

Financial Statements of

**GABRIEL DUMONT
INSTITUTE PRESS INC.**

And Independent Auditors' Report thereon

Year ended December 31, 2019



INDEPENDENT AUDITORS' REPORT

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

Opinion

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

- the statement of financial position as at December 31, 2019
- the statement of operations and changes in net assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies (Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2019 and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

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

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

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

We also:

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

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

Chartered Professional Accountants

Saskatoon, Canada

July 23, 2020

GABRIEL DUMONT INSTITUTE PRESS INC.

Statement of Financial Position

December 31, 2019, with comparative information for 2018

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

Liabilities and Net Assets (Deficiency)

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

See accompanying notes to financial statements.

On behalf of the Board:



Governor



Governor

GABRIEL DUMONT INSTITUTE PRESS INC.

Statement of Operations and Changes in Net Assets

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

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

See accompanying notes to financial statements.

GABRIEL DUMONT INSTITUTE PRESS INC.

Statement of Cash Flows

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

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

See accompanying notes to financial statements.

GABRIEL DUMONT INSTITUTE PRESS INC.

Notes to Financial Statements

Year ended December 31, 2019

1. Nature of operations:

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

The Organization was incorporated under the Non-Profit Corporations Act of Saskatchewan on August 18, 2015 and is not subject to income tax under the Income Tax Act (Canada).

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

The Organization is associated with Gabriel Dumont Institute of Native Studies and Applied Research Inc., Gabriel Dumont College, Inc., Dumont Technical Institute Inc., Gabriel Dumont Scholarship Foundation II, and Gabriel Dumont Institute Training and Employment Inc., as the Board of Governors of the Organization are the same Governors and the only Governors of the associated and related entities. These financial statements do not include the operations of these associated and related entities.

GABRIEL DUMONT INSTITUTE PRESS INC.

Notes to Financial Statements (continued)

Year ended December 31, 2019

2. Significant accounting policies:

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

(a) Revenue recognition:

Book sales and royalties are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Grant revenue is recognized as earned based on the terms of the grant agreement. Grants received for special projects are recognized as revenue in the period the related expenses are incurred.

(b) Use of estimates:

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Significant items subject to such estimates and assumptions include the collectibility of accounts receivable and estimates of deferred revenue. Actual results could differ from those estimates.

(c) Library costs:

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

GABRIEL DUMONT INSTITUTE PRESS INC.

Notes to Financial Statements (continued)

Year ended December 31, 2019

2. Significant accounting policies (continued):

(d) Financial instruments:

Financial instruments, including cash, accounts receivable, accounts payable, accrued liabilities and due to Gabriel Dumont Institute of Native Studies and Applied Research Inc. are recorded at fair value on initial recognition and are subsequently measured at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Organization has not elected to carry any such financial instruments at fair value.

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

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Organization determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to its estimated recoverable amount. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial impairment charge.

(e) Employee benefits:

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

(f) Allocation of shared expenses:

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

GABRIEL DUMONT INSTITUTE PRESS INC.

Notes to Financial Statements (continued)

Year ended December 31, 2019

3. Related party transactions:

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

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

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

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

4. Pension Plan:

The Organization contributes to a pension plan for the employees based on a negotiated rate of contribution. The pension expense for the year was \$9,523 (2018- \$9,759).