31, 2016, with comparative information for 2015

	Administration & Core Services	Publishing	S.U.N.T.E.P.	2016	2015
Building	$ 307,344	$ 115,287	$ 210,182	$ 632,813	$ 622,276
Consulting and legal service	129,363	12,539	26,472	168,374	279,900
Amortization	146,552	-	9,456	156,008	158,586
Other equipment expenses	33,854	11,067	45,284	90,205	90,971
Computer services	67,772	491	28,732	96,995	87,861
Telephone	63,156	1,927	3,037	68,120	55,420
Office supplies	13,840	8,619	17,682	40,141	32,126
Insurance	40,896	9,281	3,467	53,644	38,642
Bad debts	-	-	140	140	16,857
Duplicating and materials development	6,278	3,022	6,708	16,008	18,786
Postage and courier	5,857	5,606	4,152	15,615	31,602
Bank charges	3,265	5,798	84	9,147	10,067
	$ 818,177	$ 173,637	$ 355,396	$ 1,347,210	$ 1,443,094

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, 2016, with comparative information for 2015

	Administration & Core Services	Publishing	S.U.N.T.E.P.	2016	2015
Salaries and benefits:					
Staff salaries and wages	$ 1,287,350	$ 359,954	$ 1,413,029	$ 3,060,333	3,531,577
Staff benefits	245,047	59,446	220,025	524,518	583,778
	$ 1,532,397	$ 419,400	$ 1,633,054	$ 3,584,851	$ 4,115,355
Public Relations:					
Promotion, publicity and graduation	$ 39,285	$ 82,018	$ 82,490	$ 203,793	$ 229,783
Recruitment	-	-	14,728	14,728	7,469
Orientation	-	-	865	865	424
	$ 39,285	$ 82,018	$ 98,083	$ 219,386	$ 237,676
Travel and sustenance:					
Staff and students	$ 39,162	$ 14,020	$ 49,974	$ 103,156	137,633
Board	61,034	1,200	292	62,526	56,763
	$ 100,196	$ 15,220	$ 50,266	$ 165,682	$ 194,396

Financial Statements of

DUMONT TECHNICAL INSTITUTE INC.

Year ended June 30, 2016

KPMG LLP
500-475 2nd Avenue South
Saskatoon Saskatchewan S7K 1P4
Telephone (306) 934-6200
Fax (306) 934-6233
www.kpmg.ca

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, 2016, the statements of operations, changes in net assets and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

KPMG LLP is a Canadian limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.
KPMG Canada provides services to KPMG LLP

KPMG

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, 2016 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 Professional Accountants

September 22, 2016

Saskatoon, Canada

DUMONT TECHNICAL INSTITUTE INC.

Statement of Financial Position

June 30, 2016, with comparative information for 2015

	2016	2015
Assets		
Current assets:		
Cash and cash equivalents	$ 844,456	$ 1,001,544
Accounts receivable	281,716	152,368
Prepaid expenses	78,895	115,183
	1,205,067	1,269,095
Investments (note 4)	1,412,349	1,377,920
Property and equipment (note 5)	3,055,103	3,128,430
	$ 5,672,519	$ 5,775,445
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities	$ 310,202	$ 340,873
Deferred revenue (note 6)	299,795	508,279
Current portion of long-term debt (note 7)	51,503	50,096
	661,500	899,248
Long-term debt (note 7)	221,640	273,143
Net assets		
Invested in property and equipment	2,781,960	2,805,191
Core	1,896,064	1,574,972
Programming	111,355	222,891
	4,789,379	4,603,054
Commitments (note 8)		
	$ 5,672,519	$ 5,775,445

See accompanying notes to financial statements.

On behalf of the Board:

____________________ Director

____________________ Director

DUMONT TECHNICAL INSTITUTE INC.

Statement of Operations

Year ended June 30, 2016, with comparative information for 2015

	Core	BE Programs	Other Programs	2016	2015
Revenue:					
Government of Saskatchewan grants	$ 2,019,100	$ 2,566,594	$ 857,428	$ 5,443,122	$ 5,356,196
Tuition and fees	-	95,500	2,013,718	2,109,218	1,738,918
Facility rental and other income	453,249	-	-	453,249	451,433
Investment income	44,183	-	-	44,183	60,673
Wage enhancement	-	-		-	241,949
	2,516,532	2,662,094	2,871,146	8,049,772	7,849,169
Expenses:					
Salaries	1,184,587	1,505,438	1,117,239	3,807,264	3,559,237
Purchased courses	26,500	180,623	716,988	924,111	746,135
Facilities	221,990	354,968	305,702	882,660	811,272
Staff benefits	227,833	240,365	171,534	639,732	602,517
Instructional costs	3,928	143,519	341,599	489,046	478,035
Amortization	198,880	-	-	198,880	204,228
Staff travel	50,307	48,893	69,410	168,610	101,405
Administrative services	-	42,000	124,649	166,649	346,974
Office supplies	61,494	38,178	30,535	130,207	104,306
Equipment and education supplies	42,251	44,946	18,500	105,697	131,728
Public relations	76,043	11,734	11,577	99,354	79,125
Telephone and fax	21,964	31,189	30,202	83,355	73,139
Insurance	34,978	594	21,514	57,086	57,618
Professional services	17,239	13,500	16,000	46,739	49,961
Software support	23,449	4,872	1,825	30,146	11,191
Professional development	10,931	1,275	5,056	17,262	42,890
Interest and bank	15,712	-	12	15,724	17,395
Bad debts	585	-	340	925	6,925
	2,218,671	2,662,094	2,982,682	7,863,447	7,424,081
Excess (deficiency) of revenue over expenses	$ 297,861	$ -	$ (111,536)	$ 186,325	$ 425,088

See accompanying notes to financial statements.

DUMONT TECHNICAL INSTITUTE INC.

Statement of Changes in Net Assets

Year ended June 30, 2016, with comparative information for 2015

	Invested in property and equipment	Core	Programming Funds BE Programs	Programming Funds Other Programs	2016	2015
Balance, beginning of year	$ 2,805,191	$ 1,574,972	$ -	$ 222,891	$ 4,603,054	$ 4,177,966
Excess (deficiency) of revenue over expenses	-	297,861	-	(111,536)	186,325	425,088
Purchase of property and equipment	125,553	(125,553)	-	-	-	-
Amortization	(198,880)	198,880	-	-	-	-
Repayment of long-term debt	50,096	(50,096)	-	-	-	-
Balance, end of year	$ 2,781,960	$ 1,896,064	$ -	$ 111,355	$ 4,789,379	$ 4,603,054

See accompanying notes to financial statements.

DUMONT TECHNICAL INSTITUTE INC.

Statement of Cash Flows

Year ended June 30, 2016, with comparative information for and 2015

		2016		2015
Cash flows from (used in):				
Operations:				
Excess of revenue over expenses	$	186,325	$	425,088
Items not involving cash:				
Amortization		198,880		204,228
Investment increase to fair value		(34,429)		(48,797)
Change in non-cash operating working capital:				
Accounts receivable		(129,348)		111,731
Prepaid expenses		36,288		(8,355)
Accounts payable and accrued liabilities		(30,671)		(234,198)
Deferred revenue		(208,484)		(249,940)
		18,561		199,757
Financing:				
Repayment of long-term debt		(50,096)		(46,645)
Investing:				
Purchase of property and equipment		(125,553)		(153,068)
Increase (decrease) in cash		(157,088)		44
Cash and cash equivalents, beginning of year		1,001,544		1,001,500
Cash and cash equivalents, end of year	$	844,456	$	1,001,544

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

The Institute is incorporated under the Non-Profit Corporations Act of Saskatchewan and as such is not subject to income tax under the Income Tax Act (Canada).

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

2. Significant accounting policies:

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

(a) Fund accounting:

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

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

Core services

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

Basic Education Programs

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

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 are stated at cost less accumulated amortization. Normal maintenance and repair expenditures are expensed as incurred.

Amortization is provided using the following methods and rates:

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

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 in conformity with Canadian accounting standards for not-for-profit organization requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Significant items subject to such estimates and assumptions include the estimated useful life of property and equipment, the collectibility of accounts receivable and estimates of deferred revenue. Actual results could differ from those estimates.

(h) Allocation of income and expenses:

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

2. Significant accounting policies (continued):

The rental income and expense allocated are as follows:

	2016	2015
Facility rental income	$ 272,127	$ 265,784
Allocated as follows:		
Basic Education programs	169,003	192,037
Other programs	103,124	73,747
	$ 272,127	$ 265,784

3. Financial instruments and risk management:

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

Credit risk

The Institute's principal financial assets subject to credit risk are cash, 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 counter parties are chartered banks with high credit ratings assigned by national credit-rating agencies.

Interest rate risk

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

Market risk

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

3. Financial instruments and risk management (continued):

Fair values

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

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

4. Investments:

	Cost	2016 Market Value	2015 Market Value
Imperial Short Term Bond Pool	$ 695,788	$ 699,748	$ 687,965
Imperial Canadian Bond Pool	531,494	586,241	558,182
Imperial Money Market Pool	63,133	63,145	74,235
Imperial International Bond Pool	49,234	63,215	57,538
	$ 1,339,649	$ 1,412,349	$ 1,377,920

5. Property and equipment:

	Cost	Accumulated amortization	2016 Net book value	2015 Net book value
Land	$ 543,942	$ -	$ 543,942	$ 543,942
Furniture and equipment	988,188	778,858	209,330	261,663
Building	3,139,801	898,423	2,241,378	2,280,421
Computer equipment	313,818	253,365	60,453	42,404
	$ 4,985,749	$ 1,930,646	$ 3,055,103	$ 3,128,430

6. Deferred revenue:

Deferred revenue is comprised of the following:

	2016	2015
Advanced Education Employment and Immigration - BE programs	$ 170,855	$ 461,911
Advanced Education Employment and Immigration - Skills training	46,368	46,368
Gabriel Dumont Institute Training & Employment Inc.	60,770	-
Other	21,802	-
	$ 299,795	$ 508,279

7. Long-term debt:

	2016	2015
Clarence Campeau Development Fund term loan due March 2021, repayable in monthly instalments of $5,087 including interest at a rate of 2% over the Scotia McLeod five-year bankers acceptance rate (currently 3.81%) against which the building has been pledged as collateral.	$ 273,143	$ 323,239
Current portion	51,503	50,096
	$ 221,640	$ 273,143

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

2017	$ 51,503
2018	53,525
2019	55,601
2020	57,753
2021	54,761
	$ 273,143

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:

2017	$	190,511
2018		18,341
2019		8,404
2020		5,978
2021		4,576
	$	227,810

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.

	2016	2015
Tuition and fees	$ 1,321,354	$ 1,375,711
Rent (included in miscellaneous income)	162,426	164,652
Wage enhancement	-	241,949
Administrative services expense	(165,748)	(340,474)
Facilities expense	(201,991)	(201,251)
Public relations expense	(8,308)	(12,062)
Professional development expense	-	(4,000)
Service provision & expense reimbursement	2,509	-
	$ 1,110,242	$ 1,224,525

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	2016	2015
Gabriel Dumont Institute Training & Employment Inc.	$ 17,884	$ 2,726
Gabriel Dumont Institute of Native Studies and Applied Research, Inc.	-	226
	$ 17,884	$ 2,952

Accounts payable and accrued liabilities	2016	2015
Gabriel Dumont Institute of Native Studies and Applied Research, Inc.	$ 30,786	$ 48,244
Gabriel Dumont Institute Training & Employment Inc.	12,298	-
	$ 43,084	$ 48,244

10. Economic dependence:

Approximately 68% (2015 - 68%) 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 $226,215 (2015 - $227,324).

12. Subsequent event:

Effective July 15, 2016 the Institute purchased property, adjacent to its existing premises on 22nd Street West in Saskatoon, for $200,000.

Financial Statements of

GABRIEL DUMONT INSTITUTE PRESS INC.

Year ended December 31, 2015

KPMG

KPMG LLP
500-475 2nd Avenue South
Saskatoon Saskatchewan S7K 1P4
Canada

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

INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying financial statements of Gabriel Dumont Institute Press Inc., which comprise the statement of financial position as at December 31, 2015, the statements of operations and net assets (deficiency) and cash flows for the period 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 private enterprises, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Gabriel Dumont Institute Press Inc. as at December 31, 2015, and its results of operations and its cash flows for the period then ended in accordance with Canadian accounting standards for private enterprises.

KPMG LLP

Chartered Professional Accountants

February 16, 2016

Saskatoon, Canada

KPMG LLP is a Canadian limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.
KPMG Canada provides services to KPMG LLP.

GABRIEL DUMONT INSTITUTE PRESS INC.

Statement of Financial Position

December 31, 2015

Liabilities and Net Assets (Deficiency)

Current liabilities:		
Accrued liabilities	$	6,000
Due to Gabriel Dumont Institute of Native Studies and Applied Research Inc. (note 3)		153,489
		159,489
Net assets (deficiency)		(159,489)
	$	-

See accompanying notes to financial statements.

On behalf of the Board:

_______________ Governor

_______________ Governor

GABRIEL DUMONT INSTITUTE PRESS INC.

Statement of Operations and Net Assets (Deficiency)

Year ended December 31, 2015

Revenues:		
Book sales (net of discounts)	$	4,304
Expenses:		
Salaries and benefits		62,654
Printing		48,985
Professional fees		15,293
Building		14,666
Royalties		8,246
Material Development		7,531
Other equipment expenses		3,168
Advertising		1,634
Travel		1,027
Office and general		589
		163,793
Net expense and net assets (deficiency)	$	(159,489)

See accompanying notes to financial statements.

GABRIEL DUMONT INSTITUTE PRESS INC.

Statement of Cash Flows

Year ended December 31, 2015

Cash provided by (used in):		
Operations:		
Net expense	$	(159,489)
Changes in non-cash operating working capital:		
Accrued liabilities		6,000
Advances from Gabriel Dumont Institute of Native Studies and Applied Research, Inc.		153,489
		-
Change in cash		-
Cash, beginning of period		-
Cash, end of period	$	-

See accompanying notes to financial statements.

Nature of operations:

Gabriel Dumont Institute Press Inc. (the "Institute") is a not-for-profit organization that makes important links to the Métis Community in Western Canada. The Institute contracts Métis authors to publish literature regarding Métis culture and history. The publishing of this literature is the core activity undertaken by the Institute to establish links in the Métis community. The development of these links to the Métis community will lead to a series of long-term Métis-specific resources and cultural programs that will serve the Métis people and the Canadian public into the future.

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

These financial statements reflect the operations of the Institute from its commencement of operations.

The Institute is associated with Gabriel Dumont Institute of Native Studies and Applied Research Inc., Gabriel Dumont College, Inc., Dumont Technical Institute Inc., Gabriel Dumont Scholarship Foundation II, and Gabriel Dumont Institute Training and Employment Inc., as the Board of Directors of the 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.

Gabriel Dumont Institute Press Inc. was previously a division of Gabriel Dumont Institute of Native Studies and Applied Research, Inc.

1. Significant accounting policies:

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

(a) Revenue recognition:

Book sales are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

1. Significant accounting policies (continued):

(b) 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.

(c) 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.

(d) 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

2. Commitments:

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

2016	$	34,069
2017		31,504
2018		25,751
2019		1,842
2020		1,842
	$	95,008

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

3. Related party transactions:

All expenses of the Institute were paid by GDI-NSAR and all cash received for book sales (net of discounts) was collected by GDI-NSAR.

The balance owing to GDI-NSAR at December 31, 2015 of $153,489 represents the net balance of book sales less expenses for the period ended December 31, 2015. This balance is non-interest bearing and GSI-NSAR has agreed to not request repayment in the next fiscal year.

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

4. Financial risks and concentration of risk:

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

Liquidity risk:

Liquidity risk is the risk that the Institute will not be able to meet its financial obligations as they become due. The Institute is in the start-up stage of operations and the ability of the Institute to continue as an organization is dependent upon its ability to secure long-term funding and generate book sales and other revenue. The Institute has a deficiency of liabilities over assets of $159,489 of which $153,489 is owing to GDI-NSAR. The Institute is establishing its own separate banking arrangements but currently does not maintain its own separate bank accounts and relies on GDI-NSAR to collect revenues and pay related expenses allocated to the Institute. As a result, the Institute is economically depended on GDI-NSAR. GDI-NSAR has agreed not to demand repayment of advance made to the Institute in the next fiscal year and has agreed to continue to provide the necessary financial support to maintain the Institute's operations.

Financial Statements of

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Year ended March 31, 2016

KPMG LLP
Chartered Accountants
500-475 2nd Avenue South
Saskatoon Saskatchewan S7K 1P4
Canada

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

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, 2016, the statements of operations and cash flows for the year then ended, and notes and schedules comprising a summary of significant accounting policies and other explanatory information. These financial statements have been prepared by management in accordance with financial reporting provisions of the Aboriginal Skills and Employment Training Strategy Métis Funding Agreement dated August 25, 2010.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the Aboriginal Skills and Employment Training Strategy Métis Funding Agreement dated August 25, 2010, and 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, 2016 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.

Chartered Professional Accountants

Saskatoon, Canada
July 15, 2016

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Statement of Financial Position

March 31, 2016, with comparative information for 2015

		2016		2015
Assets				
Current assets:				
Cash	$	447,306	$	-
Accounts receivable		779,172		260,706
		1,226,478		260,706
Furniture and equipment (note 2)		7,417		9,270
	$	1,233,895	$	269,976
Liabilities				
Current liabilities:				
Bank indebtedness (note 3)	$	-	$	14,288
Accounts payable and accrued liabilities		599,549		232,160
Deferred revenue (note 5)		626,929		14,258
		1,226,478		260,706
Deferred contributions for furniture and equipment (note 6)		7,417		9,270
	$	1,233,895	$	269,976

See accompanying notes to financial statements.

On behalf of the Board:

_________________________ Director

_________________________ Director

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Statement of Operations

Year ended March 31, 2016, with comparative information for 2015

	2016	2015
Revenue:		
Service Canada-Aboriginal Skills and Employment Training Strategy Métis Funding ("ASETS") (schedule 1)	$ 9,898,629	$ 10,947,307
Western Diversification Program (WDP)	1,615,340	227,582
	11,513,969	11,174,889
Expenses (schedule 2):		
Service delivery (schedule 3)	7,880,021	7,994,369
Wages and benefits	2,700,265	2,536,275
GDI Scholarship Fund	300,000	-
Facilities rentals	198,168	188,712
Staff travel	95,124	93,972
Public relations	73,066	66,946
Telephone	63,786	71,658
Professional fees	47,313	59,124
Office	44,049	35,659
Office supplies	35,368	25,286
Selection committee and professional development	23,157	35,771
Computer software support	15,323	16,778
Insurance	10,433	12,095
Equipment rentals	10,373	17,545
Postage and courier	5,099	8,236
Repairs and maintenance	4,116	7,198
Contractual services and consulting	3,252	460
Interest and bank charges	3,203	2,487
Amortization	1,853	2,318
	11,513,969	11,174,889
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, 2016, with comparative information for 2015

	2016	2015
Cash flows from (used in):		
Operations:		
Items not involving cash:		
Amortization of furniture and equipment	$ 1,853	$ 2,318
Amortization of deferred contributions for furniture and equipment	(1,853)	(2,318)
Change in non-cash operating working capital:		
Accounts receivable	(518,466)	(47,618)
Accounts payable and accrued liabilities	367,389	(103,668)
Deferred revenue	612,671	(429,222)
Decrease in cash	461,594	(580,508)
Cash, beginning of year	(14,288)	566,220
Cash (bank indebtedness), end of year	$ 447,306	$ (14,288)

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, 2017.

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 Scholarship Foundation II, and Gabriel Dumont Institute Press Inc., as the Board of Directors of Gabriel Dumont Institute of Native Studies and Applied Research, Inc. are the same directors and the only directors of the controlled entities. These financial statements do not include the operations of these other entities.

1. Significant accounting policies:

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

However, the financial statements have been prepared for the purposes of reporting to the Institute's primary funding agency, Service Canada. As a result, these financial statements have been prepared in accordance with 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 $160,262 (2015- $145,933).

(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	2016 Net book value	2015 Net book value
Furniture and equipment:				
Head office	$ 25,217	$ 22,099	$ 3,118	$ 3,897
Saskatoon	1,646	1,442	204	254
Prince Albert	5,464	4,788	676	845
Nipawin	4,215	3,694	521	652
La Ronge	3,435	3,010	425	531
Yorkton	1,646	1,442	204	255
North Battleford	456	399	57	71
Meadow Lake	2,463	2,159	304	380
Ile a la Crosse	606	531	75	94
La Loche	4,306	3,773	533	666
	49,454	43,337	6,117	7,645
Computer equipment:				
Head office	10,506	9,206	1,300	1,625
	$ 59,960	$ 52,543	$ 7,417	$ 9,270

3. Bank Indebtedness:

Bank indebtedness in the amount of $nil (2015 - $14,288) consists of cash on hand and on deposit with a financial institution of $nil (2015 - $43,566) less outstanding cheques of $nil (2015 - $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, 2016 no amount has been advanced on this facility.

4. Accounts payable and accrued liabilities:

Included in accounts payable and accrued liabilities is an optional deferred salary leave plan (DSLP) in the amount of $64,567. 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 earned) upon the employee taking a leave of absence.

5. Deferred revenue:

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

	2016	2015
Service Canada ASETS Agreements	$ 617,306	$ 14,258
Interest earned on ASETS funding	9,623	-
	$ 626,929	$ 14,258

6. Deferred contributions for furniture and equipment:

Deferred contributions for furniture and equipment represents 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.

	2016	2015
Balance, beginning of year	$ 9,270	$ 11,588
Deferred contributions recognized	(1,853)	(2,318)
Balance, end of year	$ 7,417	$ 9,270

7. Commitments:

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

7. Commitments (continued):

2017	$	212,048
2018		23,867
2019		10,132
2020		10,132

The operating leases are primarily based on monthly rentals.

8. Related party transactions:

During the year the Institute paid $1,503,542 (2015 - $1,337,746) and $62 (2015 - $nil) 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 $84,684 and $49,766, respectively, for these services for the year ended March 31, 2016 (2015 - $84,000 and $24,149). Accounts payable and accrued liabilities include $13,173 (2015 - $177,761) owing to Dumont Technical Institute, $12,193 (2015 - $3,513) owing to Gabriel Dumont Institute of Native Studies and Applied Research Inc. and $300,000 (2015 - $nil) owing to The Gabriel Dumont Scholarship Foundation II.

Accounts receivable includes $64,925 (2015 - $17,099) owed from Gabriel Dumont Institute of Native Studies and Applied Research and $5,447 (2015 - $nil) owed from Dumont Technical Institute Inc.

During the year, the Institute received a loan in the amount of $500,000 from Gabriel Dumont College. The loan was repaid within the fiscal year.

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

9. Economic dependence:

86% (2015 - 98%) 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, 2017.

10. 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.

Schedule 1

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Schedules of Service Canada ASETS Agreement Revenue

Year ended March 31, 2016, with comparative information for 2015

	Employment Insurance	Consolidated Revenue Fund	2016	2015
Service Canada contributions	$ 3,340,352	$ 7,159,472	$ 10,499,824	$ 10,497,824
Deferred revenue including interest - beginning of year	924	13,334	14,258	443,480
Deferred contributions for furniture and equipment - beginning of year	-	9,270	9,270	11,588
Deferred contributions for furniture and equipment - end of year	-	(7,417)	(7,417)	(9,270)
Interest earned	-	9,623	9,623	17,943
Deferred revenue including interest - end of year	(136,341)	(490,588)	(626,929)	(14,258)
Revenue recognized	$ 3,204,935	$ 6,693,694	$ 9,898,629	$ 10,947,307

Schedule 2

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Schedule of Expenses

Year ended March 31, 2016, with comparative information for 2015

	Employment Insurance	Consolidated Revenue Fund	Western Diversification Program	Skills and Partnership Fund	2016	2015
Program Administration Expenses						
Wages and benefits	$ -	$ 763,183	$ 168,145	$ -	$ 931,328	$ 727,565
Professional fees	-	47,313	-	-	47,313	59,124
Public relations	-	58,344	-	-	58,344	51,596
Facilities rentals	-	29,041	-	-	29,041	26,753
Telephone	-	19,956	-	-	19,956	22,520
Staff travel	-	28,153	-	-	28,153	17,347
Computer software support	-	15,068	-	-	15,068	16,584
Insurance	-	10,433	-	-	10,433	12,095
Office	-	5,040	1,677	-	6,717	7,881
Postage and courier	-	4,571	-	-	4,571	5,381
Office supplies	-	13,787	-	-	13,787	3,633
Interest and bank charges	-	3,203	-	-	3,203	2,487
Amortization	-	1,853	-	-	1,853	2,318
Board travel and professional development	2,505	849	-	-	3,354	2,118
Contractual services and consulting	-	3,252	-	-	3,252	-
	2,505	1,004,046	169,822	-	1,176,373	957,402
Program Assistance Expenses						
Education and training costs	965,024	2,815,933	73,958	-	3,854,915	4,413,842
Student allowances	753,953	1,501,907	74,662	-	2,330,522	3,201,463
Wage subsidies	133,687	263,997	1,296,900	-	1,694,584	379,064
Wages and benefits	-	73,200	-	-	73,200	87,809
Telephone	43,830	-	-	-	43,830	48,818
Staff travel	44,757	-	-	-	44,757	31,329
Office supplies	14,777	-	-	-	14,777	11,390
Public relations	952	-	-	-	952	3,165
Postage and courier	528	-	-	-	528	950
Board travel/ professional development/scholarships	-	300,000	-		300,000	-
	1,957,508	4,955,037	1,445,520	-	8,358,065	8,177,830

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Schedule of Expenses (continued)

Year ended March 31, 2016, with comparative information for 2015

	Employment Insurance	Consolidated Revenue Fund	Western Diversification Program	Skills and Partnership Fund	2016	2015
Employment Assistance Services						
Wages and benefits	1,244,922	450,815	-	-	1,695,737	1,720,901
Facilities rental	-	169,127	-	-	169,127	161,959
Staff travel	-	22,214	-	-	22,214	45,296
Board travel and professional development	-	19,803	-	-	19,803	33,653
Office	-	37,332	-	-	37,332	27,778
Equipment rentals	-	10,373	-	-	10,373	17,545
Public relations	-	13,770	-	-	13,770	12,185
Office supplies	-	6,804	-	-	6,804	10,263
Repairs and maintenance	-	4,116	-	-	4,116	7,198
Postage and courier	-	-	-	-	-	1,905
Contractual services and consulting	-	-	-	-	-	460
Telephone	-	-	-	-	-	320
Computer software support	-	255	-	-	255	194
	1,244,922	734,609	-	-	1,979,531	2,039,657
	$ 3,204,935	$ 6,693,692	$ 1,615,342	$ -	$11,513,969	$11,174,889

Schedule 3

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Schedule of Service Delivery Expenses

Year ended March 31, 2016, with comparative information for 2015

	Saskatoon	Regina	Prince Albert	Nipawin	Yorkton	North Battleford	Meadow Lake	Ile a la Crosse	La Loche	Beauval	2016	2015
Tuition and program delivery	$ 788,895	$ 250,531	$ 1,018,708	$ 99,676	$ 31,640	$ 77,415	$ 185,291	$ 75,088	$ 63,454	$ 63,914	$ 2,654,612	$ 2,902,835
Income support	607,776	356,765	552,716	117,611	46,858	95,230	231,701	117,399	101,803	102,663	2,330,522	3,201,462
Wage subsidies	415,038	135,188	374,100	130,747	48,455	112,863	65,796	36,014	33,136	180,917	1,532,254	241,696
Books	89,672	65,644	106,156	19,506	2,499	16,712	46,778	11,647	18,082	27,368	404,064	518,452
Dependent care	60,797	32,453	69,254	11,457	6,624	10,576	29,062	27,997	16,212	13,115	277,547	376,945
Program delivery	-	276,739	-	-	-	-	-	-	-	-	276,739	304,413
Student travel	7,276	19,966	51,525	4,465	2,346	2,498	14,471	7,818	5,815	4,866	121,046	204,484
Student work experience	36,370	2,127	48,526	20,626	7,431	7,612	7,422	13,347	17,209	1,660	162,330	137,366
Supplies	38,380	15,002	22,079	1,579	2,491	11,394	8,436	3,808	6,135	5,430	114,734	96,264
Living away from home allowance	500	375	1,527	-	-	-	750	-	-	-	3,152	7,070
Special needs allowance	375	-	2,646	-	-	-	-	-	-	-	3,021	3,382
	$ 2,045,079	$ 1,154,790	$ 2,247,237	$ 405,667	$ 148,344	$ 334,300	$ 589,707	$ 293,118	$ 261,846	$ 399,933	$ 7,880,021	$ 7,994,369

Financial Statements of

GABRIEL DUMONT COLLEGE INC.

Year ended March 31, 2016

KPMG LLP
500-475 2nd Avenue South
Saskatoon Saskatchewan S7K 1P4
Canada

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

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, 2016, 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, 2016 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.

Chartered Professional Accountants

Saskatoon, Canada
July 15, 2016

GABRIEL DUMONT COLLEGE INC.

Statement of Financial Position

March 31, 2016, with comparative information for 2015

	2016	2015
Assets		
Current assets:		
Cash and cash equivalents	$ 1,760,253	$ 1,552,641
Investments and marketable securities	159,835	159,728
Accounts receivable	466,876	518,453
Prepaid expenses	417	-
	2,387,381	2,230,822
Equipment (note 3)	10,603	13,254
	$ 2,397,984	$ 2,244,076
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities	$ 17,241	$ 9,790
Net assets:		
Unrestricted	2,370,140	2,221,032
Invested in equipment	10,603	13,254
	2,380,743	2,234,286
	$ 2,397,984	$ 2,244,076

See accompanying notes to financial statements.

On behalf of the Board:

_______________________ Director

_______________________ Director

GABRIEL DUMONT COLLEGE INC.

Statement of Operations

Year ended March 31, 2016, with comparative information for 2015

	2016	2015
Revenue:		
Tuition and related fees (note 4)	$ 816,635	$ 632,675
Interest	13,923	26,244
	830,558	658,919
Expenses:		
Salaries and benefits	289,070	240,367
Scholarships, tuition and student fees (note 4)	245,785	245,424
Promotions	60,543	34,019
Consulting fees	54,363	28,136
Student recruitment	9,638	-
Audit and legal	8,425	4,885
Travel	7,518	7,322
Bank charges	4,637	1,171
Amortization	2,651	3,314
Office supplies and services	672	306
Equipment expense	500	-
Start up allowances	200	800
Student supplies	99	-
Repairs and maintenance	-	217
	684,101	565,961
Excess of revenue over expenses	$ 146,457	$ 92,958

See accompanying notes to financial statements.

GABRIEL DUMONT COLLEGE INC.

Statement of Changes in Net Assets

Year ended March 31, 2016, with comparative information for 2015

	Unrestricted	Invested in Equipment	Total
Net assets, April 1, 2015	$ 2,126,962	$ 14,366	$ 2,141,328
Excess of revenue over expenses	92,958	-	92,958
Amortization	3,314	(3,314)	-
Purchase of equipment	(2,202)	2,202	-
Net assets, March 31, 2015	$ 2,221,032	$ 13,254	$ 2,234,286
Excess of revenue over expenses	146,457	-	146,457
Amortization	2,651	(2,651)	-
Equipment purchase	-	-	-
Net assets, March 31, 2016	$ 2,370,140	$ 10,603	$ 2,380,743

See accompanying notes to financial statements.

GABRIEL DUMONT COLLEGE INC.

Statement of Cash Flows

Year ended March 31, 2016, with comparative information for 2015

	2016	2015
Cash flows from (used in):		
Operations:		
Excess of revenue over expenses	$ 146,457	$ 92,958
Items not involving cash:		
Amortization	2,651	3,314
Reinvested interest income	(107)	(8,698)
Change in non-cash operating working capital:		
Accounts receivable	51,577	22,259
Prepaid expenses	(417)	-
Accounts payable	7,451	(10,983)
	207,612	98,850
Investing:		
Purchase of equipment	-	(2,202)
Increase in cash	207,612	96,648
Cash and cash equivalents, beginning of year	1,552,641	1,455,993
Cash and cash equivalents, end of year	$ 1,760,253	$ 1,552,641

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., the Gabriel Dumont Scholarship Foundation II, and Gabriel Dumont Institute Press Inc. The Board of Directors of Gabriel Dumont Institute of Native Studies and Applied Research, Inc. are the directors of all the controlled entities.

2. Significant accounting policies:

These financial statements have been prepared in accordance with Canadian Accounting Standards for Not-For-Profit Organizations in Part III of the CPA Canada Handbook and reflect the following 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, 2016	Cost	Accumulated amortization	Net book value
Computer equipment	$ 60,033	$ 56,452	$ 3,581
Other equipment	32,300	25,278	7,022
	$ 92,333	$ 81,730	$ 10,603

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

Computer equipment with a net carrying value of $3,581 (2015 - $4,477) 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.

	2016	2015
Tuition and related fees	$ 271,329	$ 239,581
Administrative Services	16,433	12,862
Programming/Services	509,481	73,289
	$ 797,243	$ 325,732

Accounts receivable includes $254,079 (2015 - $239,581) and accounts payable includes $1,278 (2015 - $663) from Gabriel Dumont Institute of Native Studies and Applied Research, Inc and Dumont Technical Institute Inc.

During the year, the College provided a loan in the amount of $500,000 to Gabriel Dumont Institute Training and Employment. The loan was repaid within the fiscal year.

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

THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Year ended December 31, 2015

KPMG LLP
500 – 475 Second Avenue South
Saskatoon Saskatchewan S7K 1P4
Canada

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

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, 2015 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.

Basis for Qualified Opinion

In common with many charitable organizations, The Gabriel Dumont Scholarship Foundation II derives revenue from donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the entity and we were not able to determine whether any adjustments might be necessary to contributions, excess of revenues over expenses, current assets and net assets.

KPMG LLP, is a Canadian limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.
KPMG Canada provides services to KPMG LLP.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Gabriel Dumont Scholarship Foundation II as at December 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 Professional Accountants

May 26, 2016
Saskatoon, Canada

THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Statement of Financial Position

December 31, 2015, with comparative information for 2014

		2015		2014
Assets				
Current assets:				
Cash and cash equivalents	$	27,295	$	752,332
Accounts receivable		10,000		6,000
		37,295		758,332
Investments (note 4)		2,557,425		1,848,224
	$	2,594,720	$	2,606,556
Liabilities and Net Assets				
Current liabilities:				
Accounts payable and accrued liabilities	$	7,503	$	7,402
Deferred revenue (note 5)		11,000		6,000
		18,503		13,402
Net assets:				
Restricted for endowment purposes (note 6)		2,344,105		2,344,105
Unrestricted		232,112		249,049
		2,576,217		2,593,154
	$	2,594,720	$	2,606,556

See accompanying notes to financial statements.

On behalf of the Board:

_______________ Governor

_______________ Governor

THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Statement of Revenue and Expenses

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

	2015	2014
Revenue:		
Donations	$ 161,433	$ 268,657
Interest and investment income	52,405	50,846
	213,838	319,503
Expenses:		
Scholarships	222,950	386,400
Administrative and professional services	7,800	7,406
Bank charges	25	25
	230,775	393,831
Deficiency of revenue over expenses	$ (16,937)	$ (74,328)

See accompanying notes to financial statements.

THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Statement of Changes in Net Assets

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

	Unrestricted	Restricted Fiddler & Carriere Endowment	Restricted GDITE Endowment	Restricted GDS Endowment	2015	2014
Balance, beginning of year	$ 249,049	$ 4,105	$ 1,300,000	$ 1,040,000	$ 2,593,154	$ 2,667,482
Deficiency of revenue over expenses	(16,937)	-	-	-	(16,937)	(74,328)
Balance, end of year	$ 232,112	$ 4,105	$ 1,300,000	$ 1,040,000	$ 2,576,217	$ 2,593,154

See accompanying notes to financial statements.

THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Statement of Cash Flows

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

		2015		2014
Cash flows from (used in):				
Operations:				
Deficiency of revenue over expenses	$	(16,937)	$	(74,328)
Item not involving cash:				
Adjustment for fair value (increase) decrease on investments and reinvested investment income		(17,086)		448
Change in non-cash operating working capital:				
Accounts receivable		(4,000)		(6,000)
Accounts payable and accrued liabilities		101		(4,021)
Deferred revenue		5,000		(84,719)
		(32,922)		(168,620)
Financing:				
Restricted for endowment purposes		-		4,105
Investing:				
Purchase of investments		(1,359,565)		(92,620)
Redemption of investments		525,000		933,800
Sale of investments		142,450		-
		(692,115)		841,180
Increase (decrease) in cash		(725,037)		676,665
Cash, beginning of year		752,332		75,667
Cash, end of year	$	27,295	$	752,332

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.

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 and Employment Inc., as the Board of Directors of Gabriel Dumont Institute of Native Studies and Applied Research, Inc. are the same directors and the only directors of the controlled entities. These financial statements do not include the operations of these other entities.

2. Significant accounting policies:

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

The Institute follows the deferral method of accounting for donation revenue. Restricted donation revenue is recognized as revenue in the year in which the related expenses are incurred. Unrestricted donation revenue 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 donation revenue received in advance to be used for scholarships which have not yet been awarded.

Interest income from investments is recognized as revenue when earned.

(c) Scholarships:

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

(d) 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.

(e) 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%.

(f) 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 cash equivalents 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

2. Significant accounting policies (continued):

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

Interest rate risk

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

Market risk

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

Fair values

Cash and cash equivalents 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

4. Investments (continued):

investments of the Foundation. Investments are to be allocated between cash and short-term investments (20% - 40%), fixed income securities (over one year) (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, 2015 the Foundation's investment allocation consisted of cash and short-term investments of 24% (2014 - 29%); fixed income (including mutual fund savings accounts) investments of 76% (2014 - 71%) and equities of 0% (2014 - 0%).

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 donations from the following sources:

	2015	2014
Cameco Corporation	$ 10,000	$ 6,000
Farm Credit Canada	1,000	-
	$ 11,000	$ 6,000

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.

6. Net assets restricted for endowment purposes (continued):

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.