
Financial statements of Indspire

March 31, 2021

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To the Board of Directors of Indspire:

Opinion

We have audited the financial statements of Indspire (the "Organization"), which comprise the statement of financial position as at March 31, 2021, and the statements of operations and changes in fund balances for the operating and restricted funds, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at March 31, 2021, 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.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Cambridge, Ontario

June 25, 2021

MNP LLP

Chartered Professional Accountants

Licensed Public Accountants

Indspire
Statement of financial position

As at March 31, 2021

	Notes	2021 \$	2020 \$
Assets			
Current Assets			
Cash and cash equivalents		8,898,452	4,299,224
Accounts receivable		2,122,160	4,126,826
Prepaid expenditures		883,521	116,398
		11,904,133	8,542,448
Investments	5	32,023,526	26,906,908
Capital assets	6	147,976	131,101
		44,075,635	35,580,457
Liabilities and fund balances			
Liabilities			
Accounts payable and accrued liabilities	4	6,075,497	6,357,886
Deferred contributions	7	6,219,011	3,465,933
		12,294,508	9,823,819
Commitments	8		
Fund balances			
Operating fund	9	1,888,131	562,073
Externally restricted	9	29,892,996	25,194,565
		31,781,127	25,756,638
		44,075,635	35,580,457

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, 2021

	Notes	2021 \$	2020 \$
Revenue			
Education		22,804,826	19,832,821
Indspire Awards		1,427,119	3,873,479
Student Success		3,242,881	2,762,624
Soaring Youth Career Conferences		601,051	1,060,606
		28,075,877	27,529,530
Expenditures			
Education		3,983,309	3,079,891
Indspire Awards		1,197,628	3,806,284
Student Success		2,999,134	2,717,850
Soaring Youth Career Conferences		379,169	1,041,031
		8,559,240	10,645,056
Excess of revenue over expenditures before awards and scholarships		19,516,637	16,884,474
Awards and scholarships	10	18,585,795	16,711,218
Excess of revenue over expenditures before unrealized gain (loss) on investments		930,842	173,256
Unrealized gain (loss) on investments		395,216	(173,319)
Excess of revenue over expenditures (expenditures over revenue) for the year		1,326,058	(63)
Operating fund balance, beginning of year		562,073	562,136
Operating fund balance, end of year		1,888,131	562,073

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

Indspire

Statement of operations and changes in fund balances - restricted funds

Year ended March 31, 2021

	Aboriginal Veterans Scholarships	Diana Fowler LeBlanc Aboriginal Social Work Scholarships	Desser Music Scholarships	Royal Bank Awards in Memory of Beth Hamilton Bell	Ontario Aboriginal Partnerships Recognition Awards	Robert L. Jamieson Awards	Roberta L. Jamieson Film and Media Arts Bursary	Roberta L. Jamieson Emergency Fund	Roberta L. Jamieson Fund	Government of Canada Post-Secondary Scholarships	George Blondin Aboriginal Scholarships Awards	Koskie Minsky LLP Scholarships Award
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revenue												
Investment income	26,879	16,327	2,115	2,762	2,558	3,342	586	2	-	333,088	759	720
Donations	2,745	-	-	-	-	-	-	250,000	-	-	-	-
Transfer	-	-	-	-	-	(50,000)	-	-	50,000	-	-	-
	29,624	16,327	2,115	2,762	2,558	(46,658)	586	250,002	50,000	333,088	759	720
Expenditures												
Awards and scholarships (note 10)	60,000	36,000	11,200	6,000	6,170	5,600	5,600	-	-	1,200,000	-	-
Excess of revenue over expenditures (expenditures over revenue)	(30,376)	(19,673)	(9,085)	(3,238)	(3,612)	(52,258)	(5,014)	250,002	50,000	(866,912)	759	720
Fund balances, beginning of year	1,074,728	654,222	34,664	118,110	102,670	116,193	22,400	-	-	20,429,364	18,816	17,842
Unrealized gain on investments	219,044	133,584	5,723	23,686	20,871	26,894	2,127	711	-	4,343,161	3,903	3,701
Fund balances, end of year	1,263,396	768,133	31,302	138,558	119,929	90,829	19,513	250,713	50,000	23,905,613	23,478	22,263

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, 2021

	The Canadian Bar Association of British Columbia's Aboriginal Scholarships	Michael McKinnon Justice Awards	Ontario Federation of Indigenous Friendship Centres Bursary Awards Program	Northwest Company/Ian Sutherland Scholarship Bursary Awards	Leonard G. Flett Bursary in Business and Commerce	Linda Joyce Ganly Scholarships	Gowling WLG Legal Study Awards for Indigenous Women	Syncrude Indigenous Engineering Scholarships	Ron Hyde Indigenous Education Award	Norma Panaro Dietz Bursaries	Hilary Pearson Bursaries for Female Indigenous Students	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revenue												
Investment income	7,002	726	13,065	6,074	630	8,852	999	11,739	-	13,304	7,002	458,531
Donations	-	-	23,128	-	1,650	-	-	125,000	60,000	-	-	462,523
Transfer	-	-	-	-	-	-	-	-	-	-	-	-
	7,002	726	36,193	6,074	2,280	8,852	999	136,739	60,000	13,304	7,002	921,054
Expenditures												
Awards and scholarships (note 10)	24,000	11,000	28,000	-	-	20,000	2,500	22,000	-	34,000	10,080	1,482,150
Excess of revenue over expenditures (expenditures over revenue)	(16,998)	(10,274)	8,193	6,074	2,280	(11,148)	(1,501)	114,739	60,000	(20,696)	(3,078)	(561,096)
Fund balances, beginning of year	303,666	17,990	585,398	126,891	15,623	371,145	45,883	464,770	-	493,263	180,927	25,194,565
Unrealized gain on investments	61,322	2,056	84,871	22,681	3,491	76,190	9,343	79,386	-	100,654	36,128	5,259,527
Fund balances, end of year	347,990	9,772	678,462	155,646	21,394	436,187	53,725	658,895	60,000	573,221	213,977	29,892,996

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

Indspire

Statement of operations and changes in fund balances - restricted funds

Year ended March 31, 2020

	Aboriginal Veterans Scholarships \$	Diana Fowler LeBlanc Aboriginal Social Work Scholarships \$	Desser Music Scholarships \$	Royal Bank Awards in Memory of Beth Hamilton Bell \$	Ontario Aboriginal Partnerships Recognition Awards \$	Robert L. Jamieson Awards \$	Roberta L. Jamieson Film and Media Arts Bursary \$	Government of Canada Post- Secondary Scholarships \$	George Blondin Aboriginal Scholarships Awards \$	Koskie Minsky LLP Scholarships Award \$
Revenue										
Investment income	(508)	323	615	628	564	(4,310)	-	(145,157)	(55)	(50)
Donations	2,718	-	200	-	-	9,625	-	-	-	-
Transfer	-	-	-	-	-	(28,000)	28,000	-	-	-
	2,210	323	815	628	564	(22,685)	28,000	(145,157)	(55)	(50)
Expenditures										
Awards and scholarships (note 10)	49,309	29,082	11,200	5,052	6,000	-	5,600	886,528	2,140	2,675
Excess of revenue over expenditures (expenditures over revenue)	(47,099)	(28,759)	(10,385)	(4,424)	(5,436)	(22,685)	22,400	(1,031,685)	(2,195)	(2,725)
Fund balances, beginning of year	1,223,645	745,272	48,892	134,138	118,039	148,437	-	23,204,078	22,717	22,212
Unrealized loss on investments	(101,818)	(62,291)	(3,843)	(11,604)	(9,933)	(9,559)	-	(1,743,029)	(1,706)	(1,645)
Fund balances, end of year	1,074,728	654,222	34,664	118,110	102,670	116,193	22,400	20,429,364	18,816	17,842

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, 2020

	The Canadian Bar Association of British Columbia's Aboriginal Scholarships	Michael McKinnon Justice Awards	Ontario Federation of Indigenous Friendship Centres Bursary Awards Program	Northwest Company/Ian Sutherland Scholarship Bursary Awards	Leonard G. Flett Bursary in Business and Commerce	Linda Joyce Ganly Scholarships	Gowling WLG Legal Study Awards for Indigenous Women	Syncrude Indigenous Engineering Scholarships	Norma Panaro Dietz Bursaries	Hilary Pearson Bursaries for Female Indigenous Students	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revenue											
Investment income	2,210	(24)	(5,225)	(417)	(51)	(3,754)	(642)	(11,065)	(16,128)	(12,679)	(195,725)
Donations	-	-	23,128	-	-	-	-	125,000	56,930	224,846	442,447
Transfer	-	-	-	-	-	-	-	-	-	-	-
	2,210	(24)	17,903	(417)	(51)	(3,754)	(642)	113,935	40,802	212,167	246,722
Expenditures											
Awards and scholarships (note 10)	36,513	11,000	25,000	-	-	16,299	2,306	8,026	127,792	10,080	1,234,602
Excess of revenue over expenditures (expenditures over revenue)	(34,303)	(11,024)	(7,097)	(417)	(51)	(20,053)	(2,948)	105,909	(86,990)	202,087	(987,880)
Fund balances, beginning of year	368,328	31,016	619,953	138,214	17,017	422,893	52,306	383,026	612,275	-	28,312,458
Unrealized loss on investments	(30,359)	(2,002)	(27,458)	(10,906)	(1,343)	(31,695)	(3,475)	(24,165)	(32,022)	(21,160)	(2,130,013)
Fund balances, end of year	303,666	17,990	585,398	126,891	15,623	371,145	45,883	464,770	493,263	180,927	25,194,565

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

Indspire

Statement of cash flows

Year ended March 31, 2021

	2021 \$	2020 \$
Operating activities		
Excess of revenue over expenditures (expenditures over revenue)	1,326,058	(63)
Non-cash items		
Amortization	203,842	175,372
Unrealized loss (gain) on investments - operating fund	(395,216)	173,319
Unrealized loss (gain) on investments - restricted funds	(5,259,527)	2,130,013
Changes in non-cash working capital balances		
Accounts receivable	2,004,666	(1,202,115)
Prepaid expenditures	(767,123)	2,047
Accounts payable and accrued liabilities	(282,389)	1,214,787
Deferred contributions	2,753,078	2,115,041
	(416,611)	4,608,401
Investing activities		
Decrease in investments, net	538,125	1,058,915
Externally restricted endowments	4,698,431	(3,117,893)
Purchase of capital assets	(220,717)	(262,201)
	5,015,839	(2,321,179)
Change in cash and cash equivalents	4,599,228	2,287,222
Cash and cash equivalents, beginning of year	4,299,224	2,012,002
Cash and cash equivalents, end of year	8,898,452	4,299,224

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

1. Nature of activities

Indspire is a national Indigenous registered charity that invests in the education of First Nations, Inuit and Métis 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. It provides resources to First Nations, Inuit and Métis students, educators, communities, and other stakeholders who are committed to improving educational success for Indigenous youth. In 2020-21, Indspire awarded over \$20 million through 6,245 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 broadcasted nationally. Indspire is exempt from both Federal and Provincial incomes taxes.

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 Scholarships 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 Scholarships 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 Scholarships 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 Awards 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 Ontario Aboriginal Partnerships Recognition Awards 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 Funds 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 Roberta L. Jamieson Film and Media Arts Bursary is an externally restricted fund established on October 20, 2019. One bursary will be distributed annually to one Indigenous student enrolled in the Film or Media Arts fields of studies.

The Roberta L. Jamieson Emergency Fund is an externally restricted fund established in 2021 to assist Indigenous post-secondary students that may experience hardships through their academic career.

The Roberta L. Jamieson Fund is an externally restricted fund established in 2021. These funds are reserved for future use to support Indigenous students in the creation of a future matching challenge or by adding to the Roberta L. Jamieson Emergency Fund.

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 Awards 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 Awards 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 Scholarships 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 Awards 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 Fund consists of three funds that are externally restricted fund established on March 1, 2018. The Bill Messenger Scholarship will be distributed annually to urban Indigenous males who volunteer regularly in a Friendship Centre and are enrolled in an accredited post-secondary institution. The Strong Women's Scholarships will be distributed annually to Indigenous females with dependents living in an urban area in Ontario and are enrolled in an accredited post-secondary institution. The Akwe:go Longitudinal Study bursaries will be awarded to program study participants.

2. Significant accounting policies (continued)*(a) Fund accounting (continued)*

The Northwest Company/Ian Sutherland Scholarship Bursary Awards 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 is an externally restricted fund established in 2010. It will be awarded annually to Indigenous post-secondary students with a demonstrated financial need for a contribution to education costs.

The Linda Joyce Ganly Scholarships 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 Awards 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.

The Syncrude Indigenous Engineering Scholarships 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 Rod Hyde Indigenous Education Award is an externally restricted fund that was established on December 22, 2020 by Syncrude Canada Ltd. This award will be distributed to Indigenous students from the Wood Buffalo Region who are enrolled, or who will be enrolled full-time in a two or more years degree or diploma program, with a preference for those in education or sport/recreation fields.

The Norma Panaro Dietz Bursaries 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.

The Hilary Pearson Bursaries for Female Indigenous Students fund is an externally restricted fund established on June 6, 2019. This bursary will be distributed annually to female Indigenous student(s) who are attending post-secondary institutions (i.e. college, university, technical college, or apprenticeship program) with demonstrated financial need for contribution to education costs.

2. Significant accounting policies (continued)*(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 unrestricted 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 expenditures. Actual results could differ from those estimates.

(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 expenditures. 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.

Leasehold improvements are amortized on the straight-line basis over the term of the lease. Information technology is amortized on the straight-line basis over three years.

2. Significant accounting policies (continued)

(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.

(i) Allocation of expenditures

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

Indspire allocates certain general support expenditures by identifying the appropriate basis of allocating each expenditure (refer to the revenue and expenditures 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 plus 1.50%. As security, Indspire has provided a general assignment of all assets. As at March 31, 2021, the amount drawn against the credit facility was \$nil (\$nil in 2020).

Indspire**Notes to the financial statements**

March 31, 2021

4. Accounts payable and accrued liabilities

Included in accounts payable and accrued liabilities are government remittances payable of \$37,695 (\$19,993 in 2020), which includes payroll related taxes.

5. Investments

	2021		2020	
	Cost	Market	Cost	Market
	\$	\$	\$	\$
Cash held with investment manager	580,950	580,950	1,885,005	1,885,005
Exchange traded funds	26,942,997	31,442,576	28,386,242	25,021,903
	27,523,947	32,023,526	30,271,247	26,906,908

6. Capital assets

	Cost	Accumulated amortization	2021 Net book value
	\$	\$	\$
Information technology	482,918	334,942	147,976

	Cost	Accumulated amortization	2020 Net book value
	\$	\$	\$
Leasehold improvements	215,729	215,729	-
Information technology	262,201	131,100	131,101
	477,930	346,829	131,101

During 2021, amortization of \$203,842 (2020 - \$175,372) was recognized in the statement of operations.

7. Deferred contributions

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

	2021	2020
	\$	\$
Balance, beginning of year	3,465,933	1,350,892
Less: amount recognized as revenue in the year	(2,247,120)	(1,223,512)
Add: amount received related to future periods	5,000,198	3,338,553
Balance, end of year	6,219,011	3,465,933

8. 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:

	\$
2022	210,876
2023	100,056
2024	78,216
	<u>389,148</u>

9. Fund balances

The operating surplus funds are for use against unforeseen events, adverse financial conditions, reduced funding, interruptions in funding and temporary cash fluctuations. This surplus is supported by amounts held in investments.

Externally restricted funds are those funds that are set aside for Scholarships and Bursaries as per the terms of the fund sponsor agreements. These funds are supported by amounts held in investments.

10. Awards and scholarships

Awards and scholarships for the year ended March 31, 2021 amounted to \$20,013,012 (\$17,737,612 in 2020). These expenditures have been made through the operating fund in the amount of \$18,585,795 (\$16,711,218 in 2020) and the restricted funds in the amount of \$1,427,217 (\$1,026,394 in 2020). Awards and scholarships amounts presented on the statement of operations and changes in fund balances – 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 expenditures totaling \$125,748 (\$121,383 in 2020).

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 2020.

(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 held 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 2020.

(c) Interest rate risk

Indspire is exposed to interest rate risk on its fixed interest rate financial instruments which are included in Note 5. There has been no change to the risk exposures from 2020.

13. COVID-19

The impact of COVID-19 in Canada and on the global economy has caused significant disruption to organizations. As the impacts of COVID-19 continue, there could be further impact on Indspire, its funders and donors. Management is actively monitoring the effect on its financial condition, liquidity, operations, suppliers, industry and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, Indspire is not able to fully estimate the effects of the COVID-19 outbreak on the results of its operations, financial condition, or liquidity at this time.

14. Comparative figures

Certain comparative figures have been reclassified to conform with current year presentation.

Supplementary information to
financial statements of
Indspire

March 31, 2021

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Report on Supplementary Matters 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, 2021 (the “other reporting responsibility”). This other reporting responsibility relates to our audit of the financial statements of Indspire for the year ended March 31, 2021 on which we issued our report dated June 25, 2021. 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, 2021.

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

Cambridge, Ontario

June 25, 2021



Chartered Professional Accountants

Licensed Public Accountants

Indspire
Schedule 1 – Schedule of operations – Education
Year ended March 31, 2021

	2021 \$	2020 \$
Revenue		
Government grants		
Indigenous Service Canada	57,381	8,192,005
Canadian Heritage	30,000	30,000
Employment and Social Development Canada	11,198,709	3,015,941
Canada Post	60,000	-
Justice Canada	115,000	115,000
New Relationship Trust	120,000	-
Province of Alberta	214,000	100,000
Province of Ontario	1,913,357	1,372,857
Corporate sponsorships	6,590,550	6,182,426
Tickets and donations	2,169,250	625,226
Donated services and materials	259,724	-
Investment	14,363	11,951
Miscellaneous	62,492	187,415
	22,804,826	19,832,821
Expenditures		
Advertising	35,849	15,788
Donated services and materials	259,724	-
Insurance	13,585	10,031
Office and general	493,798	367,889
Professional fees	505,792	278,201
Public relations	257,379	207,484
Rent	177,598	131,278
Salaries and management fees	2,193,246	1,942,055
Telephone	34,265	34,189
Travel	12,073	92,976
	3,983,309	3,079,891
Excess of revenue over expenditures before awards and scholarships	18,821,517	16,752,930
Awards and scholarships	18,585,795	16,711,218
Excess of revenue over expenditures	235,722	41,712

Indspire**Schedule 2 – Schedule of operations – Indspire Awards**

Year ended March 31, 2021

	2021	2020
	\$	\$
Revenue		
Government grants		
Indigenous Service Canada	-	179,000
Canadian Heritage	370,000	345,000
Employment and Social Development Canada	158,000	-
Province of Ontario	-	50,000
Government of Nunavut	-	25,000
Corporate sponsorships	-	1,164,000
License fees earned	-	650,000
Tickets and donations	776,872	1,329,683
Donated services and materials	39,796	65,000
Investment	28,102	22,469
Miscellaneous	54,349	43,327
	1,427,119	3,873,479
Expenditures		
Advertising	30,569	53,875
Airtime fees	-	65,000
Award citations	22,136	51,307
Donated services and materials	39,796	-
Facility rental	7,176	90,150
Insurance	7,874	44,558
Office and general	70,513	98,519
Postage and courier	1,031	1,525
Printing, design and program costs	4,043	36,298
Production costs	287,804	1,918,076
Professional fees	180,241	150,313
Public relations	47,026	79,769
Reception and catering	7,031	190,626
Rent	27,213	37,895
Salaries	450,086	623,751
Telephone	5,768	18,812
Travel	9,321	345,810
	1,197,628	3,806,284
Excess of revenue over expenditures	229,491	67,195

Indspire**Schedule 3 – Schedule of operations – Student Success**

Year ended March 31, 2021

	2021	2020
	\$	\$
Revenue		
Government grants		
Indigenous Service Canada	-	351,000
Employment and Social Development Canada	976,161	186,602
Other government offices	5,500	17,500
Corporate sponsorships	1,750,982	1,814,241
Tickets and donations	349,367	368,083
Donated services and materials	92,160	-
Investment	14,363	8,605
Miscellaneous	54,348	16,593
	3,242,881	2,762,624
Expenditures		
Delivery	686,829	901,127
Donated services and materials	92,160	-
Information services	111,697	96,944
Office and general	67,704	77,911
Postage and courier	2,387	2,613
Professional fees	187,006	147,515
Public relations	145,815	195,394
Rent	63,019	64,962
Salaries and management fees	1,626,075	1,172,956
Telephone	12,159	16,918
Travel	4,283	41,510
	2,999,134	2,717,850
Excess of revenue over expenditures	243,747	44,774

Indspire**Schedule 4 – Schedule of operations – Soaring Youth Career Conferences**

Year ended March 31, 2021

	2021	2020
	\$	\$
Revenue		
Government grants		
Indigenous Service Canada	-	237,000
Canadian Heritage	-	25,000
Other government offices	-	40,100
Corporate sponsorships	-	462,859
Tickets and donations	562,163	205,698
Donated services and materials	27,229	-
Investment	5,620	4,781
Miscellaneous	6,039	85,168
	601,051	1,060,606
Expenditures		
Advertising	1,976	32,762
Donated services and materials	27,229	-
Equipment rental	-	53,156
Hall rental	-	94,439
Honorariums	-	16,580
Hotel accommodations and meals	-	93,137
Information services	33,788	55,588
Office and general	41,838	99,476
Postage and courier	705	1,470
Printing design and program costs	799	29,086
Professional fees	53,027	77,287
Public relations	1,330	3,734
Rent	18,619	36,541
Salaries and management fees	195,000	393,724
Telephone	3,592	9,516
Travel	1,266	44,535
	379,169	1,041,031
Excess of revenue over expenditures	221,882	19,575