

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

FINANCIAL STATEMENTS

March 31, 2007

Auditors' Report

To the Members

Gabriel Dumont Institute of Native Studies and Applied Research, Inc.

We have audited the statement of financial position of **Gabriel Dumont Institute of Native Studies and Applied Research, Inc.** as at March 31, 2007 and the statements of operations, changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the Institute's management. 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 plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Institute as at March 31, 2007 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

Regina, Saskatchewan
January 11, 2008

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

Statement of Financial Position

As at March 31, 2007

| | <u>2007</u> | <u>2006</u> |
|---|---------------------|--------------|
| CURRENT ASSETS | | |
| Cash | \$ 1,119,258 | \$ 247,759 |
| Short-term investments | 220,750 | 211,871 |
| Accounts receivable | 614,589 | 541,699 |
| Inventory | 52,823 | 64,802 |
| Prepaid expenses | 38,449 | 45,885 |
| Current portion of mortgage receivable | 25,000 | - |
| | 2,070,869 | 1,112,016 |
| AMOUNT DUE FROM AFFILIATES (Note 3) | 509,912 | 684,019 |
| MORTGAGE RECEIVABLE (Note 4) | 103,407 | 121,142 |
| PROPERTY, PLANT & EQUIPMENT (Note 5) | 653,318 | 687,381 |
| | \$ 3,337,506 | \$ 2,604,558 |
| CURRENT LIABILITIES | | |
| Accounts payable and accrued liabilities | \$ 748,493 | \$ 451,683 |
| Deferred contribution (Note 6) | 186,307 | 161,671 |
| | 934,800 | 613,354 |
| NET ASSETS (DEFICIENCY) | | |
| Unrestricted | 1,245,384 | 703,675 |
| Invested in property, plant & equipment | 653,318 | 687,381 |
| Externally restricted | | |
| Core service | 321,954 | (8,926) |
| Metis Cultural Centre | (1,268) | (318) |
| S.U.N.T.E.P. | 98,453 | 524,527 |
| Other specific contract projects | 80,760 | 80,760 |
| Restricted for endowment purposes (Note 7) | 4,105 | 4,105 |
| | 2,402,706 | 1,991,204 |
| | \$ 3,337,506 | \$ 2,604,558 |

See accompanying notes

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

Statement of Changes in Net Assets

Year ended March 31, 2007

| | Unrestricted | | Externally Restricted | | | | Invested in Property, Plant & Equipment | Endowment | 2007 | 2006 |
|---|---------------------|-------------------|-----------------------------|------------------|--|-------------------|---|---------------------|---------------------|------|
| | Administration | Core Service | Metis Cultural Centre | S.U.N.T.E.P. | Other Specific Contract Projects | | | | | |
| Net assets (deficiency), beginning of year | \$ 703,675 | \$ (8,926) | \$ (318) | \$ 524,527 | \$ 80,760 | \$ 687,381 | \$ 4,105 | \$ 1,991,204 | \$ 1,977,959 | |
| Net revenue (expense) | (41,414) | 403,407 | (950) | 50,459 | - | - | - | 411,502 | 13,245 | |
| Amortization | 38,026 | 10,377 | - | 10,588 | - | (58,991) | - | - | - | |
| Purchase of property, plant & equipment | (19,391) | (4,304) | - | (1,233) | - | 24,928 | - | - | - | |
| Interfund transfers - administration support/ facility recovery | 564,488 | (78,600) | - | (485,888) | - | - | - | - | - | |
| | \$ 1,245,384 | \$ 321,954 | \$ (1,268) | \$ 98,453 | \$ 80,760 | \$ 653,318 | \$ 4,105 | \$ 2,402,706 | \$ 1,991,204 | |

See accompanying notes

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

Statement of Operations

Year ended March 31, 2007

| | Unrestricted | Externally Restricted | | | 2007 | 2006 |
|---------------------------------------|--------------------|-----------------------|-----------------------|------------------|-------------------|------------------|
| | Administration | Core Service | Metis Cultural Centre | S.U.N.T.E.P. | | |
| REVENUE | | | | | | |
| Government of Canada | | | | | | |
| - Privy Council Office | \$ - | \$ - | \$ 253,700 | \$ - | \$ 253,700 | \$ 193,710 |
| - The Department of Canadian Heritage | - | 136,724 | - | - | 136,724 | 187,316 |
| - Canada Council | - | - | - | - | - | 32 |
| Government of Saskatchewan | | | | | | |
| - Saskatchewan Learning | 351,056 | 1,028,720 | - | 2,146,329 | 3,526,105 | 3,051,490 |
| Other (Schedule 1) | 422,625 | 708,146 | 40,254 | 527,289 | 1,698,314 | 1,205,046 |
| | 773,681 | 1,873,590 | 293,954 | 2,673,618 | 5,614,843 | 4,637,594 |
| EXPENSES | | | | | | |
| Salaries and benefits (Schedule 3) | 462,234 | 701,906 | 14,173 | 1,314,010 | 2,492,323 | 2,059,082 |
| Instructional costs | - | - | - | 991,567 | 991,567 | 1,031,170 |
| Operating costs (Schedule 2) | 231,682 | 305,276 | 247,193 | 223,693 | 1,007,844 | 843,991 |
| Curriculum development | - | 96,800 | 10,661 | 36,268 | 143,729 | 284,620 |
| Travel and sustenance (Schedule 3) | 106,375 | 52,219 | 15,970 | 33,157 | 207,721 | 286,774 |
| Public relations (Schedule 3) | 14,804 | 35,475 | 6,907 | 18,564 | 75,750 | 38,917 |
| Kapachee | - | 54,686 | - | - | 54,686 | 54,686 |
| Library costs | - | 8,119 | - | 4,700 | 12,819 | 19,994 |
| Works of art | - | 750 | - | - | 750 | 3,915 |
| Scholarships | - | 214,952 | - | 1,200 | 216,152 | 1,200 |
| | 815,095 | 1,470,183 | 294,904 | 2,623,159 | 5,203,341 | 4,624,349 |
| NET REVENUE (EXPENSE) | \$ (41,414) | \$ 403,407 | \$ (950) | \$ 50,459 | \$ 411,502 | \$ 13,245 |

See accompanying notes

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

Statement of Cash Flows

Year ended March 31, 2007

| | <u>2007</u> | <u>2006</u> |
|--|---------------------|-------------|
| OPERATING ACTIVITIES | | |
| Net revenue | \$ 411,502 | \$ 13,245 |
| Items not affecting cash: | | |
| Accrued mortgage interest | (7,265) | (7,046) |
| Loss on disposal of property, plant & equipment | - | 33 |
| Amortization | 58,991 | 63,452 |
| | 463,228 | 69,684 |
| Net change in non-cash working capital accounts (Note 8) | 267,971 | (212,913) |
| CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES | 731,199 | (143,229) |
| INVESTING ACTIVITIES | | |
| Advances from (advances to) affiliates | 174,107 | (208,522) |
| Purchase of property, plant & equipment | (24,928) | (20,299) |
| Purchase of short term investments | (8,879) | (2,791) |
| CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES | 140,300 | (231,612) |
| INCREASE (DECREASE) IN CASH DURING THE YEAR | 871,499 | (374,841) |
| CASH, BEGINNING OF YEAR | 247,759 | 622,600 |
| CASH, END OF YEAR | \$ 1,119,258 | \$ 247,759 |

See accompanying notes

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

Notes to the Financial Statements

Year ended March 31, 2007

1. NATURE OF ORGANIZATION

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 controls Gabriel Dumont College, Inc., Gabriel Dumont Institute Community Training Residence Inc., Dumont Technical Institute Inc., Gabriel Dumont Scholarship Foundation II, and Gabriel Dumont Training & Employment Inc. 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 controlled entities and further information is included in Note 9.

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

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

Core

These departments include curriculum development, research, and 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 is located in Regina, Saskatoon and Prince Albert.

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

Notes to the Financial Statements

Year ended March 31, 2007

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

a) *Fund accounting (continued)*

Métis Cultural Centre

The Métis Cultural Centre fund has allowed the Institute to make important links with Métis communities and organizations 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 certainly lead to a series of long-term Métis-specific resources and cultural programs that will serve the Métis people and the Canadian public well into the future.

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

The Saskatchewan Urban Native Teacher Education Program 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 Regina, the University of Saskatchewan and Saskatchewan Post-Secondary Education and Skills Training.

Endowment Contributions

Endowment contributions are restricted to the provision of scholarships.

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.

Endowment contributions are reported in the Endowment Fund.

Tuition fees are recognized as revenue of the S.U.N.T.E.P. Fund when the courses are held.

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

Notes to the Financial Statements

Year ended March 31, 2007

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

c) *Short-term investments*

Short-term investments consist of a fixed income fund with a Canadian chartered bank. The investment is recorded at the lower of cost or market.

d) *Property, plant & 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 on the diminishing balance method at the following rates:

| | |
|--------------------|-----|
| Building | 5% |
| Computer equipment | 20% |
| Other equipment | 20% |

Leasehold improvements are amortized straight line, over the term of the lease.

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 market.

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. Costs are expensed in the year incurred.

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

Notes to the Financial Statements

Year ended March 31, 2007

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

h) Financial instruments

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

i) 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 reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Actual results could differ from those estimates.

3. AMOUNT DUE FROM/TO AFFILIATES

Amounts due from/to affiliates bear no interest and have no fixed terms of repayment.

| | <u>2007</u> | <u>2006</u> |
|---|-------------------|-------------------|
| Dumont Technical Institute, Inc. | \$ 192,554 | \$ 319,523 |
| Gabriel Dumont Institute Community Training Residence, Inc. | 302,744 | 296,039 |
| Gabriel Dumont College, Inc. | (2,958) | 56,319 |
| Gabriel Dumont Scholarship Foundation II | 17,572 | 12,138 |
| | <u>\$ 509,912</u> | <u>\$ 684,019</u> |

4. MORTGAGE RECEIVABLE

The mortgage receivable is with Gabriel Dumont Institute Community Training Residence, Inc. ("CTR") and is due on demand, bearing interest at CIBC prime plus 1% [7.00% at March 31, 2007; 6.18% - at March 31, 2006], with CTR's building pledged as collateral. The Institute has requested a payment of \$25,000 in the next year. The fair value of the mortgage receivable approximates the carrying amount due to its floating rate.

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

Notes to the Financial Statements

Year ended March 31, 2007

5. PROPERTY, PLANT & EQUIPMENT

| | 2007 | | 2006 | |
|-------------------------------|------------|-----------------------------|------------|-----------------------------|
| | Cost | Accumulated Amortization | Cost | Accumulated Amortization |
| Administration | | | | |
| Land | \$ 117,000 | \$ - | \$ 117,000 | \$ - |
| Building | 883,958 | 517,903 | 883,958 | 498,637 |
| Computer equipment | 72,710 | 35,884 | 58,366 | 26,678 |
| Other equipment | 1,075,210 | 1,036,998 | 1,070,163 | 1,027,444 |
| | 2,148,878 | 1,590,785 | 2,129,487 | 1,552,759 |
| Accumulated amortization | 1,590,785 | | 1,552,759 | |
| | 558,093 | | 576,728 | |
| Core Services | | | | |
| Equipment | 290,071 | 255,605 | 285,767 | 246,989 |
| Works of art/artifacts | 6,245 | 609 | 6,245 | 312 |
| Leasehold improvements | 18,984 | 6,529 | 18,984 | 5,145 |
| | 315,300 | 262,743 | 310,996 | 252,446 |
| Accumulated amortization | 262,743 | | 252,446 | |
| | 52,557 | | 58,550 | |
| S.U.N.T.E.P. | | | | |
| Equipment | 268,298 | 225,951 | 267,065 | 215,363 |
| Accumulated amortization | 225,951 | | 215,363 | |
| | 42,347 | | 51,702 | |
| Other | | | | |
| Equipment | 16,780 | 16,459 | 16,780 | 16,379 |
| Accumulated amortization | 16,459 | | 16,379 | |
| | 321 | | 401 | |
| Total | 2,749,256 | 2,095,938 | 2,724,328 | 2,036,947 |
| Less accumulated amortization | 2,095,938 | | 2,036,947 | |
| | \$ 653,318 | | \$ 687,381 | |

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

Notes to the Financial Statements

Year ended March 31, 2007

6. DEFERRED CONTRIBUTIONS

The Institute has deferred contributions for various projects as follows:

| Funding Agent | Project | 2007 | 2006 |
|--|-------------------------------|-------------------|-------------------|
| Canada Heritage | Back to Batoche | \$ 45,307 | \$ 48,815 |
| Canada Council for the Arts / SaskCulture / Sask. Publishers Group | Publishing | 3,000 | 8,627 |
| Canada Heritage / Sask Learning / Sask Culture / Metis National Council | Virtual Museum | 73,580 | 54,424 |
| SaskCulture | Metis Cultural Development | 22,443 | 22,443 |
| Canada Council for the Arts | Big Beaver House | - | 2,722 |
| First Nations & Metis Relations | Centre of Excellence | - | 22,000 |
| Saskatoon Catholic Board of Ed. | Graphic Novel | - | 2,640 |
| Metis National Council | Health & Wellness Scholarship | 41,977 | - |
| | | \$ 186,307 | \$ 161,671 |

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

Notes to the Financial Statements

Year ended March 31, 2007

7. ENDOWMENTS

| | <u>2007</u> | <u>2006</u> |
|----------------------------|-----------------|-----------------|
| Art Carriere Memorial Fund | \$ 2,769 | \$ 2,769 |
| Les Fiddler Memorial Fund | 1,336 | 1,336 |
| | <u>\$ 4,105</u> | <u>\$ 4,105</u> |

These funds are to be used for a memorial scholarship awarded to a student entering in the second year of S.U.N.T.E.P. – Regina.

8. NET CHANGE IN NON-CASH WORKING CAPITAL ACCOUNTS

| | <u>2007</u> | <u>2006</u> |
|--|-------------------|---------------------|
| Accounts receivable | \$ (72,890) | \$ (293,818) |
| Inventory | 11,979 | 6,672 |
| Prepaid expenses | 7,436 | (11,958) |
| Accounts payable and accrued liabilities | 296,810 | 56,036 |
| Deferred contributions | 24,636 | 30,155 |
| | <u>\$ 267,971</u> | <u>\$ (212,913)</u> |

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

Notes to the Financial Statements

Year ended March 31, 2007

9. CONTROLLED AND RELATED ENTITIES

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

| | Gabriel Dumont College, Inc. March 31, 2007 | Gabriel Dumont Institute Community Training Residence, Inc. March 31, 2007 | Dumont Technical Institute, Inc. June 30, 2006 | Gabriel Dumont Scholarship Foundation II December 31, 2006 |
|--|---|--|--|--|
| Financial position | | | | |
| Total assets | \$ 588,827 | \$ 350,029 | \$ 3,075,440 | \$ 1,251,582 |
| Total liabilities | 6,572 | 457,709 | 2,017,162 | 20,213 |
| Net assets | | | | |
| - internally restricted | 582,255 | 152,780 | 1,058,278 | 191,369 |
| - externally restricted | - | (260,460) | - | 1,040,000 |
| | 588,827 | 350,029 | 3,075,440 | 1,251,582 |
| Results of operations | | | | |
| Total revenue | 283,524 | 38,204 | 3,736,469 | 57,294 |
| Total expenses | 321,328 | 64,385 | 3,777,560 | 55,587 |
| Net revenue | (37,804) | (26,181) | (41,091) | 1,707 |
| Cash flows | | | | |
| Cash provided by operations | 47,204 | 21,811 | 531,922 | 2,890 |
| Cash provide by (used in) financing and investing activities | 6,451 | - | 175,442 | (18,950) |
| Increase (decrease) in cash | | | | |
| | \$ 53,655 | \$ 21,811 | \$ 707,364 | \$ (16,060) |

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

Notes to the Financial Statements

Year ended March 31, 2007

10. RELATED PARTY TRANSACTIONS

The Institute had the following transactions with related parties during the year. All transactions were recorded at fair market value (except where otherwise indicated).

| | <u>2007</u> | <u>2006</u> |
|--|-------------|-------------|
| Entities under Common Control | | |
| Administrative services revenue, at negotiated value | \$ 368,529 | \$ 237,274 |
| Interest income accrued on mortgage receivable | 7,265 | 7,046 |
| Office rent revenue | 133,218 | 66,214 |
| Metis Nation Saskatchewan | | |
| Promotion expense | - | 8,812 |

Inter-fund administrative support/facility recovery expenses are charged by way of a transfer between the net assets of the administration fund and the other funds based on use of services.

11. COMMITMENTS

The Institute is committed under term leases as follows:

University of Regina classroom and office space to August 31, 2008 at a monthly rental of \$12,552.

University of Saskatchewan classroom and office space to June 30, 2009 at a monthly rental of \$2,601.

Saskatoon office space to April 30, 2013 at a monthly rental of \$5,663.

12. ECONOMIC DEPENDENCE

The majority of funding for the operations of the Institute is provided by various levels of government. Funding is provided by annual grants and under contracts expiring on various dates.

13. 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 \$105,246 (2006 - \$97,387).

14. COMPARATIVE FIGURES

Certain of the comparative figures have been reclassified to conform with the current year's presentation.

GABRIEL DUMONT INSTITUTE OF NATIVE STUDIES AND APPLIED RESEARCH, INC.**Schedule of Other Revenue - Schedule 1**

Year Ended March 31, 2007

| | <u>Administration</u> | <u>Core Service</u> | <u>Metis Cultural Centre</u> | <u>S.U.N.T.E.P.</u> | <u>2007</u> | <u>2006</u> |
|--|-----------------------|---------------------|--------------------------------------|---------------------|---------------------|---------------------|
| Fees for services | \$ 366,602 | \$ 294,494 | \$ - | \$ - | \$ 661,096 | \$ 324,488 |
| First Nations and Metis Relations | - | 25,000 | - | - | 25,000 | 3,000 |
| General Assembly contributions and fees | - | - | - | - | - | 137,334 |
| Interest | 35,608 | - | - | - | 35,608 | 19,373 |
| Metis National Council | - | 245,624 | - | - | 245,624 | 10,000 |
| Miscellaneous | 20,415 | 5,046 | 40,254 | - | 65,715 | 15,880 |
| Prince Albert Grand Council | - | - | - | 72,800 | 72,800 | 72,800 |
| Sales and royalties | - | 78,670 | - | - | 78,670 | 91,192 |
| Saskatchewan Advanced Education & Employment | - | 8,345 | - | - | 8,345 | - |
| Saskatchewan Publishers Group | - | 35,327 | - | - | 35,327 | 7,673 |
| Saskatoon Catholic Board of Education | - | 640 | - | - | 640 | 360 |
| SaskCulture Inc. | - | 15,000 | - | - | 15,000 | 10,197 |
| Teaching income | - | - | - | 113,978 | 113,978 | 127,107 |
| Tuition income | - | - | - | 340,511 | 340,511 | 385,642 |
| | \$ 422,625 | \$ 708,146 | \$ 40,254 | \$ 527,289 | \$ 1,698,314 | \$ 1,205,046 |

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

Schedule of Operating Costs - Schedule 2

Year Ended March 31, 2007

| | <u>Administration</u> | <u>Core Service</u> | <u>Metis Cultural Centre</u> | <u>S.U.N.T.E.P.</u> | <u>2007</u> | <u>2006</u> |
|-------------------------------|-----------------------|---------------------|----------------------------------|---------------------|---------------------|-------------------|
| Amortization | \$ 38,026 | \$ 10,377 | \$ - | \$ 10,588 | \$ 58,991 | \$ 63,452 |
| Bank charges | 1,351 | - | - | - | 1,351 | 2,236 |
| Building | 67,626 | 112,143 | 31,047 | 121,029 | 331,845 | 336,779 |
| Computer services | 20,845 | 33,544 | 1,630 | 2,698 | 58,717 | 31,886 |
| Consulting and legal services | 39,978 | 32,942 | 80,131 | - | 153,051 | 123,087 |
| Duplicating | 997 | 1,798 | 108,642 | 4,733 | 116,170 | 9,517 |
| Insurance | 17,423 | 5,047 | - | 7,230 | 29,700 | 28,561 |
| Miscellaneous | 5,510 | 62,559 | 25,185 | 16,697 | 109,951 | 67,845 |
| Office supplies | 5,575 | 15,726 | - | 9,856 | 31,157 | 32,866 |
| Other equipment expenses | 7,737 | 9,233 | - | 20,450 | 37,420 | 69,492 |
| Postage and courier | 6,296 | 9,816 | 558 | 2,675 | 19,345 | 21,120 |
| Telephone | 20,318 | 12,091 | - | 27,737 | 60,146 | 57,150 |
| | <u>\$ 231,682</u> | <u>\$ 305,276</u> | <u>\$ 247,193</u> | <u>\$ 223,693</u> | <u>\$ 1,007,844</u> | <u>\$ 843,991</u> |

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

Schedule of Public Relations, Salaries and Benefits, and Travel and Sustenance Expenses - Schedule 3

Year Ended March 31, 2007

| | <u>Administration</u> | <u>Core Service</u> | <u>Metis Cultural Centre</u> | <u>S.U.N.T.E.P.</u> | <u>2007</u> | <u>2006</u> |
|-------------------------------------|-----------------------|---------------------|----------------------------------|---------------------|---------------------|---------------------|
| Public relations | | | | | | |
| Promotion, publicity and graduation | \$ 7,670 | \$ 18,654 | \$ 6,907 | \$ 13,607 | \$ 46,838 | \$ 31,713 |
| Recruitment | 7,134 | 16,821 | - | 3,905 | 27,860 | 6,771 |
| Orientation | - | - | - | 1,052 | 1,052 | 433 |
| | <u>\$ 14,804</u> | <u>\$ 35,475</u> | <u>\$ 6,907</u> | <u>\$ 18,564</u> | <u>\$ 75,750</u> | <u>\$ 38,917</u> |
| Salaries and benefits | | | | | | |
| Staff salaries and wages | \$ 397,906 | \$ 602,553 | \$ 12,200 | \$ 1,131,143 | \$ 2,143,802 | \$ 1,753,554 |
| Staff benefits | 64,328 | 99,353 | 1,973 | 182,867 | 348,521 | 305,528 |
| | <u>\$ 462,234</u> | <u>\$ 701,906</u> | <u>\$ 14,173</u> | <u>\$ 1,314,010</u> | <u>\$ 2,492,323</u> | <u>\$ 2,059,082</u> |
| Travel and sustenance | | | | | | |
| Staff and students | \$ 20,656 | \$ 51,089 | \$ 15,970 | \$ 33,157 | \$ 120,872 | \$ 204,619 |
| Board | 85,719 | 1,130 | - | - | 86,849 | 82,155 |
| | <u>\$ 106,375</u> | <u>\$ 52,219</u> | <u>\$ 15,970</u> | <u>\$ 33,157</u> | <u>\$ 207,721</u> | <u>\$ 286,774</u> |

GABRIEL DUMONT COLLEGE, INC.

FINANCIAL STATEMENTS

March 31, 2007

Auditors' Report

To the Members
Gabriel Dumont College, Inc.

We have audited the statement of financial position of **Gabriel Dumont College, Inc.** as at March 31, 2007 and the statements of operations, changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the organization's management. 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 plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the College as at March 31, 2007 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

Regina, Saskatchewan
July 31, 2007

GABRIEL DUMONT COLLEGE, INC.

Statement of Financial Position

As at March 31, 2007

| | <u>2007</u> | <u>2006</u> |
|-----------------------------|-------------------|-------------------|
| CURRENT ASSETS | | |
| Cash | \$ 274,914 | \$ 328,569 |
| Short-term investments | 116,735 | 111,951 |
| Accounts receivable | 156,327 | 199,199 |
| Due from affiliate (Note 4) | 11,906 | - |
| Prepaid expenses | 54 | - |
| | <u>559,936</u> | <u>639,719</u> |
| EQUIPMENT (Note 3) | <u>28,891</u> | <u>34,447</u> |
| | <u>\$ 588,827</u> | <u>\$ 674,166</u> |
| CURRENT LIABILITIES | | |
| Accounts payable | \$ 6,572 | \$ 7,000 |
| Due to affiliate (Note 4) | - | 47,107 |
| | <u>6,572</u> | <u>54,107</u> |
| NET ASSETS | | |
| Invested in equipment | 28,891 | 34,447 |
| Unrestricted | 553,364 | 585,612 |
| | <u>582,255</u> | <u>620,059</u> |
| | <u>\$ 588,827</u> | <u>\$ 674,166</u> |

See accompanying notes

GABRIEL DUMONT COLLEGE, INC.

Statement of Operations

As at March 31, 2007

| | <u>2007</u> | <u>2006</u> |
|--------------------------|--------------------|--------------------|
| REVENUE | | |
| Program funding revenue | \$ 180,777 | \$ 169,008 |
| Tuition and student fees | 86,482 | 60,042 |
| Interest revenue | 16,264 | 7,946 |
| | <u>283,523</u> | <u>236,996</u> |
| EXPENSES | | |
| Administrative services | 39,431 | 24,645 |
| Amortization | 7,223 | 8,611 |
| Audit and legal | 6,842 | 10,937 |
| Bank charges | 41 | 25 |
| Computer | 9,809 | 6,283 |
| Consulting | 5,531 | 7,321 |
| Miscellaneous | 2,996 | 3,229 |
| Promotions | 6,222 | 8,901 |
| Salaries | 198,819 | 169,008 |
| Staff recruitment | 504 | 1,663 |
| Start up allowance | 800 | 600 |
| Student recruitment | 715 | 731 |
| Tuition and student fees | 42,394 | 23,328 |
| | <u>321,327</u> | <u>265,282</u> |
| NET EXPENSE | \$ (37,804) | \$ (28,286) |

See accompanying notes

GABRIEL DUMONT COLLEGE, INC.

Statement of Changes in Net Assets

As at March 31, 2007

| | <u>Unrestricted</u> | <u>Invested in Equipment</u> | <u>Total 2007</u> | <u>Total 2006</u> |
|--------------------------------|---------------------|----------------------------------|-----------------------|-----------------------|
| Net assets, beginning of year | \$ 585,612 | \$ 34,447 | \$ 620,059 | \$ 648,345 |
| Net expense | (39,471) | 1,667 | (37,804) | (28,286) |
| Amortization | 7,223 | (7,223) | - | - |
| NET ASSETS, END OF YEAR | \$ 553,364 | \$ 28,891 | \$ 582,255 | \$ 620,059 |

See accompanying notes

GABRIEL DUMONT COLLEGE, INC.

Statement of Cash Flows

As at March 31, 2007

| | <u>2007</u> | <u>2006</u> |
|--|-------------------|-------------------|
| OPERATING ACTIVITIES | | |
| Net expense | \$ (37,804) | \$ (28,286) |
| Items not affecting cash: | | |
| Amortization | 7,223 | 8,611 |
| Net change in non-cash working capital accounts (Note 5) | (16,623) | 62,621 |
| CASH PROVIDED BY OPERATING ACTIVITIES | (47,204) | 42,946 |
| INVESTING ACTIVITIES | | |
| Increase in short-term investments | (4,784) | (1,468) |
| Purchase of equipment | (1,667) | - |
| CASH USED IN INVESTING ACTIVITIES | (6,451) | (1,468) |
| (DECREASE) INCREASE IN CASH | (53,655) | 41,478 |
| CASH, BEGINNING OF YEAR | 328,569 | 287,091 |
| CASH, END OF YEAR | \$ 274,914 | \$ 328,569 |

See accompanying notes

GABRIEL DUMONT COLLEGE, INC.

Notes to the Financial Statements

Year ended March 31, 2007

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., Gabriel Dumont Institute Community Training Residence, 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 reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

b) Revenue recognition

The College 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.

c) Short-term investments

Short-term investments consist of an income fund with a Canadian chartered bank. The investment is recorded at lower of cost and market.

GABRIEL DUMONT COLLEGE, INC.

Notes to the Financial Statements

Year ended March 31, 2007

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

d) *Equipment*

Equipment is recorded at cost. Amortization is recorded in the accounts on the diminishing balance method at the following rates:

| | |
|--------------------|-----|
| Computer equipment | 20% |
| Other equipment | 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.

e) *Financial Instruments*

For certain of the College's financial instruments, including short-term investments, accounts receivable and accounts payable, the carrying amounts approximate fair value due to the immediate or short-term maturity of these items.

3. EQUIPMENT

| | <u>Cost</u> | <u>Amortization</u> | <u>2007</u> | <u>2006</u> |
|--------------------|---------------|---------------------|---------------|---------------|
| Other equipment | \$ 9,818 | \$ 7,612 | \$ 2,206 | \$ 2,758 |
| Computer equipment | 60,034 | 33,349 | 26,685 | 31,689 |
| | <u>69,852</u> | <u>40,961</u> | <u>28,891</u> | <u>34,447</u> |

Computer equipment with a net carrying value of \$8,895 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.

4. DUE FROM (TO) AFFILIATE

This represents amounts due from (to) Gabriel Dumont Institute of Native Studies and Applied Research, Inc., which are non-interest bearing and have no set repayment terms.

| | <u>2007</u> | <u>2006</u> |
|---|------------------|--------------------|
| Dumont Technical Institute, Inc. | \$ 8,948 | \$ - |
| Gabriel Dumont Institute Community Training Residence, Inc. | 2,958 | (47,107) |
| | <u>\$ 11,906</u> | <u>\$ (47,107)</u> |

GABRIEL DUMONT COLLEGE, INC.

Notes to the Financial Statements

Year ended March 31, 2007

5. NET CHANGE IN NON-CASH WORKING CAPITAL ACCOUNTS

| | <u>2007</u> | <u>2006</u> |
|---------------------|--------------------|------------------|
| Accounts receivable | \$ 42,872 | \$ 43,270 |
| Due from affiliate | (11,906) | - |
| Prepaid expenses | (54) | 6,842 |
| Accounts payable | (428) | (367) |
| Due to affiliate | (47,107) | 12,876 |
| | <u>\$ (16,623)</u> | <u>\$ 62,621</u> |

6. RELATED PARTY TRANSACTIONS

Significant transactions undertaken with Gabriel Dumont Institute of Native Studies and Applied Research, Inc. during the year are as follows:

| | <u>2007</u> | <u>2006</u> |
|---|------------------|------------------|
| Administrative services | \$ 39,431 | \$ 24,645 |
| Apportion costs for Anniversary General Meeting | - | 2,058 |
| | <u>\$ 39,431</u> | <u>\$ 26,703</u> |

**GABRIEL DUMONT INSTITUTE
COMMUNITY TRAINING
RESIDENCE, INC.**

FINANCIAL STATEMENTS

March 31, 2007

Auditors' Report

To the Members

Gabriel Dumont Institute Community Training Residence, Inc.

We have audited the statement of financial position of **Gabriel Dumont Institute Community Training Residence, Inc.** as at March 31, 2007 and the statements of operations and changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the Organization's management. 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 plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Organization as at March 31, 2007 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

Regina, Saskatchewan
July 17, 2007

GABRIEL DUMONT INSTITUTE COMMUNITY TRAINING RESIDENCE, INC.**Statement of Financial Position**

As at March 31, 2007

| | <u>2007</u> | <u>2006</u> |
|---|-------------------|-------------|
| CURRENT ASSETS | | |
| Cash | \$ 83,309 | \$ 61,498 |
| Accounts receivable and prepaid expenses | 6,716 | 11,796 |
| | 90,025 | 73,294 |
| PROPERTY, PLANT & EQUIPMENT (Note 3) | 260,004 | 268,610 |
| | \$ 350,029 | \$ 341,904 |
| CURRENT LIABILITIES | | |
| Accounts payable | \$ 26,558 | \$ 6,223 |
| Due to affiliate (Note 4) | 302,744 | 296,038 |
| Debt - due in current year (Note 5) | 25,000 | - |
| | 354,302 | 302,261 |
| DEBT (Note 5) | 103,407 | 121,142 |
| | 457,709 | 423,403 |
| NET ASSETS (DEFICIENCY) | | |
| Unrestricted - residence operations | (392,057) | (382,519) |
| Invested in property, plant & equipment | 131,597 | 147,468 |
| Restricted - building fund | 152,780 | 153,552 |
| | (107,680) | (81,499) |
| | \$ 350,029 | \$ 341,904 |

See accompanying notes

GABRIEL DUMONT INSTITUTE COMMUNITY TRAINING RESIDENCE, INC.**Statement of Operations and Changes in Net Assets**

Year ended March 31, 2007

| | <u>Unrestricted - Residence Operations</u> | <u>Invested in Property, Plant & Equipment</u> | <u>Restricted - Building Fund</u> | <u>Total 2007</u> | <u>Total 2006</u> |
|--|--|--|---|-----------------------|-----------------------|
| REVENUE | | | | | |
| Department of Corrections and Public Safety | \$ - | \$ - | \$ 38,204 | \$ 38,204 | \$ 55,904 |
| EXPENSES | | | | | |
| Audit and legal | 5,763 | - | - | 5,763 | 2,199 |
| Administration | 3,750 | - | - | 3,750 | 3,750 |
| Amortization | 194 | - | 8,412 | 8,606 | 9,004 |
| Insurance | - | - | 2,980 | 2,980 | 2,782 |
| Interest | - | - | 7,265 | 7,265 | 7,046 |
| Office supplies | 25 | - | - | 25 | - |
| Property taxes | - | - | 5,611 | 5,611 | 10,259 |
| Repairs and maintenance | - | - | 30,385 | 30,385 | 1,126 |
| | 9,732 | - | 54,653 | 64,385 | 36,166 |
| NET (EXPENSE) REVENUE | (9,732) | - | (16,449) | (26,181) | 19,738 |
| NET (DEFICIT) ASSETS, BEGINNING OF YEAR | (382,519) | 147,468 | 153,552 | (81,499) | (101,237) |
| INTERFUND TRANSFERS | | | | | |
| - AMORTIZATION | 194 | (8,606) | 8,412 | - | - |
| - MORTGAGE INTEREST | - | (7,265) | 7,265 | - | - |
| NET (DEFICIT) ASSETS, END OF YEAR | \$ (392,057) | \$ 131,597 | \$ 152,780 | \$ (107,680) | \$ (81,499) |

See accompanying notes

GABRIEL DUMONT INSTITUTE COMMUNITY TRAINING RESIDENCE, INC.**Statement of Cash Flows****Year ended March 31, 2007**

| | <u>2007</u> | <u>2006</u> |
|--|------------------|-------------|
| OPERATING ACTIVITIES | | |
| Net (expense) revenue | \$ (26,181) | \$ 19,738 |
| Charges to operations not affecting cash | | |
| Accrued mortgage interest | 7,265 | 7,046 |
| Amortization | 8,606 | 9,004 |
| Net change in non-cash working capital accounts (Note 6) | 32,121 | (13,784) |
| CASH PROVIDED BY OPERATING ACTIVITIES | 21,811 | 22,004 |
| INCREASE IN CASH | 21,811 | 22,004 |
| CASH, BEGINNING OF YEAR | 61,498 | 39,494 |
| CASH, END OF YEAR | \$ 83,309 | \$ 61,498 |

See accompanying notes

GABRIEL DUMONT INSTITUTE COMMUNITY TRAINING RESIDENCE, INC.

Notes to the Financial Statements

Year ended March 31, 2007

1. NATURE OF ORGANIZATION

Gabriel Dumont Institute Community Training Residence, Inc. (“Organization”) is a not-for-profit Organization that was established to provide training and counselling to female offenders through funding from the Department of Corrections and Public Safety (formerly Saskatchewan Department of Justice). The funding agreement with the Department of Corrections and Public Safety under which the Organization has carried on its operations for training expired on March 31, 1996. Under the terms of that agreement the Department of Corrections and Public Safety is required to lease the building out of which the Organization’s operations have been conducted, until March 31, 2016.

The Organization 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. manages Gabriel Dumont College, Inc., Gabriel Dumont Institute Community Training Residence, Inc., Dumont Technical Institute 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. The ongoing operations of Gabriel Dumont Institute Community Training Residence, Inc. is dependent upon the continued support of Gabriel Dumont Institute of Native Studies and Applied Research, Inc.

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 reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

b) Fund accounting

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

Residence Operations

This fund is used for the general operations of the Organization. All operational transactions are recorded in the accounts of this fund.

GABRIEL DUMONT INSTITUTE COMMUNITY TRAINING RESIDENCE, INC.

Notes to the Financial Statements Year ended March 31, 2007

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Building Fund

This fund includes revenues specifically designated by the Department of Corrections and Public Safety for the mortgage payments and related building expenses including amortization, insurance, interest and property taxes.

c) Revenue recognition

The Organization follows the deferral method of accounting. 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.

d) Property, plant & equipment

Property, plant & 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 on the diminishing balance method at the following rates:

| | |
|-------------------------|-----|
| Furniture and equipment | 20% |
| Building | 4% |

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) Financial instruments

For certain of the Organization's financial instruments, including accounts receivable and accounts payable, the carrying amounts approximate fair value due to the immediate or short-term maturity of these items.

**GABRIEL DUMONT INSTITUTE COMMUNITY TRAINING RESIDENCE,
INC.**

**Notes to the Financial Statements
Year ended March 31, 2007**

3. PROPERTY, PLANT & EQUIPMENT

| | Cost | Accumulated Amortization | Net Book Value | |
|-------------------------|-------------------|-----------------------------|-------------------|-------------------|
| | | | 2007 | 2006 |
| Land | \$ 57,344 | \$ - | \$ 57,344 | \$ 57,344 |
| Furniture and equipment | 33,657 | 32,883 | 774 | 968 |
| Building | 403,141 | 201,255 | 201,886 | 210,298 |
| | <u>\$ 494,142</u> | <u>\$ 234,138</u> | <u>\$ 260,004</u> | <u>\$ 268,610</u> |

4. DUE TO AFFILIATE

The amounts due to Gabriel Dumont Institute of Native Studies and Applied Research, Inc. are non-interest bearing and have no set repayment terms.

5. DEBT

| | 2007 | 2006 |
|--|-------------------|-------------------|
| Gabriel Dumont Institute of Native Studies and Applied Research, Inc. loan due on demand bearing interest at CIBC prime plus 1% [7.00% at March 31, 2007; 6.18% at March 31, 2006] against which the building has been pledged as collateral. Unpaid interest is added to the debt balance. | \$ 128,407 | \$ 121,142 |
| Less: Current portion | (25,000) | - |
| | <u>\$ 103,407</u> | <u>\$ 121,142</u> |

The carrying value of debt approximates fair value.

Gabriel Dumont Institute of Native Studies and Applied Research, Inc. has indicated they will not be demanding repayment in the next fiscal year but has requested that \$25,000 be paid towards the debt in the upcoming fiscal year.

**GABRIEL DUMONT INSTITUTE COMMUNITY TRAINING RESIDENCE,
INC.**

**Notes to the Financial Statements
Year ended March 31, 2007**

6. NET CHANGE IN NON-CASH WORKING CAPITAL ACCOUNTS

| | <u>2007</u> | <u>2006</u> |
|--|------------------|--------------------|
| Accounts receivable and prepaid expenses | \$ 5,080 | \$ (2,896) |
| Accounts payable | 20,335 | (17,421) |
| Due to affiliate | 6,706 | 6,533 |
| | <u>\$ 32,121</u> | <u>\$ (13,784)</u> |

7. RELATED PARTY TRANSACTIONS

Significant transactions undertaken with related parties during the year are as follows:

| | <u>2007</u> | <u>2006</u> |
|---|-------------|-------------|
| Gabriel Dumont Institute of Native Studies and Applied Research Inc. | | |
| Interest expense | \$ 7,265 | \$ 7,046 |

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

8. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to the current year's presentation.

**THE GABRIEL DUMONT
SCHOLARSHIP FOUNDATION II**

FINANCIAL STATEMENTS

December 31, 2006

Auditors' Report

To the Members
The Gabriel Dumont Scholarship Foundation II

We have audited the statement of financial position of The Gabriel Dumont Scholarship Foundation II as at December 31, 2006 and the statements of operations, changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the Foundation's management. 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 plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Foundation as at December 31, 2006 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

Regina, Saskatchewan
March 20, 2007

THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Statement of Financial Position

As at December 31, 2006

| | <u>2006</u> | <u>2005</u> |
|--|-------------|---------------------|
| ASSETS | | |
| Cash | \$ - | \$ 24,952 |
| Accounts receivable | - | 30,609 |
| Investments (Note 3) | - | 1,187,279 |
| | <u>\$ -</u> | <u>\$ 1,242,840</u> |
| LIABILITIES | | |
| Accounts payable to Gabriel Dumont Institute of Native Studies and Applied Research, Inc. | \$ - | \$ 12,138 |
| Deferred revenue | - | 1,040 |
| | <u>-</u> | <u>13,178</u> |
| NET ASSETS | | |
| Unrestricted | - | 189,662 |
| Restricted for endowment purposes (Note 6) | - | 1,040,000 |
| | <u>-</u> | <u>1,229,662</u> |
| | <u>\$ -</u> | <u>\$ 1,242,840</u> |

See accompanying notes

THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Statement of Operations

Year ended December 31, 2006

| | <u>2006</u> | <u>2005</u> |
|-------------------------|-------------|-----------------|
| REVENUE | | |
| Interest | \$ - | \$ 54,422 |
| Donations | - | 10,260 |
| | - | 64,682 |
| EXPENSES | | |
| Administrative services | - | 5,433 |
| Advertising | - | 1,005 |
| Bank charges | - | 173 |
| Scholarships (Note 4) | - | 58,403 |
| | - | 65,014 |
| NET EXPENSE | \$ - | \$ (332) |

See accompanying notes

THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Statement of Changes in Net Assets

Year ended December 31, 2006

| | <u>Unrestricted</u> | <u>Restricted for Endowment Purposes</u> | <u>Total 2006</u> | <u>Total 2005</u> |
|-----------------------------|---------------------|--|-----------------------|-----------------------|
| BALANCE, BEGINNING | | | | |
| OF YEAR | \$ 189,662 | \$ 1,040,000 | \$ 1,229,662 | \$ 1,229,994 |
| Net expense | - | - | - | (332) |
| BALANCE, END OF YEAR | \$ 189,662 | \$ 1,040,000 | \$ 1,229,662 | \$ 1,229,662 |

See accompanying notes

THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Statement of Cash Flows

Year ended December 31, 2006

| | <u>2006</u> | <u>2005</u> |
|---|------------------|------------------|
| CASH FLOWS FROM (USED IN) OPERATING | | |
| ACTIVITIES | | |
| Net expense | \$ - | \$ (332) |
| Adjustment for non cash items | | |
| Amortization of discount on investments | - | (215) |
| Changes in non-cash working capital | | |
| Account receivable | - | 1,417 |
| Accounts payable to Gabriel Dumont Institute of Native Studies and Applied Reseach, Inc. | - | 6,438 |
| Deferred revenue | - | (260) |
| | - | <u>7,048</u> |
| CASH FLOWS (USED IN) FROM INVESTING | | |
| ACTIVITIES | | |
| Purchase of investments | - | (228,545) |
| Redemption of investments | - | <u>207,000</u> |
| | - | <u>(21,545)</u> |
| NET (DECREASE) INCREASE IN CASH | - | <u>(14,497)</u> |
| CASH POSITION, BEGINNING OF YEAR | <u>24,952</u> | <u>39,449</u> |
| CASH POSITION, END OF YEAR | <u>\$ 24,952</u> | <u>\$ 24,952</u> |

See accompanying notes

THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Notes to the Financial Statements

December 31, 2006

1. DESCRIPTION OF BUSINESS

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 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 reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimations.

b) Investments

Investments are recorded at cost. A write-down is recorded if an impairment in value exists that is other than temporary.

c) Revenue recognition

The Foundation 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.

Interest revenue on investments is recorded as it is earned.

THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Notes to the Financial Statements

December 31, 2006

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

d) *Scholarships*

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

e) *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 __%.

f) *Financial instruments*

For certain of the Foundation's financial instruments, including short-term investments, accounts receivable and accounts payable, the carrying amounts approximate fair value due to the immediate or short-term maturity of these items.

3. INVESTMENTS

| | 2006 | | | | |
|------------|----------------|---|------------------------------|-------|--------------------|
| | Interest Rates | Guaranteed Investment Certificates and Treasury Bills | Federal and Provincial Bonds | Total | Total Market Value |
| 2007 | 4.35-5.30 | - | - | - | - |
| 2008 | 4.20-4.55 | - | - | - | - |
| 2009 | 3.95-4.00 | - | - | - | - |
| 2010 | 4.00-5.45 | - | - | - | - |
| Thereafter | 5.08 | - | - | - | - |
| | | \$ - | \$ - | \$ - | \$ - |

THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Notes to the Financial Statements

December 31, 2006

3. INVESTMENTS (continued)

| | 2005 | | | | Total Market Value |
|------------|-------------------|---|------------------------------------|---------------------|--------------------------|
| | Interest Rates | Guaranteed Investment Certificates and Treasury Bills | Federal and Provincial Bonds | Total | |
| 2006 | 3.40-5.80 | 145,748 | 71,794 | 217,542 | 216,737 |
| 2007 | 4.35-5.30 | 58,534 | 93,319 | 151,853 | 153,855 |
| 2008 | 4.20-4.55 | 402,888 | - | 402,888 | 402,887 |
| 2009 | 3.95-4.00 | 133,212 | - | 133,212 | 133,212 |
| 2010 | 4.00-5.45 | 131,542 | 50,242 | 181,784 | 180,631 |
| Thereafter | 5.08 | - | 100,000 | 100,000 | 99,434 |
| | | \$ 871,924 | \$ 315,355 | \$ 1,187,279 | \$ 1,186,756 |

Under the terms of the trust agreement, the Endowment Fund can be invested only in investments which are guaranteed by government either through loan guarantee, 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.

4. SCHOLARSHIPS

The trust agreement restricts the amount of scholarships awarded each year. In 2006, the undergraduate scholarships paid exceeded 15% of the designated return and the entrance scholarships paid exceeded 5% of the designated return and therefore were not within prescribed limits.

5. RELATED PARTY TRANSACTIONS

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

| | 2006 | 2005 |
|-------------------------|------|----------|
| Administrative services | \$ - | \$ 5,433 |
| Advertising | - | 1,055 |

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, 2006, the endowment met this objective.