
Financial statements of Indspire

March 31, 2022

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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, 2022, 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, 2022, 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 24, 2022

MNP LLP

Chartered Professional Accountants

Licensed Public Accountants

Indspire
Statement of financial position

As at March 31, 2022

	Notes	2022 \$	2021 \$
Assets			
Current Assets			
Cash and cash equivalents		15,914,467	8,898,452
Accounts receivable		2,847,209	2,122,160
Prepaid expenditures		712,154	883,521
		19,473,830	11,904,133
Investments	5	30,827,504	32,023,526
Capital assets	6	73,988	147,976
		50,375,322	44,075,635
Liabilities and fund balances			
Liabilities			
Accounts payable and accrued liabilities	4	9,389,739	6,075,497
Deferred contributions	7	7,942,612	6,219,011
		17,332,351	12,294,508
Commitments	8		
Contingent liability	13		
Fund balances			
Operating	9	2,838,767	1,888,131
Internally restricted	9	1,500,000	-
Externally restricted	9	28,704,204	29,892,996
		33,042,971	31,781,127
		50,375,322	44,075,635

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

On behalf of the Board

Peter Lukasiewicz
 Peter Lukasiewicz (Jun 28, 2022 09:36 EDT)

, Board Member

Paul Tsaparis
 Paul Tsaparis (Jul 26, 2022 21:59 EDT)

, Board Member

Indspire**Statement of operations and changes in fund balance - operating fund**

Year ended March 31, 2022

	Notes	2022 \$	2021 \$
Revenue			
Education		27,667,660	22,804,826
Indspire Awards		2,240,880	1,427,119
Student Success		3,563,536	3,242,881
Soaring Youth Career Conferences		894,956	601,501
		34,367,032	28,075,877
Expenditures			
Education		4,387,071	3,983,309
Indspire Awards		1,919,247	1,197,628
Student Success		3,237,460	2,999,134
Soaring Youth Career Conferences		576,494	379,169
		10,120,272	8,559,240
Excess of revenue over expenditures before awards and scholarships		24,246,760	19,516,637
Awards and scholarships	10	21,471,309	18,585,795
Excess of revenue over expenditures before unrealized gain (loss) on investments		2,775,451	930,842
Unrealized gain (loss) on investments		(324,815)	395,216
Excess of revenue over expenditures		2,450,636	1,326,058
Operating fund balance, beginning of year		1,888,131	562,073
Transfer to internally restricted fund		(1,500,000)	-
Operating fund balance, end of year		2,838,767	1,888,131

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, 2022

	Aboriginal Veterans Scholarships	Aboriginal Veterans Scholarships	Diana 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	Robert L. Jamieson Film and Media Arts Bursary	Robert L. Jamieson Emergency Fund	Robert L. Jamieson Fund	Government Of Canada Post-Secondary Scholarships	George Blondin Aboriginal Scholarships	Koskie Minsky LLP Scholarships Award
Revenue													
Investment Income	181,909		110,620	5,142	19,504	18,800	9,270	2,135	364	6,141	3,553,552	3,405	3,180
Donations	5,174	-	-	-	-	-	-	-	41,175	-	-	-	-
	187,083	110,620	110,620	5,142	19,504	18,800	9,270	2,135	41,539	6,141	3,553,552	3,405	3,180
Expenditures													
Awards and scholarships (note 10)	75,000	44,000		11,200	5,300	6,000	5,600	5,600	50,025	-	1,350,000	2,140	2,675
Excess of revenue over expenditures (expenditures over revenue)	112,083	66,620		(6,058)	14,204	12,800	3,670	(3,465)	(8,486)	6,141	2,203,552	1,265	505
Fund balances, beginning 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
Unrealized gain (loss) on investments	(175,547)	(106,650)		(4,008)	(19,878)	(14,758)	(15,956)	(2,233)	7,125	(431)	(3,522,517)	(3,124)	(2,962)
Fund balances, end of year	1,199,932	728,103		21,236	132,884	117,971	78,543	13,815	249,352	55,710	22,586,648	21,619	19,806

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, 2022

	The Canadian Bar Association of British Columbia's Aboriginal Scholarship	Michael McKinnon Justice Award	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	Gowlings WLG Legal Study Award for Indigenous Women	Synchrude Indigenous Engineering Scholarships	Rod Hyde Indigenous Education Award	Norma Pataro Dietz Bursaries	Hillary Pearson Bursaries For Female Indigenous Students
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revenue											
Investment Income	50,245	1,291	52,637	16,890	2,855	58,487	6,332	50,278	6,100	62,049	14,762
Donations	-	-	23,128	-	-	-	-	-	-	-	-
	50,245	1,291	75,765	16,890	2,855	58,487	6,332	50,278	6,100	62,049	14,762
Expenditures											
Awards and scholarships (note 10)	24,000	9,772	25,000	-	4,838	25,000	3,725	28,000	2,240	34,000	10,080
	26,245	(8,481)	50,765	16,890	(1,983)	33,487	2,607	22,278	3,860	28,049	4,682
Excess of revenue over over revenue)											
Fund balances, beginning of year	347,990	9,772	678,462	155,646	21,394	436,187	53,725	658,895	60,000	573,221	213,977
Unrealized gain (loss) on investments	(44,722)	(1,291)	(60,772)	(17,439)	(2,843)	(59,051)	(6,526)	(47,282)	-	(62,691)	(15,216)
Fund balances, end of year	329,513	-	668,455	155,097	16,568	410,623	49,806	633,891	63,860	538,579	203,443

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, 2022

	Grand Chief Billy Diamond Scholarship	John Bernard Kennedy Bursary	Total
	\$	\$	\$
Revenue			
Investment Income	7,975	725	4,244,648
Donations	150,050	260,000	479,527
	158,025	260,725	4,724,175
Expenditures			
Awards and scholarships (note 10)	-	10,000	1,734,195
	158,025	250,725	2,989,980
Excess of revenue over over revenue)			
Fund balances, beginning of year	-	-	29,892,996
Unrealized gain (loss) on investments	-	-	(4,178,772)
Fund balances, end of year	158,025	250,725	28,704,204

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 Gairly Scholarships	Gowlings WLG Legal Study Awards for Indigenous Women	Syncrude Indigenous Engineering Scholarships	Syncrude 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 cash flows**

Year ended March 31, 2022

	2022	2021
	\$	\$
Operating activities		
Excess of revenue over expenditures	2,450,636	1,326,058
Non-cash items		
Amortization	73,988	203,842
Unrealized loss (gain) on investments - operating fund	324,815	(395,216)
Unrealized loss (gain) on investments - restricted funds	4,178,772	(5,259,527)
Changes in non-cash working capital balances		
Accounts receivable	(725,049)	2,004,666
Prepaid expenditures	171,367	(767,123)
Accounts payable and accrued liabilities	3,314,242	(282,389)
Deferred contributions	1,723,601	2,753,078
	11,512,372	(416,611)
Investing activities		
Decrease (increase) in investments, net	(3,307,565)	538,125
Externally restricted endowments	(1,188,792)	4,698,431
Purchase of capital assets	-	(220,717)
	(4,496,357)	5,015,839
Change in cash and cash equivalents	7,016,015	4,599,228
Cash and cash equivalents, beginning of year	8,898,452	4,299,224
Cash and cash equivalents, end of year	15,914,467	8,898,452

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

1. Nature of activities

Indspire ("the Organization") 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 2021-22, Indspire awarded over \$23 million through 6,612 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 Awards 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 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 in Business and Commerce 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.

The Grand Chief Billy Diamond Scholarship fund is an externally restricted fund established on May 4, 2021. This award will be distributed annually to an Indigenous student who is attending a post-secondary institution in Canada (i.e. college, university, technical college, or apprenticeship program) with demonstrated financial need for contribution to education costs.

The John Bernard Kennedy Bursary fund is an externally restricted fund established on December 20, 2021. This bursary will be distributed annually to provide support to Indigenous students who are enrolled in accredited a post-secondary program in Canada. Demonstrated financial need is the award's primary consideration, other factors may also be considered, including community service and academic achievement.

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 one year.

(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

The Organization recognizes financial instruments when the Organization becomes party to the contractual provisions of the financial instrument.

Arm's length financial instruments

Financial instruments originated/acquired or issued/assumed in an arm's length transaction ("arm's length financial instruments") are initially recorded at their fair value.

At initial recognition, the Organization may irrevocably elect to subsequently measure any arm's length financial instrument at fair value. The Organization has not made such an election during the year.

Investments in equity instruments not quoted in an active market and derivatives that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, are subsequently measured at cost less impairment. With the exception of financial liabilities indexed to a measure of the Organization's performance or value of its equity and those instruments designated at fair value, all other financial assets and liabilities are subsequently measured at amortized cost.

Transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of related party financial instruments are immediately recognized in excess of revenue over expenditures.

Financial asset impairment

The Organization assesses impairment of all its financial assets measured at cost or amortized cost. The Organization groups assets for impairment testing when available information is not sufficient to permit identification of each individually impaired financial asset in the group; there are numerous assets affected by the same factors; no asset is individually significant. Management considers whether the issuer is having significant financial difficulty, and whether there has been a breach in contract, such as a default or delinquency in interest or principal payments, in determining whether objective evidence of impairment exists. When there is an indication of impairment, the Organization determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year.

The Organization reduces the carrying amount of any impaired financial assets to the highest of: the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets at the statement of financial position date; and the amount expected to be realized by exercising any rights to collateral held against those assets.

2. Significant accounting policies (continued)

Financial instruments (continued from previous page)

Any impairment, which is not considered temporary, is included in current year excess of revenue over expenditures.

The Organization reverses impairment losses on financial assets when there is a decrease in impairment and the decrease can be objectively related to an event occurring after the impairment loss was recognized. The amount of the reversal is recognized in excess of revenue over expenditures in the year the reversal occurs.

(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, 2022, the amount drawn against the credit facility was \$nil (\$nil in 2021).

4. Accounts payable and accrued liabilities

Included in accounts payable and accrued liabilities are government remittances payable of \$57,144 (\$37,695 in 2021), which includes payroll related taxes.

5. Investments

	2022		2021	
	Cost	Market	Cost	Market
	\$	\$	\$	\$
Cash held with investment manager	623,566	623,566	580,950	580,950
Exchange traded funds	30,199,862	30,203,938	26,942,997	31,442,576
	30,823,428	30,827,504	27,523,947	32,023,526

6. Capital assets

	Cost \$	Accumulated amortization \$	2022 Net book value \$
Information technology	482,918	408,930	73,988

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

During 2022, amortization of \$73,988 (2021 - \$203,842) was recognized in the statement of operations.

7. Deferred contributions

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

	2022 \$	2021 \$
Balance, beginning of year	6,219,011	3,465,933
Less: amount recognized as revenue in the year	(5,020,394)	(2,247,120)
Add: amount received related to future periods	6,743,995	5,000,198
Balance, end of year	7,942,612	6,219,011

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:

	\$
2023	110,616
2024	78,216
	188,832

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.

Internally restricted funds are set aside for scholarships and bursaries.

10. Awards and scholarships

Awards and scholarships for the year ended March 31, 2022 amounted to \$23,151,327 (\$20,013,012 in 2021). These expenditures have been made through the operating fund in the amount of \$21,471,309 (\$18,585,795 in 2021) and the restricted funds in the amount of \$1,680,018 (\$1,427,217 in 2021). 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 expenses totaling \$134,348 (\$125,748 in 2021).

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 2021.

(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 2021.

(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 an increase in risk exposure due to economic conditions and rising interest rates from 2021.

13. Contingent liability

The Organization is involved in a legal employment matter, the outcome of which is still on-going. The potential liability related to this legal matter will be accounted for in the year the matter is resolved.

14. 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

Supplementary information to financial statements of **Indspire**

March 31, 2022

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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, 2022 (the “other reporting responsibility”). This other reporting responsibility relates to our audit of the financial statements of Indspire for the year ended March 31, 2022 on which we issued our report dated June 24, 2022. 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, 2022.

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

MNP LLP

Cambridge, Ontario

June 24, 2022

Chartered Professional Accountants

Licensed Public Accountants

MNP LLP

600, 73 Water Street N, Cambridge ON, N1R 7L6

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Indspire**Schedule 1 – Schedule of operations – Education**

Year ended March 31, 2022

	2022 \$	2021 \$
Revenue		
Government grants		
Indigenous Services Canada	42,770	57,381
Canadian Heritage	30,000	30,000
Employment and Social Development Canada	11,000,000	11,198,709
Canada Post	60,000	60,000
Justice Canada	115,000	115,000
New Relationship Trust	-	120,000
Province of Alberta	50,000	214,000
Province of Ontario	238,786	1,913,357
Other government offices	36,200	-
Corporate sponsorships	9,537,342	6,590,550
Tickets and donations	6,078,001	2,169,250
Donated services and materials	13,467	259,724
Investment	309,615	14,363
Miscellaneous	156,478	62,492
	27,667,659	22,804,826
Expenditures		
Advertising	68,776	35,849
Donated services and materials	13,467	259,724
Insurance	16,041	13,585
Office and general	628,551	493,798
Professional fees	316,158	505,792
Public relations	453,538	257,379
Rent	213,599	177,598
Salaries and management fees	2,617,983	2,193,246
Telephone	30,895	34,265
Travel	28,062	12,073
	4,387,069	3,983,309
Excess of revenue over expenditures before awards and scholarships	23,280,590	18,821,517
Awards and scholarships	21,471,309	18,585,795
Transfer to internally restricted fund	1,500,000	-
Excess of revenue over expenditures	309,281	235,722

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

Year ended March 31, 2022

	2022 \$	2021 \$
Revenue		
Government grants		
Canadian Heritage	350,000	370,000
Employment and Social Development Canada	175,425	158,000
Corporate Sponsorships	710,500	-
License fees earned	650,000	-
Tickets and donations	279,934	776,872
Donated services and materials	65,955	39,796
Investment	6,651	28,102
Miscellaneous	2,415	54,349
	2,240,880	1,427,119
Expenditures		
Advertising	67,112	30,569
Award citations	34,227	22,136
Donated services and materials	65,955	39,796
Facility rental	1,196	7,176
Insurance	17,267	7,874
Office and general	40,700	70,513
Postage and courier	931	1,031
Printing, design and program costs	15,398	4,043
Production costs	1,111,356	287,804
Professional fees	112,477	180,241
Public relations	59,190	47,026
Reception and catering	9,682	7,031
Rent	15,143	27,213
Salaries and management fees	348,628	450,086
Telephone	3,027	5,768
Travel	16,959	9,321
	1,919,248	1,197,628
Excess of revenue over expenditures	321,632	229,491

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

Year ended March 31, 2022

	2022 \$	2021 \$
Revenue		
Government grants		
Employment and Social Development Canada	891,756	976,161
Province of Ontario	94,617	-
Other government offices	1,250	5,500
Corporate sponsorships	2,372,371	1,750,982
Tickets and donations	188,987	349,367
Donated services and materials	3,676	92,160
Investment	7,981	14,363
Miscellaneous	2,898	54,348
	3,563,536	3,242,881
Expenditures		
Delivery	817,634	686,829
Donated services and materials	3,676	92,160
Information services	86,555	111,697
Office and general	88,649	67,704
Postage and courier	3,583	2,387
Professional fees	91,948	187,006
Public relations	213,407	145,815
Rent	58,312	63,019
Salaries and management fees	1,857,601	1,626,075
Telephone	8,434	12,159
Travel	7,661	4,283
	3,237,460	2,999,134
Excess of revenue over expenditures	326,076	243,747

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

Year ended March 31, 2022

	2022 \$	2021 \$
Revenue		
Government grants		
Canadian Heritage	20,000	-
Employment and Social Development Canada	155,875	-
Other government offices	24,500	-
Corporate sponsorships	468,000	-
Tickets and donations	151,946	562,163
Donated services and materials	1,303	27,229
Investment	8,314	5,620
Miscellaneous	65,019	6,039
	894,957	601,051
Expenditures		
Advertising	54,932	1,976
Donated services and materials	1,303	27,229
Hall rental	37,156	-
Honorariums	12,927	-
Hotel accommodations and meals	868	-
Information services	31,255	33,788
Office and general	69,293	41,838
Postage and courier	1,270	705
Printing design and program costs	80,590	799
Professional fees	30,580	53,027
Public relations	3,801	1,330
Rent	20,660	18,619
Salaries and management fees	225,915	195,000
Telephone	2,988	3,592
Travel	2,957	1,266
	576,495	379,169
Excess of revenue over expenditures	318,462	221,882