

Financial Statements of

**GABRIEL DUMONT
INSTITUTE OF NATIVE
STUDIES AND APPLIED
RESEARCH, INC.**
Year ended March 31, 2011



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INDEPENDENT AUDITORS' REPORT

To the Members

We have audited the accompanying financial statements of Gabriel Dumont Institute of Native Studies and Applied Research, Inc. which comprise the statement of financial position as at March 31, 2011, the statements of changes in net assets, operations and cash flows for the year then ended, and notes comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

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

Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of Gabriel Dumont Institute of Native Studies and Applied Research, Inc. as at March 31, 2011 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted principles.

Chartered Accountants

Saskatoon, Canada
September 16, 2011

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

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

Statement of Financial Position

March 31, 2011, with comparative figures for 2010

	2011	2010
Assets		
Current assets:		
Cash	\$ 1,477,710	\$ 917,702
Short-term investments	157,095	152,042
Accounts receivable (note 5)	2,814,003	1,642,236
Inventory	-	40,801
Prepaid expenses	43,922	35,870
	<u>4,492,730</u>	<u>2,788,651</u>
Property, plant and equipment (note 6)	814,112	836,140
	<u>\$ 5,306,842</u>	<u>\$ 3,624,791</u>
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 1,803,857	\$ 874,727
Deferred contributions (note 7)	38,893	59,916
	<u>1,842,750</u>	<u>934,643</u>
Net assets (deficiency)		
Administration and core services	2,620,899	2,277,237
Invested in property, plant & equipment	814,112	836,140
Publishing	(367,412)	(371,728)
S.U.N.T.E.P.	311,628	(136,366)
Other specific contract projects	80,760	80,760
Restricted for endowment purposes (note 8)	4,105	4,105
	<u>3,464,092</u>	<u>2,690,148</u>
	<u>\$ 5,306,842</u>	<u>\$ 3,624,791</u>

Commitments (note 13)

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, 2011, with comparative figures for 2010

		Administration and Core Services	Publishing	S.U.N.T.E.P.	Other Specific Contract Projects	Invested in Property Plant and Equipment	Endowment	2011	2010
Net assets (deficiency), beginning of year	\$	2,277,237	\$ (371,728)	\$ (136,366)	\$ 80,760	\$ 836,140	\$ 4,105	\$ 2,690,148	\$ 2,877,589
Net revenue (expense)		320,983	4,316	448,645	-	-	-	773,944	(51,927)
Amortization		60,056	-	7,038	-	(67,094)	-	-	-
Purchase of property, plant and equipment		(37,377)	-	(7,689)	-	45,066	-	-	-
Amalgamation of Gabriel Dumont Institute Community Training Residence Inc.		-	-	-	-	-	-	-	(135,514)
	\$	2,620,899	\$ (367,412)	\$ 311,628	\$ 80,760	\$ 814,112	\$ 4,105	\$ 3,464,092	\$ 2,690,148

See accompanying notes to financial statements.

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

Statement of Operations

Year ended March 31, 2011, with comparative figures for 2010

	Administration & Core Services	Publishing	S.U.N.T.E.P	Total 2011	Total 2010
Revenue:					
Government of Saskatchewan					
- Saskatchewan Learning	\$ 2,145,900	-	\$ 3,154,800	\$ 5,300,700	\$ 5,180,358
Other (schedule 1)	782,157	325,363	639,125	1,746,645	1,223,225
Government of Canada					
- Office of The Federal Interlocutor (schedule 4)	-	434,040	-	434,040	273,201
- The Department of Canadian Heritage	-	34,800	-	34,800	-
	2,928,057	794,203	3,793,925	7,516,185	6,676,784
Expenses					
Salaries and benefits (schedule 3)	1,124,531	458,417	1,587,623	3,170,571	3,152,208
Instructional costs	-	8,885	1,844,993	1,853,878	1,128,825
Operating costs (schedule 2)	658,914	205,444	(226,266)	638,092	1,657,355
Curriculum development	22,387	294,896	42,299	359,582	279,057
Travel and sustenance (schedule 3)	274,415	9,645	44,171	328,231	182,686
Public relations (schedule 3)	52,794	133,444	47,935	234,173	201,628
Works of art	1,710	78,960	-	80,670	45,085
Kapatchee	54,687	-	-	54,687	54,686
Library costs	17,636	196	3,325	21,157	24,681
Scholarships	-	-	1,200	1,200	2,500
	2,207,074	1,189,887	3,345,280	6,742,241	6,728,711
Administrative allocation	(400,000)	400,000	-	-	-
Net revenue (expense)	\$ 320,983	\$ 4,316	\$ 448,645	\$ 773,944	\$ (51,927)

See accompanying notes to financial statements.

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

Statement of Cash Flows

Year ended March 31, 2011, with comparative figures for 2010

	2011	2010
Cash flows from (used in):		
Operations:		
Net revenue (expense)	\$ 773,944	\$ (51,927)
Item not involving cash:		
Amortization	67,094	58,166
	841,038	6,239
Net change in non-cash working capital accounts (note 9)	(230,911)	932,948
	610,127	939,187
Investing:		
Advances from affiliates	-	(271,703)
Purchase of property, plant & equipment	(45,066)	(36,554)
Increase in investments	(5,053)	(5,496)
Amalgamation of Gabriel Dumont Institute Community Training Residence Inc.	-	36,804
	(50,119)	(276,949)
Increase in cash	560,008	662,238
Cash balance, beginning of year	917,702	255,464
Cash balance, end of year	\$ 1,477,710	\$ 917,702

See accompanying notes to financial statements.

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

Notes to Financial Statements

Year ended March 31, 2011

1. Nature of operations:

Gabriel Dumont Institute of Native Studies and Applied Research, 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 as well as its affiliates, Gabriel Dumont College Inc. and Dumont Technical Institute Inc. 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 is associated with Gabriel Dumont College, Inc., Dumont Technical Institute Inc., Gabriel Dumont Scholarship Foundation II, and Gabriel Dumont Training and Employment Inc., as the Board of Directors of the Institute are the same directors and the only directors of the controlled entities. These financial statements do not include the operations of these controlled entities and further information is included in note 10.

2. Significant accounting policies:

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles and reflect the following policies:

(a) Fund accounting:

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

Administration and Core Services

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

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

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

Notes to Financial Statements (continued)

Year ended March 31, 2011

2. Significant accounting policies (continued):

successful completion of projects. The library has a unique collection which focuses on Métis history and culture and on issues of concern in Métis and First Nations communities. It serves the research needs of the Institute and is located 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 Saskatchewan Post-Secondary Education and Skills Training, the University of Regina and the University of Saskatchewan. The program is offered in three urban centres - Prince Albert, Saskatoon and Regina. The program combines training and a sound academic education with extensive classroom experience and a thorough knowledge of issues facing students in our society.

Other Specific Contract Projects

The Institute has implemented a wide variety of additional education and training offerings throughout Saskatchewan. Many of these programs have been delivered in cooperation with the University of Saskatchewan and Saskatchewan Post-Secondary Education and Skills Training.

Endowment Contributions

Endowment contributions are restricted to the provision of scholarships.

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

Notes to Financial Statements (continued)

Year ended March 31, 2011

2. Significant accounting policies (continued):

(b) Revenue recognition:

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

Endowment contributions are reported in the Endowment Fund.

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

(c) Financial instruments:

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

- Cash and short term investments are classified as financial assets held for trading and are measured 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.
- Accounts receivable are classified as loans and receivables and are recorded 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.

(d) Property, plant and equipment:

Property, plant and equipment are initially recorded at cost. Donated assets are recorded at their estimated fair market value plus other costs incurred at the date of acquisition. Normal maintenance and repair expenditures are expensed as incurred.

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

Notes to Financial Statements (continued)

Year ended March 31, 2011

2. Significant accounting policies (continued):

Amortization is recorded in the accounts utilizing the following methods and rates:

Asset	Method	Rate
Building	Declining	5 %
Computer equipment	Declining	20%
Other equipment	Declining	20%
Leasehold Improvements	Straight-line	10%

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

(e) Library costs:

The Institute's library collection includes materials related to the culture and history of Aboriginal peoples not readily available from other sources. These materials assist the Institute in its own cultural and historical research and curriculum activities. The acquisition costs of the library collection are expensed. The library collection is not carried at cost and amortized because they are: held for public exhibition, education and research; protected, cared for and preserved; and any proceeds from sales are used to maintain the existing collection and to acquire other items for the collection.

(f) Inventory:

Inventory is recorded at the lower of average cost or net realizable value.

(g) Employee benefits:

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

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

Notes to Financial Statements (continued)

Year ended March 31, 2011

2. Significant accounting policies (continued):

(h) Use of estimates:

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenue and expenses during the reporting period. Actual results could differ from these estimates.

3. Recently issued accounting standards:

In December 2010, the Accounting Standards Board ("AcSB") released the accounting standards impacting the future financial reporting framework for not-for-profit organizations. The standards require that not-for-profit organizations who choose not to adopt International Financial Reporting Standards ("IFRS") will apply the Accounting Standards for Not-for-Profit Organizations contained in Part III of the CICA Handbook-Accounting. This is effective for fiscal years beginning on or after January 1, 2012 with earlier adoption permitted.

The Institute has determined that it intends to adopt Accounting Standards for Not-for-Profit Organizations effective for the fiscal year commencing April 1, 2012 although this determination and the date of adoption may change. The impact of the adoption of these standards is being evaluated and is not known or reasonably estimable at this time.

4. Financial instruments and risk management:

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

Credit risk

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

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

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

Notes to Financial Statements (continued)

Year ended March 31, 2011

4. Financial instruments and risk management (continued):

Interest rate risk

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

Market risk

The Institute is not exposed to significant price risk.

Fair values

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

5. Accounts receivable:

	2011	2010
Accounts receivable	\$ 2,814,003	\$ 2,285,724
Due from (to) affiliates:		
Dumont Technical Institute, Inc.	-	252,205
Gabriel Dumont College, Inc.	-	(200,000)
Less: Allowance for doubtful accounts	-	(695,693)
	<hr/> \$ 2,814,003	<hr/> \$ 1,642,236

The allowance for doubtful accounts for an amount of \$695,693 related to the S.U.N.T.E.P. program. During the 2010 fiscal year the Institute invoiced Advanced, Education, Employment, and Labour ("AEEL") for \$875,576. However, after discussion with AEEL, management concluded that \$179,883 was collectible as of March 31, 2010. As a result, management provided \$695,693 as an allowance for doubtful accounts for the year ended March 31, 2010. Negotiations with respect to the collectibility of these amounts were ongoing throughout the current year. Subsequent to March 31, 2011, management collected \$500,000 from AEEL associated with the prior year's receivable and consequently reduced the allowance for doubtful accounts. The remaining balance of \$195,693 will not be collected and therefore the remaining accounts receivable balance and allowance for doubtful accounts have been adjusted accordingly.

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

Notes to Financial Statements (continued)

Year ended March 31, 2011

6. Property, plant and equipment:

			2011	2010
	Cost	Accumulated amortization	Net book value	Net book value
Administrative:				
Land	\$ 174,344	\$ -	\$ 174,344	\$ 174,344
Building	1,290,626	826,592	464,034	495,993
Computer equipment	139,224	78,316	60,908	48,305
Equipment	1,155,210	1,110,813	44,397	41,277
	2,759,404	2,015,721	743,683	759,919
Core services:				
Equipment	313,543	287,780	25,763	31,299
Leasehold improvements	18,984	10,812	8,172	9,079
	332,527	298,592	33,935	40,378
S.U.N.T.E.P.				
Equipment	293,873	257,510	36,363	35,679
Other				
Equipment	16,780	16,649	131	164
	\$ 3,402,584	\$ 2,588,472	\$ 814,112	\$ 836,140

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

Notes to Financial Statements (continued)

Year ended March 31, 2011

7. Deferred contributions:

The Institute has deferred contributions for one project as follows:

Funding Agent	Project	2011	2010
Saskatchewan Advanced Education, Employment, and Labour	Virtual Museum	\$ 38,893	\$ 59,916
		\$ 38,893	\$ 59,916

8. Endowments:

	2011	2010
Arts Carriere Memorial Fund	\$ 2,769	\$ 2,769
Les Fiddler Memorial Fund	1,336	1,336
	\$ 4,105	\$ 4,105

9. Net change in non-cash working capital accounts:

	2011	2010
Accounts receivable	\$ (1,171,767)	\$ 1,321,363
Inventory	40,801	(13)
Prepaid expenses	(8,052)	(1,192)
Accounts payable and accrued liabilities	929,130	(253,973)
Deferred contributions	(21,023)	(144,101)
Amounts related to amalgamation with GDI - CTR	-	10,864
	\$ (230,911)	\$ 932,948

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

Notes to Financial Statements (continued)

Year ended March 31, 2011

10. Associated and related entities:

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

	Gabriel Dumont College, Inc. March 31, 2011	Dumont Technical Institute, Inc. June 30, 2010	Gabriel Dumont Scholarship Foundation II December 31, 2010	Gabriel Dumont Institute Training & Employment, Inc. March 31, 2011
Total assets	\$ 1,454,259	\$ 5,489,155	\$ 2,800,458	\$ 1,072,186
Total liabilities	57,698	2,175,688	14,811	1,049,550
Net assets				
- internally restricted	1,396,561	2,827,662	2,340,000	-
- externally restricted	-	485,805	445,647	22,636
	\$ 1,454,259	\$ 5,489,155	\$ 2,800,458	1,072,186
Results of operations				
Total revenue	688,725	7,682,034	114,778	14,144,626
Total expenses	462,419	6,668,091	100,873	14,144,626
Net revenue (expense)	\$ 226,306	\$ 1,013,943	\$ 13,905	-
Cash flows				
Cash provided by (used in) operations	\$ 382,266	\$ 1,624,321	\$ 9,813	(868,049)
Cash provided by (used in) financing and investing activities	(20,280)	(458,614)	158,192	-
Increase (decrease) in cash balances	\$ 361,986	\$ 1,165,707	\$ 168,005	(868,049)
Cash balances, end of year	\$ 360,268	\$ 2,451,891	\$ 322,010	303,229

11. Pension plan:

The Institute contributes to a pension plan for the employees based on a negotiated rate of contribution. The pension expense for the year was \$165,232 (2010 - \$155,585).

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

Notes to Financial Statements (continued)

Year ended March 31, 2011

12. Related party transactions:

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

	2011	2010
Entities under common control		
Fees for service (administrative services, at negotiated value)	\$ 469,477	\$ 376,794
Sales and royalties	14,561	7,201
Fees for service (30th Anniversary)	137,682	-
Interest income on mortgage receivable	-	1,586
Fees for service (office and equipment rent)	87,000	81,000
Building (rent)	(64,530)	(61,133)
Staff salaries and wages (wage enhancement)	(241,949)	(241,949)
	\$ 402,241	\$ 163,499

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

Accounts receivable includes \$360,363 (2010 - \$356,345) from Dumont Technical Institute, \$70,375 (2010 - \$21,258) from Gabriel Dumont Training and Employment Inc, nil (2010 - \$13,630) from Gabriel Dumont Scholarship Foundation II, and \$48,510 (2010 - \$739) from Gabriel Dumont College Inc.

Accounts payables and accrued liabilities include \$388,253 (2010 - \$267,537) to Dumont Technical Institute and \$546,253 (2010 - nil) to Gabriel Dumont College Inc.

Other related party transactions are described in note 10.

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

Notes to Financial Statements (continued)

Year ended March 31, 2011

13. Commitments:

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

2012	\$ 334,625
2013	270,747
2014	31,442
2015	21,382
2016	12,192
	<hr/>
	\$ 670,388

14. Economic dependence:

Approximately 77% (2010 - 82%) of the Institute's revenue was derived from the Provincial and Federal Government of Canada. Funding is provided by annual grants under contracts expiring on various dates.

15. Comparative figures:

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

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

Schedule of Other Revenue

Year ended March 31, 2011, with comparative figures for 2010

	Administration & Core Services	Publishing	S.U.N.T.E.P.	2011	2010
Fees for services	\$ 741,363	\$ 121,342	-	\$ 862,705	\$ 481,944
Teaching income	-	-	319,145	319,145	91,775
Tuition income	-	-	258,957	258,957	222,097
Sales and royalties Prince Albert Grand Council	-	165,189	-	165,189	189,755
Miscellaneous	-	-	55,800	55,800	72,800
Saskatchewan Advance Education & Employment	14,718	34,832	5,223	54,773	88,023
Interest	21,023	4,000	-	25,023	69,747
	5,053	-	-	5,053	7,084
	\$ 782,157	\$ 325,363	\$ 639,125	\$ 1,746,645	\$ 1,223,225

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

Schedule of Operating Costs

Year ended March 31, 2011, with comparative figures for 2010

	Administration & Core Services	Publishing	S.U.N.T.E.P.	2011	2010
Building	\$ 174,648	\$ 77,739	\$ 155,025	\$ 407,412	\$ 439,693
Consulting and legal service	181,741	5,915	29,329	216,985	137,197
Computer services	81,736	1,058	14,145	96,939	40,931
Telephone	76,700	1,910	990	79,600	108,634
Other equipment expenses	29,832	1,954	39,057	70,843	69,005
Amortization	60,056	-	7,038	67,094	58,166
Cultural partnership	-	51,533	-	51,533	-
Museum	-	42,955	-	42,955	-
Office supplies	19,175	8,832	13,716	41,723	38,219
Insurance	16,065	2,555	4,022	22,642	19,584
Postage and courier	9,481	3,487	3,877	16,845	19,539
Duplicating and materials development	2,747	6,485	6,501	15,733	11,085
Bank charges	4,506	-	34	4,540	3,572
Payroll interest & penalties	1,158	-	-	1,158	804
Miscellaneous	1,069	-	-	1,069	9,406
Bad debt expense (recovery) (note 5)	-	1,021	(500,000)	(498,979)	701,520
	\$ 658,914	\$ 205,444	\$ (226,266)	\$ 638,092	\$ 1,657,355

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

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

Year ended March 31, 2011, with comparative figures for 2010

	Administration & Core Services	Publishing	S.U.N.T.E.P.	2011	2010
Public Relations:					
Promotion, publicity and graduation	\$ 52,083	\$ 133,444	\$ 35,897	\$ 221,424	\$ 191,983
Recruitment	711	-	10,448	11,159	8,149
Orientation	-	-	1,590	1,590	1,496
	\$ 52,794	\$ 133,444	\$ 47,935	\$ 234,173	\$ 201,628
Salaries and benefits:					
Staff salaries and wages	\$ 1,025,044	\$ 405,487	\$ 1,425,711	\$ 2,856,242	\$ 2,851,256
Staff benefits	99,487	52,930	161,912	314,329	300,952
	\$ 1,124,531	\$ 458,417	\$ 1,587,623	\$ 3,170,571	\$ 3,152,208
Travel and sustenance:					
Staff and students	\$ 188,487	\$ 9,612	\$ 42,635	\$ 240,734	\$ 105,533
Board	85,928	33	1,536	87,497	77,153
	\$ 274,415	\$ 9,645	\$ 44,171	\$ 328,231	\$ 182,686

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

Government of Canada - Office of the Federal Interlocutor Schedule

Year ended March 31, 2011

		MCCI	MCCI	MCCI	MCCI	MCCI	MCCI
		contract amendment #1	amendment #2	amendment #3	amendment #4	amendment #4	Total
Revenue:							
Office of the Federal Interlocutor	\$	253,700	\$	20,000	\$	35,000	\$
		253,700		20,000		35,000	96,590
Expenses:							
Resource / materials development		158,666		-	-	23,000	16,827
Artifacts		-		-	-	-	55,814
Cultural partnerships		51,533		-	-	-	51,533
Museum		42,955		-	-	-	42,955
Contractual / consulting		-		-	25,000	-	13,600
Meetings		-		17,884	-	-	17,884
Administrative services		546		2,116	3,750	-	10,349
Wages and benefits		-		-	-	12,000	-
Total expenses		253,700		20,000	28,750	35,000	96,590
Net revenue	\$	-	\$	-	\$	-	\$

Financial Statements of

**DUMONT TECHNICAL
INSTITUTE INC.**

Year ended June 30, 2011



KPMG LLP
Chartered Accountants
600-128 4th Avenue South
Saskatoon Saskatchewan S7K 1M8
Canada

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INDEPENDENT AUDITORS' REPORT

To the Directors

We have audited the accompanying financial statements of Dumont Technical Institute Inc. which comprise the statement of financial position as at June 30, 2011, the statements of operations, changes in net assets and cash flows for the year then ended, and notes comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

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

Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of Dumont Technical Institute Inc. as at June 30, 2011 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Chartered Accountants

Saskatoon, Canada

November 10, 2011

DUMONT TECHNICAL INSTITUTE INC.

Statement of Financial Position

June 30, 2011, with comparative figures for 2010

	2011	2010
Assets		
Current assets:		
Cash	\$ 1,380,167	\$ 2,451,891
Accounts receivable	1,059,611	981,237
Prepaid expenses	32,672	7,726
	<u>2,472,450</u>	<u>3,440,854</u>
Investments (note 3)	1,200,779	1,164,396
Property and equipment (note 4)	2,208,022	883,905
	<u>\$ 5,881,251</u>	<u>\$ 5,489,155</u>

Liabilities and Net Assets

Current liabilities:		
Accounts payable and accrued liabilities	\$ 583,048	\$ 914,872
Deferred revenue	766,004	1,100,973
Current portion of long-term debt (note 5)	40,404	15,702
	<u>1,389,456</u>	<u>2,031,547</u>
Long-term debt (note 5)	456,039	144,141
Net assets:		
Invested in property and equipment	1,711,579	724,062
Core	1,925,990	2,103,600
Programming	398,187	485,805
	<u>4,035,756</u>	<u>3,313,467</u>
	<u>\$ 5,881,251</u>	<u>\$ 5,489,155</u>

Commitments (note 7)

See accompanying notes to financial statements.

DUMONT TECHNICAL INSTITUTE INC.

Statement of Operations

Year ended June 30, 2011, with comparative figures for 2010

	Core	BE Programs	Other Programs	2011	2010
Revenue:					
Government of					
Saskatchewan grants	\$ 1,744,940	\$ 1,808,345	\$ 889,807	\$ 4,443,092	\$ 4,218,054
Tuition and fees	342,964	-	2,232,794	2,575,758	2,614,031
Wage enhancement	141,949	100,000		241,949	241,949
Miscellaneous income	496,068	13,500	1,504	511,072	543,209
Investment income	50,895	-	-	50,895	64,791
	2,776,816	1,921,845	3,124,105	7,822,766	7,682,034
Coordination revenue (fee)	110,250	-	(110,250)	-	-
	2,887,066	1,921,845	3,013,855	7,822,766	7,682,034
Expenses:					
Salaries	1,042,713	894,944	1,190,522	3,128,179	2,885,217
Purchased courses	27,303	260,453	666,928	954,684	923,032
Facilities	99,670	231,795	267,820	599,285	575,645
Staff benefits	181,637	146,868	168,152	496,657	415,557
Instructional costs	6,833	72,994	307,244	387,071	365,697
Administrative services	215,048	-	143,140	358,188	473,847
Equipment and education supplies	58,219	175,152	114,401	347,772	375,076
Staff and board travel	39,761	43,788	91,832	175,381	166,306
Amortization	146,517	-	-	146,517	96,507
Office supplies	38,360	43,967	49,595	131,922	107,538
Public relations	88,964	12,888	28,426	130,278	83,860
Professional services	55,000	10,143	13,150	78,293	56,633
Telephone and fax	16,970	14,587	44,309	75,866	19,443
Insurance	12,806	3,349	9,023	25,178	22,713
Interest and bank	21,813	37	319	22,169	24,374
Professional development	8,146	3,047	3,372	14,565	13,974
Software support	(509)	7,799	3,220	10,510	54,765
Miscellaneous	9,896	34	20	9,950	6,587
Bad debts	8,012	-	-	8,012	1,320
	2,077,159	1,921,845	3,101,473	7,100,477	6,668,091
Excess of revenue over expenses					
	\$ 809,907	\$ -	\$ (87,618)	\$ 722,289	\$ 1,013,943

See accompanying notes to financial statements.

DUMONT TECHNICAL INSTITUTE INC.

Statement of Changes in Net Assets

Year ended June 30, 2011, with comparative figures for 2010

	Invested in property and equipment	Core	Programming Funds BE Programs	Other Programs	2011	2010
Balance, beginning of year	\$ 724,062	\$2,103,600	\$ -	\$ 485,805	\$ 3,313,467	\$2,299,524
Excess of revenue over expenses	-	809,907	-	(87,618)	722,289	1,013,943
Purchase of property and equipment	1,470,634	(1,470,634)	-	-	-	-
Amortization	(146,517)	146,517	-	-	-	-
Issuance of long-term debt	(500,000)	500,000	-	-	-	-
Repayment of long-term debt	163,400	(163,400)	-	-	-	-
Balance, end of year	\$1,711,579	\$1,925,990	\$ -	\$ 398,187	\$ 4,035,756	\$3,313,467

See accompanying notes to financial statements.

DUMONT TECHNICAL INSTITUTE INC.

Statement of Cash Flows

Year ended June 30, 2011, with comparative figures for 2010

	2011	2010
Cash flows from (used in):		
Operations:		
Excess of revenue over expenses	\$ 722,289	\$ 1,013,943
Items not involving cash:		
Amortization	146,517	96,507
Investment increase to fair value	(36,383)	(55,256)
Change in non-cash operating working capital:		
Accounts receivable	(78,374)	(224,812)
Prepaid expenses	(24,946)	22,725
Accounts payable and accrued liabilities	(331,824)	241,966
Deferred revenue	(334,969)	529,248
	62,310	1,624,321
Financing:		
Issuance of long-term debt	500,000	-
Repayment of long-term debt	(163,400)	(14,455)
Amount due to affiliates	-	(261,153)
	336,600	(275,608)
Investing:		
Purchase of property and equipment	(1,470,634)	(183,006)
Increase (decrease) in cash	(1,071,724)	1,165,707
Cash balance, beginning of year	2,451,891	1,286,184
Cash balance, end of year	\$ 1,380,167	\$ 2,451,891
Supplemental cash flow disclosure:		
Interest on long-term debt	\$ 5,776	\$ 8,989

See accompanying notes to financial statements.

DUMONT TECHNICAL INSTITUTE INC.

Notes to Financial Statements

Year ended June 30, 2011

Nature of organization:

Dumont Technical Institute Inc. ("the Institute") is an organization that provides Métis people in Saskatchewan the opportunity to obtain training and education through the Institute as well as its affiliates, Gabriel Dumont College, Inc. and Gabriel Dumont Institute of Native Studies and Applied Research, 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's operations are divided into three main segments.

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.

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 the BE include adult secondary education, life skills and employment enhancement.

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.

The majority of these skills training programs are accredited through Saskatchewan Institute of Applied Science and Technology (SIAST).

1. Significant accounting policies:

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles applied within the framework of the accounting policies summarized below:

(a) Use of estimates:

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenue and expenses during the reporting period. Actual results could differ from these estimates.

DUMONT TECHNICAL INSTITUTE INC.

Notes to Financial Statements (continued)

Year ended June 30, 2011

1. Significant accounting policies (continued):

(b) Revenue recognition:

The Institute follow 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 reviewed can be reasonable estimated and collection is reasonable assured. Contract revenue is recognized as service is provided under the contract. Deferred revenue represents funding received related to expenditures and program delivery in future years.

(c) Investments:

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

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

(d) Property and equipment:

Property and equipment is stated at cost. Amortization is provided using the following methods and annual rates:

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

Amortization is charged in the year of acquisition for the full year. No amortization is charged in the year of disposal. It is expected that these procedures will charge operations with the total cost of the assets over the useful life of the assets. Any gain or loss on the disposal of individual assets is recognized in income in the year of disposal.

DUMONT TECHNICAL INSTITUTE INC.

Notes to Financial Statements (continued)

Year ended June 30, 2011

1. 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) Financial instruments:

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

Cash and investments are classified as financial assets held for trading and are measured at fair value.

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

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

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

2. 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 accounts receivable which are subject to credit risk. The carrying amounts of these financial assets on the statement of financial position represent the Institute's maximum credit exposure at that 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 primarily from related parties and government agencies. The credit risk on cash is limited because the counterparties are chartered banks with high credit ratings assigned by national credit-rating agencies.

DUMONT TECHNICAL INSTITUTE INC.

Notes to Financial Statements (continued)

Year ended June 30, 2011

2. Financial instruments and risk management (continued):

Interest rate risk

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

Market risk

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

Fair values

Cash and investments are recorded at fair value.

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

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

3. Investments:

	2011	2010
	Market	Market
	Value	Value
Imperial Canadian Bond Pool (Cost \$471,480)	\$ 485,957	\$ 540,930
Imperial Short Term Bond Pool (Cost \$593,594)	599,883	462,001
Imperial Money Market Pool (Cost \$66,687)	66,721	124,768
Imperial International Bond Pool (Cost \$47,860)	48,218	36,697
	<hr/>	<hr/>
	\$ 1,200,779	\$ 1,164,396

DUMONT TECHNICAL INSTITUTE INC.

Notes to Financial Statements (continued)

Year ended June 30, 2011

4. Property and equipment:

			2011	2010
	Cost	Accumulated amortization	Net book value	Net book value
Land	\$ 484,574	\$ -	\$ 484,574	\$ 114,574
Furniture and equipment	596,813	461,096	135,717	157,758
Building	1,823,288	312,759	1,510,529	540,451
Computer equipment	208,239	131,037	77,202	71,122
	<u>\$ 3,112,914</u>	<u>\$ 904,892</u>	<u>\$ 2,208,022</u>	<u>\$ 883,905</u>

DUMONT TECHNICAL INSTITUTE INC.

Notes to Financial Statements (continued)

Year ended June 30, 2011

5. Long-term debt:

	2011	2010
Clarence Campeau Development Fund term loan due March 2021, repayable in monthly blended instalments of \$3,557 including interest at 4.50% against which the building has been pledged as collateral.	\$ 496,443	\$ -
Clarence Campeau Development Fund term loan due December 2018, repayable in monthly blended instalments of \$1,908 including interest at 4.7% (interest renegotiated annually applicable to the period January to December) against which the building has been pledged as collateral.	-	159,843
Current portion	40,404	15,702
	\$ 456,039	\$ 144,141

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

2012	\$ 40,404
2013	42,260
2014	44,202
2015	46,232
2016	48,356
Thereafter	274,989
	\$ 496,443

DUMONT TECHNICAL INSTITUTE INC.

Notes to Financial Statements (continued)

Year ended June 30, 2011

6. Related Party Transactions:

Dumont Technical Institute Inc. conducts business with several related party organizations through the Gabriel Dumont Institute. The Gabriel Dumont Institute is the educational affiliate of the Métis Nations - Saskatchewan. Related party transactions are recorded at the exchange amount.

	2011	2010
Administrative services expense:		
Gabriel Dumont Institute of Native Studies and Applied Research, Inc.	\$ 358,188	\$ 459,847
Facilities expense:		
Gabriel Dumont Institute of Native Studies and Applied Research, Inc. - Rent	88,436	82,337
Revenue - rent:		
Gabriel Dumont Institute Native Studies and Applied Research Inc.	64,056	61,764
Gabriel Dumont Institute Training & Employment Inc.	53,917	63,859
Revenue - service provision & expense reimbursement:		
Gabriel Dumont Institute Native Studies and Applied Research Inc.	1,504	-
Gabriel Dumont Institute Training & Employment Inc.	183,929	-
Revenue - tuition and fees:		
Gabriel Dumont Institute Training & Employment Inc.	2,297,530	2,434,209
Revenue - promotional items:		
Gabriel Dumont Institute of Native Studies and Applied Research Inc.	65,274	2,631
Account receivable:		
Gabriel Dumont Institute Training & Employment Inc.	2,590	404,660
Gabriel Dumont Institute of Native Studies and Applied Research, Inc.	242,185	10,166
Accounts payable and accrued liabilities:		
Gabriel Dumont Institute of Native Studies and Applied Research, Inc.	119,957	733,211
Gabriel Dumont Institute Training & Employment Inc.	245,600	-

DUMONT TECHNICAL INSTITUTE INC.

Notes to Financial Statements (continued)

Year ended June 30, 2011

7. Commitments:

The Institute is committed under various operating leases for premises and office equipment with payments due as follows:

2012	\$	170,030
2013		41,095
2014		9,780

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

8. Economic dependence:

The majority of funding for the operations of the Institute is provided by the Government of Saskatchewan in the form of annual grants.

9. Pension plan:

The Institute contributed to a defined contribution pension plan that provides pension benefits for the employees, based on a negotiated rate of contribution. The pension expense for the year was \$168,201 (2010 - \$131,120).

10. Comparative figures:

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

Compliance of Internal Financial Management Procedures
and Controls with Agreement

**Gabriel Dumont Institute
Training and Employment
Inc.**

March 31, 2011



KPMG LLP
Chartered Accountants
600-128 4th Avenue South
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AUDITORS' REPORT ON COMPLIANCE OF INTERNAL FINANCIAL MANAGEMENT PROCEDURES AND CONTROLS WITH AGREEMENT

To the Directors of Gabriel Dumont Institute Training and Employment Inc. and Service Canada

We have audited Gabriel Dumont Institute Training and Employment Inc.'s compliance as at March 31, 2011 with the criteria for the establishment of internal financial management procedures and controls established in the Métis Human Resources Development Agreement with Human Resources and Social Development and the Employment Insurance Commission and its successor agreement with the Aboriginal Skills and Employment Training Strategy and the interpretation of such agreement as set out in the notes attached. Compliance with the criteria established by the provisions of the agreement is the responsibility of the management of Gabriel Dumont Institute Training and Employment Inc.

Management's Responsibility for Compliance

Management is responsible for the compliance of internal financial management procedures and controls established in the Métis Human Resources Development Agreement with Human Resources and Social Development and the Employment Insurance Commission and its successor agreement with the Aboriginal Skills and Employment Training Strategy, and for such internal control as management determines is necessary to enable management to comply with the criteria established by the agreement.

Auditors' Responsibility

Our responsibility is to express an opinion on this compliance based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether Gabriel Dumont Institute Training and Education Inc. complied with the criteria established by the provisions of the agreement referred to above.

An audit involves performing procedures to obtain audit evidence supporting compliance with the agreement. The procedures selected depend on our judgment, including the assessment of the risks of non-compliance, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's ability to comply with the criteria established by the agreement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall compliance with the agreement.



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

Opinion

In our opinion, as at March 31, 2011, Gabriel Dumont Institute Training and Employment Inc. is in compliance, in all material respects, with the criteria regarding internal financial management procedures and controls established in the Métis Human Resources Development Agreement with Human Resources and Social Development and the Employment Insurance Commission and its successor agreement with the Aboriginal Skills and Employment Training Strategy and the interpretation thereof described in the notes attached.

Restriction on Use

Our report is intended solely for the Directors of Gabriel Dumont Institute Training and Employment Inc. and Service Canada and should not be used by parties other than the Directors of Gabriel Dumont Institute Training and Employment Inc. and Service Canada .

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

Chartered Accountants

Saskatoon, Canada
July 21, 2011

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Notes to auditor's report on compliance with agreement

March 31, 2011

1. Purpose:

The Métis Human Resources Development Agreement (the "Agreement") was established to help improve the employment opportunities of Métis people. Financial assistance is provided to Métis organizations to support the costs of designing and delivering programs to Métis peoples.

2. Objectives:

The Agreement requires the Gabriel Dumont Institute Training and Employment Inc. to have adequate internal financial management procedures and controls.

3. Criteria:

The following provisions of the Agreement establish the criteria relating to internal financial management procedures and controls: Sections 20-23 and 114 for Agreements, Section 26 for Operational Policies and Procedures, Section 25 for Due Diligence, Sections 22 and 23 for Project Record, Sections 42-45 for Unexpended Balances, Sections 111-113 for Capital Assets, Section 46 for Interest Income and Sections 47-51 for Third Party Funds.

Compliance of Costs Claimed with Agreement

**Gabriel Dumont Institute
Training and Employment
Inc.**

March 31, 2011



KPMG LLP
Chartered Accountants
600-128 4th Avenue South
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Canada

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AUDITORS' REPORT ON COMPLIANCE OF COSTS CLAIMED WITH AGREEMENT

To the Directors of Gabriel Dumont Institute Training and Employment Inc. and Service Canada

We have audited Gabriel Dumont Institute Training and Employment Inc.'s compliance as at March 31, 2011 with the criteria established by Schedule E "Eligible Costs" described in the Métis Human Resources Development Agreement with Human Resources and Social Development and the Employment Insurance Commission and its successor agreement with the Aboriginal Skills and Employment Training Strategy and the interpretation of such agreement as set out in the notes attached. Compliance with the criteria established by the provisions of the agreement is the responsibility of the management of Gabriel Dumont Institute Training and Employment Inc.

Management's Responsibility for Compliance

Management is responsible for the compliance of the eligible costs in accordance with Schedule E "Eligible Costs" described in the Métis Human Resources Development Agreement with Human Resources and Social Development and the Employment Insurance Commission and its successor agreement with the Aboriginal Skills and Employment Training Strategy, and for such internal control as management determines is necessary to enable management to comply with the criteria established by the agreement.

Auditors' Responsibility

Our responsibility is to express an opinion on this compliance based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether Gabriel Dumont Institute Training and Employment Inc. complied with the criteria established by the provisions of the agreement referred to above.

An audit involves performing procedures to obtain audit evidence supporting compliance with the agreement. The procedures selected depend on our judgment, including the assessment of the risks of non-compliance, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's ability to comply with the criteria established by the agreement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall compliance with the agreement.



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

Opinion

In our opinion, as at March 31, 2011, Gabriel Dumont Institute Training and Employment Inc. is in compliance, in all material respects, with the criteria established in Schedule E described in the Métis Human Resources Development Agreement between Gabriel Dumont Institute Training and Employment Inc. and Human Resources and Social Development and the Employment Insurance Commission and its successor agreement with the Aboriginal Skills and Employment Training Strategy and the interpretation thereof described in the notes attached.

Restriction on Use

Our report is intended solely for the Directors of Gabriel Dumont Institute Training and Employment Inc. and Service Canada and should not be used by parties other than the Directors of Gabriel Dumont Institute Training and Employment Inc. and Service Canada.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, slightly slanted style. Below the signature is a single horizontal line that starts under the 'K' and ends under the 'P'.

Chartered Accountants

Saskatoon, Canada
July 21, 2011

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Notes to auditor's report on compliance with agreement

March 31, 2011

1. Purpose:

The Métis Human Resources Development Agreement was established to help improve the employment opportunities of Métis people. Financial assistance is provided to Métis organizations to support the costs of designing and delivering programs to Métis peoples.

2. Objectives:

Eligible costs that may be reimbursed under this Métis Human Resources Development Agreement are defined in Schedule E to the agreement and include: allowable program administration costs, allowable program assistance costs and allowable capacity building costs.

Financial Statements of

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

Year ended March 31, 2011



KPMG LLP
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INDEPENDENT AUDITORS' REPORT

To the Directors

We have audited the accompanying financial statements of Gabriel Dumont Institute Training and Employment Inc. which comprise the statement of financial position as at March 31, 2011, the statements of operations and cash flows for the year then ended, and notes comprising a summary of significant accounting policies and other explanatory information. These financial statements have been prepared to comply with the Métis Human Resources Development Agreement with Human Resources and Social Development and the Employment Insurance Commission and its successor agreement with the Aboriginal Skills and Employment Training Strategy.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

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

Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of Gabriel Dumont Institute Training and Employment Inc. as at March 31, 2011 and the results of its operations and its cash flows for the year then ended in accordance with the basis of accounting described in note 2 to the financial statements.



These financial statements, which have not been, and were not intended to be, prepared in accordance with Canadian generally accepted accounting principles, are solely for the information and use of the Directors of Gabriel Dumont Institute Training and Employment Inc. and Human Resources and Social Development and the Employment Insurance Commission to comply with the Métis Human Resources Development Agreement and its successor agreement with the Aboriginal Skills and Employment Training Strategy. The financial statements are not intended to be and should not be used by anyone other than the specified users or for any other purpose.

KPMG LLP

Chartered Accountants

Saskatoon, Canada
July 21, 2011

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Statement of Financial Position

March 31, 2011, with comparative figures for the year ended March 31, 2010

	2011	2010
Assets		
Current assets:		
Cash	\$ 303,229	\$ 1,171,278
Funding receivable from Service Canada	681,216	433,199
GST receivable	65,105	46,635
Prepaid expenses and deposits	-	663
	1,049,550	1,651,775
Furniture and equipment (note 4)	22,636	28,295
	\$ 1,072,186	\$ 1,680,070

Liabilities

Current liabilities:		
Accounts payable and accrued liabilities	\$ 292,740	\$ 843,817
Deferred revenue (note 5)	756,810	807,958
	1,049,550	1,651,775
Deferred contributions for furniture and equipment (note 6)	22,636	28,295
	\$ 1,072,186	\$ 1,680,070

Commitments (note 7)

See accompanying notes to financial statements.

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Statement of Operations

Year ended March 31, 2011, with comparative figures for the year ended March 31, 2010

	2011	2010
Revenue:		
Service Canada AHRDA / ASETS Agreements (schedule 1)	\$ 10,697,998	\$ 10,169,842
Aboriginal Skills and Training Strategic Investment Fund - Health ("ASTSIF - Health")	3,116,369	1,524,443
Aboriginal Skills and Training Strategic Investment Fund - Partnership ("ASTSIF - Partnership")	330,259	115,691
Other	-	442,076
	<u>14,144,626</u>	<u>12,252,052</u>
Expenses (schedule 2):		
Service Delivery (schedule 3)	10,812,701	9,581,002
Wages and benefits	2,547,656	2,112,213
Facilities rentals	189,690	185,435
Staff travel	170,563	96,246
Public relations	75,592	42,319
Telephone	67,562	57,653
Office	59,920	8,290
Board travel & professional development	49,235	20,371
Professional fees	48,385	45,305
Office supplies	38,081	27,226
Computer software support	17,773	13,416
Repairs and maintenance	15,693	13,992
Contractual services and consulting	14,263	-
Equipment rentals	13,583	24,150
Insurance	8,424	9,845
Amortization	5,659	7,074
Postage and courier	5,057	2,475
Interest and bank charges	4,518	4,520
Miscellaneous	271	520
	<u>14,144,626</u>	<u>12,252,052</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, 2011, with comparative figures for the year ended March 31, 2010

	2011	2010
Cash flows from (used in):		
Operations:		
Items not involving cash:		
Amortization of furniture and equipment	5,659	\$ 7,074
Amortization of deferred contributions for furniture and equipment	(5,659)	(7,074)
Change in non-cash operating working capital:		
Funding receivable from Service Canada	(248,017)	(432,191)
GST receivable	(18,470)	(15,649)
Prepaid expenses and deposits	663	(663)
Accounts payable and accrued liabilities	(551,077)	616,652
Deferred revenue	(51,148)	585,564
Increase (decrease) in cash position	(868,049)	753,713
Cash position, beginning of year	1,171,278	417,565
Cash position, end of year	\$ 303,229	\$ 1,171,278

See accompanying notes to financial statements.

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Notes to Financial Statements

Year ended March 31, 2011

1. Organization:

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 agreement with the Aboriginal Skills and Employment Training Strategy ("ASETS Agreement"). The Institute and its affiliates are incorporated under the Non-Profit Corporations Act of Saskatchewan and as such are not subject to income tax under the Income Tax Act (Canada). The Institute commenced operations in November of 2006. The ASETS Agreement with Service Canada has been renewed to March 31, 2015.

During 2011, the Institute also received funding from the Aboriginal Skills and Training Strategic Investment Fund.

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

2. Significant accounting policies:

(a) Basis of presentation:

The financial statements have not been prepared in accordance with Canadian generally accepted accounting principles as described in note 2(c). Because these financial statements have not been prepared for general purposes, some users may require further information.

The financial statements have been prepared for the purposes of reporting to the Institute's primary funding agency, Service Canada. Accordingly, these financial statements have been prepared in accordance with accounting policies specified by Service Canada.

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Notes to Financial Statements (continued)

Year ended March 31, 2011

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.

Contributions restricted for the purchase of furniture and equipment are deferred and recognized into revenue at a rate corresponding with the amortization rate for the related furniture and equipment.

The value of contributed services and related expenses is not recognized in these financial statements.

(c) 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 (2010 - twenty day) deadline are not recognized in the period when the activity occurred that caused the expense. This differs from Canadian generally accepted accounting principles in the expenses are to be recognized in the period incurred.

(d) Furniture and equipment:

Furniture and equipment are stated at cost. Amortization is provided using the following method and annual rates:

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

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

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Notes to Financial Statements (continued)

Year ended March 31, 2011

2. Significant accounting policies (continued):

(e) Use of estimates:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenue and expenses during the reporting period. 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 \$135,515 (\$97,691 for the year ended March 31, 2010).

(g) Financial instruments:

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

Cash is classified as financial assets held for trading and is measured at fair value.

Funding receivable from Service Canada and GST receivable are classified as loans and receivables and are recorded at amortized cost.

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

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

3. Financial instruments and risk management:

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

Credit risk

The Institute's principal financial assets are cash, funding receivable from Service Canada and GST receivable which are all subject to credit risk. The carrying amounts of these financial assets on the statement of financial position represents the Institute's maximum credit exposure

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Notes to Financial Statements (continued)

Year ended March 31, 2011

3. Financial instruments and risk management (continued):

at the statement of financial position date.

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

Market risk

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

Fair values

The fair values of cash, accounts receivable and accounts payable and accrued liabilities approximate their carrying value due to their short-term period to maturity.

4. Furniture and equipment:

	Cost	Accumulated amortization	2011 Net book value	2010 Net book value
Furniture and equipment:				
Head office	\$ 25,217	\$ 15,699	\$ 9,518	\$ 11,899
Saskatoon	1,646	1,024	622	777
Prince Albert	5,464	3,401	2,063	2,579
Nipawin	4,215	2,624	1,591	1,989
La Ronge	3,435	2,138	1,297	1,621
Yorkton	1,646	1,024	622	777
North Battleford	456	284	172	215
Meadow Lake	2,463	1,533	930	1,162
Ile a la Crosse	606	377	229	286
La Loche	4,306	2,680	1,626	2,032
Computer equipment:				
Head office	10,506	6,540	3,966	4,958
	\$ 59,960	\$ 37,324	\$ 22,636	\$ 28,295

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Notes to Financial Statements (continued)

Year ended March 31, 2011

5. Deferred revenue:

Deferred revenue consists of the following:

	2011	2010
Service Canada AHRDA / ASETS Agreements	\$ 614,443	\$ 807,958
Skills and Partnership Fund	142,367	-
	<u>\$ 756,810</u>	<u>\$ 807,958</u>

6. Deferred contributions for furniture and equipment:

	2011	2010
Balance, beginning of year	\$ 28,295	\$ 35,369
Deferred revenue recognized	(5,659)	(7,074)
Balance, end of year	<u>\$ 22,636</u>	<u>\$ 28,295</u>

7. Commitments:

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

2012	\$ 189,350
2013	12,998
2014	11,376
2015	11,376

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, 2011

8. Related party transactions:

During the year the Institute paid \$2,742,551 (2010 - \$2,720,352) for service delivery and salaries to Dumont Technical Institute Inc and \$144,353 (2010 - nil) for salaries and administrative costs to Gabriel Dumont Institute of Native Studies and Applied Research.

The Institute has entered into a lease with Dumont Technical Institute Inc. to rent space. The Institute paid \$61,317 for these services for the year ended March 31, 2011 (2010 - \$107,368). Accounts payable and accrued liabilities include \$83,885 (2010 - \$559,773) to Dumont Technical Institute and \$70,332 (2010 - \$87) to Gabriel Dumont Institute of Native Studies and Applied Research.

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

9. Economic dependence:

Approximately 100% (2010 - 96%) of the Institute's revenue was derived from Service Canada. The contract with Service Canada has been extended under the ASETS Agreement to March 31, 2015.

10. Comparative figures:

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

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Schedule 1

Schedule of Service Canada AHRDA / ASETS Agreement Revenue

Year ended March 31, 2011, with comparative figures for the year ended March 31, 2010

	Employment Insurance	Consolidated Revenue Fund	2011	2010
Service Canada contributions	\$ 3,339,852	\$ 7,158,972	\$ 10,498,824	\$ 10,748,332
Deferred revenue - beginning of year	-	807,958	807,958	222,394
Deferred revenue - end of year	-	(614,443)	(614,443)	(807,958)
Deferred contributions for furniture and equipment - beginning of year	-	28,295	28,295	35,369
Deferred contributions for furniture and equipment - end of year	-	(22,636)	(22,636)	(28,295)
Revenue recognized	\$ 3,339,852	\$ 7,358,146	\$ 10,697,998	\$ 10,169,842

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Schedule 2

Schedule of Expenses

Year ended March 31, 2011, with comparative figures for the year ended March 31, 2010

	Employment		Consolidated Revenue Fund	ASTSIF		2010
	Insurance	Partnership		Health	2011	
Program Administration Expenses						
Wages and benefits	\$ -	\$ 221,837	\$ 959,080	\$ 380,925	\$ 1,561,842	\$ 1,111,044
Facilities rentals	-	-	189,690	-	189,690	185,435
Staff travel	-	27,420	101,909	12,845	142,174	83,546
Public relations	-	17,486	56,001	1,655	75,142	42,181
Office	-	2,847	56,371	702	59,920	8,290
Board travel & professional development	-	712	48,523	-	49,235	20,371
Professional fees	-	-	48,385	-	48,385	45,305
Office supplies	-	6,999	14,310	134	21,443	11,494
Telephone	-	232	19,365	579	20,176	13,353
Computer software support	-	207	17,566	-	17,773	13,416
Repairs and maintenance	-	604	15,089	-	15,693	13,992
Contractual services and consulting	-	7,250	7,013	-	14,263	-
Equipment rentals	-	-	13,583	-	13,583	24,150
Insurance	-	-	8,424	-	8,424	9,845
Amortization	-	-	5,659	-	5,659	7,074
Interest and bank charges	-	302	3,914	302	4,518	4,520
Postage and courier	-	17	627	11	655	464
Miscellaneous	-	-	271	-	271	520
	-	285,913	1,565,780	397,153	2,248,846	1,595,000
Program Assistance Expenses						
Education and training costs	1,146,424	16,580	2,987,938	1,658,893	5,809,835	5,430,910
Student allowances	1,110,121	7,050	2,409,455	1,060,323	4,586,949	3,506,389
Wages and benefits	985,814	-	-	-	985,814	1,001,169
Wage subsidies	110,641	20,716	284,560	-	415,917	643,703
Telephone	47,386	-	-	-	47,386	44,300
Staff travel	28,389	-	-	-	28,389	12,700
Office supplies	16,638	-	-	-	16,638	15,732
Postage and courier	4,402	-	-	-	4,402	2,011
Public relations	450	-	-	-	450	138
	3,450,265	44,346	5,681,953	2,719,216	11,895,780	10,657,052
	\$ 3,450,265	\$ 330,259	\$ 7,247,733	\$ 3,116,369	\$ 14,144,626	\$ 12,252,052

GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Schedule of Service Delivery Expenses

Year ended March 31, 2011, with comparative figures for the year ended March 31, 2010

	Prince												
	Saskatoon	Regina	Albert	Nipawin	La Ronge	Yorkton	Battleford	North	Meadow	le a la	La Loche	Beauval	2011
Income Support	\$ 1,331,809	\$ 767,725	\$ 1,169,241	\$ 123,590	\$ 320,754	\$ 43,438	\$ 170,752	\$ 263,582	\$ 68,225	\$ 122,500	\$ 205,332	\$ 4,586,948	\$ 3,506,389
Tuition and Program Delivery	1,632,057	539,167	1,250,837	184,191	24,845	121,943	206,987	265,672	46,797	154,231	108,912	4,535,639	4,377,929
Dependent Care	173,148	77,846	97,835	5,255	72,736	2,400	9,632	25,275	-	29,306	29,359	522,792	432,761
Books	129,961	35,107	111,897	15,619	10,282	8,244	18,815	29,945	14,197	8,300	32,917	415,284	335,091
Student Travel	49,034	50,295	76,261	7,638	2,694	4,422	10,853	23,551	13,501	5,398	13,031	256,678	204,333
Wage Subsidy	39,454	3,485	114,025	6,351	17,068	9,482	1,024	33,172	-	5,473	9,727	239,261	389,879
Student Work Experience	59,931	1,091	59,289	8,002	23,650	1,064	-	-	881	15,916	6,831	176,655	253,824
Supplies	20,183	2,441	17,324	3,679	99	2,252	1,578	7,759	465	2,814	798	59,392	55,119
Living Away From Home Allowance	2,450	-	2,175	-	-	-	134	7,250	-	3,775	500	16,284	13,900
Special Needs Allowance	70	-	1,662	570	-	1,466	-	-	-	-	-	3,768	11,777
	\$ 3,438,097	\$ 1,477,157	\$ 2,900,546	\$ 354,895	\$ 472,128	\$ 194,711	\$ 419,775	\$ 656,206	\$ 144,066	\$ 347,713	\$ 407,407	\$ 10,812,701	\$ 9,581,002

Financial Statements of

**GABRIEL DUMONT
COLLEGE INC.**

Year ended March 31, 2011



KPMG LLP
Chartered Accountants
600-128 4th Avenue South
Saskatoon Saskatchewan S7K 1M8
Canada

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INDEPENDENT AUDITORS' REPORT

To the Members

We have audited the accompanying financial statements of Gabriel Dumont College Inc., which comprise the statement of financial position as at March 31, 2011, and the statements of revenue and expenses, changes in net assets and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Gabriel Dumont College Inc. as at March 31, 2011, and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Chartered Accountants

Saskatoon, Canada
September 16, 2011

GABRIEL DUMONT COLLEGE INC.

Statement of Financial Position

March 31, 2011, with comparative figures for 2010

	2011	2010
Assets		
Current assets:		
Cash	\$ 360,268	\$ -
Investments and marketable securities	135,588	131,110
Accounts receivable	930,345	1,038,768
	<u>1,426,201</u>	<u>1,169,878</u>
Equipment (note 5)	28,058	14,792
	<u>\$ 1,454,259</u>	<u>\$ 1,184,670</u>
Liabilities and Net Assets		
Current liabilities:		
Bank indebtedness	\$ -	\$ 1,718
Accounts payable and accrued liabilities	57,698	12,697
	<u>57,698</u>	<u>14,415</u>
Net assets:		
Invested in equipment	28,058	14,792
Unrestricted	1,368,503	1,155,463
	<u>1,396,561</u>	<u>1,170,255</u>
	<u>\$ 1,454,259</u>	<u>\$ 1,184,670</u>

See accompanying notes to financial statements.

GABRIEL DUMONT COLLEGE INC.

Statement of Revenue and Expenses

Year ended March 31, 2011, with comparative figures for 2010

	2011	2010
Revenue:		
Tuition and related fees	\$ 659,247	\$ 545,259
Interest	4,478	4,883
Program funding	25,000	-
	<u>688,725</u>	<u>550,142</u>
Expenses:		
Salaries and benefits	284,902	228,510
Scholarships, tuition and student fees	109,487	83,072
Promotions	50,391	2,033
Amortization	7,014	3,698
Audit and legal	5,799	8,009
Consulting fees	2,833	-
Direct course costs	819	-
Start up allowances	600	400
Travel	388	-
Miscellaneous	141	-
Bank charges	38	25
Staff recruitment	7	703
Bad Debts	-	245
Student recruitment	-	121
	<u>462,419</u>	<u>326,816</u>
Excess of revenue over expenses	<u>226,306</u>	<u>223,326</u>

See accompanying notes to financial statements.

GABRIEL DUMONT COLLEGE INC.

Statement of Changes in Net Assets

Year ended March 31, 2011, with comparative figures for 2010

	Unrestricted	Invested in Equipment	Total 2011	Total 2010
Net assets, beginning of year	\$ 1,155,463	\$ 14,792	\$ 1,170,255	\$ 946,929
Excess of revenue over expenses	226,306	-	226,306	223,326
Amortization	7,014	(7,014)	-	-
Purchase of equipment	(20,280)	20,280	-	-
Net assets, end of year	\$ 1,368,503	\$ 28,058	\$ 1,396,561	\$ 1,170,255

See accompanying notes to financial statements.

GABRIEL DUMONT COLLEGE INC.

Statement of Cash Flows

Year ended March 31, 2011, with comparative figures for 2010

	2011	2010
Cash flows from (used in):		
Operations:		
Excess of revenue over expenses	\$ 226,306	\$ 223,326
Items not involving cash:		
Amortization	7,014	3,698
Reinvested investment income	(4,478)	(4,883)
Accounts receivable	108,423	(272,154)
Accounts payable	45,001	(2,899)
	382,266	(52,912)
Investing:		
Purchase of equipment	(20,280)	-
Increase (decrease) in cash	361,986	(52,912)
Cash (bank indebtedness), beginning of year	(1,718)	51,194
Cash (bank indebtedness), end of year	\$ 360,268	\$ (1,718)

See accompanying notes to financial statements.

GABRIEL DUMONT COLLEGE INC.

Notes to Financial Statements

Year ended March 31, 2011

1. Nature of operations:

Gabriel Dumont College Inc. ("GDC", "the College") has an affiliation with Saskatchewan Post-Secondary Education and Skills Training and the University of Saskatchewan. It provides a means of post-secondary education for Métis people. Non-Métis university students may enroll provided there is space available after Métis students have enrolled to a maximum total capacity of 40 people. The College 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)*.

Gabriel Dumont Institute of Native Studies and Applied Research, Inc. controls Gabriel Dumont College Inc., Dumont Technical Institute Inc., Gabriel Dumont Training & Employment Inc., and the Gabriel Dumont Scholarship Foundation. The Board of Directors of Gabriel Dumont Institute of Native Studies and Applied Research, Inc. are the directors of all the controlled entities.

2. Significant accounting policies:

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles and reflect the following policies:

(a) Use of estimates:

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenue and expenses during the reporting period. Actual results could differ from these estimates.

(b) Revenue recognition:

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

GABRIEL DUMONT COLLEGE INC.

Notes to Financial Statements (continued)

Year ended March 31, 2011

2. Significant accounting policies (continued):

(c) Equipment:

Equipment is stated at cost. Amortization is provided 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.

(d) Financial instruments:

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

- Cash and investments and marketable securities are classified as financial assets held for trading and are measured 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.
- Accounts receivable are classified as loans and receivables and are recorded 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.

GABRIEL DUMONT COLLEGE INC.

Notes to Financial Statements (continued)

Year ended March 31, 2011

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

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

Interest rate risk

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

Fair values

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

GABRIEL DUMONT COLLEGE INC.

Notes to Financial Statements (continued)

Year ended March 31, 2011

4. Related party transactions:

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

	2011	2010
Entities under common control		
Program funding	\$ 25,000	\$ -
Tuition and related fees	275,154	281,731
Scholarships, tuition and student fees	(40,977)	-
Promotions	(48,510)	-
	<u>\$ 210,667</u>	<u>\$ 281,731</u>

Accounts receivable includes \$546,253 (2010 - \$764,275) from Gabriel Dumont Institute of Native Studies and Applied Research, Inc. and nil (2010 - \$8,948) from Dumont Technical Institute.

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

5. Equipment:

	2011		2010	
	Cost	Accumulated amortization	Net book value	Net book value
Computer equipment	\$ 60,033	\$ 49,103	\$ 10,930	\$ 13,663
Other equipment	30,098	12,970	17,128	1,129
	<u>\$ 90,131</u>	<u>\$ 62,073</u>	<u>\$ 28,058</u>	<u>\$ 14,792</u>

Computer equipment with a net carrying value of \$10,930 (2010 - \$13,663) 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.

Financial Statements of

**THE GABRIEL DUMONT
SCHOLARSHIP FOUNDATION II**

Year ended December 31, 2010



KPMG LLP
Chartered Accountants
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INDEPENDENT AUDITORS' REPORT

To the Members

We have audited the accompanying financial statements of The Gabriel Dumont Scholarship Foundation II ("the Entity"), which comprise the Statement of Financial Position as at December 31, 2010, and the Statement of Operations, Statement of Changes in Net Assets, and Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of The Gabriel Dumont Scholarship Foundation II as at December 31, 2010, and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Chartered Accountants

Saskatoon, Canada

March 10, 2011

THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Statement of Financial Position

December 31, 2010, with comparative figures for 2009

	2010	2009
Assets		
Current assets:		
Cash	\$ 322,010	\$ 154,005
Accounts receivable	19,000	9,237
	341,010	163,242
Investments (note 5)	2,459,448	2,634,691
	\$ 2,800,458	\$ 2,797,933
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 14,811	\$ 26,191
Net assets:		
Restricted for endowment purposes (note 6)	2,340,000	2,340,000
Unrestricted	445,647	431,742
	2,785,647	2,771,742
	\$ 2,800,458	\$ 2,797,933

See accompanying notes to financial statements.

THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Statement of Operations

Year ended December 31, 2010, with comparative figures for 2009

	2010	2009
Revenue:		
Interest and investment income	\$ 95,599	\$ 257,555
Donations	19,179	19,000
	<u>114,778</u>	<u>276,555</u>
Expenses:		
Scholarships	84,700	74,610
Administrative and professional services	16,146	12,987
Bank charges	27	451
	<u>100,873</u>	<u>88,048</u>
Excess of revenue over expenses	\$ 13,905	\$ 188,507

See accompanying notes to financial statements.

THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Statement of Changes in Net Assets

Year ended December 31, 2010, with comparative figures for 2009

	Unrestricted	Restricted GDITE Endowment	Restricted GDS Endowment	2010	2009
Balance, beginning of year	\$ 431,742	\$ 1,300,000	\$ 1,040,000	\$ 2,771,742	\$ 2,583,235
Excess of revenue over expenses	13,905	-	-	13,905	188,507
Balance, end of year	\$ 445,647	\$ 1,300,000	\$ 1,040,000	\$ 2,785,647	\$ 2,771,742

See accompanying notes to financial statements.

THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Statement of Cash Flows

Year ended December 31, 2010, with comparative figures for 2009

	2010	2009
Cash flows from (used in):		
Operations:		
Excess of revenue over expenses	\$ 13,905	\$ 188,507
Items not involving cash:		
Adjustment for fair value on investments	17,051	(134,463)
Change in non-cash operating working capital:		
Accounts receivable	(9,763)	(9,237)
Accounts payable and accrued liabilities	(11,380)	(6,942)
	<u>9,813</u>	<u>37,865</u>
Investing:		
Purchase of investments	(338,113)	(1,602,655)
Redemption of investments	360,000	213,212
Proceeds from disposal of investments	136,305	1,171,794
	<u>158,192</u>	<u>(217,649)</u>
Increase (decrease) in cash	168,005	(179,784)
Cash, beginning of year	154,005	333,789
Cash, end of year	<u>\$ 322,010</u>	<u>\$ 154,005</u>

See accompanying notes to financial statements.

THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Notes to Financial Statements

Year ended December 31, 2010

1. Nature of operations:

The Gabriel Dumont Scholarship Foundation II (the Foundation) was established by a Trust Agreement between The Gabriel Dumont Institute of Native Studies and Applied Research, Inc. and the Trustees. 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 and Non-Status Indians in the Province of Saskatchewan. It is registered with Canada Revenue Agency as a charitable organization and is therefore exempt from income tax.

Gabriel Dumont Institute of Native Studies and Applied Research, Inc. controls Gabriel Dumont College, Inc., Gabriel Dumont Institute Community Training Residence, Inc., Dumont Technical Institute Inc., and the Gabriel Dumont Scholarship Foundation II, as the Board of Directors of Gabriel Dumont Institute of Native Studies and Applied Research, Inc. are the same directors and the only directors of the controlled entities.

2. Significant accounting policies:

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles and include the following significant accounting policies:

(a) Use of estimates:

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenue and expenses during the reporting period. Actual results could differ from these estimates.

(b) Revenue recognition:

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

THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Notes to Financial Statements (continued)

Year ended December 31, 2010

2. Significant accounting policies (continued):

(c) Scholarships:

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

(d) Administrative services:

The Foundation is 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 revenue, not to exceed 10%.

(e) Financial instruments:

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

- Cash and investments are classified as financial assets held for trading and are measured at fair value.
- 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.

3. Future accounting changes:

In December 2010, the Accounting Standards Board ("AcSB") released the accounting standards impacting the future financial reporting framework for not-for-profit organizations. The standards require that not-for-profit organizations who choose not to adopt International Financial Reporting Standards ("IFRS") will apply the Accounting Standards for Not-for-Profit Organizations contained in Part III of the CICA Handbook-Accounting. This is effective for fiscal years beginning on or after January 1, 2012 with earlier adoption permitted.

The Foundation has determined that it intends to adopt Accounting Standards for Not-for-Profit Organizations effective for the fiscal year commencing January 1, 2012 although this determination and the date of adoption may change. The impact of the adoption of these standards is being evaluated and is not known or reasonably estimable at this time.

THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Notes to Financial Statements (continued)

Year ended December 31, 2010

4. 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 and market risk (interest rate risk and other price risk).

Credit risk

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

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

Interest rate risk

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

Market risk

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

Fair values

Cash and investments are recorded at fair value.

5. Investments:

Under the terms of the Trust Agreement, GDS Endowment funds can only be invested in investments which are guaranteed by government either through loan guarantees, issuance of bonds or depositor insurance. This criteria allows that, essentially funds can only be invested in guaranteed investment certificates, treasury bills or government bonds.

GDITE Endowment funds have no restrictions in the type of investments permitted.

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

THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Notes to Financial Statements (continued)

Year ended December 31, 2010

6. Net assets restricted for endowment purposes:

In accordance with the terms of the original Trust Agreement, the principal amount originally endowed of \$600,000 must remain untouched. Furthermore, the Trust Agreement stipulates that attempts should be made to maintain the real value, in 1985 dollars, of the \$600,000 principal amount. The consumer price index has been used to measure incremental growth in the endowment. At December 31, 2010, the endowment did not meet this objective.

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

7. Related party transactions:

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

	2010	2009
Administrative services	\$ 9,560	\$ 5,201
	\$ 9,560	\$ 5,201