Financial Statements of

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

And Independent Auditors' Report thereon

Year ended March 31, 2019

KPMG

INDEPENDENT AUDITORS' REPORT

To the Governors of Gabriel Dumont Institute of Native Studies and Applied Research, Inc.

Opinion

We have audited the financial statements of Gabriel Dumont Institute of Native Studies and Applied Research, Inc.(the Entity), which comprise:

- the statement of financial position as at March 31, 2019
- the statement of operations for the year then ended
- the statement of changes net assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements, present fairly, in all material respects, the financial position of the Entity as at March 31, 2019, 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.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "***Auditors' Responsibilities for the Audit of the Financial Statements***" section of our auditors' report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

  The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.

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- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit

KPMG LLP

Chartered Professional Accountants

Saskatoon, Canada
July 18, 2019

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

Statement of Financial Position

March 31, 2019, with comparative information for 2018

		2019		2018
Assets				
Current assets:				
Cash and cash equivalents	$	1,140,167	$	2,950,692
Short-term investments		188,905		183,029
Accounts receivable		469,711		460,612
Prepaid expenses		76,763		47,727
		1,875,546		3,642,060
Property and equipment (note 3)		2,254,504		2,276,979
Advances to Gabriel Dumont Institute Press Inc. (note 4)		-		367,428
	$	4,130,050	$	6,286,467
Liabilities and Net Assets				
Current liabilities:				
Accounts payable and accrued liabilities (note 5)	$	1,026,538	$	1,617,845
Deferred contributions (note 6)		19,161		278,346
		1,045,699		1,896,191
Net assets (deficiency):				
Administration and core services		70,191		1,055,503
Invested in property and equipment		2,254,504		2,276,979
Publishing		(384,986)		(384,986)
S.U.N.T.E.P.		1,144,642		1,442,780
		3,084,351		4,390,276
Commitments (note 9)				
	$	4,130,050	$	6,286,467

See accompanying notes to financial statements.

On behalf of the Board:

Earl Cook Governor

Governor

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

Statement of Operations

Year ended March 31, 2019, with comparative information for 2018

	Administration & Core Services	Publishing	S.U.N.T.E.P	Total 2019	Total 2018
Revenue:					
Government of Saskatchewan					
- Ministry of Advanced Education	$ 2,287,300	$ -	$ 3,567,300	$ 5,854,600	$ 5,854,600
Government of Canada					
- Indigenous and Northern Affairs Canada (schedule 4)	-	652,046	-	652,046	2,233,573
- The Department of Canadian Heritage (schedule 7)	-	43,239	-	43,239	26,691
Other (schedule 1)	482,093	456,011	471,768	1,409,872	1,611,785
	2,769,393	1,151,296	4,039,068	7,959,757	9,726,649
Expenses					
Salaries and benefits (schedule 3)	1,552,179	452,109	2,008,296	4,012,584	3,891,776
Operating costs (schedule 2)	1,371,128	670,243	401,696	2,443,067	3,507,614
Instructional costs	-	-	1,765,299	1,765,299	1,870,705
Public relations (schedule 3)	81,661	164,827	86,331	332,819	454,456
Curriculum development	12,614	349,740	2,400	364,754	281,559
Travel and sustenance (schedule 3)	180,141	27,091	57,463	264,695	256,484
Kapachee	54,686	-	-	54,686	54,686
Library costs	1,194	1,146	16,236	18,576	19,621
Works of art	-	6,940	862	7,802	8,195
Scholarships	-	-	1,400	1,400	1,200
	3,253,603	1,672,096	4,339,983	9,265,682	10,346,296
Administrative allocation	(520,800)	520,800	-	-	-
Excess (deficiency) of revenue over expenses	$(1,005,010)	$ -	$ (300,915)	$(1,305,925)	$ (619,647)

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, 2019, with comparative information for 2018

	Administration and Core Services	Publishing	S.U.N.T.E.P.	Invested in Property and Equipment	2019	2018
Net assets (deficiency), beginning of year	$ 1,055,503	$ (384,986)	$ 1,442,780	$ 2,276,979	$ 4,390,276	$ 5,009,923
Excess (deficiency) of revenue over expenses	(1,005,010)	-	(300,915)	-	(1,305,925)	(619,647)
Amortization	144,138	-	6,092	(150,230)	-	-
Purchase of property and equipment	(124,440)	-	(3,315)	127,755	-	-
Net assets (deficiency), end of year	$ 70,191	$ (384,986)	$ 1,144,642	$ 2,254,504	$ 3,084,351	$ 4,390,276

See accompanying notes to financial statements.

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

Statement of Cash Flows

Year ended March 31, 2019, with comparative information for 2018

	2019	2018
Cash flows from (used in):		
Operations:		
Excess (deficiency) of revenue over expenses	$ (1,305,925)	$ (619,647)
Item not involving cash:		
Amortization	150,230	154,075
Reinvested investment income	(5,876)	(205)
Change in non-cash operating working capital		
Accounts receivable	(9,099)	(232,139)
Prepaid expenses	(29,036)	5,247
Accounts payable and accrued liabilities	(591,307)	196,220
Deferred contributions	(259,185)	277,627
	(2,050,198)	(218,822)
Financing:		
Advances to Gabriel Dumont Institute Press Inc.	367,428	(27,633)
Investing:		
Purchase of property and equipment	(127,755)	(193,969)
Increase (decrease) in cash and cash equivalents	(1,810,525)	(440,424)
Cash and cash equivalents, beginning of year	2,950,692	3,391,116
Cash and cash equivalents, end of year	$ 1,140,167	$ 2,950,692

See accompanying notes to financial statements.

1. Nature of operations:

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 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.

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 Governors of the Institute are the same governors and the only governors 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, teaching and fees for services are recognized as revenue when the courses and services are delivered.

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

(c) Financial instruments:

Financial assets and liabilities (cash and cash equivalents, short-term investments, accounts receivable, accounts payable and accrued liabilities, and advances to related parties) 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. Changes in fair value are recognized in net revenue in the period incurred.

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 and equipment:

Property 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
Buildings	Declining	5 %
Computer equipment	Declining	20%
Equipment	Declining	20%
Works of art, artifacts	Declining	5%
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. Costs are expensed in the year incurred. The pension expense for the year was $237,363 (2018 - $218,783).

(g) Use of estimates:

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

(h) Allocation of shared expenses:

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

(i) Cash and cash equivalents:

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

3. Property and equipment:

	Cost	Accumulated amortization	2019 Net book value	2018 Net book value
Administrative:				
Land	$ 270,616	$ -	$ 270,616	$ 270,616
Buildings	2,929,959	1,216,507	1,713,452	1,719,115
Computer equipment	519,087	362,332	156,755	161,359
Equipment	1,216,989	1,178,354	38,635	42,957
	4,936,651	2,757,193	2,179,458	2,194,047
Core services:				
Equipment	310,881	306,577	4,304	5,380
Works of art/artifacts	22,445	6,534	15,911	16,748
Leasehold improvements	70,885	42,124	28,761	31,956
	404,211	355,235	48,976	54,084
S.U.N.T.E.P.				
Equipment	340,764	317,777	22,987	25,418
Leasehold Improvements	9,991	6,930	3,061	3,402
	350,755	324,707	26,048	28,820
Other				
Equipment	16,780	16,758	22	28
	$ 5,708,397	$ 3,453,893	$ 2,254,504	$ 2,276,979

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, 2019 of $nil (2018 - $367,428) represents the net balance of book sales less expenses for the periods from commencement of operations to March 31, 2019 and working capital advances. During the year the Board of Governors made the decision to wind-up GDI Press, once the final contract has been completed. As a result, no amounts are estimated to be collected from GDI Press and the College has fully allowed for this receivable and has recognized a bad debt expense of $503,375. On going costs to GDI Press are expected to be nominal as GDI Press completes the remaining contract and receives money for the completed deliverable.

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

5. Accounts payable and accrued liabilities:

Included in accounts payable and accrued liabilities is an optional deferred salary leave plan (DSLP) in the amount of $15,942 (2016 - $Nil). The Institute's DSLP is designed to assist employees in financing a leave of absence. Employees who opt into this plan are paid up to 66.67% of their normal gross pay while the remaining 33.33% is withheld from their salary and invested in a savings account with a Chartered financial institution held by the Institute. The Institute guarantees payment of the deferred amount (including interest) upon the employee taking a leave of absence.

6. Deferred contributions:

The Institute has deferred contributions for the following projects:

Funding Agent	Project	2019	2018
Canada Heritage	Michif to Go	$ 19,161	$ -
Indigenous and Northern Affairs Canada	Urban Programming for Indigenous Peoples	-	278,346
		$ 19,161	$ 278,346

7. Associated and related entities:

The following organizations are associated with the Institute as the Board of Governors are the same directors and the only governors 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.

7. Associated and related entities (continued):

	Gabriel Dumont College Inc. March 31, 2019	Dumont Technical Institute Inc. June 30, 2018	Gabriel Dumont Scholarship Foundation II December 31, 2018	Gabriel Dumont Institute Training & Employment Inc. March 31, 2019	Gabriel Dumont Press Inc. December 31, 2018
Total assets	$ 1,712,477	$ 7,541,760	$ 3,309,801	$ 1,603,479	$ 37,666
Total liabilities	649,302	3,030,362	63,904	1,039,895	540,406
Net assets					
- internally restricted/unrestricted	1,063,175	4,377,381	301,792	-	(502,740)
- externally restricted	-	134,017	2,944,105	23,584	-
	$ 1,712,477	$ 7,541,760	$ 3,309,801	$ 1,063,479	$ 37,666
Results of operations:					
Total revenue	907,223	7,624,203	760,807	15,158,086	149,911
Total expenses	2,387,424	7,803,073	454,237	15,158,086	293,932
Net revenue (expense)	$ (1,480,201)	$ (178,870)	$ 306,570	$ -	$ (144,021)
Cash flows:					
Cash provided by (used in) operations	$ (1,112,716)	460,580	$ 332,713	(758,710)	(134,473)
Cash provided by (used in) financing and investing activities	-	(916,143)	(79,781)	-	99,515
Increase (decrease) in cash	$ (1,112,716)	$ (455,563)	$ 252,932	$ (758,710)	$ (34,958)
Cash, end of year	$ 820,546	$ 404,036	$ 319,533	$ 780,108	$ 22,246

8. Related party transactions:

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

8. Related party transactions (continued):

		2019		2018
Entities under common control:				
Fees for service (office and equipment rent)	$	243,012	$	239,712
Fees for service (administrative services, at negotiated value)		179,894		169,705
Fees for service (programming services)		26,377		203,418
Sales and royalties		18,224		10,546
Building (rent)		(81,125)		(81,125)
Programming services		(525,917)		(844,626)
	$	(139,535)	$	(302,370)

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		
		2019		2018
Dumont Technical Institute Inc.	$	75,371	$	114,619
Gabriel Dumont Institute Training and Employment Inc.		19,376		110
Métis Nation - Saskatchewan Secretariat Inc.		21,417		1,810
Métis National Council		-		12,296
Gabriel Dumont College Inc.		26,558		30,598
	$	142,722	$	159,433

8. Related party transactions (continued):

	Accounts payable 2019	Accounts payable 2018
Gabriel Dumont Institute Training and Employment Inc.	$ 75	$ 75
Gabriel Dumont College Inc.	303,794	347,122
Gabriel Dumont Scholarship Foundation II	19,230	19,075
Dumont Technical Institute Inc.	613	243,591
	$ 323,712	$ 609,863

9. Commitments:

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

2020	$ 255,357
2021	100,193
2022	15,959
2023	4,118
2024	-
	$ 375,627

10. Economic dependence:

Approximately 83% (2018 - 83%) 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 and cash equivalents, short-term investments, accounts receivable and advances to Gabriel Dumont Institute Press Inc. 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 and cash equivalents is limited because the counterparties are chartered banks with high credit ratings assigned by national credit-rating agencies. The credit risk on advances to Gabriel Dumont Institute Press Inc. relates to the ability of the entity to develop and promote publishing and related activities pursuant to its business plan which will enable the repayment of the advances.

Interest rate risk

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

12. Comparative figures:

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

Schedule 1

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

Schedule of Other Revenue

Year ended March 31, 2019, with comparative information for 2018

	Administration and Core Services	Publishing	S.U.N.T.E.P.	2019	2018
Fees for services	$ 431,572	$ 71,504	$ -	$ 503,076	$ 538,445
Teaching income	-	-	296,432	296,432	188,617
National Indian Brotherhood Trust Fund (schedule 6)	-	200,000	-	200,000	150,000
Tuition income	-	-	175,336	175,336	316,287
Sales and royalties	-	103,602	-	103,602	85,209
Interest income and market value adjustments	45,892	-	-	45,892	35,261
Métis National Council (schedule 5)	-	40,560	-	40,560	168,500
Other grants	-	38,257	-	38,257	61,000
Veterans monument donations	4,477	-	-	4,477	3,851
Miscellaneous	152	2,088	-	2,240	14,615
SaskCulture Inc.	-	-	-	-	50,000
	$ 482,093	$ 456,011	$ 471,768	$ 1,409,872	$ 1,611,785

Schedule 2

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

Schedule of Operating Costs

Year ended March 31, 2019, with comparative information for 2018

	Administration & Core Services	Publishing	S.U.N.T.E.P.	2019	2018
Building	$ 263,693	$ 115,497	$ 242,436	$ 621,626	$ 634,327
Bad debts (note 4)	503,539	-	4,864	508,403	-
Consulting and legal services	95,108	374,890	30,000	499,998	2,160,695
Computer services	173,609	237	46,725	220,571	205,467
Amortization	144,138	-	6,092	150,230	154,075
Other equipment expenses	46,655	11,081	32,396	90,132	66,536
Telephone	62,353	2,134	1,985	66,472	64,858
Museum	-	65,925	-	65,925	40,139
Insurance	42,316	14,994	5,841	63,151	53,300
Office supplies	15,786	28,239	14,484	58,509	40,297
Cultural partnerships	-	41,007	-	41,007	33,698
Duplicating and materials development	8,342	5,150	12,905	26,397	19,107
Postage and courier	10,590	3,067	3,927	17,584	21,658
Bank charges	4,999	8,022	41	13,062	13,457
	$ 1,371,128	$ 670,243	$ 401,696	$ 2,443,067	$ 3,507,614

Schedule 3

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

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

Year ended March 31, 2019, with comparative information for 2018

	Administration & Core Services	Publishing	S.U.N.T.E.P.	2019	2018
Salaries and benefits:					
Staff salaries and wages	$ 1,292,765	$ 389,192	$ 1,736,291	$ 3,418,248	3,329,630
Staff benefits	259,414	62,917	272,005	594,336	562,146
	$ 1,552,179	$ 452,109	$ 2,008,296	$ 4,012,584	$ 3,891,776
Public relations:					
Promotion, publicity and graduation	$ 81,285	$ 164,827	$ 77,577	$ 323,689	$ 444,120
Recruitment	376	-	7,605	7,981	10,108
Orientation	-	-	1,149	1,149	228
	$ 81,661	$ 164,827	$ 86,331	$ 332,819	$ 454,456
Travel and sustenance:					
Staff and students	$ 60,631	$ 22,091	$ 57,313	$ 140,035	161,712
Board	119,510	5,000	150	124,660	94,772
	$ 180,141	$ 27,091	$ 57,463	$ 264,695	$ 256,484

Schedule 4

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

Schedule of Government of Canada - Indigenous and Northern Affairs Canada - Office of the Federal Interlocutor

Year ended March 31, 2019, with comparative information for 2018

	MCCI contract	MCCI amendment #2	MCCI amendment #3	MCCI 2019 Total	MCCI 2018 Total
Revenue:					
Office of the Federal Interlocutor	$ 253,700	$ 278,346	$ 120,000	$ 652,046	$ 2,233,573
	253,700	278,346	120,000	652,046	2,233,573
Expenses:					
Consulting and legal services	-	251,862	120,000	371,862	1,841,130
Curriculum development	115,015	-	-	115,015	135,576
Museum	65,925	-	-	65,925	40,139
Administrative services	26,717	26,484	-	53,201	167,667
Cultural partnerships	41,008	-	-	41,008	33,698
Michif preservation	5,035	-	-	5,035	15,363
Library - archives	-	-	-	-	-
	253,700	278,346	120,000	652,046	2,233,573
Net revenue	$ -	$ -	$ -	$ -	$ -

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

Schedule of Canadian Heritage - Canada Book Fund

Year ended March 31, 2019, with comparative information for 2018

		2019		2018
Revenue:				
Canadian Heritage - Canada Book Fund	$	40,560	$	168,500
Expenses:				
Material development		51,473		10,000
Consulting and legal services		-		77,254
Wages and benefits		-		70,000
Administrative services		-		8,489
Travel and sustenance		-		1,934
Promotions		-		823
		51,473		168,500
	$	(10,913)	$	-

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

Schedule of National Indian Brotherhood Trust Fund

Year ended March 31, 2019, with comparative information for 2018

	2019	2018
Revenue:		
National Indian Brotherhood Trust Fund	$ 200,000	$ 150,000
Expenses:		
Material development	117,479	29,407
Wages and benefits	45,000	50,000
Administrative services	19,785	14,211
Meetings	11,277	9,133
Travel and sustenance	3,168	3,707
Furniture and equipment	1,928	-
Honorarium	1,200	1,700
Office supplies	163	864
Consulting and legal services	-	40,000
Promotions	-	978
	200,000	150,000
	$ -	$ -

Schedule 7

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

DRAFT Schedule of Government of Canada - Department of Canadian Heritage

Year ended March 31, 2019, with comparative information for 2018

		2019		2018
Revenue:				
Department of Canadian Heritage	$	43,239	$	26,691
Expenses:				
Salaries and benefit		24,000		-
Curriculum development		9,800		26,691
Rent and storage		8,400		-
Furniture and equipment		1,039		-
		43,239		26,691
	$	-	$	-

Schedule 8

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

DRAFT Schedule of SaskCulture Inc.

Year ended March 31, 2019, with comparative information for 2018

	2019	2018
Revenue:		
SaskCulture	$ -	$ 50,000
Expenses:		
Consulting and legal services	-	23,482
Meetings	-	12,253
Travel and sustenance	-	7,465
Administrative services	-	5,000
Rent	-	1,800
	-	50,000
	$ -	$ -

Financial Statements of

DUMONT TECHNICAL INSTITUTE INC.

And Independent Auditors' Report thereon

Year ended June 30, 2019

INDEPENDENT AUDITORS' REPORT

To the Governors of Dumont Technical Institute

Opinion

We have audited the financial statements of Dumont Technical Institute (the Entity), which comprise:

- the statement of financial position as at June 30, 2019
- the statement of operations for the year then ended
- the statement of changes net assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements, present fairly, in all material respects, the financial position of the Entity as at June 30, 2019, 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.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "***Auditors' Responsibilities for the Audit of the Financial Statements***" section of our auditors' report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit

KPMG LLP

Chartered Professional Accountants

October 10, 2019

Saskatoon, Canada

DUMONT TECHNICAL INSTITUTE INC.

Statement of Financial Position

June 30, 2019, with comparative information for 2018

		2019		2018
Assets				
Current assets:				
Cash and cash equivalents	$	2,613,970	$	404,036
Accounts receivable		526,539		418,750
Prepaid expenses		138,185		84,109
		3,278,694		906,895
Investments (note 4)		705,593		1,413,812
Property and equipment (note 5)		7,440,882		5,221,053
	$	11,425,169	$	7,541,760
Liabilities and Net Assets				
Current liabilities:				
Accounts payable and accrued liabilities	$	970,228	$	504,671
Deferred revenue (note 6)		1,177,861		951,577
Current portion of long-term debt (note 7)		71,544		55,503
		2,219,633		1,511,751
Callable debt (note 8)		800,000		-
		3,019,633		1,511,751
Long-term debt (note 7)		731,456		112,611
Deferred capital contributions (note 9)		2,935,700		1,406,000
Net assets				
Invested in property and equipment		2,902,182		3,646,939
Core		1,570,264		730,442
Programming		265,934		134,017
		4,738,380		4,511,398
Commitments (notes 5, 8 and 10)				
	$	11,425,169	$	7,541,760

See accompanying notes to financial statements.

On behalf of the Board:

Andy McCarthy ______________________ Director

Earl Cook ______________________ Director

DUMONT TECHNICAL INSTITUTE INC.
Statement of Operations

Year ended June 30, 2019, with comparative information for 2018

	Core	BE Programs	Other Programs	2019	2018
Revenue:					
Government of Saskatchewan grants	$ 1,958,697	$ 2,551,877	$ 898,427	$ 5,409,001	$ 4,816,190
Tuition and fees	-	85,536	2,202,727	2,288,263	2,204,569
Facility rental and other income	513,901	-	-	513,901	513,420
Investment income	69,551	-	-	69,551	16,024
Amortization of deferred capital contributions	70,300	-	-	70,300	74,000
	2,612,449	2,637,413	3,101,154	8,351,016	7,624,203
Expenses:					
Salaries	1,243,930	1,377,269	1,006,870	3,628,069	3,547,628
Purchased courses	79,976	211,966	903,165	1,195,107	861,960
Facilities	265,947	369,589	265,402	900,938	780,767
Staff benefits	253,739	223,428	147,970	625,137	673,410
Instructional costs	1,118	96,080	339,012	436,210	521,462
Amortization	289,421	-	-	289,421	295,394
Staff travel	55,484	64,758	77,461	197,703	250,942
Administrative services	3,000	43,554	145,500	192,054	187,476
Office supplies	57,807	42,361	22,640	122,808	129,732
Equipment and education supplies	37,278	44,469	33,560	115,307	142,642
Software support	40,705	19,901	18,034	78,640	54,608
Telephone and fax	27,585	31,459	19,137	78,181	77,559
Public relations	40,920	21,721	8,477	71,118	120,959
Insurance	56,795	1,148	11,491	69,434	63,411
Professional development	13,211	11,941	27,404	52,556	25,214
Professional services	29,189	-	16,000	45,189	53,521
Interest and bank charges	21,279	-	-	21,279	16,388
Bad debts	-	-	4,883	4,883	-
	2,517,384	2,559,644	3,047,006	8,124,034	7,803,073
Excess (deficiency) of revenue over expenses	$ 95,065	$ 77,769	$ 54,148	$ 226,982	$ (178,870)

See accompanying notes to financial statements.

DUMONT TECHNICAL INSTITUTE INC.

Statement of Changes in Net Assets

Year ended June 30, 2019, with comparative information for 2018

	Invested in property and equipment	Core	Programming Funds BE Programs	Programming Funds Other Programs	2019	2018
Balance, beginning of year	$ 3,646,939	$ 730,442	$ -	$ 134,017	$ 4,511,398	$ 4,690,268
Excess (deficiency) of revenue over expenses	-	95,065	77,769	54,148	226,982	(178,870)
Purchase of property and equipment	2,509,250	(2,509,250)	-	-	-	-
Amortization	(289,421)	289,421	-	-	-	-
Deferred capital contributions	(1,600,000)	1,600,000	-	-	-	-
Amortization of deferred capital contributions	70,300	(70,300)	-	-	-	-
Issuance of long-term debt	(803,000)	803,000	-	-	-	-
Issuance of callable debt	(800,000)	800,000	-	-	-	-
Repayment of long-term debt	168,114	(168,114)	-	-	-	-
Balance, end of year	$ 2,902,182	$ 1,570,264	$ 77,769	$ 188,165	$ 4,738,380	$ 4,511,398

See accompanying notes to financial statements.

DUMONT TECHNICAL INSTITUTE INC.

Statement of Cash Flows

Year ended June 30, 2019, with comparative information for and 2018

	2019	2018
Cash flows from (used in):		
Operations:		
Excess (deficiency) of revenue over expenses	$ 226,982	$ (178,870)
Items not involving cash:		
Amortization	289,421	295,394
Investment increase to fair value	(41,781)	(88)
Amortization of deferred capital contributions	(70,300)	(74,000)
Change in non-cash operating working capital:		
Accounts receivable	(107,789)	(323,161)
Prepaid expenses	(54,076)	91,745
Accounts payable and accrued liabilities	465,557	230,264
Deferred revenue	226,284	419,296
	934,298	460,580
Financing:		
Issuance of long term debt	803,000	-
Issuance of callable debt	800,000	-
Repayment of long-term debt	(168,114)	(53,526)
Deferred capital contributions	1,600,000	1,320,086
	3,034,886	1,266,560
Investing:		
Purchase of property and equipment	(2,509,250)	(2,182,703)
Proceeds on disposal of investments	1,453,307	-
Purchase of investments	(703,307)	-
	(1,759,250)	(2,182,703)
Increase (decrease) in cash	2,209,934	(455,563)
Cash and cash equivalents, beginning of year	404,036	859,599
Cash and cash equivalents, end of year	$ 2,613,970	$ 404,036

See accompanying notes to financial statements.

1. Nature of organization:

Dumont Technical Institute Inc. ("the Institute", "DTI") 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 Governors of Gabriel Dumont Institute of Native Studies and Applied Research, Inc. are the same Governors and the only Governors 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 fair value. These investments are considered long-term in nature as they are held for long-term investment purposes.

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
Building	Declining balance	5%
Furniture and equipment	Declining balance	20%
Computer equipment	Declining balance	30%

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:

	2019	2018
Facility rental income	$ 325,885	$ 272,127
Allocated as follows:		
Basic Education programs	199,430	169,003
Other programs	126,455	103,124
	$ 325,885	$ 272,127

3. Financial instruments and risk management:

Financial assets and liabilities (cash and cash equivalents, accounts receivable, investments, accounts payable and accrued liabilities, long-term debt and deferred revenue) 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. Changes in fair value are recognized in net revenue in the period incurred.

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.

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

3. Financial instruments and risk management (continued):

Interest rate risk

The interest bearing investments have limited exposure to interest rate risk due to their short-term period to maturity. The Institute also has exposure to interest rate risk on its long-term debt arising from interest at variable rates as well as prevailing interest rates at the time of renewal or refinancing of the debt as it becomes due.

Fair values

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

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

4. Investments:

		2019	2018
	Cost	Market Value	Market Value
Cash and cash equivalents	$ 3,427	$ 3,427	$ -
Fixed Income	376,778	377,906	1,320,027
Equities	33,766	34,208	-
Mutual and segregated funds	290,052	290,052	93,785
	$ 704,023	$ 705,593	$ 1,413,812

5. Property and equipment:

	Cost	Accumulated amortization	2019 Net book value	2018 Net book value
Land	$ 841,983	$ -	$ 841,983	$ 819,376
Buildings	5,390,774	1,477,141	3,913,633	4,215,609
Furniture and equipment	1,173,295	914,245	259,050	147,061
Computer equipment	352,755	309,173	43,582	39,007
Building under construction	2,382,634	-	2,382,634	-
	$ 10,141,441	$ 2,700,559	$ 7,440,882	$ 5,221,053

The building under construction relates to the 917 22nd Street West, Saskatoon, Saskatchewan location. Total construction costs are estimated at $4,400,000 with an estimated completion date of October of 2019. Amortization of building costs will commence during the period when the project is substantially complete and available for use.

6. Deferred revenue:

Deferred revenue is comprised of the following:

	2019	2018
Ministry of Economy - Basic Education programs	$ 389,360	$ 490,074
Advanced Education - Skills Training	318,502	201,929
Advanced Education - Employee Assistance for People with Disabilities	4,657	9,598
Gabriel Dumont Institute Training & Employment Inc.	411,918	196,552
Other	53,424	53,424
	$ 1,177,861	$ 951,577

7. Long-term debt:

		2019		2018
Clarence Campeau Development Fund term loan due March 2021, repayable in monthly instalments of \$5,087 including interest at a rate of 2% over the Scotia McLeod five-year bankers acceptance rate (currently 3.81% 2017 - 4.02%) against which a building has been pledged as collateral.	$	-	$	168,114
Clarence Campeau Development Fund mortgage due April 1, 2029, repayable in monthly installments of \$5,298 including interest at a rate of 1% over the Bank of Nova Scotia Prime rate (4.95% for the first five years).		500,000		-
Clarence Campeau Development Fund no-interest loan due June 1, 2029, repayable in monthly installments of \$2,525.00.		303,000		-
		803,000		168,114
Current portion		71,544		55,503
	$	731,456	$	112,611

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

2020	$	71,544
2021		72,409
2022		74,484
2023		76,693
2024		78,994
Thereafter		428,876
	$	803,000

8. Callable debt:

During the year the Institute entered into a revolving demand loan with CIBC for capital expenditures. The facility is available up to $1,625,000 and is interest only until final advance (to be drawn by the Institute in 2020). Once the final advance has been made the loan is repayable in monthly instalments of $12,850, with interest of 4.7% interest and is secured by mortgage on 1003 & 917 22nd Street West.

9. Deferred capital contributions:

	Contribution Received	Amortization	Balance 2019	Balance 2018
La Loche Building	1,480,000	144,300	1,335,700	1,406,000
917 22nd Street West Building	1,600,000	-	1,600,000	-
	$ 3,080,000	$ 144,300	$ 2,935,700	$ 1,406,000

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. Construction of the La Loche Program Centre was completed in 2018 and $2,030,487 (2018 - $1,515,259) of construction costs have been incurred and capitalized to property and equipment. The deferred capital contribution funding is being amortized into income on the same rate (5% declining balance) as the La Loche Centre capital costs.

Construction of the 917 22nd Street West Building was started during 2019 and during the year $2,382,634 of construction costs have been incurred and capitalized to property and equipment. Deferred capital contributions for the 917 22nd Street West Building consists of funds received or receivable for costs incurred. The deferred capital contribution funding of $1,600,000 will be amortized into income on the same rate (5% declining balance) as the 917 22nd Street West Building capital costs. Amortization will commence once the building is substantially complete and available for use.

10. Commitments:

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

2019	$	196,075
2020		29,902
2021		25,242
2022		8,748
		-
	$	259,967

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

11. 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.

	2019	2018
Tuition and fees	$ 2,004,154	$ 1,477,493
Service provision & expense reimbursement	-	267,828
Rent (included in facility rental and other income)	165,863	146,638
Tuitions	(8,000)	-
Public relations expense	(5,140)	(7,302)
Administrative services expense	(180,500)	(183,088)
Facilities expense	(187,344)	(193,623)
	$ 1,789,033	$ 1,507,946

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

11. Related party transactions (continued):

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

Accounts receivable	2019	2018
Gabriel Dumont Institute Training & Employment Inc.	$ (4,372)	$ 77,721
Gabriel Dumont Institute of Native Studies and Applied Research, Inc.	706	688
Gabriel Dumont College Inc.	400,000	-
	$ 396,334	$ 78,409

Accounts payable and accrued liabilities	2019	2018
Gabriel Dumont Institute of Native Studies and Applied Research, Inc.	$ 48,383	$ 60,666
Gabriel Dumont Institute Training & Employment Inc.	10,334	-
Gabriel Dumont College Inc.	8,000	-
	$ 66,717	$ 60,666

Deferred grants for property and equipment	2019	2018
Gabriel Dumont College Inc.	$ 1,400,000	$ -
	$ 1,400,000	$ -

12. Economic dependence:

Approximately 66% (2018 - 64%) of the Institute's revenue was derived from the Government of Saskatchewan. Funding is provided by annual grants under contracts expiring on various dates.

13. 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 $217,519 (2018 - $218,814).

Financial Statements of

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

And Independent Auditors' Report thereon

Year ended March 31, 2019

KPMG

INDEPENDENT AUDITORS' REPORT

To the Board of Governors of Gabriel Dumont Institute Training and Employment Inc.

Opinion

We have audited the financial statements of Gabriel Dumont Institute Training and Employment Inc. (the Entity), which comprise:

- the statement of financial position as at March 31, 2019
- the statement of operations for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at March 31, 2019, and its results of 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 for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "***Auditors' Responsibilities for the Audit of the Financial Statements***" section of our auditors' report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Emphasis of Matter – Financial Reporting Framework

We draw attention to Note 1 in the financial statements, which describes the applicable financial reporting framework and the purpose of the financial statements.

As a result, the financial statements may not be suitable for another purpose.

Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with financial reporting provisions of 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.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

  The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

KPMG

- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KPMG LLP

Chartered Professional Accountants

Saskatoon, Canada
July 18, 2019

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Statement of Financial Position

March 31, 2019, with comparative information for 2018

		2019		2018
Assets				
Current assets:				
Cash and cash equivalents	$	780,108	$	1,538,818
Accounts receivable		259,787		127,470
		1,039,895		1,666,288
Furniture, equipment, and vehicle (note 2)		23,584		32,448
	$	1,063,479	$	1,698,736
Liabilities				
Current liabilities:				
Accounts payable and accrued liabilities	$	507,517	$	666,710
Deferred revenue (note 3)		532,378		999,578
		1,039,895		1,666,288
Deferred contributions for furniture, equipment, and vehicle (note 4)		23,584		32,448
	$	1,063,479	$	1,698,736

See accompanying notes to financial statements.

On behalf of the Board:

Earl Cook Governor

Governor

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Statement of Operations

Year ended March 31, 2019, with comparative information for 2018

	2019	2018
Revenue:		
Service Canada-Aboriginal Skills and Employment Training Strategy Métis Funding ("ASETS") (schedule 1)	$ 12,780,054	$ 11,597,975
Skills and Partnership Fund Agreement - (SPF)	1,778,362	797,450
Western Diversification Program ("WDP") - Entrepreneurship	599,670	90,312
Western Diversification Program ("WDP")	-	110,368
	15,158,086	12,596,105
Expenses (schedule 2):		
Service delivery (schedule 3)	10,791,621	8,624,234
Wages and benefits	3,202,877	2,812,903
GDI Scholarship Fund	300,000	300,000
Facilities rentals	195,088	188,123
Public relations	171,344	125,722
Staff travel	143,116	133,792
Office	99,318	90,213
Telephone	64,943	63,777
Selection committee and professional development	46,151	35,797
Professional fees	40,501	42,815
Office supplies	40,112	38,639
Computer software support	25,555	94,209
Insurance	11,304	16,763
Equipment rentals	9,097	11,668
Amortization	8,864	9,102
Interest and bank charges	4,070	3,709
Contractual services and consulting	2,644	290
Postage and courier	787	3,011
Repairs and maintenance	694	1,338
	15,158,086	12,596,105
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, 2019, with comparative information for 2018

	2019	2018
Cash flows from (used in):		
Operations:		
Items not involving cash:		
Amortization of furniture, equipment and vehicles	$ 8,864	$ 9,102
Amortization of deferred contributions for furniture, equipment and vehicles	(8,864)	(9,102)
Change in non-cash operating working capital:		
Accounts receivable	(132,317)	423,668
Accounts payable and accrued liabilities	(159,193)	522,563
Deferred revenue	(467,200)	999,543
Increase (decrease) in cash and cash equivalents	(758,710)	1,945,774
Cash and cash equivalents (bank indebtedness), beginning of year	1,538,818	(406,956)
Cash and cash equivalents, end of year	$ 780,108	$ 1,538,818

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"), the Western Diversification Project Article Agreement dated November 4, 2014 ("WDP Agreement" or "WDP") and the WDP Entrepreneurship Agreement dated September 14, 2017 with the Minister of Western Economic Diversification.

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 Governors of Gabriel Dumont Institute of Native Studies and Applied Research, Inc. are the same governors and the only governors of the controlled entities. These financial statements do not include the operations of these other entities.

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, 2029. The WDP Entrepreneurship Agreement with the Minister of Western Economic Diversification has been renewed to March 31, 2020.

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:

1. Significant accounting policies (continued):

(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.

(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.

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.

(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:

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

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

(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, useful life of furniture, equipment and vehicle 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 $184,746 (2018- $171,977).

(g) Financial instruments:

Financial assets and liabilities (cash and cash equivalents, accounts receivable and accounts payable and accrued liabilities) are recorded at fair value on initial recognition. All 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.

1. Significant accounting policies (continued):

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.

(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	2019 Net book value	2018 Net book value
Vehicle	$ 39,575	$ 19,788	$ 19,787	$ 27,702
Furniture and equipment	49,455	46,324	3,131	3,914
Computer equipment	10,506	9,840	666	832
	$ 99,536	$ 75,952	$ 23,584	$ 32,448

3. Deferred revenue:

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

	2019	2018
Service Canada ASETS Agreements	$ 532,369	$ 767,345
Skills and Partnership Fund	9	232,233
	$ 532,378	$ 999,578

4. 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.

	2019	2018
Balance, beginning of year	$ 32,448	$ 41,550
Deferred contributions recognized	(8,864)	(9,102)
Balance, end of year	$ 23,584	$ 32,448

5. Commitments:

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

2020	$ 231,948
2121	322

The operating leases are primarily based on monthly rentals.

6. Related party transactions:

During the year the Institute paid $2,098,841 (2018 - $1,685,455), $280 (2018 - $705) and $117,929 (2018 - $32,634) 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, 2019 (2018 - $66,702 and $48,000).

The Institute provided $300,000 (2018- $300,000) to the Gabriel Dumont Scholarship Foundation II for scholarships and bursaries.

Accounts payable and accrued liabilities include $130 (2018 - $173,314) owing to Dumont Technical Institute, $2,652 (2018 - $110) owing to Gabriel Dumont Institute of Native Studies and Applied Research, Inc. and $300,000 (2018 - $300,000) owing to The Gabriel Dumont Scholarship Foundation II.

Accounts receivable includes $75 (2018 - $75) owed from Gabriel Dumont Institute of Native Studies and Applied Research, Inc., $10,208 (2018 - $9,049) owed from Dumont Technical Institute Inc. and $nil (2018 - $4,916) owed from Gabriel Dumont College Inc.

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

Related party transactions are recorded at the exchange amount being amounts agreed upon between the related parties.

7. Economic dependence:

96% (2018 - 98%) of the Institute's revenue was derived from Service Canada. The contract with Service Canada has been extended to March 31, 2029.

8. Financial instruments and risk management:

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

Credit risk

The Institute's principal financial assets are cash and cash equivalents, 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 and cash equivalents 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 its 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.

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Schedules of Service Canada ASETS Agreement Revenue

Year ended March 31, 2019, with comparative information for 2018

	Employment Insurance	Consolidated Revenue Fund	2019	2018
Service Canada contributions	$ 4,007,275	$ 8,489,340	$ 12,496,615	$ 12,320,623
Deferred revenue including interest - beginning of year	35	767,310	767,345	35
Deferred contributions for furniture, equipment and vehicle - beginning of year	-	32,448	32,448	41,550
Deferred contributions for furniture, equipment and vehicle - end of year	-	(23,584)	(23,584)	(32,448)
Interest earned	-	36,611	36,611	22,660
Other revenue	-	2,988	2,988	12,900
Deferred revenue including interest - end of year	-	(532,369)	(532,369)	(767,345)
Revenue recognized	$ 4,007,310	$ 8,772,744	$ 12,780,054	$ 11,597,975

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Schedule of Expenses

Year ended March 31, 2019, with comparative information for 2018

	Employment Insurance	Consolidated Revenue Fund	Western Diversification Program	Skills and Partnership Fund	2019	2018
Program Administration Expenses						
Wages and benefits	$ -	$ 963,626	$ 186,883	$ 202,009	$ 1,352,518	$ 1,002,192
Public relations	-	149,590	-	13,154	162,744	109,211
Office	-	68,924	1,318	-	70,242	68,881
Staff travel	-	43,274	-	5,950	49,224	32,902
Professional fees	-	40,501	-	-	40,501	42,815
Facilities rentals	-	29,334	-	-	29,334	29,041
Computer software support	-	24,890	-	-	24,890	94,209
Telephone	-	20,643	-	-	20,643	20,880
Insurance	-	11,304	-	-	11,304	16,763
Selection committee and professional development	2,521	13,143	-	2,122	17,786	11,661
Amortization	-	8,864	-	-	8,864	9,102
Office supplies	-	8,838	-	-	8,838	10,962
Interest and bank charges	-	4,070	-	-	4,070	3,709
Contractual services and consulting	-	2,644	-	-	2,644	190
Postage and courier	-	261	-	-	261	146
	2,521	1,389,906	188,201	223,235	1,803,863	1,452,664
Program Assistance Expenses						
Education and training costs	1,494,201	3,957,521	356,699	284,967	6,093,388	4,679,870
Student allowances	874,142	1,976,728	54,770	37,016	2,942,656	2,438,222
Wage subsidies	174,332	348,101	-	1,233,144	1,755,577	1,506,141
GDI Scholarship Fund	-	300,000	-		300,000	300,000
Staff travel	52,778	-	-	-	52,778	59,665
Telephone	43,996	-	-	-	43,996	42,898
Office supplies	18,272	-	-	-	18,272	17,521
Public relations	1,138	-	-	-	1,138	1,045
Postage and courier	526	-	-	-	526	765
	2,659,385	6,582,350	411,469	1,555,127	11,208,331	9,046,127

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Schedule of Expenses (continued)

Year ended March 31, 2019, with comparative information for 2018

	Employment Insurance	Consolidated Revenue Fund	Western Diversification Program	Skills and Partnership Fund	2019	2018
Employment Assistance Services						
Wages and benefits	$ 1,345,404	$ 504,955	$ -	$ -	$ 1,850,359	$ 1,810,711
Facilities rental	-	165,754	-	-	165,754	159,082
Staff travel	-	41,114	-	-	41,114	41,225
Selection committee and professional development	-	28,365	-	-	28,365	24,136
Office	-	29,076	-	-	29,076	21,332
Office supplies	-	13,002	-	-	13,002	10,156
Equipment rentals	-	9,097	-	-	9,097	11,668
Public relations	-	7,462	-	-	7,462	15,466
Computer software support	-	665	-	-	665	-
Repairs and maintenance	-	694	-	-	694	1,338
Telephone	-	304	-	-	304	-
Postage and courier	-	-	-	-	-	2,100
Contractual services and consulting	-	-	-	-	-	100
	1,345,404	800,488	-	-	2,145,892	2,097,314
	$ 4,007,310	$ 8,772,744	$ 599,670	$ 1,778,362 $	$15,158,086	$12,596,105

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Schedule of Service Delivery Expenses

Year ended March 31, 2019, with comparative information for 2018

	Saskatoon	Regina	Prince Albert	Nipawin	Yorkton	North Battleford	Meadow Lake	Ile a la Crosse	La Loche	Beauval	2019	2018
Tuition and program delivery	$ 1,323,475	$ 812,125	$ 1,192,016	$ 196,834	$ 93,737	$ 252,869	$ 306,256	$ 105,486	$ 227,980	$ 222,935	$ 4,733,713	$ 3,473,758
Income support	810,582	415,276	609,276	108,796	45,784	253,314	215,603	94,958	139,381	268,905	2,961,875	2,442,471
Wage subsidies	480,154	166,835	162,584	57,612	-	48,441	338,940	76,759	26,351	189,544	1,547,220	1,309,030
Books	159,638	97,753	96,051	13,089	4,444	45,541	29,428	18,114	31,711	31,174	526,943	557,817
Dependent care	109,844	51,455	77,187	3,340	-	20,529	29,205	14,062	7,509	17,343	330,474	293,786
Supplies	83,318	32,794	78,701	8,927	5,809	14,629	32,713	15,429	6,895	16,366	295,581	231,221
Student work experience	40,455	8,886	52,160	20,104	3,469	1,418	41,101	10,651	22,146	7,967	208,357	197,112
Student travel	16,108	42,523	36,965	5,997	7,200	13,500	16,740	12,651	12,266	7,616	171,566	114,577
Living away from home allowance	1,250	-	4,038	-	-	-	400	-	2,125	-	7,813	3,075
Special needs allowance	5,516	-	2,563	-	-	-	-	-	-	-	8,079	1,387
	$ 3,030,340	$ 1,627,647	$ 2,311,541	$ 414,699	$ 160,443	$ 650,241	$ 1,010,386	$ 348,110	$ 476,364	$ 761,850	$ 10,791,621	$ 8,624,234

Financial Statements of

GABRIEL DUMONT COLLEGE INC.

And Independent Auditors' Report thereon
Year ended March 31, 2019

INDEPENDENT AUDITORS' REPORT

To the Governors of Gabriel Dumont College Inc.

Opinion

We have audited the financial statements of Gabriel Dumont College Inc.(the Entity), which comprise:

- the statement of financial position as at March 31, 2019
- the statement of operations for the year then ended
- the statement of changes net assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements, present fairly, in all material respects, the financial position of the Entity as at March 31, 2019, 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.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "***Auditors' Responsibilities for the Audit of the Financial Statements***" section of our auditors' report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit

KPMG LLP

Chartered Professional Accountants

July 18, 2019
Saskatoon, Canada

GABRIEL DUMONT COLLEGE INC.

Statement of Financial Position

March 31, 2019, with comparative information for 2018

		2019		2018
Assets				
Current assets:				
Cash and cash equivalents	$	820,546	$	1,933,262
Investments and marketable securities		167,414		162,208
Accounts receivable		710,339		607,856
Prepaid expenses		4,500		500
		1,702,799		2,703,826
Equipment (note 3)		9,678		12,098
	$	1,712,477	$	2,715,924
Liabilities and Net Assets				
Current liabilities:				
Accounts payable and accrued liabilities	$	462,179	$	172,548
Deferred revenue (note 4)		187,123		-
		649,302		172,548
Net assets:				
Unrestricted		1,053,497		2,531,278
Invested in equipment		9,678		12,098
		1,063,175		2,543,376
	$	1,712,477	$	2,715,924

See accompanying notes to financial statements.

On behalf of the Board:

Carl Cook ________________ Governor

[illegible] ________________ Governor

GABRIEL DUMONT COLLEGE INC.

Statement of Operations

Year ended March 31, 2019, with comparative information for 2018

	2019	2018
Revenue:		
Tuition and related fees (note 5)	$ 875,004	$ 1,015,267
Program grants (note 5)	-	213,250
Interest	32,219	21,595
Other	-	1,195
	907,223	1,251,307
Expenses:		
Contributions to Dumont Technical Institute Inc. (note 5)	1,400,000	-
Salaries and benefits	384,353	467,453
Scholarships, tuition and student fees	283,550	429,828
Consulting fees	138,973	90,669
Promotions	68,744	103,894
Student supplies	25,913	7,795
Office supplies and services	20,528	3,406
Travel	16,376	14,956
Facilities and rent	15,883	20,696
Audit and legal	13,850	13,417
Equipment expense	4,587	1,227
Bank charges	4,295	7,356
Repairs and maintenance	3,952	-
Amortization of equipment	2,420	3,025
Bad debt	2,250	-
Start up allowances	1,750	2,600
	2,387,424	1,166,322
Excess (deficiency) of revenue over expenses	$ (1,480,201)	$ 84,985

See accompanying notes to financial statements.

GABRIEL DUMONT COLLEGE INC.

Statement of Changes in Net Assets

Year ended March 31, 2019, with comparative information for 2018

	Unrestricted	Invested in Equipment	Total
Net assets, April 1, 2018	$ 2,443,268	$ 15,123	$ 2,458,391
Excess of revenue over expenses	84,985	-	84,985
Amortization of equipment	3,025	(3,025)	-
Net assets, March 31, 2018	$ 2,531,278	$ 12,098	$ 2,543,376
Excess (deficiency) of revenue over expenses	(1,480,201)	-	(1,480,201)
Amortization of equipment	2,420	(2,420)	-
Net assets, March 31, 2019	$ 1,053,497	$ 9,678	$ 1,063,175

See accompanying notes to financial statements.

GABRIEL DUMONT COLLEGE INC.

Statement of Cash Flows

Year ended March 31, 2019, with comparative information for 2018

	2019	2018
Cash flows from (used in):		
Operations:		
Excess (deficiency) of revenue over expenses	$ (1,480,201)	$ 84,985
Items not involving cash:		
Amortization of equipment	2,420	3,025
Reinvested interest income	(5,206)	(182)
Change in non-cash operating working capital:		
Accounts receivable	(102,483)	(68,743)
Prepaid expenses	(4,000)	(500)
Accounts payable and accrued liabilities	289,631	128,609
Deferred revenue	187,123	-
	(1,112,716)	147,194
(Decrease) increase in cash and cash equivalents	(1,112,716)	147,194
Cash and cash equivalents, beginning of year	1,933,262	1,786,068
Cash and cash equivalents, end of year	$ 820,546	$ 1,933,262

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 purpose of the College is to provide a means of post secondary education for Métis people.

The College is affiliated with the University of Saskatchewan and the University of Regina to allow Non Métis university students to enroll in GDC programming 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: 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 Governors of Gabriel Dumont College Inc. are the governors 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.

2. Significant accounting policies (continued):

(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, the collectibility of accounts receivable and the estimate of deferred revenue. Actual results could differ from those estimates.

(c) Cash and cash equivalents:

Cash and cash equivalents include cash, 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.

2. Significant accounting policies (continued):

(e) Financial instruments:

Financial assets and liabilities (cash and cash equivalents, investments and marketable securities, accounts receivable and account payable and accrued liabilities) 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.

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.

(f) Allocation of shared expenses:

Gabriel Dumont Institute of Native Studies and Applied Research, Inc. ("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.

3. Equipment:

	Cost	Accumulated amortization	2019 Net book value	2018 Net book value
Computer equipment	$ 60,033	$ 58,200	$ 1,833	$ 2,292
Other equipment	39,679	31,834	7,845	9,806
	$ 99,712	$ 90,034	$ 9,678	$ 12,098

Computer equipment with a net carrying value of $1,833 (2018 - $2,292) 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. Deferred revenue:

	2019	2018
Métis Cultural Conference	$ 110,000	$ -
Métis Cultural Resource Kits	77,123	-
	$ 187,123	$ -

5. Related party transactions:

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

	2019	2018
Revenues:		
Tuition and related fees:		
Gabriel Dumont Institute of Native Studies and Applied Research, Inc.	$ 303,794	$ 529,372
Gabriel Dumont Institute Training and Employment Inc.	115,263	32,634
Program grants:		
Métis Nation- Saskatchewan Secretariat Inc.	-	40,000
Expenses:		
Programming/ services:		
Gabriel Dumont Institute of Native Studies and Applied Research, Inc.	13,292	23,109
Gabriel Dumont Institute Training and Employment Inc.	-	4,916
Contributions:		
Dumont Technical Institute Inc.	1,400,000	15,955

Accounts payable includes $25,585 (2018 - $30,598) to Gabriel Dumont Institute of Native Studies and Applied Research and $403,641 (2018 - $3,182) to Dumont Technical Institute and $nil (2018 - $4,915) to Gabriel Dumont Institute Training & Employment Inc.

Accounts receivable includes $490,917 (2018 - $347,122) from Gabriel Dumont Institute of Native Studies and Applied Research and $nil (2018 - $16,000) from Métis Nation-Saskatchewan Secretariat Inc.

During the year, the Institute contributed $1,400,000 to Dumont Technical Institute Inc. to assist with their building expansion project.

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

6. 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.

7. 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 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 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.

8. Comparative figures:

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

Financial Statements of

THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Year ended December 31, 2018

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:

Opinion

We have audited the financial statements of The Gabriel Dumont Scholarship Foundation II (the Foundation), which comprise:

- the statement of financial position as at December 31, 2018
- the statement of revenue and expenses for the year then ended
- the statement of changes in net assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements, present fairly, in all material respects, the financial position of the Foundation as at December 31, 2018, 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.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "***Auditors' Responsibilities for the Audit of the Financial Statements***" section of our auditors' report.

We are independent of the Foundation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

In preparing the financial statements, management is responsible for assessing the Foundation's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Foundation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Foundation's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

  The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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 Foundation's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Foundation to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KPMG LLP

Chartered Professional Accountants

Saskatoon, Canada
March 15, 2019

THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Statement of Financial Position

December 31, 2018, with comparative information for 2017

		2018		2017
Assets				
Current assets:				
Cash and cash equivalents	$	319,533	$	66,601
Accounts receivable		74		32,806
		319,607		99,407
Investments (note 4)		2,990,194		2,921,292
	$	3,309,801	$	3,020,699
Liabilities and Net Assets				
Current liabilities:				
Accounts payable and accrued liabilities	$	8,304	$	8,302
Deferred revenue (note 5)		55,600		73,070
		63,904		81,372
Net assets:				
Restricted for endowment purposes (note 6)		2,944,105		2,644,105
Unrestricted		301,792		295,222
		3,245,897		2,939,327
Commitments (note 7)				
Subsequent event (note 8)				
	$	3,309,801	$	3,020,699

See accompanying notes to financial statements.

On behalf of the Board:

[signature] Director

Earl Cook Director

THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Statement of Revenue and Expenses

Year ended December 31, 2018, with comparative information for 2017

	2018	2017
Revenue:		
Donations	$ 352,218	$ 283,454
GDITE endowment (note 6(b))	300,000	-
Government of Saskatchewan - Ministry of Advanced Education	35,400	42,425
Interest and investment income	73,189	58,499
	760,807	384,378
Expenses:		
Scholarships	445,800	354,400
Administrative and professional services	8,437	8,995
	454,237	363,395
Excess of revenue over expenses	$ 306,570	$ 20,983

See accompanying notes to financial statements.

THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Statement of Changes in Net Assets

Year ended December 31, 2018, with comparative information for 2017

	Unrestricted	Restricted Fiddler & Carriere Endowment	Restricted GDITE Endowment	Restricted GDS Endowment	2018	2017
Balance, beginning of year	$ 295,222	$ 4,105	$ 1,600,000	$ 1,040,000	$ 2,939,327	$ 2,918,344
Excess of revenue over expenses	6,570	-	300,000	-	306,570	20,983
Balance, end of year	$ 301,792	$ 4,105	$ 1,900,000	$ 1,040,000	$ 3,245,897	$ 2,939,327

See accompanying notes to financial statements.

THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Statement of Cash Flows

Year ended December 31, 2018 , with comparative information for 2017

	2018	2017
Cash flows from (used in):		
Operations:		
Excess of revenue over expenses	$ 306,570	$ 20,983
Item not involving cash:		
Adjustment for fair value (increase) decrease on investments and reinvested investment income	10,879	(19,159)
Change in non-cash operating working capital:		
Accounts receivable	32,732	18,069
Accounts payable and accrued liabilities	2	499
Deferred revenue	(17,470)	29,000
	332,713	49,392
Investing:		
Purchase of investments	(1,045,084)	(1,376,538)
Redemption of investments	65,303	288,175
Sale of investments	900,000	1,100,000
	(79,781)	11,637
Increase in cash	252,932	61,029
Cash, beginning of year	66,601	5,572
Cash, end of year	$ 319,533	$ 66,601

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 Foundation 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 Foundation 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%. An administrative fee has not been charged in 2018 or 2017.

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 credit risk on cash and cash equivalents and investments 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 an exposure to interest rate risk depending on prevailing market interest rates as interest bearing investments are renewed. The risk is mitigated by the Foundation holding guaranteed investment certificates with maturity dates from 2019 to 2023.

Market risk

Investments consist primarily of guaranteed investment certificates bearing fixed rates of interest and investment savings mutual funds. The Foundation is exposed to limited market risk on its mutual fund investment based on the volatility of the markets.

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, 2018 the Foundation's investment allocation consisted of cash and short-term investments of 0% (2017 - 11%); fixed income (including mutual fund savings accounts) investments of 100% (2017 - 89%) and equities of 0% (2017 - 0%). The investment advisors are working on balancing the investment portfolio in order to align with the terms of the Trust Agreement.

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:

	2018	2017
NIB Trust Fund (note 7)	$ 55,000	$ 55,000
Nutrien Ltd.	-	15,000
Farm Credit Canada	-	3,070
Westwood Electric	600	-
	$ 55,600	$ 73,070

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 $2,944,105 (2017 - $2,644,105) 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 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. Total contributions to date are $1,900,000 (2017 - $1,600,000).

c) Fiddler & Carriere Endowment:

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

7. Commitments:

During 2018, the National Indian Brotherhood Trust Fund ("NIB Trust Fund") agreed to provide $200,000 in donations to the Foundation for the period April 1, 2018 to March 31, 2019. Of this amount, $180,000 was received in 2018. The Foundation, in accordance with the NIB Trust Fund requirements, provided scholarships to 25 eligible candidates in the amount of $8,000 per candidate of which $125,000 was paid in 2018 and $75,000 is committed to be paid in 2019.

8. Subsequent event:

On February 6, 2019, The Foundation signed an agency agreement with The Métis Nation - Saskatchewan Secretariat Inc. to management an endowment fund provided by Indigenous Services Canada in the amount of $2,500,000. These endowment funds are to be used to support post-secondary education of Métis students. The fund is to be managed in accordance with the Federal Grant Agreement.

Financial Statements of

GABRIEL DUMONT INSTITUTE PRESS INC.

Year ended December 31, 2018

INDEPENDENT AUDITORS' REPORT

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

Opinion

We have audited the financial statements of Gabriel Dumont Institute Press Inc. (the Entity), which comprise:

- the statement of financial position as at December 31, 2018
- the statement of operations and changes in net assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2018 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.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the ***"Auditors' Responsibilities for the Audit of the Financial Statements"*** section of our auditors' report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

  The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KPMG LLP

Chartered Professional Accountants

Saskatoon, Canada

March 15, 2019

GABRIEL DUMONT INSTITUTE PRESS INC.

Statement of Financial Position

December 31, 2018, with comparative information for 2017

		2018		2017
Assets				
Current assets:				
Cash	$	22,246	$	57,204
Accounts receivable		15,420		15,786
	$	37,666	$	72,990
Liabilities and Net Assets (Deficiency)				
Current liabilities:				
Accounts payable	$	8,982	$	-
Accrued liabilities		9,700		9,500
Deferred revenue (note 3)		25,600		25,600
		44,282		35,100
Due to Gabriel Dumont Institute of Native Studies and Applied Research Inc. (note 4)		496,124		396,609
		540,406		431,709
Net assets (deficiency)		(502,740)		(358,719)
Nature of operations (note 1)				
Commitments (note 5)				
	$	37,666	$	72,990

See accompanying notes to financial statements.

On behalf of the Board:

_______________ Governor

Carl Cook Governor

GABRIEL DUMONT INSTITUTE PRESS INC.

Statement of Operations and Changes in Net Assets

Year ended December 31, 2018, with comparative information for 2017

		2018		2017
Revenues:				
Book sales (net of discounts)	$	146,033	$	159,516
Royalties income		3,458		14,805
Interest income		420		522
		149,911		174,843
Expenses:				
Salaries and benefits		133,985		117,052
Printing		58,341		21,397
Building		38,323		42,796
Material development		29,844		6,598
Office and general		13,202		7,921
Professional fees		9,880		12,777
Advertising		6,324		10,438
Travel		3,991		5,455
Interest and bank charges		42		169
		293,932		224,603
Deficiency of revenue over expenses		(144,021)		(49,760)
Net assets (deficiency), beginning of year		(358,719)		(308,959)
Net assets (deficiency), end of year	$	(502,740)	$	(358,719)

See accompanying notes to financial statements.

GABRIEL DUMONT INSTITUTE PRESS INC.

Statement of Cash Flows

Year ended December 31, 2018, with comparative information for 2017

		2018		2017
Cash provided by (used in):				
Operations:				
Deficiency of revenue over expenses	$	(144,021)	$	(49,760)
Changes in non-cash operating working capital:				
Accounts receivable		366		(9,498)
Accounts payable		8,982		-
Accrued liabilities		200		3,500
		(134,473)		(55,758)
Financing:				
Advances from Gabriel Dumont Institute of Native Studies and Applied Research, Inc.		99,515		50,346
Decrease in cash		(34,958)		(5,412)
Cash, beginning of year		57,204		62,616
Cash, end of year	$	22,246	$	57,204

See accompanying notes to financial statements.

1. Nature of operations:

Gabriel Dumont Institute Press Inc. (the "Organization") is a not-for-profit organization that makes important links to the Métis Community in Western Canada. The Organization contracts Métis authors to publish literature regarding Métis culture and history. The publishing of this literature is the core activity undertaken by the Organization 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 Organization 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 Organization 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 Organization 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. ("GDI - NSAR").

These financial statements have been prepared assuming the Organization will continue as a going concern. For the year ended December 31, 2018, the Organization incurred a deficiency of revenue over expenses of $144,021 (2017 - $49,760) and has an accumulated deficit of $502,740 (2017 - $358,719). These factors raise significant doubt about the Organization's ability to continue as a going concern and the Organization is dependent upon GDI-NSAR to provide continued financial support (note 6(b)).

GDI-NSAR is in the process of assessing the operations of the Organization, and, as a result of this process, expects to cease operations of the Organization as a separate entity upon completion of its existing contracts. GDI-NSAR anticipates these contracts will be substantially completed by March 31, 2019, at which time the Organization will be dissolved and its assets, liabilities and operations will be assumed by GDI-NSAR.

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) Revenue recognition:

Book sales and royalties 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.

(c) Library costs:

The Organization's library collection includes materials related to the culture and history of Aboriginal peoples not readily available from other sources. These materials assist the Organization 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.

2. Significant accounting policies (continued):

(d) Financial instruments:

Financial instruments, including cash, accounts receivable, accounts payable, accrued liabilities and due to Gabriel Dumont Institute 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 Organization 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. Accounts payable, 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 Organization 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.

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

3. Deferred revenue:

Deferred revenue consists of grants from the following sources:

	2018	2017
Creative Industries:		
Production Grant Program	$ 25,600	$ 25,600
	$ 25,600	$ 25,600

4. Related party transactions:

The balance owing to GDI-NSAR at December 31, 2018 of $496,124 (2017 - $396,609) is non-interest bearing and GSI-NSAR has agreed to not request repayment in the next fiscal year.

Accounts receivable include $13,216 receivable from GDI-NSAR and accounts payable include $8,982 owing to GDI-NSAR.

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

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

5. Commitments:

The Organization is committed pursuant to various operating leases for facilities and equipment as follows:

2019	$ 10,268
	$ 10,268

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

6. Financial risks and concentration of risk:

The Organization'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 Organization has exposure to the following risks arising from its use of financial instruments:

(a) Credit risk:

The Organization'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 Organization's maximum credit exposure at the year-end date.

The Organization'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 Organization 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 Organization will not be able to meet its financial obligations as they become due. The Organization is in the start-up stage of operations and the ability of the Organization to continue as an organization is dependent upon its ability to secure long-term funding and generate book sales and other revenue. The Organization has a deficiency of liabilities over assets of $502,740 (2017 - $358,719) of which $496,124 (2017 - $396,609) is owing to GDI-NSAR. The Organization is economically dependent on GDI-NSAR. GDI-NSAR has agreed not to demand repayment of advances made to the Organization in the next fiscal year and has agreed to continue to provide the necessary financial support to maintain the Organization's operations.

GDI-NSAR is in the process of assessing the operations of the Organization, and, as a result of this process, expects to cease operations of the Organization as a separate entity upon completion of its existing contracts. GDI-NSAR anticipates these contracts will be substantially completed by March 31, 2019, at which time the Organization will be dissolved and its assets, liabilities and operations will be assumed by GDI-NSAR.

(c) 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.

7. Pension Plan:

The Organization contributes to a pension plan for the employees based on a negotiated rate of contribution. The pension expense for the year was $9,759 (2017- $8,513).