

Financial Statements of

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

Year ended March 31, 2017



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INDEPENDENT AUDITORS' REPORT

To the Directors

We have audited the accompanying financial statements of Gabriel Dumont Institute of Native Studies and Applied Research, Inc. which comprise the statement of financial position as at March 31, 2017, the statements of operations, changes in net assets and cash flows for the year then ended, and notes and schedules comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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



Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of Gabriel Dumont Institute of Native Studies and Applied Research, Inc. as at March 31, 2017 and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

KPMG LLP

Chartered Professional Accountants

July 21, 2017
Saskatoon, Canada

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


Statement of Financial Position

March 31, 2017, with comparative information for 2016

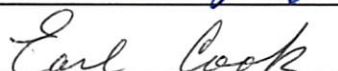
| | 2017 | 2016 |
|--|--------------|--------------|
| Assets | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 3,391,116 | \$ 1,812,771 |
| Short-term investments | 182,824 | 180,352 |
| Accounts receivable | 228,473 | 1,318,311 |
| Prepaid expenses | 52,974 | 53,491 |
| | 3,855,387 | 3,364,925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

See accompanying notes to financial statements.

On behalf of the Board:



Director



Director

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

Statement of Operations

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

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

See accompanying notes to financial statements.

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

Statement of Changes in Net Assets

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

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

See accompanying notes to financial statements.

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

Statement of Cash Flows

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

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

See accompanying notes to financial statements.

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

Notes to Financial Statements

Year ended March 31, 2017

1. Nature of operations:

The Institute is a not-for-profit organization that provides Métis people in Saskatchewan the opportunity to obtain training and education. This opportunity is provided through the Institute as well as its affiliates, Gabriel Dumont College Inc., Dumont Technical Institute Inc., Gabriel Dumont Scholarship Foundation II, Gabriel Dumont Institute Training and Employment Inc., and Gabriel Dumont Institute Press Inc.

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

The Institute is associated with Gabriel Dumont College, Inc., Dumont Technical Institute Inc., Gabriel Dumont Scholarship Foundation II, Gabriel Dumont Institute Training and Employment Inc., and Gabriel Dumont Institute Press Inc., as the Board of Directors of the Institute are the same directors and the only directors of the associated and related entities. These financial statements do not include the operations of these associated and related entities. Further information about these entities is disclosed in note 6.

2. Significant accounting policies:

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

(a) Fund accounting:

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

Administration and Core Services

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

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

Notes to Financial Statements (continued)

Year ended March 31, 2017

2. Significant accounting policies (continued):

(a) Fund accounting (continued):

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

Publishing

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

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

The Saskatchewan Urban Native Teacher Education Program ("S.U.N.T.E.P") is a four-year fully accredited Bachelor of Education program, offered by the Institute in cooperation with the Ministry of Advanced Education, Employment and Immigration of the province of Saskatchewan, the University of Regina and the University of Saskatchewan. The program is offered in three urban centres - Prince Albert, Saskatoon, and Regina. The program combines training and a sound academic education with extensive classroom experience and a thorough knowledge of issues facing students in our society.

Other Specific Contract Projects

The Institute has implemented a wide variety of additional education and training offerings throughout Saskatchewan. Many of these programs have been delivered in cooperation with the University of Saskatchewan and the Ministry of Advanced Education, Employment and Immigration of the province of Saskatchewan.

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

Notes to Financial Statements (continued)

Year ended March 31, 2017

2. Significant accounting policies (continued):

(b) Revenue recognition:

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

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

(c) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Institute has elected to carry their short-term investments at fair value.

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

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Institute determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Institute expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

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

Notes to Financial Statements (continued)

Year ended March 31, 2017

2. Significant accounting policies (continued):

(d) Property, plant and equipment:

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

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

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

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

(e) Library costs:

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

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

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

Notes to Financial Statements (continued)

Year ended March 31, 2017

2. Significant accounting policies (continued):

(f) Employee benefits:

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

(g) Use of estimates:

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenue and expenses during the reporting period. Significant items subject to such estimates and assumptions include the estimated useful life of property and equipment, and the collectibility of accounts receivable. Actual results could differ from these estimates.

(h) Allocation of shared expenses:

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

(i) Cash and cash equivalents:

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

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

Notes to Financial Statements (continued)

Year ended March 31, 2017

3. Property, plant and equipment:

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

4. Advances to Gabriel Dumont Institute Press Inc.:

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

The balance receivable from GDI Press at March 31, 2017 of \$339,795 (2016 - \$198,556) represents the net balance of book sales less expenses for the period ended March 31, 2017. This balance is non-interest bearing and the Institute has agreed to not request repayment in the next fiscal year.

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

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

Notes to Financial Statements (continued)

Year ended March 31, 2017

5. Deferred contributions:

The Institute has deferred contributions for the following projects:

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

6. Associated and related entities:

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

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

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

Notes to Financial Statements (continued)

Year ended March 31, 2017

7. Pension plan:

The Institute contributes to a pension plan for the employees based on a negotiated rate of contribution. The pension expense for the year was \$224,073 (2016 - \$211,120).

8. Related party transactions:

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

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

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

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

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

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

Notes to Financial Statements (continued)

Year ended March 31, 2017

8. Related party transactions (continued):

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

9. Commitments:

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

| | |
|------|-------------------|
| 2018 | \$ 475,069 |
| 2019 | 214,358 |
| 2020 | 38,802 |
| 2021 | 38,105 |
| 2022 | 16,645 |
| | <u>\$ 782,979</u> |

10. Economic dependence:

Approximately 86% (2016 - 74%) of the Institute's revenue was derived from the Provincial and Federal Governments of Canada. Funding is provided by annual grants under contracts expiring on various dates.

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

Notes to Financial Statements (continued)

Year ended March 31, 2017

11. Financial instruments and risk management:

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

Credit risk

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

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

Interest rate risk

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

Market risk

The Institute is not exposed to significant price risk.

Fair values

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

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

Schedule of Other Revenue

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

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

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

Schedule of Operating Costs

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

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

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

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

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

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