

Financial Statements of

GABRIEL DUMONT COLLEGE INC.

And Independent Auditor's Report thereon

Year ended March 31, 2024



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INDEPENDENT AUDITOR'S REPORT

To the Board of 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, 2024
- 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, 2024 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 "***Auditor's 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.

Auditor's 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.



Page 3

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KPMG LLP

Chartered Professional Accountants

Saskatoon, Canada

July 23, 2024

GABRIEL DUMONT COLLEGE INC.

Statement of Financial Position

March 31, 2024, with comparative information for 2023

	2024	2023
Assets		
Current assets:		
Cash and cash equivalents	\$ 1,796,935	\$ 687,840
Accounts receivable	951,106	1,572,945
Investments and marketable securities (note 2)	202,704	193,057
Prepaid expenses	500	500
	<u>2,951,245</u>	<u>2,454,342</u>
Equipment (note 3)	8,674	10,843
	<u>\$ 2,959,919</u>	<u>\$ 2,465,185</u>

Liabilities and Net Assets

Current liabilities:		
Accounts payable and accrued liabilities	\$ 667,412	\$ 206,042
Due to Gabriel Dumont Institute of Native Studies and Applied Research Inc.	408,356	384,986
Deferred revenue	36,000	-
	<u>1,111,768</u>	<u>591,028</u>
Net assets:		
Invested in equipment	8,674	10,843
Internally restricted infrastructure	705,525	820,000
Unrestricted	1,133,952	1,043,313
	<u>1,848,151</u>	<u>1,874,157</u>
Related party transactions (note 4)		
	<u>\$ 2,959,919</u>	<u>\$ 2,465,185</u>

See accompanying notes to financial statements.

On behalf of the Board:

 Director

 Director

GABRIEL DUMONT COLLEGE INC.

Statement of Operations

Year ended March 31, 2024, with comparative information for 2023

	2024	2023
Revenue:		
Tuition and related fees (note 4)	\$ 2,468,421	\$ 3,377,662
Investment income	101,611	29,970
Other	6,350	-
	<u>2,576,382</u>	<u>3,407,632</u>
Expenses:		
Salaries and benefits	1,472,540	1,403,619
Contributions to Gabriel Dumont Institute of Native Studies and Applied Research, Inc (note 4)	522,831	384,986
Student supplies	198,525	193,959
Scholarships, tuition and student fees	148,448	221,117
Travel	82,929	81,026
Promotions	60,022	35,170
Equipment expense	56,158	18,520
Office supplies and services	28,994	33,415
Audit and legal	11,765	13,280
Facilities and rent	7,508	6,529
Bad debt	4,684	-
Amortization of equipment	2,169	2,711
Bank charges	1,800	7,185
Computer	989	481
Repairs and maintenance	844	-
Consulting fees	782	140,340
Start up allowances	750	1,750
Computer	650	420
	<u>2,602,388</u>	<u>2,544,508</u>
(Deficiency) excess of revenue over expenses	\$ (26,006)	\$ 863,124

See accompanying notes to financial statements.

GABRIEL DUMONT COLLEGE INC.

Statement of Changes in Net Assets

Year ended March 31, 2024, with comparative information for 2023

	Internally restricted	Unrestricted	Invested in equipment	Total
Net assets, March 31, 2022	\$ -	\$ 997,479	\$ 13,554	\$ 1,011,033
Excess of revenue over expenses	-	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
(Deficiency) excess of revenue over expenses	-	(26,006)	-	(26,006)
Amortization of equipment	-	2,169	(2,169)	-
Transfers	(114,475)	114,475	-	-
Net assets, March 31, 2024	\$ 705,525	\$ 1,133,952	\$ 8,674	\$ 1,848,151

See accompanying notes to financial statements.

GABRIEL DUMONT COLLEGE INC.

Statement of Cash Flows

Year ended March 31, 2024, with comparative information for 2023

	2024	2023
Cash provided by (used in):		
Operations:		
(Deficiency) excess of revenue over expenses	\$ (26,006)	\$ 863,124
Items not involving cash:		
Amortization equipment	2,169	2,711
Adjustment for fair value (increase) decrease on investments and reinvested investment income	(6,655)	9,572
Changes in non-cash operating working capital:		
Accounts receivable	621,839	(540,623)
Prepaid expenses	-	(500)
Accounts payable and accrued liabilities	461,370	(296,707)
Deferred revenue	36,000	(16,000)
	1,088,717	21,577
Financing:		
Due to Gabriel Dumont Institute of Native Studies and Applied Research Inc.	23,370	384,986
Investing:		
Purchase of investments	(34,590)	(44,269)
Sale of investments	31,598	33,881
	(2,992)	(10,388)
Increase in cash and cash equivalents	1,109,095	396,175
Cash and cash equivalents, beginning of year	687,840	291,665
Cash and cash equivalents, end of year	\$ 1,796,935	\$ 687,840

See accompanying notes to financial statements.

GABRIEL DUMONT COLLEGE INC.

Notes to Financial Statements

Year ended March 31, 2024

Nature of operations:

Gabriel Dumont College Inc. (the "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.

1. 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, 2024

1. 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 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	Basis	Rate
Computer equipment	Declining balance	20%
Other equipment	Declining balance	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, 2024

1. 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, 2024

2. Investments and marketable securities:

	2024 Cost	2024 Market	2023 Cost	2023 Market
Provincial bonds	\$ 4,193	\$ 3,986	\$ 8,295	7,914
Debentures	25,871	25,722	35,000	33,870
Guaranteed investment certificates	116,000	116,312	99,000	99,067
Cash and cash equivalents	6,333	6,333	6,128	6,115
Common shares	36,635	50,351	35,302	46,091
	\$ 189,032	\$ 202,704	\$ 183,725	193,057

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

The debentures are all at fixed rates and have a weighted average interest rate of 2.69% (2023 2.68%) and a weighted average term to maturity of 1.19 (2023 - 1.72) years.

The guaranteed investment certificates have a weighted average interest rate of 3.44% (2023 - 2.94%) and a weighted average term to maturity of 2.69 (2023 - 2.89) years

3. Equipment:

	Cost	Accumulated Amortization	2024 Net Book Value	2023 Net Book Value
Computer equipment	\$ 69,865	\$ 64,405	\$ 5,460	\$ 6,826
Other equipment	41,074	37,860	3,214	4,017
	\$ 110,939	\$ 102,265	\$ 8,674	10,843

Computer equipment with a net carrying value of \$5,460 (2023 - \$6,826) 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, 2024, the College has assessed for full and partial impairment on property and equipment and determined that there are none.

GABRIEL DUMONT COLLEGE INC.

Notes to Financial Statements (continued)

Year ended March 31, 2024

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.

	2024	2023
Revenues:		
Tuition and related fees:		
Gabriel Dumont Institute of Native Studies and Applied Research, Inc.	\$ 4,000	\$ 470,604
Gabriel Dumont Institute Training and Employment Inc.	1,371,198	1,212,947
Expenses:		
Programming/services:		
Gabriel Dumont Institute of Native Studies and Applied Research, Inc.	1,237	2,393
Gabriel Dumont Institute Training and Employment Inc.	-	12,000
Contributions:		
Gabriel Dumont Institute of Native Studies and Applied Research, Inc.	408,356	384,986
Capital contributions: Gabriel Dumont Institute of Native Studies and Applied Research, Inc.	114,575	-

Accounts payable includes \$232,562 (2023 - \$162,498) to Gabriel Dumont Institute of Native Studies and Applied Research, Inc. and \$33,512 (2023 - \$134) to Dumont Technical Institute Inc. and \$300,000 to Gabriel Dumont Institute Training & Employment Inc.

Accounts receivable includes \$413,136 (2023 - \$470,604) from Gabriel Dumont Institute of Native Studies and Applied Research, Inc. \$21,887 (2023 - \$55,265) from Gabriel Dumont Institute Training & Employment Inc.

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

5. 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, 2024

6. Financial risks and concentration of risk:

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

(a) 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.

(b) 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.

(c) Fair value:

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.