Financial Statements of

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

Year ended March 31, 2017

KPMG LLP
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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 statement of financial position as at March 31, 2017, 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, 2017 and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

KPMG LLP

Chartered Professional Accountants

July 21, 2017
Saskatoon, Canada

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

Statement of Financial Position

March 31, 2017, with comparative information for 2016

	2017	2016
Assets		
Current assets:		
Cash and cash equivalents	$ 3,391,116	$ 1,812,771
Short-term investments	182,824	180,352
Accounts receivable	228,473	1,318,311
Prepaid expenses	52,974	53,491
	3,855,387	3,364,925
Property and equipment (note 3)	2,237,085	2,177,986
Advances to Gabriel Dumont Institute Press Inc. (note 4)	339,795	198,556
	$ 6,432,267	$ 5,741,467
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities	$ 1,421,625	$ 601,516
Deferred contributions (note 5)	719	-
	1,422,344	601,516
Net assets (deficiency):		
Administration and core services	1,074,084	1,347,507
Invested in property and equipment	2,237,085	2,177,986
Publishing	(384,986)	(384,986)
S.U.N.T.E.P.	1,920,980	1,877,684
Other specific contract projects	80,760	80,760
Future capital needs	82,000	41,000
	5,009,923	5,139,951
Commitments (note 9)		
	$ 6,432,267	$ 5,741,467

See accompanying notes to financial statements.

On behalf of the Board:

Director

Earl Cook Director

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

Statement of Operations

Year ended March 31, 2017, with comparative information for 2016

	Administration & Core Services	Publishing	S.U.N.T.E.P	Total 2017	Total 2016
Revenue:					
Government of Saskatchewan					
- Ministry of Advanced Education	$ 2,383,600	$ -	$ 3,717,400	$ 6,101,000	$ 6,162,700
Other (schedule 1)	522,729	119,622	467,742	1,110,093	2,141,889
Government of Canada					
- The Department of Canadian Heritage	-	-	-	-	37,000
- Indigenous and Northern Affairs Canada	-	872,981	-	872,981	-
	2,906,329	992,603	4,185,142	8,084,074	8,341,589
Expenses					
Salaries and benefits (schedule 3)	1,575,596	355,739	1,840,075	3,771,410	3,584,851
Instructional costs	-	-	1,781,546	1,781,546	1,744,681
Operating costs (schedule 2)	817,628	340,155	360,495	1,518,278	1,347,210
Public relations (schedule 3)	35,893	603,343	88,172	727,408	219,386
Travel and sustenance (schedule 3)	96,251	8,219	52,393	156,863	165,682
Curriculum development	8,281	165,343	4,672	178,296	54,578
Kapachee	54,686	-	-	54,686	54,686
Library costs	1,815	945	16,584	19,344	22,236
Works of art	-	3,472	1,199	4,671	7,603
Scholarships	-	-	1,600	1,600	1,200
	2,590,150	1,477,216	4,146,736	8,214,102	7,202,113
Administrative allocation	(484,613)	484,613	-	-	-
Net revenue	$ (168,434)	$ -	$ 38,406	$ (130,028)	$ 1,139,476

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, 2017, with comparative information for 2016

	Administration and Core Services	Publishing	S.U.N.T.E.P.	Other Specific Contract Projects	Future Capital Needs	Invested in Property Plant and Equipment	2017	2016
Net assets (deficiency), beginning of year	$ 1,347,507	$ (384,986)	$ 1,877,684	$ 80,760	$ 41,000	$ 2,177,986	$ 5,139,951	$ 4,000,475
Net revenue	(168,434)	-	38,406	-	-	-	(130,028)	1,139,476
Amortization	145,213	-	7,646	-	-	(152,859)	-	-
Purchase of property and equipment	(209,202)	-	(2,756)	-	-	211,958	-	-
Restricted for facilities use	(41,000)	-	-	-	41,000	-	-	-
Net assets (deficiency), end of year	$ 1,074,084	$ (384,986)	$ 1,920,980	$ 80,760	$ 82,000	$ 2,237,085	$ 5,009,923	$ 5,139,951

See accompanying notes to financial statements.

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

Statement of Cash Flows

Year ended March 31, 2017, with comparative information for 2016

	2017	2016
Cash flows from (used in):		
Operations:		
Net revenue	$ (130,028)	$ 1,139,476
Item not involving cash:		
Amortization	152,859	156,008
Gain on disposal of property and equipment	-	(969,632)
Reinvested investment income	(2,472)	(122)
Change in non-cash operating working capital		
Accounts receivable	1,089,838	(946,788)
Accounts receivable on disposal of property and equipment sale	-	1,123,067
Prepaid expenses	517	17,530
Accounts payable and accrued liabilities	820,109	(337,008)
Deferred contributions	719	-
	1,931,542	182,531
Financing:		
Advances to Gabriel Dumont Institute Press Inc.	(141,239)	(198,556)
Investing:		
Purchase of property and equipment	(211,958)	(150,729)
Proceeds on disposal of property and equipment	-	1,150,000
Accounts receivable on disposal of property and equipment sale	-	(1,123,067)
	(211,958)	(123,796)
Increase (decrease) in cash	1,578,345	(139,821)
Cash and cash equivalents, beginning of year	1,812,771	1,952,592
Cash and cash equivalents, end of year	$ 3,391,116	$ 1,812,771

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. 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.

2. **Significant accounting policies (continued):**

(a) Fund accounting (continued):

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

During 2017, the Institute purchased the "Métis Nation – Saskatchewan Archival Collection" from the Métis Nation – Saskatchewan Secretariat Inc. for $500,000. These Archives contain a large collection of antique books, newspapers, pamphlets, and ephemera related to Métis history.

2. Significant accounting policies (continued):

(f) Employee benefits:

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

(g) Use of estimates:

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenue and expenses during the reporting period. 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. Property, plant and equipment:

	Cost	Accumulated amortization	2017 Net book value	2016 Net book value
Administrative:				
Land	$ 270,616	$ -	$ 270,616	$ 215,623
Building	2,703,265	1,035,845	1,667,420	1,645,537
Computer equipment	438,414	282,803	155,611	149,944
Equipment	1,205,947	1,157,957	47,990	59,988
	4,618,242	2,476,605	2,141,637	2,071,092
Core services:				
Equipment	310,881	304,156	6,725	8,406
Works of art/artifacts	22,445	4,816	17,629	18,557
Leasehold improvements	70,885	35,378	35,507	39,453
	404,211	344,350	59,861	66,416
S.U.N.T.E.P.				
Equipment	347,440	311,888	35,552	40,435
Other				
Equipment	16,780	16,745	35	43
	$ 5,386,673	$ 3,149,588	$ 2,237,085	$ 2,177,986

4. Advances to Gabriel Dumont Institute Press Inc.:

The Institute pays for all expenses of Gabriel Dumont Institute Press Inc. ("GDI Press"), a related entity, and all cash received for book sales (net of discounts) by GDI Press is collected by the Institute.

The balance receivable from GDI Press at March 31, 2017 of $339,795 (2016 - $198,556) represents the net balance of book sales less expenses for the period ended March 31, 2017. 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.

5. Deferred contributions:

The Institute has deferred contributions for the following projects:

Funding Agent	Project	2017	2016
Indigenous and Northern Affairs Canada	Métis Cultural Centre Initiative (MCCI)	$ 719	$ -
		$ 719	$ -

6. 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, 2017	Dumont Technical Institute Inc. June 30, 2016	Gabriel Dumont Scholarship Foundation II December 31, 2016	Gabriel Dumont Institute Training & Employment Inc. March 31, 2017	Gabriel Dumont Press Inc. December 31, 2016
Total assets	$ 2,502,330	$ 5,672,519	$ 2,970,217	$ 592,688	$ 68,904
Total liabilities	43,939	883,140	51,873	551,138	377,863
Net assets					
- internally restricted/unrestricted	2,458,391	4,678,024	274,239	-	(308,959)
- externally restricted	-	111,355	2,644,105	41,550	-
	$ 2,502,330	$ 5,672,519	$ 2,970,217	$ 592,688	$ -
Results of operations:					
Total revenue	935,115	8,049,772	270,803	13,089,191	123,562
Total expenses	857,467	7,863,447	228,676	13,089,191	273,032
Net revenue (expense)	$ 77,648	$ 186,325	$ 42,127	$ -	$ (149,470)
Cash flows:					
Cash provided by (used in) operations	$ 33,193	18,561	$ 28,817	(854,262)	(130,158)
Cash provided by (used in) financing and investing activities	(7,378)	(175,649)	(50,540)	-	192,774
Increase(decrease) in cash balance	$ 25,815	$ (157,088)	$ (21,723)	$ (854,262)	$ 62,616
Cash balances, end of year	$ 1,786,068	$ 844,456	$ 27,295	$ (406,956)	$ 62,616

7. 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 $224,073 (2016 - $211,120).

8. Related party transactions:

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

		2017		2016
Entities under common control:				
Fees for service (administrative services, at negotiated value)	$	195,282	$	162,077
Sales and royalties		10,246		14,523
Fees for service (office and equipment rent)		239,712		249,207
Fees for service (programming services)		80,325		14,094
Building (rent)		(81,125)		(81,818)
Programming services		(319,389)		(271,329)
Other related entities:				
Métis Nation- Saskatchewan Secretariat Inc. library costs- archives		(500,000)		-
	$	(374,949)	$	86,754

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		
		2017		2016
Dumont Technical Institute	$	93,461	$	82,692
Gabriel Dumont Institute Training and Employment Inc.		-		12,193
Gabriel Dumont College Inc.		12,007		1,278
	$	105,468	$	96,163

8. Related party transactions (continued):

	Accounts payable 2017	2016
Gabriel Dumont Institute Training and Employment Inc.	$ 283,406	$ 64,850
Gabriel Dumont College Inc.	289,800	254,079
Gabriel Dumont Scholarship Foundation II	1,100	2,346
	$ 574,306	$ 321,275

9. Commitments:

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

2018	$ 475,069
2019	214,358
2020	38,802
2021	38,105
2022	16,645
	$ 782,979

10. Economic dependence:

Approximately 86% (2016 - 74%) 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.

11. 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.

Schedule 1

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

Schedule of Other Revenue

Year ended March 31, 2017, with comparative information for 2016

	Administration and Core Services	Publishing	S.U.N.T.E.P.	2017	2016
Fees for services	$ 449,755	$ 29,338	$ -	$ 479,093	$ 462,883
Tuition income	-	-	289,209	289,209	269,401
Teaching income	-	-	177,811	177,811	163,448
Sales and royalties	-	79,413	-	79,413	211,793
Veterans monument donations	40,799	-	-	40,799	6,086
Interest	27,181	-	-	27,181	17,114
Miscellaneous	4,994	10,871	722	16,587	41,532
Gain on disposal of property and equipment	-	-	-	-	969,632
	$ 522,729	$ 119,622	$ 467,742	$ 1,110,093	$ 2,141,889

Schedule 2

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

Schedule of Operating Costs

Year ended March 31, 2017, with comparative information for 2016

	Administration & Core Services	Publishing	S.U.N.T.E.P.	2017	2016
Building	$ 277,474	$ 109,581	$ 216,473	$ 603,528	$ 632,813
Consulting and legal service	136,795	134,296	24,000	295,091	168,374
Amortization	145,213	-	7,646	152,859	156,008
Computer services	93,490	236	46,670	140,396	96,995
Other equipment expenses	28,308	9,284	33,837	71,429	90,205
Telephone	60,633	2,160	2,685	65,478	68,120
Insurance	35,910	4,010	2,533	42,453	53,644
Cultural partnership	-	33,765	-	33,765	-
Office supplies	14,345	6,596	12,325	33,266	40,141
Museum	-	30,087	-	30,087	-
Postage and courier	17,749	1,818	5,875	25,442	15,615
Duplicating and materials development	4,951	2,732	8,451	16,134	16,008
Bank charges	2,847	5,590	-	8,437	9,147
Bad debts (recovery)	(87)	-	-	(87)	140
	$ 817,628	$ 340,155	$ 360,495	$ 1,518,278	$ 1,347,210

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, 2017, with comparative information for 2016

	Administration & Core Services	Publishing	S.U.N.T.E.P.	2017	2016
Salaries and benefits:					
Staff salaries and wages	$ 1,327,147	$ 307,143	$ 1,596,058	$ 3,230,348	3,060,333
Staff benefits	248,449	48,596	244,017	541,062	524,518
	$ 1,575,596	$ 355,739	$ 1,840,075	$ 3,771,410	$ 3,584,851
Public Relations:					
Promotion, publicity and graduation	$ 35,893	$ 103,343	$ 79,294	$ 218,530	$ 203,793
Library- archives (note 8)	-	500,000	-	500,000	-
Recruitment	-	-	7,657	7,657	14,728
Orientation	-	-	1,221	1,221	865
	$ 35,893	$ 603,343	$ 88,172	$ 727,408	$ 219,386
Travel and sustenance:					
Staff and students	$ 42,578	$ 7,576	$ 50,818	$ 100,972	103,156
Board	53,673	643	1,575	55,891	62,526
	$ 96,251	$ 8,219	$ 52,393	$ 156,863	$ 165,682

Financial Statements of

DUMONT TECHNICAL INSTITUTE INC.

Year ended June 30, 2017

KPMG

KPMG LLP
500-475 2nd Avenue South
Saskatoon Saskatchewan S7K 1P4
Canada
Tel (306) 934-6200
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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, 2017, 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.

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, 2017 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, 2017

Saskatoon, Canada

DUMONT TECHNICAL INSTITUTE INC.

Statement of Financial Position

June 30, 2017, with comparative information for 2016

		2017		2016
Assets				
Current assets:				
Cash and cash equivalents	$	859,599	$	844,456
Accounts receivable		95,589		281,716
Prepaid expenses		175,854		78,895
		1,131,042		1,205,067
Investments (note 4)		1,413,724		1,412,349
Property and equipment (note 5)		3,333,744		3,055,103
	$	5,878,510	$	5,672,519
Liabilities and Net Assets				
Current liabilities:				
Accounts payable and accrued liabilities	$	274,407	$	310,202
Deferred revenue (note 6)		532,281		299,795
Current portion of long-term debt (note 7)		53,552		51,503
		860,240		661,500
Long-term debt (note 7)		168,088		221,640
Deferred contributions for La Loche building (note 8)		159,914		-
Net assets				
Invested in property and equipment		2,952,190		2,781,960
Core		1,626,723		1,896,064
Programming		111,355		111,355
		4,690,268		4,789,379
Commitments (notes 8 and 9)				
	$	5,878,510	$	5,672,519

See accompanying notes to financial statements.

On behalf of the Board:

Earl Cook _______________ Director

_______________ Director

DUMONT TECHNICAL INSTITUTE INC.

Statement of Operations

Year ended June 30, 2017, with comparative information for 2016

	Core	BE Programs	Other Programs	2017	2016
Revenue:					
Government of Saskatchewan grants	$ 1,996,907	$ 2,035,579	$ 826,031	$ 4,858,517	$ 5,443,122
Tuition and fees	-	90,000	2,124,916	2,214,916	2,109,218
Facility rental and other income	457,675	-	-	457,675	453,249
Investment income	11,490	-	-	11,490	44,183
	2,466,072	2,125,579	2,950,947	7,542,598	8,049,772
Expenses:					
Salaries	1,446,472	1,164,930	1,106,414	3,717,816	3,807,264
Facilities	289,838	296,930	267,723	854,491	882,660
Purchased courses	57,898	150,583	605,213	813,694	924,111
Staff benefits	272,484	192,211	159,487	624,182	639,732
Instructional costs	4,417	107,838	380,336	492,591	489,046
Amortization	185,096	-	-	185,096	198,880
Administrative services	-	36,733	142,408	179,141	166,649
Staff travel	33,809	54,742	82,256	170,807	168,610
Office supplies	62,306	38,980	37,411	138,697	130,207
Public relations	59,208	13,105	15,489	87,802	99,354
Telephone and fax	24,504	25,918	28,548	78,970	83,355
Equipment and education supplies	20,939	19,436	28,755	69,130	105,697
Software support	25,244	12,004	30,858	68,106	30,146
Insurance	34,858	562	23,541	58,961	57,086
Professional services	22,402	10,750	16,000	49,152	46,739
Professional development	9,445	665	26,380	36,490	17,262
Interest and bank	16,263	192	128	16,583	15,724
Bad debts	-	-	-	-	925
	2,565,183	2,125,579	2,950,947	7,641,709	7,863,447
Excess (deficiency) of revenue over expenses	$ (99,111)	$ -	$ -	$ (99,111)	$ 186,325

See accompanying notes to financial statements.

DUMONT TECHNICAL INSTITUTE INC.

Statement of Changes in Net Assets

Year ended June 30, 2017, with comparative information for 2016

	Invested in property and equipment	Core	Programming Funds BE Programs	Programming Funds Other Programs	2017	2016
Balance, beginning of year	$ 2,781,960	$ 1,896,064	$ -	$ 111,355	$ 4,789,379	$ 4,603,054
Excess (deficiency) of revenue over expenses	-	(99,111)	-	-	(99,111)	186,325
Purchase of property and equipment	463,737	(463,737)	-	-	-	-
Amortization	(185,096)	185,096	-	-	-	-
Deferred contributions for La Loche building	(159,914)	159,914	-	-	-	-
Repayment of long-term debt	51,503	(51,503)	-	-	-	-
Balance, end of year	$ 2,952,190	$ 1,626,723	$ -	$ 111,355	$ 4,690,268	$ 4,789,379

See accompanying notes to financial statements.

DUMONT TECHNICAL INSTITUTE INC.

Statement of Cash Flows

Year ended June 30, 2017, with comparative information for and 2016

	2017	2016
Cash flows from (used in):		
Operations:		
Excess of revenue over expenses	$ (99,111)	$ 186,325
Items not involving cash:		
Amortization	185,096	198,880
Investment increase to fair value	(1,375)	(34,429)
Change in non-cash operating working capital:		
Accounts receivable	186,127	(129,348)
Prepaid expenses	(96,959)	36,288
Accounts payable and accrued liabilities	(35,795)	(30,671)
Deferred revenue	232,486	(208,484)
	370,469	18,561
Financing:		
Repayment of long-term debt	(51,503)	(50,096)
Deferred contributions for La Loche building	159,914	-
	108,411	(50,096)
Investing:		
Purchase of property and equipment	(463,737)	(125,553)
Increase (decrease) in cash	15,143	(157,088)
Cash and cash equivalents, beginning of year	844,456	1,001,544
Cash and cash equivalents, end of year	$ 859,599	$ 844,456

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.

Contributions restricted for the purchase of capital assets are deferred and recognized into revenue at a rate corresponding with the amortization rate for the capital asset.

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%

Assets under construction or development are not subject to amortization until the project is substantially complete and available for use. 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. Contributions for assets purchased are deferred and amortized on the same basis as the assets to which they relate.

The carrying amount of an item of property and equipment is tested for recoverability whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized when the asset's carrying amount is not recoverable and exceeds its fair value.

(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.

2. Significant accounting policies (continued):

(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.

The rental income and expense allocated are as follows:

	2017	2016
Facility rental income	$ 272,127	$ 272,127
Allocated as follows:		
Basic Education programs	169,003	169,003
Other programs	103,124	103,124
	$ 272,127	$ 272,127

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.

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.

DUMONT TECHNICAL INSTITUTE INC.

Notes to Financial Statements (continued)

Year ended June 30, 2017

4. Investments:

		2017	2016
		Market	Market
	Cost	Value	Value
Imperial Short Term Bond Pool	$ 706,203	$ 697,205	$ 699,748
Imperial Canadian Bond Pool	544,810	584,529	586,241
Imperial Money Market Pool	74,703	74,707	63,145
Imperial International Bond Pool	46,599	57,283	63,215
	$ 1,372,315	$ 1,413,724	$ 1,412,349

5. Property and equipment:

			2017	2016
		Accumulated	Net book	Net book
	Cost	amortization	value	value
Land	$ 771,376	$ -	$ 771,376	$ 543,942
Furniture and equipment	1,007,665	822,903	184,762	209,330
Buildings	3,189,125	1,019,062	2,170,063	2,241,378
Computer equipment	321,407	273,778	47,629	60,453
La Loche building under construction	159,914	-	159,914	-
	$ 5,449,487	$ 2,115,743	$ 3,333,744	$ 3,055,103

DUMONT TECHNICAL INSTITUTE INC.

Notes to Financial Statements (continued)

Year ended June 30, 2017

6. Deferred revenue:

Deferred revenue is comprised of the following:

		2017		2016
Ministry of Economy - Basic Education programs	$	345,412	$	170,855
Advanced Education - Skills Training		148,081		-
Advanced Education - Employee Assistance for People with Disabilities		32,370		46,368
Gabriel Dumont Institute Training & Employment Inc.		3,994		60,770
Other		2,424		21,802
	$	532,281	$	299,795

7. Long-term debt:

		2017		2016
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 4.02%) against which a building has been pledged as collateral.	$	221,640	$	273,143
Current portion		53,552		51,503
	$	168,088	$	221,640

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

2018	$	53,552
2019		55,276
2020		57,535
2021		55,277
	$	221,640

8. Deferred contributions for La Loche building:

During the year, the Institute entered into an agreement (the "Agreement") with the Minister of Advanced Education of the Government of Saskatchewan (the "Minister") for the La Loche Program Centre Addition Project. This Agreement allocated up to $880,000 of Government of Canada funding through the Post Secondary Institutions Strategic Investment Fund towards this project. Project costs are estimated at $1,653,700.

Construction of the La Loche Program Centre Addition has commenced and $159,914 of construction costs have been incurred (note 5). Deferred contributions for the La Loche Program Centre Addition consist of costs incurred to date and funded by the Minister. Upon completion of the addition, the contribution funding received will be amortized to income on the same basis as the La Loche Program Centre Addition costs are amortized to expense.

9. Commitments:

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

2018	$	188,596
2019		14,262
2020		11,814
2021		10,400
2022		7,327
	$	232,399

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

10. 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.

	2017	2016
Tuition and fees	$ 1,789,867	$ 1,321,354
Rent (included in facility rental and other income)	160,672	162,426
Administrative services expense	(178,141)	(165,748)
Facilities expense	(199,938)	(201,991)
Public relations expense	(9,476)	(8,308)
Service provision & expense reimbursement	19,457	2,509
	$ 1,582,441	$ 1,110,242

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	2017	2016
Gabriel Dumont Institute Training & Employment Inc.	$ 1,980	$ 17,884
Gabriel Dumont Institute of Native Studies and Applied Research, Inc.	69	-
	$ 2,049	$ 17,884

Accounts payable and accrued liabilities	2017	2016
Gabriel Dumont Institute of Native Studies and Applied Research, Inc.	$ 31,700	$ 30,786
Gabriel Dumont Institute Training & Employment Inc.	9,552	12,298
	$ 41,252	$ 43,084

11. Economic dependence:

Approximately 64% (2016 - 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.

12. 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 $222,649 (2016 - $226,215).

Financial Statements of

GABRIEL DUMONT INSTITUTE PRESS INC.

Year ended December 31, 2016

KPMG

KPMG LLP
500-475 2nd Avenue South
Saskatoon Saskatchewan S7K 1P4
Canada
Tel (306) 934-6200
Fax (306) 934-6233

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, 2016, the statements of operations and 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 audit 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, 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.

KPMG LLP

Chartered Professional Accountants

March 3, 2017

Saskatoon, Canada

GABRIEL DUMONT INSTITUTE PRESS INC.

Statement of Financial Position

December 31, 2016, with comparative information for 2015

		2016		2015
Assets				
Current assets:				
Cash	$	62,616	$	-
Accounts receivable		6,288		-
	$	68,904	$	-
Liabilities and Net Assets (Deficiency)				
Current liabilities:				
Accrued liabilities	$	6,000	$	6,000
Deferred revenue (note 2)		25,600		-
		31,600		6,000
Due to Gabriel Dumont Institute of Native Studies and Applied Research Inc. (note 2)		346,263		153,489
		377,863		159,489
Net assets (deficiency)				
Commitments (note 4)		(308,959)		(159,489)
	$	68,904	$	-

See accompanying notes to financial statements.

On behalf of the Board:

_______________ Governor

_______________ Governor

GABRIEL DUMONT INSTITUTE PRESS INC.

Statement of Operations and Changes in Net Assets

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

		2016		2015
Revenues:				
Book sales (net of discounts)	$	86,598	$	4,304
Grant revenue		25,000		-
Royalties income		11,894		-
Interest income		70		-
		123,562		4,304
Expenses:				
Salaries and benefits		155,139		62,654
Material development		53,424		7,531
Building		41,268		14,666
Professional fees		8,082		15,293
Advertising		5,930		1,634
Other equipment expenses		4,354		3,168
Travel		2,440		1,027
Office and general		1,913		589
Materials and supplies		283		-
Interest and bank charges		199		-
Printing		-		48,985
Royalties		-		8,246
		273,032		163,793
Deficiency of revenue over expenses		(149,470)		(159,489)
Net assets (deficiency), beginning of period		(159,489)		-
Net assets (deficiency), end of period	$	(308,959)	$	(159,489)

See accompanying notes to financial statements.

GABRIEL DUMONT INSTITUTE PRESS INC.

Statement of Cash Flows

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

		2016		2015
Cash provided by (used in):				
Operations:				
Deficiency of revenue over expenses	$	(149,470)	$	(159,489)
Changes in non-cash operating working capital:				
Accounts receivable		(6,288)		-
Accrued liabilities		-		6,000
Deferred revenue		25,600		-
		(130,158)		(306,978)
Financing:				
Advances from Gabriel Dumont Institute of Native Studies and Applied Research, Inc.		192,774		153,489
Increase in cash		62,616		-
Cash, beginning of period		-		-
Cash, end of period	$	62,616	$	-

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).

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. Grant revenue is recognized as earned based on the terms of the grant agreement. Grants received for special projects are recognized as revenue in the period the related expenses 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 collectibility of accounts receivable and estimates of deferred revenue. Actual results could differ from those estimates.

1. Significant accounting policies (continued):

(c) 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.

(d) Financial instruments:

Financial instruments, including cash, accounts receivable, accrued liabilities and due to Gabriel Dumont Institutes of Native Studies and Applied Research Inc. are recorded at fair value on initial recognition and are subsequently measured 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.

Accounts receivable are classified as loans and receivables and are recorded at amortized cost. Accrued liabilities and amounts due to Gabriel Dumont Institute of Native Studies and Applied Research Inc. are classified as other liabilities and measured at amortized cost.

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 its estimated recoverable amount. 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 impairment charge.

1. Significant accounting policies (continued):

(e) Cash:

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

(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) 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. Deferred revenue:

Deferred revenue consists of grants from the following sources:

	2016	2015
Creative Industries Production Grant Program	$ 25,600	$ -
	$ 25,600	$ -

3. Related party transactions:

The balance owing to GDI-NSAR at December 31, 2016 of $346,263 (2015 - $153,489) is non-interest bearing and GSI-NSAR has agreed to not request repayment in the next fiscal year.

Certain administrative functions of the Institute are managed by GDI-NSAR at no charge.

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

4. Commitments:

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

2017	$	35,343
2018		26,923
2019		1,900
2020		1,900
2021		950
	$	67,016

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.

5. Financial risks and concentration of risk:

The Institute's financial instruments include accounts receivable, 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 instruments:

(a) Credit risk:

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

The Institute'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 Institute based on previous experience and its assessment of the current economic environment. The credit risk on cash is limited because the counterparties are chartered banks with high credit ratings assigned by national credit-rating agencies.

(b) 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 $308,959 (2015 - $159,489) of which $346,263 (2015 - $153,489) is owing to GDI-NSAR. The Institute is continuing to establish its operations and in the current year, the Institute established a separate bank account, to facilitate operations. The Institute is economically dependent on GDI-NSAR. GDI-NSAR has agreed not to demand repayment of advances 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.

Fair Values

Cash is recorded at fair value. The fair value of accounts receivable and accrued liabilities approximate their carrying value due to their short-term period maturity.

6. 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 $8,212 (2015- $3,826).

Financial Statements of

GABRIEL DUMONT COLLEGE INC.

Year ended March 31, 2017

KPMG

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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, 2017, 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, 2017 and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

KPMG LLP

Chartered Professional Accountants

July 21, 2017
Saskatoon, Canada

GABRIEL DUMONT COLLEGE INC.

Statement of Financial Position

March 31, 2017, with comparative information for 2016

		2017		2016
Assets				
Current assets:				
Cash and cash equivalents	$	1,786,068	$	1,760,253
Investments and marketable securities		162,026		159,835
Accounts receivable		539,113		466,876
Prepaid expenses		-		417
		2,487,207		2,387,381
Equipment (note 3)		15,123		10,603
	$	2,502,330	$	2,397,984
Liabilities and Net Assets				
Current liabilities:				
Accounts payable and accrued liabilities	$	43,939	$	17,241
Net assets:				
Unrestricted		2,443,268		2,370,140
Invested in equipment		15,123		10,603
		2,458,391		2,380,743
	$	2,502,330	$	2,397,984

See accompanying notes to financial statements.

On behalf of the Board:

_______________ Director

Earl Cook _______________ Director

GABRIEL DUMONT COLLEGE INC.

Statement of Operations

Year ended March 31, 2017, with comparative information for 2016

	2017	2016
Revenue:		
Tuition and related fees (note 4)	$ 789,215	$ 816,635
Program grants (note 4)	128,598	-
Interest	17,302	13,923
	935,115	830,558
Expenses:		
Salaries and benefits	349,150	289,070
Scholarships, tuition and student fees (note 4)	247,583	245,785
Consulting fees	104,171	54,363
Promotions	84,883	60,543
Travel	32,507	7,518
Facilities and rent	15,763	-
Audit and legal	7,551	8,425
Bank charges	4,597	4,637
Equipment expense	4,291	500
Amortization	2,858	2,651
Office supplies and services	2,376	672
Start up allowances	1,000	200
Student recruitment	588	9,638
Repairs and maintenance	149	-
Student supplies	-	99
	857,467	684,101
Excess of revenue over expenses	$ 77,648	$ 146,457

See accompanying notes to financial statements.

GABRIEL DUMONT COLLEGE INC.

Statement of Changes in Net Assets

Year ended March 31, 2017, with comparative information for 2016

	Unrestricted	Invested in Equipment	Total
Net assets, April 1, 2016	$ 2,221,032	$ 13,254	$ 2,234,286
Excess of revenue over expenses	146,457	-	146,457
Amortization	2,651	(2,651)	-
Net assets, March 31, 2016	$ 2,370,140	$ 10,603	$ 2,380,743
Excess of revenue over expenses	77,648	-	77,648
Amortization	2,858	(2,858)	-
Purchase of equipment	(7,378)	7,378	-
Net assets, March 31, 2017	$ 2,443,268	$ 15,123	$ 2,458,391

See accompanying notes to financial statements.

GABRIEL DUMONT COLLEGE INC.

Statement of Cash Flows

Year ended March 31, 2017, with comparative information for 2016

	2017	2016
Cash flows from (used in):		
Operations:		
Excess of revenue over expenses	$ 77,648	$ 146,457
Items not involving cash:		
Amortization	2,858	2,651
Reinvested interest income	(2,191)	(107)
Change in non-cash operating working capital:		
Accounts receivable	(72,237)	51,577
Prepaid expenses	417	(417)
Accounts payable	26,698	7,451
	33,193	207,612
Investing:		
Purchase of equipment	(7,378)	-
Increase in cash	25,815	207,612
Cash and cash equivalents, beginning of year	1,760,253	1,552,641
Cash and cash equivalents, end of year	$ 1,786,068	$ 1,760,253

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 accounting policies:

(a) Revenue recognition:

The College follows the deferral method of accounting for contributions. 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:

			2017	2016
	Cost	Accumulated amortization	Net book value	Net book value
Computer equipment	$ 60,033	$ 57,168	$ 2,865	$ 3,581
Other equipment	39,679	27,421	12,258	7,022
	$ 99,712	$ 84,589	$ 15,123	$ 10,603

Computer equipment with a net carrying value of $2,865 (2016 - $3,581) 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.

	2017	2016
Revenues:		
Tuition and related fees:		
Gabriel Dumont Institute of Native Studies and Applied Research, Inc.	$ 319,389	$ 271,329
Gabriel Dumont Institute Training and Employment Inc.	42,525	-
Program grants:		
Métis Nation- Saskatchewan Secretariat Inc.	128,598	-
Expenses:		
Programming/ services:		
Gabriel Dumont Institute of Native Studies and Applied Research, Inc.	91,102	-
Gabriel Dumont Institute Training and Employment Inc.	-	506,172
Dumont Technical Institute Inc.	-	1,809
Gabriel Dumont Scholarship Foundation II	-	1,500
Administrative services:		
Gabriel Dumont Institute of Native Studies and Applied Research, Inc.	10,717	16,433

Accounts receivable includes $289,051 (2016 - $254,079) and accounts payable includes $12,007 (2016 - $1,278) from Gabriel Dumont Institute of Native Studies and Applied Research Inc, and Dumont Technical Institute Inc. Additionally, accounts receivable includes $16,098 (2016 - $nil) from Métis Nation- Saskatchewan Secretariat Inc.

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

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Year ended March 31, 2017

KPMG LLP
500-475 2nd Avenue South
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INDEPENDENT AUDITORS' REPORT

To the Directors

We have audited the accompanying financial statements of Gabriel Dumont Institute Training and Employment Inc. which comprise the statement of financial position as at March 31, 2017, 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 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.

KPMG

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, 2017 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.

Basis of Accounting and Restriction on Use

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

KPMG LLP

Chartered Professional Accountants

July 21, 2017
Saskatoon, Canada

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Statement of Financial Position

March 31, 2017, with comparative information for 2016

		2017		2016
Assets				
Current assets:				
Cash	$	-	$	447,306
Accounts receivable		551,138		779,172
		551,138		1,226,478
Furniture, equipment, and vehicle (note 2)		41,550		7,417
	$	592,688	$	1,233,895
Liabilities				
Current liabilities:				
Bank indebtedness (note 3)	$	406,956	$	-
Accounts payable and accrued liabilities (note 4)		144,147		599,549
Deferred revenue (note 5)		35		626,929
		551,138		1,226,478
Deferred contributions for furniture, equipment, and vehicle (note 6)		41,550		7,417
	$	592,688	$	1,233,895

See accompanying notes to financial statements.

On behalf of the Board:

Director

Earl Cook

Director

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Statement of Operations

Year ended March 31, 2017, with comparative information for 2016

		2017		2016
Revenue:				
Service Canada-Aboriginal Skills and Employment Training Strategy Métis Funding ("ASETS") (schedule 1)	$	11,926,285	$	9,898,629
Western Diversification Program ("WDP")		1,175,000		1,615,340
		13,101,285		11,513,969
Expenses (schedule 2):				
Service delivery (schedule 3)		9,879,239		7,880,021
Wages and benefits		2,615,536		2,700,265
Facilities rentals		198,573		198,168
Public relations		97,305		73,066
Staff travel		87,756		95,124
Telephone		57,361		63,786
Professional fees		43,964		47,313
Selection committee and professional development		38,802		23,157
Office supplies		23,735		35,368
Computer software support		15,505		15,323
Equipment rentals		11,482		10,373
Insurance		10,525		10,433
Office		9,869		44,049
Amortization		5,441		1,853
Interest and bank charges		3,078		3,203
Repairs and maintenance		1,367		4,116
Postage and courier		1,218		5,099
Contractual services and consulting		529		3,252
GDI Scholarship Fund		-		300,000
		13,101,285		11,513,969
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, 2017, with comparative information for 2016

	2017	2016
Cash flows from (used in):		
Operations:		
Items not involving cash:		
Amortization of furniture, equipment and vehicles	$ 5,441	$ 1,853
Amortization of deferred contributions for furniture, equipment and vehicles	(5,441)	(1,853)
Change in non-cash operating working capital:		
Accounts receivable	228,034	(518,466)
Accounts payable and accrued liabilities	(455,402)	367,389
Deferred revenue	(626,894)	612,671
	(854,262)	461,594
Investing:		
Purchase of furniture, equipment, and vehicle	(39,574)	-
Financing:		
Deferred contributions for furniture, equipment, and vehicle	39,574	-
Income (decrease) in cash	(854,262)	461,594
Cash, beginning of year	447,306	(14,288)
Cash (bank indebtedness), end of year	$ (406,956)	$ 447,306

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") with the Minister of Western Economic Diversification.

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, 2018. The WDP Agreement with the Minister of Western Economic Diversification has been renewed to March 31, 2018.

The Institute is jointly controlled with Gabriel Dumont Institute of Native Studies and Applied Research, Inc., 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 Canadian Accounting Standards for Not-For-Profit Organizations, with the exception of the use of the modified cash basis for programs as outlined in note 1(a), and reflect the following accounting policies:

(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, equipment and vehicle are deferred and recognized into revenue at a rate corresponding with the amortization rate for the related furniture, equipment and vehicle.

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 three months or less.

(d) Furniture, equipment, and vehicle:

Furniture, equipment, and vehicle 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 methods and annual rates:

Asset	Method	Rate
Computer equipment	Declining balance	20%
Furniture and equipment	Declining balance	20%
Vehicle	Straight-line	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 $153,282 (2016- $160,262).

(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, equipment, and vehicles:

	Cost	Accumulated Amortization	2017 Net book value	2016 Net book value
Furniture and equipment:				
Head office	$ 25,217	$ 22,722	$ 2,495	$ 3,118
Prince Albert	5,464	4,923	541	676
La Loche	4,306	3,880	426	533
Nipawin	4,215	3,798	417	521
La Ronge	3,435	3,095	340	425
Meadow Lake	2,463	2,220	243	304
Saskatoon	1,646	1,483	163	204
Yorkton	1,646	1,483	163	204
Ile a la Crosse	606	546	60	75
North Battleford	456	411	45	57
	49,454	44,561	4,893	6,117
Computer equipment:				
Head office	10,506	9,466	1,040	1,300
Vehicle:				
La Loche	39,575	3,958	35,617	-
	$ 99,535	$ 57,985	$ 41,550	$ 7,417

3. Bank Indebtedness:

Bank indebtedness in the amount of $406,956 consists of an overdraft with a financial institution of $132,964 plus outstanding cheques of $275,242 less cash on hand of $1,250. 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.

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 $97,448 (2016 - $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 Gabriel Dumont Institute of Native Studies and Applied Research, Inc. on behalf of 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.

	2017	2016
Service Canada ASETS Agreements	$ 35	$ 617,306
Interest earned on ASETS funding	-	9,623
	$ 35	$ 626,929

6. Deferred contributions for furniture, equipment and vehicle:

Deferred contributions for furniture, equipment and vehicle represents the unamortized amount related to the purchase of these capital assets. The amortization of deferred contributions for furniture, equipment and vehicle is recorded as revenue in the statement of operations.

	2017	2016
Balance, beginning of year	$ 7,417	$ 9,270
Service Canada revenue used to purchase vehicle	39,574	-
Deferred contributions recognized	(5,441)	(1,853)
Balance, end of year	$ 41,550	$ 7,417

7. Commitments:

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

2018	$ 218,680
2019	14,085
2020	14,085

The operating leases are primarily based on monthly rentals.

8. Related party transactions:

During the year the Institute paid $1,651,085 (2016 - $1,503,542), $88 (2016 - $62), and $42,525 (2016 - $Nil) for service delivery and salaries to Dumont Technical Institute Inc., Gabriel Dumont Institute of Native Studies and Applied Research, Inc. and Gabriel Dumont College 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 $48,000, respectively, for these services for the year ended March 31, 2017 (2016 - $84,684 and $49,766). Accounts payable and accrued liabilities include $nil (2016 - $13,173) owing to Dumont Technical Institute, $Nil (2016 - $12,193) owing to Gabriel Dumont Institute of Native Studies and Applied Research, Inc. and $Nil (2015 - $300,000) owing to The Gabriel Dumont Scholarship Foundation II.

Accounts receivable includes $283,406 (2016 - $64,925) owed from Gabriel Dumont Institute of Native Studies and Applied Research, Inc. and $15,125 (2016 - $5,447) owed from Dumont Technical Institute Inc.

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:

91% (2016 - 86%) 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, 2018.

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

Cash is recorded at fair value. The fair values of 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, 2017, with comparative information for 2016

	Employment Insurance	Consolidated Revenue Fund	2017	2016
Service Canada contributions	$ 3,339,852	$ 7,982,577	$ 11,322,429	$ 10,499,824
Deferred revenue including interest - beginning of year	136,341	490,588	626,929	14,258
Deferred contributions for furniture, equipment and vehicle - beginning of year	-	7,417	7,417	9,270
Deferred contributions for furniture, equipment and vehicle - end of year	-	(41,550)	(41,550)	(7,417)
Interest earned	-	12,094	12,094	9,623
Transfer from Consolidated Revenue Fund to Employment Insurance	8,835	(8,835)	-	-
Adjustment to Consolidated Revenue Fund	-	(999)	(999)	-
Deferred revenue including interest - end of year	(10)	(25)	(35)	(626,929)
Revenue recognized	$ 3,485,018	$ 8,441,267	$ 11,926,285	$ 9,898,629

Schedule 2

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Schedule of Expenses

Year ended March 31, 2017, with comparative information for 2016

	Employment Insurance	Consolidated Revenue Fund	Western Diversification Program	Skills and Partnership Fund	2017	2016
Program Administration Expenses						
Wages and benefits	$ -	$ 719,012	$ 111,782	$ -	$ 830,794	$ 931,328
Public relations	-	80,487	-	-	80,487	58,344
Professional fees	-	43,964	-	-	43,964	47,313
Facilities rentals	-	29,041	-	-	29,041	29,041
Staff travel	-	23,812	-	-	23,812	28,153
Telephone	-	22,878	-	-	22,878	19,956
Computer software support	-	15,385	-	-	15,385	15,068
Insurance	-	10,525	-	-	10,525	10,433
Office supplies	-	6,342	-	-	6,342	13,787
Amortization	-	5,441	-	-	5,441	1,853
Board travel and professional development	2,151	2,805	-	-	4,956	3,354
Office	-	4,095	53	-	4,148	6,717
Interest and bank charges	-	3,078	-	-	3,078	3,203
Contractual services and consulting	-	529	-	-	529	3,252
Postage and courier	-	297	-	-	297	4,571
	2,151	967,691	111,835	-	1,081,677	1,176,373
Program Assistance Expenses						
Education and training costs	1,000,701	3,918,074	71,002	-	4,989,777	3,854,915
Student allowances	615,261	2,052,767	10,785	-	2,678,813	2,330,522
Wage subsidies	539,724	689,546	981,378	-	2,210,648	1,694,584
Wages and benefits	-	73,058	-	-	73,058	73,200
Staff travel	47,473	-	-	-	47,473	44,757
Telephone	34,484	-	-	-	34,484	43,830
Office supplies	10,286	-	-	-	10,286	14,777
Public relations	1,519	-	-	-	1,519	952
Postage and courier	921	-	-	-	921	528
Board travel/ professional development/scholarships	-	-	-		-	300,000
	2,250,369	6,733,445	1,063,165	-	10,046,979	8,358,065

Schedule 2

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Schedule of Expenses (continued)

Year ended March 31, 2017, with comparative information for 2016

	Employment Insurance	Consolidated Revenue Fund	Western Diversification Program	Skills and Partnership Fund	2017	2016
Employment Assistance Services						
Wages and benefits	1,232,499	479,185	-	-	1,711,684	1,695,737
Facilities rental	-	169,532	-	-	169,532	169,127
Board travel and professional development	-	33,846	-	-	33,846	19,803
Staff travel	-	16,471	-	-	16,471	22,214
Public relations	-	15,299	-	-	15,299	13,770
Equipment rentals	-	11,482	-	-	11,482	10,373
Office supplies	-	7,107	-	-	7,107	6,804
Office	-	5,721	-	-	5,721	37,332
Repairs and maintenance	-	1,367	-	-	1,367	4,116
Computer software support	-	120	-	-	120	255
Postage and courier	-	-	-	-	-	-
Contractual services and consulting	-	-	-	-	-	-
Telephone	-	-	-	-	-	-
	1,232,499	740,130	-	-	1,972,629	1,979,531
	$ 3,485,019	$ 8,441,266	$ 1,175,000	$ -	$ $13,101,285	$11,513,969

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Schedule of Service Delivery Expenses

Year ended March 31, 2017, with comparative information for 2016

	Saskatoon	Regina	Prince Albert	Nipawin	Yorkton	North Battleford	Meadow Lake	Ile a la Crosse	La Loche	Beauval	2017	2016
Tuition and program delivery	$ 973,102	$ 344,105	$ 923,157	$ 289,106	$ 31,119	$ 182,029	$ 227,248	$ 113,226	$ 224,025	$ 222,596	$ 3,529,713	$ 2,654,612
Income support	673,554	353,962	623,046	193,516	29,800	195,570	237,079	46,326	124,937	201,023	2,678,813	2,330,522
Wage subsidies	592,935	217,231	383,677	142,459	48,714	109,950	184,185	64,493	19,262	225,721	1,988,627	1,532,254
Books	144,743	81,252	146,267	37,674	8,056	38,455	30,406	5,989	12,960	24,941	530,743	404,064
Program delivery	-	316,565	-	-	-	-	-	-	-	-	316,565	276,739
Dependent care	103,262	35,762	72,198	13,814	852	16,825	25,618	3,350	15,325	26,824	313,830	277,547
Student work experience	47,998	2,119	59,645	34,694	6,950	13,803	16,352	9,768	23,187	7,506	222,022	162,330
Student travel	21,221	31,901	54,685	4,577	454	6,622	22,901	2,354	16,597	6,584	167,896	121,046
Supplies	42,144	12,855	34,800	960	2,675	5,433	11,259	3,146	4,602	3,716	121,590	114,734
Living away from home allowance	375	-	2,943	-	-	375	-	1,600	1,625	-	6,918	3,152
Special needs allowance	-	-	1,006	1,156	-	-	-	-	-	360	2,522	3,021
	$ 2,599,334	$ 1,395,752	$ 2,301,424	$ 717,956	$ 128,620	$ 569,062	$ 755,048	$ 250,252	$ 442,520	$ 719,271	$ 9,879,239	$ 7,880,021

Financial Statements of

THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Year ended December 31, 2016

KPMG LLP
500-475 2nd Avenue South
Saskatoon Saskatchewan S7K 1P4
Canada
Tel (306) 934-6200
Fax (306) 934-6233

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of Gabriel Dumont Scholarship Foundation II as at December 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.

KPMG LLP

Chartered Professional Accountants

April 7, 2017
Saskatoon, Canada

THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Statement of Financial Position

December 31, 2016, with comparative information for 2015

		2016		2015
Assets				
Current assets:				
Cash and cash equivalents	$	5,572	$	27,295
Accounts receivable		50,875		10,000
		56,447		37,295
Investments (note 4)		2,913,770		2,557,425
	$	2,970,217	$	2,594,720
Liabilities and Net Assets				
Current liabilities:				
Accounts payable and accrued liabilities	$	7,803	$	7,503
Deferred revenue (note 5)		44,070		11,000
		51,873		18,503
Net assets:				
Restricted for endowment purposes (note 6)		2,644,105		2,344,105
Unrestricted		274,239		232,112
		2,918,344		2,576,217
	$	2,970,217	$	2,594,720

See accompanying notes to financial statements.

On behalf of the Board:

_______________ Director

_______________ Director

THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Statement of Revenue and Expenses

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

	2016	2015
Revenue:		
Donations	$ 140,903	$ 112,308
Government of Saskatchewan - Ministry of Advanced Education	72,500	49,125
Interest and investment income	57,400	52,405
	270,803	213,838
Expenses:		
Scholarships	220,230	222,950
Administrative and professional services	8,446	7,800
Bank charges	-	25
	228,676	230,775
Excess (deficiency) of revenue over expenses	$ 42,127	$ (16,937)

See accompanying notes to financial statements.

THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Statement of Changes in Net Assets

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

	Unrestricted	Restricted Fiddler & Carriere Endowment	Restricted GDITE Endowment	Restricted GDS Endowment	2016	2015
Balance, beginning of year	$ 232,112	$ 4,105	$ 1,300,000	$ 1,040,000	$ 2,576,217	$ 2,593,154
Excess (deficiency) of revenue over expenses	42,127	-	-	-	42,127	(16,937)
Restricted for endowment purposes	-	-	300,000	-	300,000	-
Balance, end of year	$ 274,239	$ 4,105	$ 1,600,000	$ 1,040,000	$ 2,918,344	$ 2,576,217

See accompanying notes to financial statements.

THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Statement of Cash Flows

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

	2016	2015
Cash flows from (used in):		
Operations:		
Excess (deficiency) of revenue over expenses	$ 42,127	$ (16,937)
Item not involving cash:		
Adjustment for fair value (increase) decrease on investments and reinvested investment income	(5,805)	(17,086)
Change in non-cash operating working capital:		
Accounts receivable	(40,875)	(4,000)
Accounts payable and accrued liabilities	300	101
Deferred revenue	33,070	5,000
	28,817	(32,922)
Financing:		
Restricted for endowment purposes	300,000	-
Investing:		
Purchase of investments	(1,018,960)	(1,359,565)
Redemption of investments	68,420	525,000
Sale of investments	600,000	142,450
	(350,540)	(692,115)
Decrease in cash	(21,723)	(725,037)
Cash, beginning of year	27,295	752,332
Cash, end of year	$ 5,572	$ 27,295

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., 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 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.

2. Significant accounting policies (continued):

(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.

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%.

2. Significant accounting policies (continued):

(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 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.

3. Financial instruments and risk management (continued):

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 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, 2016 the Foundation's investment allocation consisted of cash and short-term investments of 24% (2015 - 24%); fixed income (including mutual fund savings accounts) investments of 76% (2015 - 76%) and equities of 0% (2015 - 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:

	2016	2015
PotashCorp	$ 30,000	$ -
Cameco Corporation	10,000	10,000
Farm Credit Canada	4,070	1,000
	$ 44,070	$ 11,000

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.

b) Gabriel Dumont 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 2016, an additional endowment of $300,000 was received from Gabriel Dumont Institute of Training & Employment Inc.

c) Fiddle & Carrier Endowment:

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

7. Comparative figures:

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