

Financial Statements of

**GABRIEL DUMONT
COLLEGE INC.**

And Independent Auditors' Report
thereon Year ended March 31, 2023



INDEPENDENT AUDITORS' REPORT

To the Governors of Gabriel Dumont College Inc.

Opinion

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

- the statement of financial position as at March 31, 2023
- the statement of operations for the year then ended
- the statement of changes in net assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies (Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements, present fairly, in all material respects, the financial position of the Entity as at March 31, 2023, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

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

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

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

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

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

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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



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

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

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

We also:

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

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

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

A handwritten signature in black ink that reads 'KPMG LLP' with a long, sweeping horizontal line underneath.

Chartered Professional Accountants

Saskatoon, Canada
July 24, 2023

GABRIEL DUMONT COLLEGE INC.

Statement of Financial Position

March 31, 2023, with comparative information for 2022

	2023	2022
Assets		
Current assets:		
Cash and cash equivalents	\$ 687,840	\$ 291,665
Accounts receivable	1,572,945	1,032,322
Investments and marketable securities (note 3)	193,057	192,241
Prepaid expenses	500	-
	2,454,342	1,516,228
Equipment (note 4)	10,843	13,554
	\$ 2,465,185	\$ 1,529,782
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 206,042	\$ 502,749
Due to Gabriel Dumont Institute of Native Studies and Applied Research, Inc.	384,986	-
Deferred revenue	-	16,000
	591,028	518,749
Net assets:		
Unrestricted	1,043,314	997,479
Invested in equipment	10,843	13,554
Internally restricted infrastructure	820,000	-
	1,874,157	1,011,033
	\$ 2,465,185	\$ 1,529,782

See accompanying notes to financial statements.

On behalf of the Board:



Governor



Governor

GABRIEL DUMONT COLLEGE INC.

Statement of Operations

Year ended March 31, 2023, with comparative information for 2022

	2023	2022
Revenue:		
Tuition and related fees (note 5)	\$ 3,377,662	\$ 2,319,170
Investment Income	29,970	11,697
Other	-	6,121
	<u>3,407,632</u>	<u>2,336,988</u>
Expenses:		
Salaries and benefits	1,403,619	1,345,705
Contributions to Gabriel Dumont Institute of Native Studies and Applied Research, Inc. (note 5)	384,986	-
Scholarships, tuition and student fees	221,117	333,649
Student supplies	193,959	140,585
Consulting fees	140,340	310,000
Travel	81,026	41,983
Promotions	35,170	13,384
Office supplies and services	33,415	94,933
Equipment expense	18,520	20,050
Audit and legal	13,280	10,265
Bank charges	7,185	11,990
Facilities and rent	6,529	8,128
Amortization of equipment	2,711	3,031
Start up allowances	1,750	3,000
Computer	481	452
Student recruitment	420	315
Bad debt	-	3,853
	<u>2,544,508</u>	<u>2,341,323</u>
Excess (deficiency) of revenue over expenses	\$ 863,124	\$ (4,335)

See accompanying notes to financial statements.

GABRIEL DUMONT COLLEGE INC.

Statement of Changes in Net Assets

Year ended March 31, 2023, with comparative information for 2022

	Internally restricted	Unrestricted	Invested in Equipment	Total	Total
Net assets, March 31, 2021	\$ -	\$ -	\$ 1,001,644	\$ 13,724	\$ 1,015,366
Deficiency of revenue over expenses	-	(4,335)	-	(4,335)	(4,335)
Amortization of equipment	-	3,031	(3,031)	(3,031)	-
Purchase of equipment	-	(2,861)	2,861	-	-
Net assets, March 31, 2022	\$ -	\$ 997,479	\$ 13,554	\$ 1,011,033	\$ 1,729,197
Excess of revenue over expenses	-	863,124	-	863,124	863,124
Amortization of equipment	-	2,711	(2,711)	-	-
Transfers	820,000	(820,000)	-	-	-
Net assets, March 31, 2023	\$ 820,000	\$ 1,043,314	\$ 10,843	\$ 1,874,157	\$ 1,729,197

See accompanying notes to financial statements.

GABRIEL DUMONT COLLEGE INC.

Statement of Cash Flows

Year ended March 31, 2023, with comparative information for 2022

	2023	2022
Cash flows from (used in):		
Operations:		
Excess (deficiency) of revenue over expenses	\$ 863,124	\$ (4,335)
Items not involving cash:		
Amortization of equipment	2,711	3,031
Adjustment for fair value (increase) decrease on investments and reinvested investment income	9,572	(20,039)
Change in non-cash operating working capital:		
Accounts receivable	(540,623)	(197,401)
Prepaid expenses	(500)	2,487
Accounts payable and accrued liabilities	(296,707)	137,650
Deferred revenue	(16,000)	(21,660)
	21,577	(100,267)
Financing:		
Due to Gabriel Dumont Institute of Native Studies and Applied Research, Inc.	384,986	-
Investing:		
Purchase of equipment	-	(2,861)
Purchase of investments	(44,269)	(25,000)
Sale of investments	33,881	35,169
	(10,388)	7,308
Increase (decrease) in cash and cash equivalents	396,175	(92,959)
Cash and cash equivalents, beginning of year	291,665	384,624
Cash and cash equivalents, end of year	\$ 687,840	\$ 291,665

See accompanying notes to financial statements.

GABRIEL DUMONT COLLEGE INC.

Notes to Financial Statements

Year ended March 31, 2023

1. Nature of operations:

Gabriel Dumont College Inc. ("GDC" or "the College") is a Not-for-Profit Organization incorporated under the Non-Profit Corporations Act of Saskatchewan and is not subject to income tax under the Income Tax Act (Canada). The purpose of the College is to provide a means of post secondary education for Métis people.

The College is affiliated with the University of Saskatchewan and the University of Regina to allow non Métis university students to enroll in GDC programming provided there is space available after Métis students have enrolled to a maximum total capacity of 40 people.

The College is jointly controlled with Gabriel Dumont Institute of Native Studies and Applied Research, Inc. and its related entities: Dumont Technical Institute Inc., Gabriel Dumont Institute Training & Employment Inc., the Gabriel Dumont Scholarship Foundation II, as the Board of Governors of Gabriel Dumont College Inc. are the governors of all the controlled entities.

2. Significant accounting policies:

These financial statements have been prepared in accordance with Canadian Accounting Standards for Not-For-Profit Organizations in Part III of the CPA Canada Handbook and reflect the following accounting policies:

(a) Revenue recognition:

The College follows the deferral method of accounting for contributions. Tuition and related fees are recognized when courses are provided and collection of the related receivable is probable, persuasive evidence of an arrangement exists and the sales price is fixed or determinable. Amounts received for future services are deferred until the service is provided.

Funds received for programs which have been externally restricted and where the related costs will be incurred in future periods are recorded as deferred revenue on the statement of financial position and will be recorded as revenue on the statement of operations in the period when the related costs are incurred.

GABRIEL DUMONT COLLEGE INC.

Notes to Financial Statements (continued)

Year ended March 31, 2023

2. Significant accounting policies (continued):

(b) Use of estimates:

The preparation of the financial statements in conformity with Canadian accounting standards for not-for-profit organization, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Significant items subject to such estimates and assumptions include the estimated useful life of equipment, the collectibility of accounts receivable, accounts payable and accrued liabilities. Actual results could differ from those estimates.

(c) Cash and cash equivalents:

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

(d) Equipment:

Equipment is recorded at cost. Repairs and maintenance costs are expensed as incurred. When equipment no longer contributes to the College's ability to provide services its carrying amount is written down to its residual value. Equipment is amortized over its estimated useful lives using the following methods and annual rates:

Asset	Method	Rate
Computer equipment	Declining	20%
Other equipment	Declining	20%

Amortization is 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.

When equipment no longer has any long-term service potential to the College, the excess of its net carrying amount over any residual value is recognized as an expense in the statement of operations. Write-downs are not reversed.

GABRIEL DUMONT COLLEGE INC.

Notes to Financial Statements (continued)

Year ended March 31, 2023

2. Significant accounting policies (continued):

(e) Financial instruments:

Financial assets and liabilities (cash and cash equivalents, accounts receivable, investments and marketable securities, accounts payable and accrued liabilities, due to Gabriel Dumont Institute of Native Studies and Applied Research, Inc.) are recorded at fair value on initial recognition. Equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The College has elected to carry their investments and marketable securities at fair value. Fair value fluctuations in these assets including interest earned, interest accrued, gains and losses realized on disposal and unrealized gains and losses are included in investment income.

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

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

(f) Allocation of shared expenses:

Gabriel Dumont Institute of Native Studies and Applied Research, Inc. ("Institute") and affiliates sometimes incur shared costs that are related to all Gabriel Dumont affiliates. The Institute allocates a certain amount of its general support expenses among the affiliates by identifying an appropriate basis for allocation of each expense.

(g) Restriction on net assets:

The Board has determined that the College and affiliates need to retain a level of reserves to support the future infrastructure needs of the College and affiliates. The Board established a guide for the use of internally restricted funds to be utilized for building and IT infrastructure as the College requires.

GABRIEL DUMONT COLLEGE INC.

Notes to Financial Statements (continued)

Year ended March 31, 2023

3. Investments and marketable securities:

		2023		2022	
	Cost	Market	Cost	Market	
Provincial bonds	\$ 8,295	\$ 7,914	\$ 12,257	\$ 12,064	
Debentures	35,000	33,870	44,058	43,549	
Guaranteed investment certificates	99,000	99,067	76,000	76,000	
Cash and cash equivalents	6,128	6,115	13,051	12,973	
Common shares	35,302	46,091	32,235	47,655	
	\$ 183,725	\$ 193,057	\$ 177,601	\$ 192,241	

The Provincial Bonds have interest rates of 2.60% to 3.10% (2022 - 1.55% to 3.10%) and mature between 2023 and 2024 (2022 - 2022 and 2024).

The debentures are all at fixed rates and have a weighted average interest rate of 2.68% (2022 -2.66%) and a weighted average term to maturity of 1.72 (2022 - 2.26) years.

The guaranteed investment certificates have a weighted average interest rate of 2.94% (2022 -1.93%) and a weighted average term to maturity of 2.89 (2022 - 2.77) years.

GABRIEL DUMONT COLLEGE INC.

Notes to Financial Statements (continued)

Year ended March 31, 2023

4. Equipment:

				2023		2022
	Cost		Accumulated amortization	Net book value		Net book value
Computer equipment	\$ 69,865	\$	63,039	\$ 6,826	\$	8,533
Other equipment	41,074		37,057	4,017		5,021
	\$ 110,939	\$	100,096	\$ 10,843	\$	13,554

Computer equipment with a net carrying value of \$6,826 (2022 - \$8,533) 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.

In the year ended March 31, 2023, the College has assessed for full and partial impairment on property and equipment and determined that there are none.

5. Related party transactions:

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

	2023	2022
Revenues:		
Tuition and related fees:		
Gabriel Dumont Institute of Native Studies and Applied Research, Inc.	\$ 470,604	\$ 475,455
Gabriel Dumont Institute Training and Employment Inc.	1,212,947	1,035,943
Expenses:		
Programming/ services:		
Gabriel Dumont Institute of Native Studies and Applied Research, Inc.	2,393	253,060
Gabriel Dumont Institute Training and Employment Inc.	12,000	-
Contributions:		
Gabriel Dumont Institute of Native Studies and Applied Research, Inc.	384,986	-

GABRIEL DUMONT COLLEGE INC.

Notes to Financial Statements (continued)

Year ended March 31, 2023

5. Related party transactions (continued):

Accounts payable includes \$162,498 (2022 - \$404,182) to Gabriel Dumont Institute of Native Studies and Applied Research, Inc. and \$134 (2022 - \$375) to Dumont Technical Institute Inc.

Accounts receivable includes \$470,604 (2022 - \$475,955) from Gabriel Dumont Institute of Native Studies and Applied Research, Inc. \$55,265 (2022 - \$97,051) from Gabriel Dumont Institute Training & Employment Inc.

During the year, the College made a one-time contribution of \$384,986 (2022 - \$nil) to Gabriel Dumont Institute of Native Studies and Applied Research, Inc. to fund the Culture and Heritage department's historical deficit.

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

6. Capital management:

The College defines its capital to be its unrestricted net assets. The College monitors its financial performance against budgets. Excess of revenue over expenses are accumulated as unrestricted net assets. In the event revenue declines, the College will budget for reduced operational expenditures. While an annual deficit could arise, no such deficit would be allowed to exceed the amount of unrestricted net assets.

GABRIEL DUMONT COLLEGE INC.

Notes to Financial Statements (continued)

Year ended March 31, 2023

7. Financial instruments and risk management:

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

Credit risk

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

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

Interest rate risk

The interest-bearing investments and marketable securities have a limited exposure to interest rate risk due to their short-term maturity. In the year there has been significant increases to the prime rate, this has limited impact to the College as most of the fixed term investments have short duration.

Fair values

Investments and marketable securities 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.