
Financial statements of
Indspire

March 31, 2018

Independent Auditor's Report	1
Statement of financial position	2
Statement of operations and changes in fund balance – operating fund.....	3
Statement of operations and changes in fund balance – restricted funds	4–7
Statement of cash flows	8
Notes to the financial statements	9–15

Independent Auditor's Report

To the Board of Directors of
Indspire

We have audited the accompanying financial statements of Indspire, which comprise the statement of financial position as at March 31, 2018, the statements of operations, changes in fund balance for the operating and restricted funds, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Indspire as at March 31, 2018 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Deloitte LLP

Chartered Professional Accountants
Licensed Public Accountants
June 27, 2018

Indspire

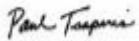
Statement of financial position

As at March 31, 2018

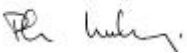
	Notes	2018	2017
		\$	\$
Assets			
Current assets			
Cash and cash equivalents		887,630	573,600
Accounts receivable	4	3,430,235	3,211,884
Prepaid expenses		13,785	85,399
		4,331,650	3,870,883
Investments	6	29,718,803	28,590,481
Capital assets	7	94,061	143,850
		34,144,514	32,605,214
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities	5	4,857,063	4,228,805
Deferred contributions	8	1,700,950	1,968,195
		6,558,013	6,197,000
Commitments	9		
Fund balances			
Operating fund		562,022	403,181
Externally restricted		710,808	633,034
Restricted		26,313,671	25,371,999
		27,586,501	26,408,214
		34,144,514	32,605,214

The accompanying notes are an integral part of the financial statements.

On behalf of the Board



Board Member



Board Member

Indspire

Statement of operations and changes in fund balance - operating fund

Year ended March 31, 2018

	Notes	2018	2017
		\$	\$
Revenue			
Education		16,514,371	13,543,923
Indspire Awards		3,780,693	3,879,500
Indspire Institute (K 12)		3,328,208	3,070,224
Soaring Youth Career Conferences		798,018	693,191
		24,421,290	21,186,838
Expenditures			
Education		2,595,459	2,124,327
Indspire Awards		3,714,032	3,875,999
Indspire Institute (K 12)		3,267,733	3,067,226
Soaring Youth Career Conferences		734,424	688,436
		10,311,648	9,755,988
Excess of revenue over expenditures before awards and scholarships		14,109,642	11,430,850
Awards and scholarships	10	13,898,046	11,416,475
Excess of revenue over expenditures before unrealized gain (loss) on investments		211,596	14,375
Unrealized (loss) gain on investments		(52,755)	121,485
Excess of revenue over expenditures for the year		158,841	135,860
Operating fund balance, beginning of year		403,181	267,321
Operating fund balance, end of year		562,022	403,181

The accompanying notes are an integral part of the financial statements.

Indspire

Statement of operations and changes in fund balance - restricted funds

Year ended March 31, 2018

Notes	Aboriginal Veterans Scholarship Trust	Diana Fowler LeBlanc Aboriginal Social Work Scholarship	Desser Music Scholarship	Royal Bank Award in Memory of Beth Hamilton Bell	Citibank Canada Award for Aboriginal Students	Ontario Aboriginal Partnerships Recognition Award	Robert L. Jamieson Award	Government of Canada Post-Secondary Scholarships	George Blondin Aboriginal Scholarship Award
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revenue									
Investment income	79,267	47,776	5,218	7,286	—	8,031	2,076	1,280,941	700
Donations	1,305	—	—	—	—	—	76,969	—	—
	80,572	47,776	5,218	7,286	—	8,031	79,045	1,280,941	700
Expenditures									
Awards and scholarships ¹⁰	57,800	34,000	11,200	5,950	5,400	6,000	—	357,000	2,140
Excess of revenue over expenditures (expenditures over revenue)	22,772	13,776	(5,982)	1,336	(5,400)	2,031	79,045	923,941	(1,440)
Unrealized (loss) gain on investments	(43,417)	(25,825)	(3,417)	(3,171)	—	(4,338)	(315)	(605,757)	(80)
Excess of revenue over expenditures (expenditures over revenue) for the year	(20,645)	(12,049)	(9,399)	(1,835)	(5,400)	(2,307)	78,730	318,184	(1,520)
Fund balances, beginning of year	1,218,305	742,214	67,159	133,817	5,400	121,140	38,000	22,422,348	22,790
Fund balances, end of year	1,197,660	730,165	57,760	131,982	—	118,833	116,730	22,740,532	21,270
Comprised of									
Endowed	1,166,873	711,819	46,560	128,331	—	112,833	116,730	22,184,612	21,270
Non endowed	30,787	18,346	11,200	3,651	—	6,000	—	555,920	—
	1,197,660	730,165	57,760	131,982	—	118,833	116,730	22,740,532	21,270

The accompanying notes are an integral part of the financial statements.

Indspire

Statement of operations and changes in fund balance - restricted funds (continued)

Year ended March 31, 2018

Notes	Koskie Minsky LLP Scholarship Award	The Canadian Bar Association of British Columbia's Aboriginal Scholarship Trust	Michael McKinnon Justice Award	Ontario Federation Indigenous of Friendship Centres Bursary Awards Program	Northwest Company/Ian Sutherland Scholarship Bursary Award	Leonard G. Flett Bursary in Business and Commerce	Linda Joyce Ganly Scholarship	Gowling WLG Legal Study Award for Indigenous Women	Syncrude Indigenous Engineering Scholarship	Norma Panaro Dietz Bursary	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revenue											
Investment income	1,340	19,629	1,340	1,210	4,300	530	23,541	2,870	2,936	889	1,489,880
Donations	—	—	—	—	—	—	—	—	125,000	600,000	803,274
	1,340	19,629	1,340	1,210	4,300	530	23,541	2,870	127,936	600,889	2,293,154
Expenditures											
Awards and scholarships	2,675	18,000	11,000	10,000	—	—	18,700	4,000	—	20,284	564,149
Excess of revenue over expenditures (expenditures over revenue)	(1,335)	1,629	(9,660)	(8,790)	4,300	530	4,841	(1,130)	127,936	580,605	1,729,005
Unrealized (loss) gain on investments	(806)	(7,566)	(1,091)	(998)	1,270	160	(10,973)	(1,295)	(1,940)	—	(709,559)
Excess of revenue over expenditures (expenditures over revenue) for the year	(2,141)	(5,937)	(10,751)	(9,788)	5,570	690	(6,132)	(2,425)	125,996	580,605	1,019,446
Fund balances, beginning of year	22,938	373,111	51,515	45,981	123,839	15,243	421,461	54,772	125,000	—	26,005,033
Fund balances, end of year	20,797	367,174	40,764	36,193	129,409	15,933	415,329	52,347	250,996	580,605	27,024,479
Comprised of											
Endowed	20,797	351,461	29,764	26,193	129,409	15,933	404,148	50,053	250,996	545,889	26,313,671
Non-Endowed	—	15,713	11,000	10,000	—	—	11,181	2,294	—	34,716	710,808
	20,797	367,174	40,764	36,193	129,409	15,933	415,329	52,347	250,996	580,605	27,024,479

The accompanying notes are an integral part of the financial statements.

Indspire

Statement of operations and changes in fund balances - restricted funds (continued)

Year ended March 31, 2017

Notes	Aboriginal Veterans Scholarship Trust	Diana Fowler LeBlanc Aboriginal Social Work Scholarship	Desser Music Scholarship	Royal Bank Award in Memory of Beth Hamilton Bell	Citibank Canada Award for Aboriginal Students	Ontario Aboriginal Partnerships Recognition Award	Robert L. Jamieson Award	Government of Canada Post-Secondary Scholarships	George Blondin Aboriginal Scholarship Award
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revenue									
Investment income	68,881	41,968	5,153	7,649	456	7,056	127	1,044,244	1,342
Donations	1,483	—	—	—	—	—	37,308	—	—
	70,364	41,968	5,153	7,649	456	7,056	37,435	1,044,244	1,342
Expenditures									
Awards and scholarships	45,000	27,000	11,200	4,800	5,400	5,747	—	—	—
Excess of revenue over expenditures (expenditures over revenue)	25,364	14,968	(6,047)	2,849	(4,944)	1,309	37,435	1,044,244	1,342
Unrealized gain on investments	50,696	31,082	1,918	5,521	576	4,883	565	1,135,081	926
Excess of revenue over expenditures (expenditures over revenue) for the year	76,060	46,050	(4,129)	8,370	(4,368)	6,192	38,000	2,179,325	2,268
Fund balances, beginning of year	1,142,245	696,164	71,288	125,447	9,768	114,948	—	20,243,023	20,522
Fund balances, end of year	1,218,305	742,214	67,159	133,817	5,400	121,140	38,000	22,422,348	22,790
Comprised of									
Endowed	1,150,000	701,821	55,959	126,500	—	115,069	38,000	22,000,000	20,650
Non endowed	68,305	40,393	11,200	7,317	5,400	6,071	—	422,348	2,140
	1,218,305	742,214	67,159	133,817	5,400	121,140	38,000	22,422,348	22,790

The accompanying notes are an integral part of the financial statements.

Indspire

Statement of operations and changes in fund balances - restricted funds (continued)

Year ended March 31, 2017

Notes	Koskie Minsky LLP Scholarship Award	The Canadian Bar Association of British Columbia's Aboriginal Scholarship Trust	Michael McKinnon Justice Award	Ontario Federation of Indigenous Friendship Centres Bursary Awards Program	Northwest Company/Ian Sutherland Scholarship Bursary Award	Leonard G. Flett Bursary in Business and Commerce	Linda Joyce Ganly Scholarship	Gowling WLG Legal Study Award for Indigenous Women	Syncrude Indigenous Engineering Scholarship	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revenue										
Investment income	1,351	18,340	3,421	3,060	7,291	898	20,571	1,605	—	1,233,413
Donations	—	—	—	—	—	—	—	—	125,000	163,791
	1,351	18,340	3,421	3,060	7,291	898	20,571	1,605	125,000	1,397,204
Expenditures										
Awards and scholarships	10	12,013	11,000	10,000	—	—	14,000	—	—	146,160
Excess of revenue over expenditures (expenditures over revenue)	1,351	6,327	(7,579)	(6,940)	7,291	898	6,571	1,605	125,000	1,251,044
Unrealized gain on investments	932	18,045	1,070	939	5,054	619	20,871	3,167	—	1,281,945
Excess of revenue over expenditures (expenditures over revenue) for the year	2,283	24,372	(6,509)	(6,001)	12,345	1,517	27,442	4,772	125,000	2,532,989
Fund balances, beginning of year	20,655	348,739	58,024	51,982	111,494	13,726	394,019	50,000	—	23,472,044
Fund balances, end of year	22,938	373,111	51,515	45,981	123,839	15,243	421,461	54,772	125,000	26,005,033
Comprised of										
Endowed	20,263	354,739	40,515	35,981	123,816	15,243	398,443	50,000	125,000	25,371,999
Non-Endowed	2,675	18,372	11,000	10,000	23	—	23,018	4,772	—	633,034
	22,938	373,111	51,515	45,981	123,839	15,243	421,461	54,772	125,000	26,005,033

The accompanying notes are an integral part of the financial statements.

Indspire

Statement of cash flows

Year ended March 31, 2018

	2018	2017
	\$	\$
Operating activities		
Excess of revenue over expenditures	158,841	135,860
Non-cash items		
Amortization	49,789	51,523
Unrealized loss (gain) on investments - operating fund	52,755	(121,485)
Unrealized loss (gain) on investments - restricted funds	709,559	(1,281,945)
Changes in non-cash working capital balances		
Accounts receivable	(218,351)	(1,333,478)
Prepaid expenses	71,614	(14,480)
Accounts payable and accrued liabilities	628,258	684,243
Deferred contributions	(267,245)	(116,252)
	<u>1,185,220</u>	<u>(1,996,014)</u>
Investing activities		
Increase in investments, net	(1,890,636)	(1,469,369)
Externally restricted endowments	1,019,446	2,532,989
	<u>(871,190)</u>	<u>1,063,620</u>
Change in cash and cash equivalents	314,030	(932,394)
Cash and cash equivalents, beginning of year	573,600	1,505,994
Cash and cash equivalents, end of year	<u>887,630</u>	<u>573,600</u>

The accompanying notes are an integral part of the financial statements.

1. Nature of activities

Indspire is an Indigenous-led registered charity that invests in the education of Indigenous people for the long-term benefit of these individuals, their families and communities, and Canada. With the support of its funding partners, Indspire disburses financial awards, delivers programs, and shares resources with the goal of closing the gap in Indigenous education. Through the *K-12 Indspire Institute*, it provides resources to students, educators, communities, and other stakeholders who are committed to improving kindergarten to grade 12 success for Indigenous youth. In 2017-18, Indspire awarded over \$14.2 million through 4,942 bursaries and scholarships to Indigenous students, making it the largest funder of Indigenous education outside the Federal government. Each year, the organization presents the *Indspire Awards*, an awards celebration of the successes achieved by Indigenous people that is broadcast nationally.

These financial statements have been prepared in accordance with Canadian Accounting Standards for Not-For-Profit Organizations ("ASNPOs").

2. Significant accounting policies

(a) Fund accounting

Indspire follows the restricted fund method of accounting for contributions. The investment assets are used to create and conserve a pool of capital from which Indspire can draw to meet the ongoing needs to provide financial assistance for post-secondary studies through awards and scholarships. Investment decisions are made with the principal objective of the preservation of the principal amount over the long term.

The Operating fund reports unrestricted resources to Indspire.

The Aboriginal Veterans Scholarship Trust Fund is an externally restricted fund established in November 1996. The Government of Canada ("Canada") granted \$1,150,000 to Indspire to be held in a separate trust fund for the specific purpose of establishing the Aboriginal Veterans Scholarship Trust ("AVST") Fund. Scholarships are to be awarded to Indigenous students engaged in programs of study of two or more years in duration at the post-secondary level in accordance with Indspire's policies for the scholarship trust funds, as determined by its Board of Directors from time to time.

The Diana Fowler LeBlanc Aboriginal Social Work Scholarship Fund is an externally restricted fund established in 1998 through the efforts of Her Excellency, Mrs. Diana Fowler LeBlanc. The fund will enable Indigenous students to pursue post-secondary studies in all areas of social work at recognized universities and colleges across Canada.

The Desser Music Scholarship Fund is an externally restricted fund established in 2000. The fund will enable Indigenous students to pursue an undergraduate degree preferably in musical studies at recognized universities and colleges across Canada.

The Royal Bank Award in Memory of Beth Hamilton Bell Fund is an externally restricted fund established in 1998 with an initial contribution of \$125,000. The fund is to be used to award scholarships to Indigenous students in accordance with the agreement and Indspire's policies.

The Citibank Canada Award for Indigenous Students Fund is an externally restricted fund established in 2007. The fund will enable indigenous students to pursue post-secondary studies in Commerce and Business at recognized universities and colleges across Canada.

The Ontario Aboriginal Partnerships Recognition Award Fund is an externally restricted fund established in 2000 with an initial contribution of \$100,000. The fund will enable indigenous students to pursue post-secondary studies in Ontario in business, science and/or technology.

2. Significant accounting policies (continued)

(a) Fund accounting (continued)

The Robert L. Jamieson Award Fund is an externally restricted fund established in 2006. The bursary will be distributed to Indigenous post-secondary students in music or fine arts with financial need.

The Government of Canada Post-Secondary Scholarships Fund was created to provide perpetual annual financial support to Indspire's Education program. This fund has specific investment guidelines. The revenues generated through the investment of the grant are to be used by Indspire to provide bursaries and scholarships to Indigenous post-secondary students. The first allocation of \$12 million was received and invested by Indspire in December 2003. The first scholarships resulting from revenue generated by the endowment were disbursed in fiscal 2006. The second allocation of \$10 million was received and invested by Indspire in April 2007.

The George Blondin Aboriginal Scholarship Award Fund is an externally restricted fund established on July 10, 2007 to provide scholarships and bursaries to Status Indians originating from the North West Territories who are enrolled in post-secondary education programs (college or university) across all disciplines and degrees.

The Koskie Minsky LLP Scholarship Award Fund is an externally restricted fund established on November 28, 2007 to provide scholarships and bursaries to First Nations, Inuit and Métis individuals pursuing post-secondary studies in Law in Canada at a recognized Law School.

The Canadian Bar Association of British Columbia's Aboriginal Scholarship Trust Fund was established on May 1, 2007 to provide scholarships to people of Indigenous descent to assist them to pursue first year studies at either the Faculty of Law of the University of British Columbia or the University of Victoria.

The Michael McKinnon Justice Award Fund is an externally restricted fund established on July 24, 1997 to provide scholarships and bursaries to Indigenous students, who are enrolled or who will be enrolled, in post-secondary studies or training and development programs in the field of Justice.

The Ontario Federation of Indigenous Friendship Centres Bursary Awards Program Fund is an externally restricted fund established on July 12, 2007 to provide bursaries to mature Indigenous women with dependent children residing in urban settings who are enrolled, or will be enrolled, in post-secondary studies or training and development programs.

The Northwest Company/Ian Sutherland Scholarship Bursary Award Fund is an externally restricted fund established on December 1, 2008 to provide bursaries and scholarships to Indigenous students who are enrolled in accredited college and university business administration or retail-related programs, with a preference to Finance and/or Retail students.

The Leonard G. Flett Bursary in Business and Commerce Fund is an externally restricted fund established in 2010. It will be awarded annually to a deserving First Nations, Inuit or Métis student studying in the field of business and commerce. The funds continue to be accumulated until the terms and conditions have been finalized.

The Linda Joyce Ganly Scholarship Fund is an externally restricted fund established on March 31, 2012. This award will be distributed annually up to ten Indigenous post secondary female students. First preference will be given to first year students who are studying the Aboriginal Arts.

The Gowling WLG Legal Study Award for Indigenous Women Fund is an externally restricted fund established on November 11, 2015. This award will be distributed to Indigenous women who are enrolled, or will be enrolled, in accredited, post-secondary legal studies or law school diploma or degree programs in Canada.

2. Significant accounting policies (continued)

(a) Fund accounting (continued)

The Syncrude Indigenous Engineering Scholarship Fund is an externally restricted fund that was established on November 15, 2016. This award will be distributed to Indigenous students who are enrolled, or who will be enrolled, in accredited, post-secondary engineering programs in Canada.

The Norma Panaro Dietz Bursary Fund is an externally restricted fund that was established on January 17, 2018. These bursaries will be distributed to Indigenous students who are enrolled, or who will be enrolled, in accredited, post-secondary programs in the field of visual arts in Canada.

(b) Revenue recognition

Operating grants are recorded as revenue in the period to which they relate. Grants approved but not received at the end of an accounting period are accrued. Where a portion of a grant relates to a future period, it is deferred and recognized in that subsequent period.

Restricted contributions are recognized as revenue of the appropriate restricted fund.

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.

Endowment contributions are recognized as direct increases in endowment net assets.

Contributions for endowments are recognized as revenue in the applicable restricted fund. Investment income earned on restricted resources is recognized as revenue of the applicable restricted fund.

Other investment income is recognized as revenue of the Operating fund.

(c) Cash and cash equivalents

Cash and cash equivalents include cash on hand and short-term deposits which are highly liquid with original maturities of less than three months.

(d) Investments

Investments are recorded at market value to adhere to the financial instruments standards adopted.

(e) Use of estimates

The preparation of the financial statements in conformity with ASNPOs 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 revenues and expenditures during the year. Significant items subject to such estimates and assumptions include the carrying amount of capital assets and the allocation of expenses. Actual results could differ from those estimates.

2. Significant accounting policies (continued)

(f) Capital assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. Assets acquired under capital leases are amortized over the estimated life of the assets or over the lease term, as appropriate. Repairs and maintenance costs are charged to expense. Betterments which extend the estimated life of an asset are capitalized. When a capital asset no longer contributes to the Indspire's ability to provide services, its carrying amount is written down to its residual value.

Capital assets are amortized on the straight-line basis using the following annual rates:

	<u>Rate</u>
Leasehold improvements	<u>over term of the lease</u>

(g) Contributed services

A substantial number of volunteers contribute a significant amount of their time each year. Because of the difficulty of determining the fair value, contributed services by volunteers are not recognized in the financial statements.

Other contributed services are reflected in the financial statements when such services would otherwise have been purchased and their value can be determined.

(h) Financial instruments

Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments that are not in a qualifying hedging relationship and 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. Indspire has not elected to carry any such financial instruments at fair value.

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

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, Indspire 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 and the amount Indspire 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.

2. Significant accounting policies (continued)

(i) *Allocation of expenses*

Indspire records a number of its expenses by program. The costs of each program include the costs of personnel, premises and other expenses that are directly related to providing the program.

Indspire allocates certain general support expenses by identifying the appropriate basis of allocating each expense (refer to the revenue and expense schedules by program for the details). Such allocations are reviewed by management on a regular basis.

3. Bank indebtedness

Indspire has an operating line of credit of \$750,000, increasing to \$1,000,000 for the period January 1 to April 30 annually, bearing interest at the prime rate. As security, Indspire has provided a general assignment of all assets. As at March 31, 2018, the amount drawn against the credit facility was nil (nil in 2017).

4. Accounts receivable

	2018	2017
	\$	\$
Slaight Family Foundation	500,000	—
Province of Ontario	400,000	522,500
Indigenous and Northern Affairs Canada	369,465	502,604
Government of Manitoba	302,500	—
Syncrude Canada Ltd.	250,000	250,000
Canadian Broadcasting Corporation	225,894	—
Canadian Heritage	225,362	—
Aboriginal Peoples Television Network	150,000	150,000
Employment and Social Development Canada	—	400,000
Corus Entertainment Inc.	—	375,000
Other	1,007,014	1,011,780
	3,430,235	3,211,884

5. Accounts payable and accrued liabilities

Included in accounts payable and accrued liabilities are government remittances payable of \$31,889 (\$31,785 in 2017), which includes payroll related taxes.

6. Investments

	2018		2017	
	Cost	Market	Cost	Market
	\$	\$	\$	\$
Cash held with investment manager	1,993,595	1,868,595	757,334	757,334
Exchange traded funds	25,251,440	27,850,208	24,470,285	27,833,147
	27,245,035	29,718,803	25,227,619	28,590,481

7. Capital assets

	2018		
	Cost	Accumulated amortization	Net book value
	\$	\$	\$
Leasehold improvements	215,729	121,668	94,061

	2017		
	Cost	Accumulated amortization	Net book value
	\$	\$	\$
Leasehold improvements	215,729	71,879	143,850

8. Deferred contributions

Deferred contributions related to expenses of future periods represent unspent externally restricted grants and donations for specific programs.

	2018	2017
	\$	\$
Balance, beginning of year	1,968,195	2,084,447
Less: amount recognized as revenue in the year	(1,592,118)	(2,043,508)
Add: amount received related to future periods	1,324,873	1,927,256
	1,700,950	1,968,195

9. Commitments

Indspire has leased office space and other equipment under operating leases. Future minimum lease payments, exclusive of maintenance and realty taxes under the leases, are as follows:

	\$
2019	183,492
2020	93,847
2021	7,516
2022	6,816
2023	3,500
	295,171

10. Awards and scholarships

Awards and scholarships for the year ended March 31, 2018 amounted to \$14,247,848 (\$11,655,878 in 2017). These expenditures have been made through the operating fund in the amount of \$13,898,046 (\$11,416,475 in 2017) and the restricted funds in the amount of \$349,802 (\$239,403 in 2017). Awards and scholarships amounts presented on the statement of operations – restricted fund include administrative fees which are deducted prior to disbursement to the recipients.

11. Pension agreement

Indspire participates in a defined contribution pension plan with eligible employees. Indspire matches contributions up to a maximum of 9% of individual employee gross earnings. A financial institution administers the pension plan assets. During the year, Indspire incurred pension expenses totaling \$111,181 (\$94,167 in 2017).

12. Financial risks

(a) Liquidity risk

Liquidity risk is the risk that Indspire will be unable to fulfill its obligations on a timely basis or at a reasonable cost. Indspire manages its liquidity risk by monitoring its operating requirements. Indspire prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations. There has been no change to the risk exposures from 2016.

(b) Market risk

Market risk is the potential for loss from changes in the value of financial instruments. The value of a financial instrument can be affected by changes in interest rates, foreign exchange rates, equity and commodity prices and credit spreads. Indspire is exposed to market risk in the investments as well as through non-trading activities. Market risk in investment activities is managed by the management of Indspire. Every investment transaction is guided by policy and regulatory limitations. There has been no change to the risk exposures from 2017.

(c) Interest rate risk

Indspire is exposed to interest rate risk on its fixed interest rate financial instruments. Further details about the fixed rate investments are included in Note 6. There has been no change to the risk exposures from 2017.

Supplementary information to
financial statements of
Indspire

March 31, 2018

Report on Supplementary Matter Arising from an Audit Engagement.....	1
Schedules	
Schedule 1 – Schedule of operations – Education.....	2
Schedule 2 – Schedule of operations – Indspire Awards.....	3
Schedule 3 – Schedule of operations – Indspire Institute (K-12)	4
Schedule 4 – Schedule of operations – Soaring Youth Career Conferences	5

Report on Supplementary Matter Arising from an Audit Engagement

To the Board of Directors of
Indspire

At the request of management of Indspire, we have been engaged to report on the attached Schedules 1 to 4 (the "supplementary matter") for the year ended March 31, 2018 (the "other reporting responsibility"). This other reporting responsibility relates to our audit of the financial statements of Indspire for the year ended March 31, 2018 on which we issued our unmodified independent auditor's report on June 20, 2018. Management has prepared the supplementary matter.

This report has been prepared in accordance with Canadian Standard on Related Services (CSRS) 4460, Reports on Supplementary Matters Arising from an Audit or a Review Engagement. Our responsibility is to report on the supplementary matter. This standard requires us to comply with ethical requirements and to plan and perform procedures to address the other reporting responsibility. The procedures were selected based on our professional judgment to enable us to form a basis for this report. The procedures vary in nature from, and are less in extent than, for those required when providing an audit opinion or a review conclusion. Users are cautioned that the procedures performed may not be suitable for their purposes.

Accordingly, we do not express an audit opinion or a review conclusion on the supplementary matter.

In response to the other reporting responsibility, we report that the supplementary matter was derived from the audited financial statements of Indspire for the year ended March 31, 2018.

This report is intended solely for use by Indspire and should not be used by other parties.

Deloitte LLP

Chartered Professional Accountants
Licensed Public Accountants
June 27, 2018

Indspire

Schedule 1 – Schedule of operations – Education

Year ended March 31, 2018

	2018	2017
	\$	\$
Revenue		
Government grants		
Indigenous and Northern Affairs Canada	7,852,100	5,731,881
Health Canada	3,000,000	2,830,000
Province of Ontario	735,444	279,706
Province of Alberta	500,000	200,000
Canadian Heritage	115,000	140,000
Justice Canada	115,000	115,000
Corporate sponsorships	3,786,778	3,820,283
Tickets and donations	245,250	290,110
Donated services and materials	48,314	83,213
Investment	19,213	22,915
Miscellaneous	97,272	30,815
	16,514,371	13,543,923
Expenditures		
Advertising	40,469	31,560
Donated services and materials	48,314	83,213
Insurance	9,555	6,598
Office and general	183,669	131,327
Professional fees	231,377	135,746
Public relations	139,005	124,877
Rent	122,137	76,992
Salaries and management fees	1,624,807	1,348,681
Telephone	27,909	20,454
Travel	168,217	164,879
	2,595,459	2,124,327
Excess of revenue over expenditures before awards and scholarships	13,918,912	11,419,596
Awards and scholarships	13,898,046	11,416,475
Excess of revenue over expenditures	20,866	3,121

Indspire

Schedule 2 – Schedule of operations – Indspire Awards

Year ended March 31, 2017

	2018	2017
	\$	\$
Revenue		
Government grants		
Canadian Heritage	416,000	390,000
Province of Manitoba	300,000	—
Indigenous and Northern Affairs Canada	263,000	113,000
Province of Alberta	25,000	—
Government of Nunavut	25,000	—
Health Canada	—	220,000
Employment and Social Development Canada	—	400,000
Province of British Columbia	—	25,000
Province of Ontario	—	281,475
Corporate Sponsorships	1,118,797	1,236,547
License fees earned	600,000	525,000
Tickets and donations	790,574	398,713
Donated services and materials	84,493	138,260
Investment	68,848	60,948
Miscellaneous	88,981	90,557
	3,780,693	3,879,500
Expenditures		
Advertising	46,339	16,501
Airtime fees	65,000	65,000
Award citations	42,462	34,046
Donated services and materials	19,493	73,260
Facility rental	60,358	87,239
Insurance	29,309	16,720
Office and general	83,744	112,762
Postage and courier	3,462	7,215
Printing, design and program costs	62,048	43,268
Production costs	1,739,359	1,744,648
Professional fees	149,224	132,663
Public relations	76,653	98,421
Reception and catering	190,615	145,821
Rent	49,279	67,783
Salaries	740,327	846,229
Telephone	16,888	25,953
Travel	339,472	358,470
	3,714,032	3,875,999
Excess of revenue over expenditures	66,660	3,501

Indspire

Schedule 3 – Schedule of operations – Indspire Institute (K-12)

Year ended March 31, 2018

	2018	2017
	\$	\$
Revenue		
Government grants		
Indigenous and Northern Affairs Canada	906,900	858,500
Canadian Heritage	107,248	92,752
Province of Ontario	—	50,000
Other government offices	8,600	7,500
Corporate sponsorships	1,810,940	1,474,550
Tickets and donations	339,702	371,519
Donated services and materials	29,552	82,764
Investment	57,640	60,948
Miscellaneous	67,626	71,691
	3,328,208	3,070,224
Expenditures		
Delivery	1,292,622	1,156,663
Donated services and materials	29,552	82,764
Information services	31,286	46,454
Office and general	95,470	77,046
Postage and courier	5,248	8,151
Professional fees	132,073	137,151
Public relations	214,169	156,759
Rent	74,706	76,576
Salaries and management fees	1,316,399	1,257,624
Telephone	17,071	20,344
Travel	59,137	47,694
	3,267,733	3,067,226
Excess of revenue over expenditures	60,475	2,998

Indspire

Schedule 4 – Schedule of operations – Soaring Youth Career Conferences

Year ended March 31, 2018

	2018	2017
	\$	\$
Revenue		
Government grants		
Canadian Heritage	69,000	50,000
Indigenous and Northern Affairs Canada	54,000	54,000
Employment and Social Development Canada	—	2,500
Province of Ontario	—	116,025
Other government offices	28,635	10,500
Corporate sponsorships	423,413	226,130
Tickets and donations	136,041	137,604
Donated services and materials	10,101	24,764
Investment	14,410	14,322
Miscellaneous	62,418	57,346
	798,018	693,191
Expenditures		
Advertising	31,816	27,802
Donated services and materials	10,101	24,763
Equipment rental	27,594	38,956
Hall rental	51,433	41,361
Honorariums	12,198	25,359
Hotel accommodations and meals	121,903	100,548
Information services	10,694	14,306
Office and general	56,200	55,324
Postage and courier	1,794	2,439
Printing design and program costs	50,868	47,352
Professional fees	45,145	39,871
Public relations	1,813	1,644
Rent	25,536	22,912
Salaries and management fees	237,442	199,904
Telephone	5,835	6,087
Travel	44,052	39,808
	734,424	688,436
Excess of revenue over expenditures	63,594	4,755