

Financial Statements of

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

And Independent Auditors' Report thereon

Year ended March 31, 2020



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, 2020
- 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, 2020, 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

Saskatoon, Canada

July 23, 2020

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

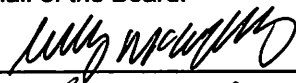

Statement of Financial Position

March 31, 2020, with comparative information for 2019

	2020	2019
Assets		
Current assets:		
Cash and cash equivalents	\$ 1,543,060	\$ 1,140,167
Short-term investments	183,882	188,905
Accounts receivable (note 7)	392,700	469,711
Prepaid expenses	68,187	76,763
	2,187,829	1,875,546
Property and equipment (note 3)	2,302,760	2,254,504
	\$ 4,490,589	\$ 4,130,050
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities (note 4 & 7)	\$ 1,258,975	\$ 1,026,538
Deferred contributions (note 5)	864,734	19,161
	2,123,709	1,045,699
Net assets (deficiency):		
Administration and core services	72,119	70,191
Invested in property and equipment	2,302,760	2,254,504
Publishing	(384,986)	(384,986)
S.U.N.T.E.P.	376,987	1,144,642
	2,366,880	3,084,351
Commitments (note 8)		
	\$ 4,490,589	\$ 4,130,050

See accompanying notes to financial statements.

On behalf of the Board:

 <hr style="width: 100%;"/>	Governor
 <hr style="width: 100%;"/>	Governor

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

Statement of Operations

Year ended March 31, 2020, with comparative information for 2019

	Administration & Core Services	Publishing	S.U.N.T.E.P	Total 2020	Total 2019
Revenue:					
Government of Saskatchewan					
- Ministry of Advanced Education	\$ 2,287,300	\$ -	\$ 3,567,300	\$ 5,854,600	\$ 5,854,600
Métis Nation - Saskatchewan					
Secretariat Inc. - MNU	3,545,266	-	-	3,545,266	-
Other (schedule 1)	716,299	260,573	287,358	1,264,230	1,409,872
Government of Canada					
- Indigenous and Northern Affairs Canada (schedule 4)	-	279,000	-	279,000	652,046
- The Department of Canadian Heritage (schedule 5)	-	54,161	-	54,161	43,239
	6,548,865	593,734	3,854,658	10,997,257	7,959,757
Expenses:					
Salaries and benefits (schedule 3)	1,515,995	479,924	2,123,848	4,119,767	4,012,584
Student allowances - MNU	3,055,266	-	-	3,055,266	-
Instructional costs	-	-	1,934,104	1,934,104	1,765,299
Operating costs (schedule 2)	957,994	321,446	358,566	1,638,006	2,443,067
Public relations (schedule 3)	126,913	115,435	104,868	347,216	332,819
Travel and sustenance (schedule 3)	200,226	30,699	74,548	305,473	264,695
Curriculum development	11,308	216,298	3,216	230,822	364,754
Kapachee	54,686	-	-	54,686	54,686
Library costs	2,806	1,323	14,168	18,297	18,576
Works of art	8,775	819	97	9,691	7,802
Scholarships	-	-	1,400	1,400	1,400
	5,933,969	1,165,944	4,614,815	11,714,728	9,265,682
Administrative allocation	(572,210)	572,210	-	-	-
Excess (deficiency) of revenue over expenses	\$ 42,686	\$ -	\$ (760,157)	\$ (717,471)	\$(1,305,925)

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, 2020, with comparative information for 2019

	Administration and Core Services	Publishing	S.U.N.T.E.P.	Invested in Property and Equipment	2020	2019
Net assets (deficiency), beginning of year	\$ 70,191	\$ (384,986)	\$ 1,144,642	\$ 2,254,504	\$ 3,084,351	\$ 4,390,276
Excess (deficiency) of revenue over expenses	42,686	-	(760,157)	-	(717,471)	(1,305,925)
Amortization	148,337	-	8,009	(156,346)	-	-
Purchase of property and equipment	(189,095)	-	(15,507)	204,602	-	-
Net assets (deficiency), end of year	\$ 72,119	\$ (384,986)	\$ 376,987	\$ 2,302,760	\$ 2,366,880	\$ 3,084,351

See accompanying notes to financial statements.

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

Statement of Cash Flows

Year ended March 31, 2020, with comparative information for 2019

	2020	2019
Cash flows from (used in):		
Operations:		
Deficiency of revenue over expenses	\$ (717,471)	\$ (1,305,925)
Item not involving cash:		
Amortization	156,346	150,230
Investment income and market value adjustments	5,023	(5,876)
Change in non-cash operating working capital		
Accounts receivable	77,011	(9,099)
Prepaid expenses	8,576	(29,036)
Accounts payable and accrued liabilities	232,437	(591,307)
Deferred contributions	845,573	(259,185)
	607,495	(2,050,198)
Financing:		
Advances to Gabriel Dumont Institute Press Inc.	-	367,428
Investing:		
Purchase of property and equipment	(204,602)	(127,755)
Increase (decrease) in cash and cash equivalents	402,893	(1,810,525)
Cash and cash equivalents, beginning of year	1,140,167	2,950,692
Cash and cash equivalents, end of year	\$ 1,543,060	\$ 1,140,167

See accompanying notes to financial statements.

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

Notes to Financial Statements

Year ended March 31, 2020

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.

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

Notes to Financial Statements (continued)

Year ended March 31, 2020

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.

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

Notes to Financial Statements (continued)

Year ended March 31, 2020

2. Significant accounting policies (continued):

Métis Nation University

GDI receives funding from Métis Nation - Saskatchewan Secretariat Inc. to be distributed for the MN-S Post-Secondary Education Program, Métis Nation University ("MNU"). The goal of the program is to provide Métis citizens with funding to support their attendance at post-secondary institutions.

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.

(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.

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

Notes to Financial Statements (continued)

Year ended March 31, 2020

2. Significant accounting policies (continued):

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

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the 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.

(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.

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

Notes to Financial Statements (continued)

Year ended March 31, 2020

2. Significant accounting policies (continued):

(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.

(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 \$234,388 (2019 - \$237,363).

(g) 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. 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.

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

Notes to Financial Statements (continued)

Year ended March 31, 2020

2. Significant accounting policies (continued):

(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:

			2020	2019
	Cost	Accumulated amortization	Net book value	Net book value
Administrative:				
Land	\$ 287,591	\$ -	\$ 287,591	\$ 270,616
Buildings	3,032,427	1,307,303	1,725,124	1,713,452
Computer equipment	535,204	396,906	138,298	156,755
Equipment	1,270,525	1,196,789	73,736	38,635
	5,125,747	2,900,998	2,224,749	2,179,458
Core services:				
Equipment	310,881	307,438	3,443	4,304
Works of art/artifacts	22,445	7,330	15,115	15,911
Leasehold improvements	70,885	45,000	25,885	28,761
	404,211	359,768	44,443	48,976
S.U.N.T.E.P.				
Equipment	356,271	325,476	30,795	22,987
Leasehold Improvements	9,991	7,236	2,755	3,061
	366,262	332,712	33,550	26,048
Other				
Equipment	16,780	16,762	18	22
	\$ 5,913,000	\$ 3,610,240	\$ 2,302,760	\$ 2,254,504

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

Notes to Financial Statements (continued)

Year ended March 31, 2020

4. Accounts payable and accrued liabilities:

Included in accounts payable and accrued liabilities is an optional deferred salary leave plan (DSLPL) in the amount of \$50,968 (2019 - \$15,942). The Institute's DSLPL 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.

5. Deferred contributions:

The Institute has deferred contributions for the following projects:

Funding Agent	Project	2020	2019
Métis Nation - Saskatchewan Secretariat Inc.	MNU	\$ 864,734	\$ -
Canada Heritage	Michif to Go	-	19,161
		\$ 864,734	\$ 19,161

6. 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.

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

Notes to Financial Statements (continued)

Year ended March 31, 2020

6. Associated and related entities (continued):

	Gabriel Dumont College Inc. March 31, 2020	Dumont Technical Institute Inc. June 30, 2019	Gabriel Dumont Scholarship Foundation II December 31, 2019	Gabriel Dumont Institute Training & Employment Inc. March 31, 2020	Gabriel Dumont Press Inc. December 31, 2019
Total assets	\$ 1,767,414	\$ 11,425,169	\$ 6,118,798	\$ 283,809	\$ -
Total liabilities	695,576	6,686,789	2,537,798	268,899	-
Net assets					
- internally restricted/unrestricted	1,071,838	4,472,446	336,895	-	-
- externally restricted	-	265,934	3,244,105	14,190	-
	\$ 1,767,414	\$ 11,425,169	\$ 6,118,798	\$ 283,089	\$ -
Results of operations:					
Total revenue	1,931,440	8,351,016	641,380	16,697,255	749,117
Total expenses	1,922,777	8,124,034	306,277	16,697,255	246,377
Net revenue (expense)	\$ 8,663	\$ 226,982	\$ 335,103	\$ -	\$ 502,740
Cash flows:					
Cash provided by (used in) operations	\$ 53,161	934,298	\$ 250,179	(675,061)	473,878
Cash provided by (used in) financing and investing activities	-	1,275,636	(477,352)	-	(496,124)
Increase (decrease) in cash	\$ 53,161	\$ 2,209,934	\$ (227,173)	\$ (675,061)	\$ (22,246)
Cash, end of year	\$ 873,707	\$ 2,613,970	\$ 92,360	\$ 105,047	\$ -

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

Notes to Financial Statements (continued)

Year ended March 31, 2020

7. 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.

	2020	2019
Entities under common control:		
Fees for service (office and equipment rent)	\$ 241,740	\$ 243,012
Fees for service (administrative services, at negotiated value)	222,790	179,894
Fees for service (programming services)	4,475,980	26,377
Sales and royalties	47,372	18,224
Building (rent)	(206,545)	(81,125)
Programming services	(431,678)	(525,917)
	\$ 4,349,659	\$ (139,535)

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	
	2020	2019
Dumont Technical Institute Inc.	\$ 118,292	\$ 75,371
Gabriel Dumont Institute Training and Employment Inc.	3,029	19,376
Métis Nation - Saskatchewan Secretariat Inc.	71	21,417
Gabriel Dumont College Inc.	188,800	26,558
	\$ 310,192	\$ 142,722

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

Notes to Financial Statements (continued)

Year ended March 31, 2020

7. Related party transactions (continued):

	Accounts payable	
	2020	2019
Gabriel Dumont Institute Training and Employment Inc.	\$ 232	\$ 75
Gabriel Dumont College Inc.	422,849	303,794
Gabriel Dumont Scholarship Foundation II	17,178	19,230
Dumont Technical Institute Inc.	500	613
	\$ 440,759	\$ 323,712

8. Commitments:

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

2021	\$ 295,208
2022	86,972
2023	11,067
2024	6,949
2025	6,949
	\$ 407,145

9. Economic dependence:

Approximately 89% (2019 - 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.

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

Notes to Financial Statements (continued)

Year ended March 31, 2020

10. Financial instruments and risk management:

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

Credit risk

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

The Institute's credit risk on its short-term investments is primarily attributable due to the volatility of the markets. The Credit risk related to accounts receivable is minimized as these receivables are normally from government agencies. The credit risk on cash 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 have a limited exposure to interest rate risk due to their short-term period to maturity.

11. COVID 19:

In March 2020, the World Health Organization declared the outbreak of novel coronavirus (COVID-19) as a pandemic which continues to spread throughout Canada. On March 18, 2020, the Government of Saskatchewan (SK) declared a provincial state of emergency due to the pandemic. The impact of COVID-19 on the Institute, including the remote delivery of certain programming and various effects on funding availability, are reflected in the financial statements for the year ended March 31, 2020. While operations of the Institute have not been significantly impacted by the pandemic, the situation is dynamic and the ultimate duration and magnitude of the potential impact on future results is currently undeterminable.

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

Schedule of Other Revenue

Year ended March 31, 2020, with comparative information for 2019

	Administration and Core Services	Publishing	S.U.N.T.E.P.	2020	2019
Fees for services	\$ 495,280	\$ 38,918	\$ -	\$ 534,198	\$ 503,076
Sales and royalties	-	203,181	-	203,181	103,602
Tuition income	-	-	183,419	183,419	175,336
Miscellaneous	162,581	5,500	-	168,081	2,240
Teaching income	-	-	103,939	103,939	296,432
Interest income and market value adjustments	55,972	-	-	55,972	45,892
Métis National Council	-	-	-	-	40,560
Other grants	-	12,974	-	12,974	38,257
Veterans monument donations	2,466	-	-	2,466	4,477
National Indian Brotherhood Trust Fund	-	-	-	-	200,000
	\$ 716,299	\$ 260,573	\$ 287,358	\$ 1,264,230	\$ 1,409,872

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

Schedule of Operating Costs

Year ended March 31, 2020, with comparative information for 2019

	Administration & Core Services	Publishing	S.U.N.T.E.P.	2020	2019
Building	\$ 306,241	\$ 113,319	\$ 231,838	\$ 651,398	\$ 621,626
Computer services	165,133	3,184	51,626	219,943	220,571
Amortization	148,337	-	8,009	156,346	150,230
Consulting and legal services	94,983	1,675	5,387	102,045	499,998
Office supplies	27,743	28,707	14,714	71,164	58,509
Bad debts	65,606	-	1,391	66,997	508,403
Telephone	62,052	2,559	1,764	66,375	66,472
Museum	-	63,844	-	63,844	65,925
Other equipment expenses	20,041	16,055	22,865	58,961	90,132
Insurance	38,771	12,129	5,739	56,639	63,151
Cultural partnerships	-	47,808	-	47,808	41,007
Postage and courier	16,638	14,283	2,475	33,396	17,584
Duplicating and materials development	8,086	3,309	12,758	24,153	26,397
Bank charges	4,363	14,574	-	18,937	13,062
	\$ 957,994	\$ 321,446	\$ 358,566	\$ 1,638,006	\$ 2,443,067

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, 2020, with comparative information for 2019

	Administration & Core Services	Publishing	S.U.N.T.E.P.	2020	2019
Salaries and benefits:					
Staff salaries and wages	\$ 1,243,354	\$ 413,309	\$ 1,835,044	\$ 3,491,707	3,418,248
Staff benefits	272,641	66,615	288,804	628,060	594,336
	<u>\$ 1,515,995</u>	<u>\$ 479,924</u>	<u>\$ 2,123,848</u>	<u>\$ 4,119,767</u>	<u>\$ 4,012,584</u>
Public relations:					
Promotion, publicity and graduation	\$ 126,430	\$ 115,435	\$ 97,347	\$ 339,212	\$ 323,689
Recruitment	483	-	6,957	7,440	7,981
Orientation	-	-	564	564	1,149
	<u>\$ 126,913</u>	<u>\$ 115,435</u>	<u>\$ 104,868</u>	<u>\$ 347,216</u>	<u>\$ 332,819</u>
Travel and sustenance:					
Staff and students	\$ 71,416	\$ 30,099	\$ 72,768	\$ 174,283	140,035
Board	128,810	600	1,780	131,190	124,660
	<u>\$ 200,226</u>	<u>\$ 30,699</u>	<u>\$ 74,548</u>	<u>\$ 305,473</u>	<u>\$ 264,695</u>

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, 2020, with comparative information for 2019

	MCCI contract	MCCI amendment #2	MCCI amendment #3	MCCI 2020 Total	MCCI 2019 Total
Revenue:					
Office of the Federal Interlocutor	\$ 279,000	\$ -	\$ -	\$ 279,000	\$ 652,046
	279,000	-	-	279,000	652,046
Expenses:					
Curriculum development	124,169	-	-	124,169	115,015
Museum	63,844	-	-	63,844	65,925
Cultural partnerships	47,808	-	-	47,808	41,008
Administrative services	33,758	-	-	33,758	53,201
Michif preservation	9,421	-	-	9,421	5,035
Consulting and legal services	-	-	-	-	371,862
	279,000	-	-	279,000	652,046
Net revenue	\$ -	\$ -	\$ -	\$ -	\$ -

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

Schedule of Government of Canada - Department of Canadian Heritage

Year ended March 31, 2020, with comparative information for 2019

	2020	2019
Revenue:		
Department of Canadian Heritage	\$ 54,161	\$ 43,239
Expenses:		
Curriculum development	44,200	9,800
Administration	5,161	-
Salaries and benefit	4,800	24,000
Rent and storage	-	8,400
Furniture and equipment	-	1,039
	54,161	43,239
	\$ -	\$ -

Financial Statements of

**DUMONT TECHNICAL
INSTITUTE INC.**

And Independent Auditors' Report thereon
Year ended June 30, 2020



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, 2020
- the statement of operations 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 Entity as at June 30, 2020, 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 15, 2020

Saskatoon, Canada

DUMONT TECHNICAL INSTITUTE INC.

Statement of Financial Position

June 30, 2020, with comparative information for 2019


	2020	2019
Assets		
Current assets:		
Cash and cash equivalents	\$ 1,316,584	\$ 2,613,970
Accounts receivable	697,527	526,539
Prepaid expenses	132,936	138,185
	<u>2,147,047</u>	<u>3,278,694</u>
Investments (note 4)	916,688	705,593
Property and equipment (note 5)	8,161,625	7,440,882
	<u>\$ 11,225,360</u>	<u>\$ 11,425,169</u>

Liabilities and Net Assets


Current liabilities:		
Accounts payable and accrued liabilities	\$ 471,952	\$ 970,228
Deferred revenue (note 6)	1,304,171	1,177,861
Current portion of long-term debt (note 7)	192,395	71,544
	<u>1,968,518</u>	<u>2,219,633</u>
Callable debt (note 8)	-	800,000
	<u>1,968,518</u>	<u>3,019,633</u>
Long-term debt (note 7)	1,530,244	731,456
Deferred capital contributions (note 9)	2,788,915	2,935,700
Net assets		
Invested in property and equipment	3,650,070	2,902,182
Core	976,828	1,570,264
Programming	310,785	265,934
	<u>4,937,683</u>	<u>4,738,380</u>
Commitments (notes 8 and 10)		
Subsequent events (note 15)		
	<u>\$ 11,225,360</u>	<u>\$ 11,425,169</u>

See accompanying notes to financial statements.

On behalf of the Board:



Director



Director

DUMONT TECHNICAL INSTITUTE INC.

Statement of Operations

Year ended June 30, 2020, with comparative information for 2019

	Core	BE Programs	Other Programs	2020	2019
Revenue:					
Government of Saskatchewan grants	\$ 2,100,820	\$ 2,505,181	\$ 624,234	\$ 5,230,235	\$ 5,409,001
Tuition and fees	-	232,550	2,261,152	2,493,702	2,288,263
Facility rental and other income	723,470	-	-	723,470	513,901
Investment income	37,022	-	-	37,022	69,551
Amortization of deferred capital contributions	146,785	-	-	146,785	70,300
	3,008,097	2,737,731	2,885,386	8,631,214	8,351,016
Expenses:					
Salaries	1,171,719	1,457,551	1,219,210	3,848,480	3,628,069
Facilities	336,693	318,691	303,300	958,684	900,938
Purchased courses	121,189	196,129	499,868	817,186	1,195,107
Staff benefits	226,805	249,379	207,304	683,488	625,137
Amortization	483,793	-	-	483,793	289,421
Instructional costs	8,438	84,516	323,045	415,999	436,210
Administrative services	-	67,670	139,149	206,819	192,054
Software support	112,996	64,246	15,415	192,657	78,640
Staff travel	64,668	57,480	33,973	156,121	197,703
Office supplies	42,925	42,579	33,391	118,895	122,808
Equipment and education supplies	32,506	33,041	45,844	111,391	115,307
Insurance	53,810	2,514	41,445	97,769	69,434
Public relations	54,755	17,383	11,707	83,845	71,118
Telephone and fax	27,553	30,074	19,795	77,422	78,181
Professional development	22,490	609	8,632	31,731	52,556
Professional services	29,324	-	15,000	44,324	45,189
Interest and bank charges	63,981	-	-	63,981	21,279
Bad debts	-	-	39,326	39,326	4,883
	2,853,645	2,621,862	2,956,404	8,431,911	8,124,034
Excess (deficiency) of revenue over expenses	\$ 154,452	\$ 115,869	\$ (71,018)	\$ 199,303	\$ 226,982

See accompanying notes to financial statements.

DUMONT TECHNICAL INSTITUTE INC.

Statement of Changes in Net Assets

Year ended June 30, 2020, with comparative information for 2019

	Invested in property and equipment	Core	BE Programs	Programming Funds Other Programs	2020	2019
Balance, beginning of year	\$ 2,902,182	\$ 1,570,264	\$ 77,769	\$ 188,165	\$ 4,738,380	\$ 4,511,398
Excess (deficiency) of revenue over expenses	-	154,452	115,869	(71,018)	199,303	226,982
Purchase of property and equipment	1,204,536	(1,204,536)	-	-	-	-
Amortization	(483,793)	483,793	-	-	-	-
Amortization of deferred capital contributions	146,785	(146,785)	-	-	-	-
Issuance of callable debt	(200,000)	200,000	-	-	-	-
Repayment of long-term debt	80,360	(80,360)	-	-	-	-
Balance, end of year	\$ 3,650,070	\$ 976,828	\$ 193,638	\$ 117,147	\$ 4,937,683	\$ 4,738,380

See accompanying notes to financial statements.

DUMONT TECHNICAL INSTITUTE INC.

Statement of Cash Flows

Year ended June 30, 2020, with comparative information for and 2019

	2020	2019
Cash flows from (used in):		
Operations:		
Excess (deficiency) of revenue over expenses	\$ 199,303	\$ 226,982
Items not involving cash:		
Amortization	483,793	289,421
Investment increase to fair value	(11,095)	(41,781)
Amortization of deferred capital contributions	(146,785)	(70,300)
Change in non-cash operating working capital:		
Accounts receivable	(170,988)	(107,789)
Prepaid expenses	5,249	(54,076)
Accounts payable and accrued liabilities	(498,277)	465,557
Deferred revenue	126,310	226,284
	(12,490)	934,298
Financing:		
Issuance of long-term debt	200,000	803,000
Issuance of callable debt	-	800,000
Repayment of long-term debt	(80,360)	(168,114)
Deferred capital contributions	-	1,600,000
	119,640	3,034,886
Investing:		
Purchase of property and equipment	(1,204,536)	(2,509,250)
Proceeds on disposal of investments	-	1,453,307
Purchase of investments	(200,000)	(703,307)
	(1,404,536)	(1,759,250)
Increase (decrease) in cash	(1,297,386)	2,209,934
Cash and cash equivalents, beginning of year	2,613,970	404,036
Cash and cash equivalents, end of year	\$ 1,316,584	\$ 2,613,970

See accompanying notes to financial statements.

DUMONT TECHNICAL INSTITUTE INC.

Notes to Financial Statements

Year ended June 30, 2020

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.

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.

DUMONT TECHNICAL INSTITUTE INC.

Notes to Financial Statements (continued)

Year ended June 30, 2020

2. Significant accounting policies (continued):

(b) Revenue recognition:

The Institute follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. 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) 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.

DUMONT TECHNICAL INSTITUTE INC.

Notes to Financial Statements (continued)

Year ended June 30, 2020

2. Significant accounting policies (continued):

(e) Employee benefits:

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

(f) 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 collectability of accounts receivable and estimates of deferred revenue. Actual results could differ from those estimates.

(g) 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:

	2020	2019
Facility rental income	\$ 313,517	\$ 325,885
Allocated as follows:		
Basic Education programs	199,430	199,430
Other programs	114,087	126,455
	\$ 313,517	\$ 325,885

DUMONT TECHNICAL INSTITUTE INC.

Notes to Financial Statements (continued)

Year ended June 30, 2020

2. Significant accounting policies (continued):

(h) Adoption of Canadian accounting standards for not-for-profit organizations:

On April 1, 2019, Dumont Technical Institute adopted the following standards issued by the Canadian Accounting Standards Board:

Section 4433 Tangible capital assets held by not-for-profit organizations, which directs organizations to apply the accounting guidance of Section 3061, Property Plant and Equipment in Part II of the Handbook. In so doing, the new section requires that organizations annually assess for partial impairment of tangible capital assets, to be recorded where applicable, as a non-reversible impairment expense. In addition, where practical, to componentize capital assets when estimates can be made of the useful lives of the separate components

Adoption of this standard has not resulted in any changes to the financial statements or notes.

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. Investments 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 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.

DUMONT TECHNICAL INSTITUTE INC.

Notes to Financial Statements (continued)

Year ended June 30, 2020

3. Financial instruments and risk management (continued):

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.

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 debentures and 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

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

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

DUMONT TECHNICAL INSTITUTE INC.

Notes to Financial Statements (continued)

Year ended June 30, 2020

4. Investments:

	2020		2019	
	Cost	Market value	Cost	Market value
Debentures	\$ 327,521	\$ 331,408	\$ 121,608	\$ 122,263
Guaranteed investments certificates	197,500	197,500	174,000	174,000
Common shares	189,541	183,193	33,765	34,209
Cash and cash equivalents	120,902	120,904	293,480	293,478
Provincial bonds	81,170	83,683	81,170	81,643
	\$ 916,634	\$ 916,688	\$ 704,023	\$ 705,593

The Provincial Bonds have interest rates of 1.55% to 3.10% (2019 - 1.55% to 3.10) and mature between 2021 and 2024 (2019 - 2021 and 2024).

The debentures are all at fixed rates and have a weighted average interest rate of 2.69% (2019 – 2.85%) and a weighted average term to maturity of 3.20 years (2019 – 3.62 years).

The guaranteed investment certificates have a weighted average interest rate of 2.63% (2019 – 2.66%) and a weighted average term to maturity of 2.95 years (2019 – 3.30 years).

5. Property and equipment:

	2020		2019	
	Cost	Accumulated amortization	Net book value	Net book value
Land	\$ 981,863	\$ -	\$ 981,863	\$ 841,983
Buildings	8,545,992	1,830,583	6,715,409	3,913,633
Furniture and equipment	1,394,853	1,010,366	384,487	259,050
Computer equipment	423,269	343,403	79,866	43,582
Building under construction	-	-	-	2,382,634
	\$ 11,345,977	\$ 3,184,352	\$ 8,161,625	\$ 7,440,882

In the year ended June 30, 2020, Dumont Technical Institute has assessed for full and partial impairment on capital assets and determined that there are none.

DUMONT TECHNICAL INSTITUTE INC.

Notes to Financial Statements (continued)

Year ended June 30, 2020

6. Deferred revenue:

Deferred revenue is comprised of the following:

	2020	2019
Ministry of Immigration and Career Training - Skills Training Gabriel Dumont Institute Training & Employment Inc.	\$ 649,268	\$ 318,502
Ministry of Immigration and Career Training - Basic Education programs	458,522	411,918
Other	141,907	389,360
Ministry of Immigration and Career Training - Employee Assistance for People with Disabilities	51,000	53,424
	3,624	4,657
	\$ 1,304,321	\$ 1,177,861

DUMONT TECHNICAL INSTITUTE INC.

Notes to Financial Statements (continued)

Year ended June 30, 2020

7. Long-term debt:

	2020	2019
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).	\$ 468,928	\$ 500,000
Clarence Campeau Development Fund no-interest loan due June 1, 2029, repayable in monthly installments of \$2,525.00.	280,275	303,000
CIBC mortgage due July 1, 2027, repayable in monthly installments of \$12,850 including interest at a rate of 0.75% over the CIBC prime rate (2.45%)	973,436	-
	1,722,639	803,000
Current portion	192,395	71,544
	\$ 1,530,244	\$ 731,456

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

2021	\$ 192,395
2022	202,484
2023	208,861
2024	215,485
2025	222,366
Thereafter	682,048
	\$ 1,723,639

DUMONT TECHNICAL INSTITUTE INC.

Notes to Financial Statements (continued)

Year ended June 30, 2020

8. Callable debt:

During 2019 the Institute entered into a revolving demand loan with CIBC for capital expenditures. The facility is available up to \$1,625,000 and was interest only until final advance drawn in 2020. Once the final advance was made the loan became 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 2020	Balance 2019
La Loche Building	1,480,000	211,085	1,268,915	1,335,700
917 22nd Street West Building	1,600,000	80,000	1,520,000	1,600,000
	\$ 3,080,000	\$ 291,085	\$ 2,788,915	\$ 2,935,700

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 \$2,036,017 (2019 - \$2,030,487) 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 completed in 2019 and during the year \$3,155,218 (2019 - \$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 is being amortized into income on the same rate (5% declining balance) as the 917 22nd Street West Building capital costs.

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:

2020	\$	207,849
2021		34,754
2022		13,674
	\$	256,277

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

DUMONT TECHNICAL INSTITUTE INC.

Notes to Financial Statements (continued)

Year ended June 30, 2020

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.

	2020	2019
Tuition and fees	\$ 2,204,478	\$ 2,004,154
Rent (included in facility rental and other income)	351,024	165,863
Tuitions	(4,000)	(8,000)
Public relations expense	(4,646)	(5,140)
Administrative services expense	(204,132)	(180,500)
Facilities expense	(188,477)	(187,344)
	<u>\$ 2,154,247</u>	<u>\$ 1,789,033</u>

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	2020	2019
Gabriel Dumont Institute Training & Employment Inc.	\$ 172,158	\$ (4,372)
Gabriel Dumont Institute of Native Studies and Applied Research, Inc.	195	706
Gabriel Dumont College Inc.	400,100	400,000
	<u>\$ 572,453</u>	<u>\$ 396,334</u>

Accounts payable and accrued liabilities	2020	2019
Gabriel Dumont Institute of Native Studies and Applied Research, Inc.	\$ 26,881	\$ 48,383
Gabriel Dumont Institute Training & Employment Inc.	-	10,334
Gabriel Dumont College Inc.	-	8,000
	<u>\$ 26,881</u>	<u>\$ 66,717</u>

Deferred grants for property and equipment	2020	2019
Gabriel Dumont College Inc.	\$ -	\$ 1,400,000
	<u>\$ -</u>	<u>\$ 1,400,000</u>

DUMONT TECHNICAL INSTITUTE INC.

Notes to Financial Statements (continued)

Year ended June 30, 2020

12. Economic dependence:

Approximately 62% (2019 - 66%) of the Institute's revenue was derived from the Government of Saskatchewan. Funding is provided by annual grants under contracts expiring on various dates.

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 \$233,939 (2019 - \$217,519).

14. COVID 19:

On March 11, 2020 COVID-19 was declared a pandemic by the World Health Organization. This has resulted in significant economic uncertainty and financial markets have experienced significant volatility in response to the developing COVID-19 pandemic. While operations of Dumont Technical Institute have not been significantly impacted by the pandemic, the situation is dynamic and the ultimate duration and magnitude of the potential impact on future results is currently undeterminable.

15. Subsequent events:

Subsequent to year-end the Institute amended their credit facility to include a line of credit up to \$2,000,000, to assist with pandemic response and provide additional liquidity if required.

Also the Institute received a \$250,000 Mastercard grant, which was provided to assist the Institute with additional costs related to COVID 19.

Financial Statements of

**GABRIEL DUMONT
INSTITUTE TRAINING
AND EMPLOYMENT INC.**

And Independent Auditors' Report thereon

Year ended March 31, 2020



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, 2020
- 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, 2020, 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 and amendment agreement dated May 8, 2019.

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 amendment agreement dated May 8, 2019, 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

Saskatoon, Canada
July 23, 2020

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Statement of Financial Position

March 31, 2020, with comparative information for 2019


	2020	2019
Assets		
Current assets:		
Cash and cash equivalents	\$ 105,047	\$ 780,108
Accounts receivable	163,852	259,787
	<u>268,899</u>	<u>1,039,895</u>
Furniture, equipment, and vehicle (note 2)	14,910	23,584
	<u>\$ 283,809</u>	<u>\$ 1,063,479</u>

Liabilities

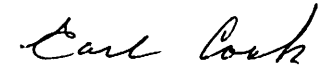
Current liabilities:		
Accounts payable and accrued liabilities	\$ 153,910	\$ 507,517
Deferred revenue (note 3)	114,989	532,378
	<u>268,899</u>	<u>1,039,895</u>
Deferred contributions for furniture, equipment, and vehicle (note 4)	14,910	23,584
	<u>\$ 283,809</u>	<u>\$ 1,063,479</u>

See accompanying notes to financial statements.

On behalf of the Board:



Governor



Governor

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Statement of Operations

Year ended March 31, 2020, with comparative information for 2019

	2020	2019
Revenue:		
Service Canada-Indigenous Skills and Employment Training Strategy Métis Funding ("ISETP") (schedule 1)	\$ 14,087,797	\$ 12,780,054
Skills and Partnership Fund Agreement - (SPF)	2,138,016	1,778,362
Western Diversification Program ("WDP") - Entrepreneurship	471,442	599,670
	<u>16,697,255</u>	<u>15,158,086</u>
Expenses (schedule 2):		
Service delivery (schedule 3)	12,120,304	10,791,621
Wages and benefits	3,733,119	3,202,877
Facilities rentals	243,324	195,088
Staff travel	129,660	143,116
Public relations	108,158	171,344
Telephone	70,354	64,943
Office supplies	61,122	40,112
Selection committee and professional development	58,068	46,151
Office	55,203	99,318
Computer software support	40,810	25,555
Professional fees	39,557	40,501
Equipment rentals	11,640	9,097
Insurance	11,422	11,304
Amortization	8,674	8,864
Interest and bank charges	3,980	4,070
Postage and courier	1,422	787
Repairs and maintenance	310	694
Contractual services and consulting	128	2,644
GDI Scholarship Fund	-	300,000
	<u>16,697,255</u>	<u>15,158,086</u>
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, 2020, with comparative information for 2019

	2020	2019
Cash flows from (used in):		
Operations:		
Items not involving cash:		
Amortization of furniture, equipment and vehicles	\$ 8,674	\$ 8,864
Amortization of deferred contributions for furniture, equipment and vehicles	(8,674)	(8,864)
Change in non-cash operating working capital:		
Accounts receivable	95,935	(132,317)
Accounts payable and accrued liabilities	(353,607)	(159,193)
Deferred revenue	(417,389)	(467,200)
Decrease in cash position	(675,061)	(758,710)
Cash and cash equivalents, beginning of year	780,108	1,538,818
Cash and cash equivalents, end of year	\$ 105,047	\$ 780,108

See accompanying notes to financial statements.

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Notes to Financial Statements

Year ended March 31, 2020

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"), amended by Indigenous Skills and Employment Training Program Agreement dated May 8, 2019 ("ISET Agreement" or "ISETP"), 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 ISETP 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, 2023. The Skills and Partnership Fund ("SPF") Agreement with the Minister of Employment, Workforce Development and Labour has been renewed to March 31, 2021.

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:

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Notes to Financial Statements (continued)

Year ended March 31, 2020

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:

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Notes to Financial Statements (continued)

Year ended March 31, 2020

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, accounts payable and accrued liabilities, 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 \$211,058 (2019- \$184,746).

(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.

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Notes to Financial Statements (continued)

Year ended March 31, 2020

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.

(i) Adoption of Canadian accounting standards for not-for-profit organizations:

On April 1, 2019, the Institute adopted the following standard as issued by the Canadian Accounting Standards Board:

Section 4433 Tangible capital assets held by not-for-profit organizations, which directs organizations to apply the accounting guidance of Section 3061, Property Plant and Equipment in Part II of the Handbook. In so doing, the new section requires that organizations annually assess for partial impairment of tangible capital assets, to be recorded where applicable, as a non-reversible impairment expense. In addition, where practical, to componentize capital assets when estimates can be made of the useful lives of the separate components.

Adoption of this standards has not resulted in any changes to the financial statements.

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Notes to Financial Statements (continued)

Year ended March 31, 2020

2. Furniture, equipment, and vehicles:

	Cost	Accumulated Amortization	2020 Net book value	2019 Net book value
Vehicle	\$ 39,575	\$ 27,703	\$ 11,872	\$ 19,787
Furniture and equipment	49,455	46,950	2,505	3,131
Computer equipment	10,506	9,973	533	666
	\$ 99,536	\$ 84,626	\$ 14,910	\$ 23,584

3. Deferred revenue:

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

	2020	2019
Service Canada ISETP Agreement	\$ 100,524	\$ 532,369
Skills and Partnership Fund	14,465	9
	\$ 114,989	\$ 532,378

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.

	2020	2019
Balance, beginning of year	\$ 23,584	\$ 32,448
Deferred contributions recognized	(8,674)	(8,864)
Balance, end of year	\$ 14,910	\$ 23,584

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Notes to Financial Statements (continued)

Year ended March 31, 2020

5. Commitments:

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

2021	\$	260,342
2022		11,893
2023		11,404
2024		11,404
2025		11,404

The operating leases are primarily based on monthly rentals.

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Notes to Financial Statements (continued)

Year ended March 31, 2020

6. Related party transactions:

During the year the Institute paid \$1,047,072 (2019 - \$2,098,841), nil (2019 - \$280), \$630,449 (2019 - \$117,929) and \$23,126 (2019 - nil) for service delivery and salaries to Dumont Technical Institute Inc., Gabriel Dumont Institute of Native Studies and Applied Research Inc, Gabriel Dumont College Inc. and Metis Nation of Saskatchewan, 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 \$106,723 and \$57,803, respectively, for these services for the year ended March 31, 2020 (2019 - \$84,684 and \$48,000).

The Institute provided nil (2019- \$300,000) to the Gabriel Dumont Scholarship Foundation II for scholarships and bursaries.

Accounts payable and accrued liabilities include nil (2019 - \$130) owing to Dumont Technical Institute, nil (2019 - \$2,652) owing to Gabriel Dumont Institute of Native Studies and Applied Research, Inc. and nil (2019 - \$300,000) owing to The Gabriel Dumont Scholarship Foundation II.

Accounts receivable includes \$232 (2019 - \$75) owed from Gabriel Dumont Institute of Native Studies and Applied Research, Inc., \$1,177 (2019 - \$10,208) owed from Dumont Technical Institute Inc. and \$nil (2019 - \$nil) 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:

97% (2019 - 96%) of the Institute's revenue was derived from Service Canada. The contract with Service Canada has been extended to March 31, 2029.

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Notes to Financial Statements (continued)

Year ended March 31, 2020

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.

9. COVID 19:

In March 2020, the World Health Organization declared the outbreak of novel coronavirus (COVID-19) as a pandemic which continues to spread throughout Canada. On March 18, 2020, the Government of Saskatchewan (SK) declared a provincial state of emergency due to the pandemic. The impact of COVID-19 on the Institute, including the remote delivery of certain programming and various effects on funding availability, are reflected in the financial statements for the year ended March 31, 2020. While operations of the Institute have not been significantly impacted by the pandemic, the situation is dynamic and the ultimate duration and magnitude of the potential impact on future results is currently undeterminable.

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Schedules of Service Canada ISETP Agreement Revenue

Year ended March 31, 2020, with comparative information for 2019

	Employment Insurance	Consolidated Revenue Fund	2020	2019
Service Canada contributions	\$ 4,682,881	\$ 8,856,536	\$ 13,539,417	\$ 12,496,615
Deferred revenue - beginning of year	-	532,369	532,369	767,345
Deferred contributions for furniture, equipment and vehicle - beginning of year	-	23,584	23,584	32,448
Deferred contributions for furniture, equipment and vehicle - end of year	-	(14,910)	(14,910)	(23,584)
Interest earned	-	100,811	100,811	36,611
Other revenue	-	7,050	7,050	2,988
Deferred revenue - end of year	-	(100,524)	(100,524)	(532,369)
Revenue recognized	\$ 4,682,881	\$ 9,404,916	\$ 14,087,797	\$ 12,780,054

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Schedule of Expenses

Year ended March 31, 2020, with comparative information for 2019

	Employment Insurance	Consolidated Revenue Fund	Western Diversification Program	Skills and Partnership Fund	2020	2019
Program Administration Expenses						
Wages and benefits	\$ -	\$ 1,014,592	\$ 197,174	\$ 225,249	\$ 1,437,015	\$ 1,352,518
Public relations	-	82,043	-	2,612	84,655	162,744
Office	-	33,744	-	-	33,744	70,242
Staff travel	-	44,703	-	3,961	48,664	49,224
Professional fees	-	39,557	-	-	39,557	40,501
Facilities rentals	-	36,988	-	-	36,988	29,334
Computer software support	17	33,473	-	-	33,490	24,890
Telephone	-	21,695	-	-	21,695	20,643
Insurance	-	11,422	-	-	11,422	11,304
Selection committee and professional development	8,576	13,870	-	1,989	24,435	17,786
Amortization	-	8,674	-	-	8,674	8,864
Office supplies	-	15,458	-	-	15,458	8,838
Interest and bank charges	-	3,980	-	-	3,980	4,070
Contractual services and consulting	-	128	-	-	128	2,644
Postage and courier	-	249	-	-	249	261
	8,593	1,360,576	197,174	233,811	1,800,154	1,803,863
Program Assistance Expenses						
Education and training costs	1,973,750	4,182,189	204,243	220,944	6,581,126	6,093,388
Student allowances	759,750	2,628,987	70,025	12,175	3,470,937	2,942,656
Wage subsidies	161,712	235,443	-	1,671,086	2,068,241	1,755,577
GDI Scholarship Fund	-	-	-	-	-	300,000
Staff travel	53,521	-	-	-	53,521	52,778
Telephone	48,529	-	-	-	48,529	43,996
Office supplies	28,040	-	-	-	28,040	18,272
Public relations	1,393	-	-	-	1,393	1,138
Postage and courier	1,173	-	-	-	1,173	526
	3,027,868	7,046,619	274,268	1,904,205	12,252,960	11,208,331

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Schedule of Expenses (continued)

Year ended March 31, 2020, with comparative information for 2019

	Employment Insurance	Consolidated Revenue Fund	Western Diversification Program	Skills and Partnership Fund	2020	2019
Employment Assistance Services						
Wages and benefits	\$ 1,646,420	\$ 649,684	\$ -	\$ -	\$ 2,296,104	\$ 1,850,359
Facilities rental	-	206,336	-	-	206,336	165,754
Staff travel	-	27,475	-	-	27,475	41,114
Selection committee and professional development	-	33,633	-	-	33,633	28,365
Office	-	21,459	-	-	21,459	29,076
Office supplies	-	17,624	-	-	17,624	13,002
Equipment rentals	-	11,640	-	-	11,640	9,097
Public relations	-	22,110	-	-	22,110	7,462
Computer software support	-	7,320	-	-	7,320	665
Repairs and maintenance	-	310	-	-	310	694
Telephone	-	130	-	-	130	304
Postage and courier	-	-	-	-	-	-
Contractual services and consulting	-	-	-	-	-	-
	1,646,420	997,721	-	-	2,644,141	2,145,892
	\$ 4,682,881	\$ 9,404,916	\$ 471,442	\$ 2,138,016	\$ 16,697,255	\$ 15,158,086

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Schedule of Service Delivery Expenses

Year ended March 31, 2020, with comparative information for 2019

	Saskatoon	Regina	Prince Albert	Nipewin	La Ronge	Yorkton	North Battleford	Meadow Lake	Sto. Louis Croisse	La Loche	Beauval	2020	2019
Tuition and program delivery	\$ 1,446,040	\$ 612,142	\$ 845,849	\$ 132,281	\$ 476,618	\$ 47,033	\$ 186,382	\$ 390,605	\$ 250,814	\$ 192,195	\$ 319,695	\$ 4,899,654	\$ 4,733,713
Income support	937,859	602,767	764,303	128,148	15,010	16,972	192,995	312,703	150,059	179,515	194,578	3,494,909	2,961,875
Wage subsidies	575,123	218,672	197,577	67,804	13,335	24,086	81,303	506,332	82,992	69,978	71,619	1,908,821	1,547,220
Books	185,281	81,033	127,893	21,062	-	8,720	30,654	49,148	22,115	38,329	22,596	586,831	526,943
Dependent care	137,801	85,359	75,904	12,090	1,050	-	9,493	38,503	11,543	12,056	7,131	390,930	330,474
Supplies	141,561	64,032	92,852	7,565	600	6,263	12,772	34,803	16,400	18,466	8,266	403,980	295,581
Student work experience	14,749	16,023	42,652	-	-	-	6,835	41,755	18,213	6,835	12,356	159,418	208,357
Student travel	47,361	47,994	50,474	7,835	-	3,404	14,801	39,338	19,764	23,751	10,578	265,300	171,566
Living away from home allowance	675	1,150	1,900	-	-	125	800	2,094	-	-	675	7,419	7,813
Special needs allowance	1,792	-	240	380	-	-	-	-	-	120	510	3,042	8,079
	\$ 3,488,242	\$ 1,729,172	\$ 2,199,644	\$ 377,565	\$ 506,613	\$ 108,603	\$ 538,035	\$ 1,415,281	\$ 571,900	\$ 541,245	\$ 648,004	\$ 12,120,304	\$ 10,791,821

Financial Statements of

**THE GABRIEL DUMONT
SCHOLARSHIP FOUNDATION II**

And Independent Auditors' Report thereon

Year ended December 31, 2019



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, 2019
- 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, 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 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
July 23, 2020

THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II


Statement of Financial Position

December 31, 2019, with comparative information for 2018

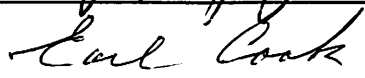
	2019	2018
Assets		
Current assets:		
Cash and cash equivalents	\$ 92,360	\$ 319,533
Accounts receivable	25,137	74
Managed funds (note 6)	2,518,795	-
Restricted cash (note 6)	7,299	-
	<u>2,643,591</u>	<u>319,607</u>
Investments (note 4)	3,475,207	2,990,194
	<u>\$ 6,118,798</u>	<u>\$ 3,309,801</u>
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 11,704	\$ 8,304
Managed fund payable (note 6)	2,526,094	-
Deferred revenue	-	55,600
	<u>2,537,798</u>	<u>63,904</u>
Net assets:		
Restricted for endowment purposes (note 5)	3,244,105	2,944,105
Unrestricted	336,895	301,792
	<u>3,581,000</u>	<u>3,245,897</u>
Subsequent event (note 7)		
	<u>\$ 6,118,798</u>	<u>\$ 3,309,801</u>

See accompanying notes to financial statements.

On behalf of the Board:



Director



Director

THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Statement of Revenue and Expenses

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

	2019	2018
Revenue:		
Donations	\$ 215,638	\$ 352,218
GDITE endowment (note 5(b))	300,000	300,000
Government of Saskatchewan - Ministry of Advanced Education	34,200	35,400
Interest and investment income	91,542	73,189
	<u>641,380</u>	<u>760,807</u>
Expenses:		
Scholarships	296,950	445,800
Administrative and professional services	9,327	8,437
	<u>306,277</u>	<u>454,237</u>
Excess of revenue over expenses	<u>\$ 335,103</u>	<u>\$ 306,570</u>

See accompanying notes to financial statements.

THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Statement of Changes in Net Assets

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

	Unrestricted	Restricted Fiddler & Carriere Endowment	Restricted GDITE Endowment	Restricted GDS Endowment	2019	2018
Balance, beginning of year	\$ 301,792	\$ 4,105	\$ 1,900,000	\$ 1,040,000	\$ 3,245,897	\$ 2,939,327
Excess of revenue over expenses	35,103	-	300,000	-	335,103	306,570
Balance, end of year	\$ 336,895	\$ 4,105	\$ 2,200,000	\$ 1,040,000	\$ 3,581,000	\$ 3,245,897

See accompanying notes to financial statements.

THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Statement of Cash Flows

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

	2019	2018
Cash flows from (used in):		
Operations:		
Excess of revenue over expenses	\$ 335,103	\$ 306,570
Item not involving cash:		
Adjustment for fair value (increase) decrease on investments and reinvested investment income	(7,661)	10,879
Change in non-cash operating working capital:		
Accounts receivable	(25,063)	32,732
Accounts payable and accrued liabilities	3,400	2
Deferred revenue	(55,600)	(17,470)
	<u>250,179</u>	<u>332,713</u>
Investing:		
Purchase of investments	(1,177,352)	(1,045,084)
Redemption of investments	-	65,303
Sale of investments	700,000	900,000
	<u>(477,352)</u>	<u>(79,781)</u>
Increase in cash	(227,173)	252,932
Cash, beginning of year	319,533	66,601
Cash, end of year	<u>\$ 92,360</u>	<u>\$ 319,533</u>

See accompanying notes to financial statements.

THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Notes to Financial Statements

Year ended December 31, 2019

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.

THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Notes to Financial Statements (continued)

Year ended December 31, 2019

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 2019 or 2018.

THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Notes to Financial Statements (continued)

Year ended December 31, 2019

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.
- Managed funds 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 value with the corresponding increase in managed fund payable.
- 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.

THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Notes to Financial Statements (continued)

Year ended December 31, 2019

3. Financial instruments and risk management:

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

Credit risk

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

The 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.

THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Notes to Financial Statements (continued)

Year ended December 31, 2019

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, 2019 the Foundation's investment allocation consisted of cash and short-term investments of 0% (2018 - 0%); fixed income (including mutual fund savings accounts) investments of 100% (2018 - 100%) and equities of 0% (2018 - 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. 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 (2018 - \$2,944,105) 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 \$2,200,000 (2018 - \$1,900,000).

THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Notes to Financial Statements (continued)

Year ended December 31, 2019

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

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.

6. Managed Funds:

The Foundation signed an agency agreement with The Métis Nation - Saskatchewan Secretariat Inc. to manage 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. Managed funds are held in a separate investment account specifically related to these management funds.

7. Subsequent event:

Subsequent to December 31, 2019, the COVID-19 outbreak was declared a pandemic by the World Health Organization and has had a significant financial, market and social dislocating impact. The situation is dynamic and the ultimate duration and magnitude of the impact on the economy and the Foundation's operations is not known at this time.

At the time of approval of these financial statements, the entity has experienced the financial implications such as the experienced temporary declines in the fair value of investments and investment income.

Financial Statements of

**GABRIEL DUMONT
COLLEGE INC.**

And Independent Auditors' Report thereon

Year ended March 31, 2020



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, 2020
- 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, 2020, 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

A handwritten signature in black ink that reads 'KPMG LLP' in a cursive, slightly slanted font. A horizontal line is drawn underneath the signature.

Chartered Professional Accountants

Saskatoon, Canada

July 23, 2020

GABRIEL DUMONT COLLEGE INC.

Statement of Financial Position

March 31, 2020, with comparative information for 2019


	2020	2019
Assets		
Current assets:		
Cash and cash equivalents	\$ 873,707	\$ 820,546
Investments and marketable securities (note 3)	162,902	167,414
Accounts receivable	709,329	710,339
Prepaid expenses	13,733	4,500
	<u>1,759,671</u>	<u>1,702,799</u>
Equipment (note 4)	7,743	9,678
	<u>\$ 1,767,414</u>	<u>\$ 1,712,477</u>

Liabilities and Net Assets

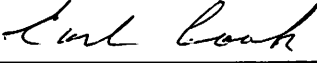
Current liabilities:		
Accounts payable and accrued liabilities	\$ 695,576	\$ 462,179
Deferred revenue	-	187,123
	<u>695,576</u>	<u>649,302</u>
Net assets:		
Unrestricted	1,064,095	1,053,497
Invested in equipment	7,743	9,678
	<u>1,071,838</u>	<u>1,063,175</u>
	<u>\$ 1,767,414</u>	<u>\$ 1,712,477</u>

See accompanying notes to financial statements.

On behalf of the Board:



Governor



Governor

GABRIEL DUMONT COLLEGE INC.

Statement of Operations

Year ended March 31, 2020, with comparative information for 2019

	2020	2019
Revenue:		
Tuition and related fees (note 5)	\$ 1,727,418	\$ 875,004
Program grants (note 5)	187,123	-
Interest	16,899	32,219
	<u>1,931,440</u>	<u>907,223</u>
Expenses:		
Salaries and benefits	857,844	384,353
Scholarships, tuition and student fees	538,569	283,550
Consulting fees	201,525	138,973
Promotions	86,330	68,744
Student supplies	76,381	25,913
Equipment expense	59,190	4,587
Travel	37,002	16,376
Audit and legal	18,351	13,850
Office supplies and services	17,282	20,528
Facilities and rent	14,301	15,883
Bank charges	10,655	4,295
Amortization of equipment	1,935	2,420
Start up allowances	1,750	1,750
Student recruitment	917	-
Repairs and maintenance	555	3,952
Computer	190	-
Bad debt	-	2,250
Contributions to Dumont Technical Institute Inc. (note 5)	-	1,400,000
	<u>1,922,777</u>	<u>2,387,424</u>
Excess (deficiency) of revenue over expenses	\$ 8,663	\$ (1,480,201)

See accompanying notes to financial statements.

GABRIEL DUMONT COLLEGE INC.

Statement of Changes in Net Assets

Year ended March 31, 2020, with comparative information for 2019

	Unrestricted	Invested in Equipment	Total
Net assets, April 1, 2018	\$ 2,531,278	\$ 12,098	\$ 2,543,376
Excess 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
Excess of revenue over expenses	8,663	-	8,663
Amortization of equipment	1,935	(1,935)	-
Net assets, March 31, 2020	\$ 1,064,095	\$ 7,743	\$ 1,071,838

See accompanying notes to financial statements.

GABRIEL DUMONT COLLEGE INC.

Statement of Cash Flows

Year ended March 31, 2020, with comparative information for 2019

	2020	2019
Cash flows from (used in):		
Operations:		
Excess (deficiency) of revenue over expenses	\$ 8,663	\$ (1,480,201)
Items not involving cash:		
Amortization of equipment	1,935	2,420
Reinvested interest income	4,512	(5,206)
Change in non-cash operating working capital:		
Accounts receivable	1,010	(102,483)
Prepaid expenses	(9,233)	(4,000)
Accounts payable and accrued liabilities	233,397	289,631
Deferred revenue	(187,123)	187,123
	53,161	(1,112,716)
(Decrease) increase in cash and cash equivalents	53,161	(1,112,716)
Cash and cash equivalents, beginning of year	820,546	1,933,262
Cash and cash equivalents, end of year	\$ 873,707	\$ 820,546

See accompanying notes to financial statements.

GABRIEL DUMONT COLLEGE INC.

Notes to Financial Statements

Year ended March 31, 2020

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.

GABRIEL DUMONT COLLEGE INC.

Notes to Financial Statements (continued)

Year ended March 31, 2020

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, accounts payable and accrued liabilities 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.

GABRIEL DUMONT COLLEGE INC.

Notes to Financial Statements (continued)

Year ended March 31, 2020

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.

GABRIEL DUMONT COLLEGE INC.

Notes to Financial Statements (continued)

Year ended March 31, 2020

2. Significant accounting policies (continued):

(f) Adoption of Canadian accounting standards for not-for-profit organizations:

On April 1, 2019, the College adopted the following standard as issued by the Canadian Accounting Standards Board:

Section 4433 Tangible capital assets held by not-for-profit organizations, which directs organizations to apply the accounting guidance of Section 3061, Property Plant and Equipment in Part II of the Handbook. In so doing, the new section requires that organizations annually assess for partial impairment of tangible capital assets, to be recorded where applicable, as a non-reversible impairment expense. In addition, where practical, to componentize capital assets when estimates can be made of the useful lives of the separate components.

Adoption of this standards has not resulted in any changes to the financial statements.

(g) 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.

GABRIEL DUMONT COLLEGE INC.

Notes to Financial Statements (continued)

Year ended March 31, 2020

3. Investments and marketable securities:

	2020		2019	
	Cost	Market	Cost	Market
Provincial bonds	\$ 17,228	\$ 17,516	\$ -	\$ -
Debentures	48,138	47,562	-	-
Guaranteed investment certificate	46,000	46,000	-	-
Cash	22,183	22,183	9,900	9,902
Common shares	34,473	29,641	-	-
Pooled bond funds	-	-	153,958	157,512
	\$ 168,022	\$ 162,902	\$ 163,858	\$ 167,414

The Provincial Bonds have interest rates of 1.55% to 3.10% and mature between 2021 and 2024.

The debentures are all at fixed rates and have a weighted average interest rate of 2.71% and a weighted average term to maturity of 3.58 years.

The guaranteed investment certificates have a weighted average interest rate of 2.64% and a weighted average term to maturity of 2.41 years.

GABRIEL DUMONT COLLEGE INC.

Notes to Financial Statements (continued)

Year ended March 31, 2020

4. Equipment:

			2020	2019
	Cost	Accumulated amortization	Net book value	Net book value
Computer equipment	\$ 60,033	\$ 58,566	\$ 1,467	\$ 1,833
Other equipment	39,679	33,403	6,276	7,845
	\$ 99,712	\$ 91,969	\$ 7,743	\$ 9,678

Computer equipment with a net carrying value of \$1,467 (2019 - \$1,833) 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.

GABRIEL DUMONT COLLEGE INC.

Notes to Financial Statements (continued)

Year ended March 31, 2020

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.

	2020	2019
Revenues:		
Tuition and related fees:		
Gabriel Dumont Institute of Native Studies and Applied Research, Inc.	\$ 422,678	\$ 303,794
Gabriel Dumont Institute Training and Employment Inc.	634,011	115,263
Program grants:		
Gabriel Dumont Institute of Native Studies and Applied Research, Inc.	187,123	-
Expenses:		
Programming/ services:		
Gabriel Dumont Institute of Native Studies and Applied Research, Inc.	147,387	13,292
Contributions:		
Dumont Technical Institute Inc.	-	1,400,000

Accounts payable includes \$188,800 (2019 - \$25,585) to Gabriel Dumont Institute of Native Studies and Applied Research and \$14 (2019 - \$403,641) to Dumont Technical Institute.

Accounts receivable includes \$422,849 (2019 - \$490,917) from Gabriel Dumont Institute of Native Studies and Applied Research and \$7,125 (2019 - \$nil) from Gabriel Dumont Institute Training & Employment.

During the last fiscal year, the Institute contributed \$1,400,000 to Dumont Technical Institute Inc. to assist with their building expansion project. As this was a one-time occurrence, no amount was contributed to Dumont Technical Institute in 2020.

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

GABRIEL DUMONT COLLEGE INC.

Notes to Financial Statements (continued)

Year ended March 31, 2020

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.

GABRIEL DUMONT COLLEGE INC.

Notes to Financial Statements (continued)

Year ended March 31, 2020

8. COVID-19:

On March 11, 2020 COVID-19 was declared a pandemic by the World Health Organization. This has resulted in significant economic uncertainty and financial markets have experienced significant volatility in response to the developing COVID-19 pandemic. The impact of COVID-19 on the College, including the remote delivery of certain programming and various effects on funding availability, are reflected in the financial statements for the year ended March 31, 2020. While operations of the College have not been significantly impacted by the pandemic, the situation is dynamic and the ultimate duration and magnitude of the potential impact on future results is currently undeterminable.

Financial Statements of

**GABRIEL DUMONT
INSTITUTE PRESS INC.**

And Independent Auditors' Report thereon

Year ended December 31, 2019



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, 2019
- 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, 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 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.

The image shows the handwritten signature of KPMG LLP in black ink. The letters are bold and slanted, with a horizontal line underneath the signature.

Chartered Professional Accountants

Saskatoon, Canada

July 23, 2020

GABRIEL DUMONT INSTITUTE PRESS INC.

Statement of Financial Position

December 31, 2019, with comparative information for 2018

	2019	2018
Assets		
Current assets:		
Cash	\$ -	\$ 22,246
Accounts receivable	-	15,420
	\$ -	\$ 37,666

Liabilities and Net Assets (Deficiency)

Current liabilities:		
Accounts payable	\$ -	\$ 8,982
Accrued liabilities	-	9,700
Deferred revenue (note 3)	-	25,600
	-	44,282
Due to Gabriel Dumont Institute of Native Studies and Applied Research Inc. (note 3)	-	496,124
	-	540,406
Net assets (deficiency)	-	(502,740)
Nature of operations (note 1)		
	\$ -	\$ 37,666

See accompanying notes to financial statements.

On behalf of the Board:



Governor



Governor

GABRIEL DUMONT INSTITUTE PRESS INC.

Statement of Operations and Changes in Net Assets

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

	2019	2018
Revenues:		
Book sales (net of discounts)	\$ 154,245	\$ 146,033
Grant revenue	32,000	-
Royalties income	1,071	3,458
Interest income	242	420
	187,558	149,911
Expenses:		
Salaries and benefits	169,367	133,985
Building	40,738	38,323
Office and general	25,670	13,202
Professional fees	6,506	9,880
Travel	2,321	3,991
Advertising	1,729	6,324
Interest and bank charges	46	42
Printing	-	58,341
Material development	-	29,844
	246,377	293,932
Deficiency of revenues over expenses before debt forgiveness	(58,819)	(144,021)
Debt forgiveness (note 3)	(561,559)	-
Excess (deficiency) of revenue over expenses	502,740	(144,021)
Net assets (deficiency), beginning of year	(502,740)	(358,719)
Net assets (deficiency), end of year	\$ -	\$ (502,740)

See accompanying notes to financial statements.

GABRIEL DUMONT INSTITUTE PRESS INC.

Statement of Cash Flows

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

	2019	2018
Cash provided by (used in):		
Operations:		
Excess (deficiency) of revenue over expenses	\$ 502,740	\$ (144,021)
Changes in non-cash operating working capital:		
Accounts receivable	15,420	366
Accounts payable	(8,982)	8,982
Accrued liabilities	(9,700)	200
Deferred revenue	(25,600)	-
	473,878	(134,473)
Financing:		
Advances from Gabriel Dumont Institute of Native Studies and Applied Research, Inc.	(496,124)	99,515
Decrease in cash	(22,246)	(34,958)
Cash, beginning of year	22,246	57,204
Cash, end of year	\$ -	\$ 22,246

See accompanying notes to financial statements.

GABRIEL DUMONT INSTITUTE PRESS INC.

Notes to Financial Statements

Year ended December 31, 2019

1. Nature of operations:

Gabriel Dumont Institute Press Inc. (the "Organization") is a not-for-profit organization that was created to make 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 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).

Gabriel Dumont Institute Press Inc. was previously (until 2015 when the Organization was created) a division of Gabriel Dumont Institute of Native Studies and Applied Research, Inc. ("GDI - NSAR"). During the year the Board of Governors made the decision to wind-up the operations of Gabriel Dumont Institute Press Inc. The effective date of the wind-up was December 31, 2019. These financial statements include the results of operations from January 1, 2019 to the date of wind-up. On wind-up all the assets and liabilities and any related operations are to be assumed by GDI – NSAR. During the year GDI - NSAR also forgave the full amount of the receivable from the Organization and this amount has been shown as debt forgiveness in the financial statements.

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 Governors of the Organization 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.

GABRIEL DUMONT INSTITUTE PRESS INC.

Notes to Financial Statements (continued)

Year ended December 31, 2019

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.

GABRIEL DUMONT INSTITUTE PRESS INC.

Notes to Financial Statements (continued)

Year ended December 31, 2019

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) 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.

(f) 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

GABRIEL DUMONT INSTITUTE PRESS INC.

Notes to Financial Statements (continued)

Year ended December 31, 2019

3. Related party transactions:

The balance owing to GDI-NSAR at December 31, 2019 of \$nil (2018 - \$496,124) is non-interest bearing.

At the end of the year GDI-NSAR forgave the remaining \$561,559 amount owing from the Organization representing all outstanding amounts receivable.

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.

4. 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 \$9,523 (2018- \$9,759).