

**Financial Information Act (FIA)**

**INNOVATE BC**  
(FORMERLY “BRITISH COLUMBIA INNOVATION COUNCIL”)

Year ended March 31, 2018

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**INNOVATE BC**

**STATEMENT OF FINANCIAL INFORMATION APPROVAL**

The undersigned represents the Board of Directors of Innovate BC and approves all the statements and schedules included in this Statement of Financial Information produced under the Financial Information Act.



Alan Shaver  
Chair, Board of Directors

**INNOVATE BC**  
**MANAGEMENT REPORT**  
**FISCAL YEAR ENDED MARCH 31, 2018**

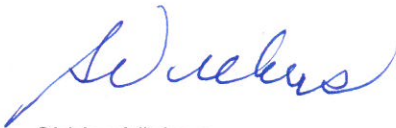
The Financial Statements contained in this Statement of Financial Information under the *Financial Information Act* has been prepared by management in accordance with Public Sector Accounting Standards, and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all the statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements.

Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.


The Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and exercises this responsibility through the Audit and Finance Committee of the Board. The Audit and Finance Committee meets with management and the external auditors at least once a year.

The external auditors, KPMG, conduct an independent examination, in accordance with generally accepted auditing standards, and express their opinion on the financial statements. Their examination does not relate to the other schedules and statements required by the Act. Their examination includes a review and evaluation of Innovate BC's system of internal controls and appropriate tests and procedures to provide reasonable assurance that the financial statements are presented fairly. The external auditors have full and free access to the Audit and Finance Committee of the Board and meet with them on a regular basis.

On behalf of Innovate BC



Shirley Vickers  
Chief Executive Officer



Jennie Choboter  
Chief Financial Officer

Financial Statements of

**INNOVATE BC**

(FORMERLY “BRITISH COLUMBIA INNOVATION COUNCIL”)

Year ended March 31, 2018



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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors and the Minister of Jobs, Trade and Technology of British Columbia

We have audited the accompanying financial statements of Innovate BC (formerly "British Columbia Innovation Council"), which comprise the statement of financial position as at March 31, 2018, the statements of operations and accumulated surplus, changes in net financial assets and cash flows for the year then ended, and notes, comprising 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 public sector accounting standards, 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.

### *Auditors' 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 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 Innovate BC as at March 31, 2018 and its results of operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

*KPMG LLP*

Chartered Professional Accountants

May 3, 2018  
Burnaby, Canada

# INNOVATE BC

(FORMERLY "BRITISH COLUMBIA INNOVATION COUNCIL")

## Statement of Financial Position

March 31, 2018, with comparative information for 2017

	2018	2017
<b>Financial Assets</b>		
Cash and cash equivalents:		
Unrestricted	\$ 1,026,983	\$ 1,713,031
Restricted - deferred programs (note 6)	1,045,332	1,168,351
Restricted - NRAS endowment (note 7)	2,039,526	957,954
	<u>4,111,841</u>	<u>3,839,336</u>
Investments:		
Unrestricted (note 3)	5,958,017	6,031,147
Restricted - deferred programs (notes 3 and 6)	3,422,552	3,051,237
Restricted - NRAS endowment (notes 3 and 7)	2,267,843	3,716,246
	<u>11,648,412</u>	<u>12,798,630</u>
Accounts receivable	80,466	95,568
	<u>15,840,719</u>	<u>16,733,534</u>
<b>Liabilities</b>		
Accounts payable and accrued liabilities	767,567	1,620,456
Deferred program revenues (note 6)	4,467,884	4,219,588
Deferred revenue from NRAS endowment (note 7)	4,307,369	4,674,200
	<u>9,542,820</u>	<u>10,514,244</u>
<b>Net Financial Assets</b>	<b>6,297,899</b>	<b>6,219,290</b>
<b>Non-Financial Assets</b>		
Restricted - NRAS endowment:		
Investments (notes 3 and 7)	50,000,000	50,000,000
Tangible capital assets (note 4)	156,812	208,286
Prepaid expenses	61,539	66,890
	<u>50,218,351</u>	<u>50,275,176</u>
Accumulated surplus (note 5)	<u>\$ 56,516,250</u>	<u>\$ 56,494,466</u>

Commitments (note 8)  
Contractual obligations (note 9)  
Contractual rights (note 10)  
Employee future benefits (note 11)

See accompanying notes to financial statements.

Approved on behalf of the Board:



Director



Director



# INNOVATE BC

(FORMERLY "BRITISH COLUMBIA INNOVATION COUNCIL")

## Statement of Operations and Accumulated Surplus

Year ended March 31, 2018, with comparative information for 2017

	Budget 2018 (Note 14)	2018	2017
Revenue:			
Grants from the Province of British Columbia (note 12)	\$ 8,090,000	\$ 6,090,000	\$ 8,860,000
Program revenue from the Province of British Columbia (note 12 and 6)	13,500,000	13,500,000	-
Other program revenue (note 6)	329,000	696,274	3,407,623
Other	290,000	413,272	2,103,494
Interest	125,000	168,199	149,308
NRAS endowment (note 7)	1,330,000	1,470,196	783,497
	<u>23,664,000</u>	<u>22,337,941</u>	<u>15,303,922</u>
Expenses (note 13):			
Program expenses and disbursements:			
Academic	235,000	611,487	2,600,000
Commercialization	18,488,000	17,326,889	9,069,370
NRAS endowment (note 7)	1,330,000	1,470,196	783,497
Premier's Technology Council	625,000	721,296	460,574
Technology Awareness	220,000	86,176	246,626
General administration	2,766,000	2,100,113	2,128,944
	<u>23,664,000</u>	<u>22,316,157</u>	<u>15,289,011</u>
Annual surplus	-	21,784	14,911
Accumulated surplus, beginning of year	56,494,466	56,494,466	56,479,555
Accumulated surplus, end of year	<u>\$ 56,494,466</u>	<u>\$ 56,516,250</u>	<u>\$ 56,494,466</u>

See accompanying notes to financial statements.

# INNOVATE BC

(FORMERLY "BRITISH COLUMBIA INNOVATION COUNCIL")

## Statement of Changes in Net Financial Assets

Year ended March 31, 2018, with comparative information for 2017

	Budget 2018 (Note 14)	2018	2017
Annual surplus	\$ -	\$ 21,784	\$ 14,911
Acquisition of tangible capital assets	(50,000)	(9,505)	(48,072)
Amortization of tangible capital assets	68,000	57,989	76,621
Disposition of tangible capital assets	-	10,042	3,953
Accumulated amortization of disposition	-	(7,052)	(1,633)
	18,000	73,258	45,780
Acquisition of prepaid expenses	-	(62,056)	(69,958)
Use of prepaid expenses	-	67,407	73,857
	-	5,351	3,899
Change in net financial assets	18,000	78,609	49,679
Net financial assets, beginning of year	6,219,290	6,219,290	6,169,611
Net financial assets, end of year	\$ 6,237,290	\$ 6,297,899	\$ 6,219,290

See accompanying notes to financial statements.

# INNOVATE BC

(FORMERLY "BRITISH COLUMBIA INNOVATION COUNCIL")

## Statement of Cash Flows

Year ended March 31, 2018, with comparative information for 2017

	2018	2017
Cash provided by (used in):		
Operating:		
Annual surplus	\$ 21,784	\$ 14,911
Items not involving cash:		
Amortization of tangible capital assets	57,989	76,621
Changes in non-cash operating working capital:		
Accounts receivable	15,102	(13,806)
Prepaid expenses	5,351	3,899
Accounts payable and accrued liabilities	(852,889)	1,505,116
Deferred program revenues	248,296	(2,706,544)
	(504,367)	(1,119,803)
Capital:		
Purchase of tangible capital assets	(9,505)	(48,072)
Proceeds on disposal of tangible capital assets	2,990	2,320
	(6,515)	(45,752)
Investments:		
Purchase of investments	(16,696,829)	(9,026,600)
Proceeds on maturity of investments	17,847,047	13,354,821
Increase (decrease) in deferred revenue from NRAS endowment	(366,831)	308,936
	783,387	4,637,157
Increase in cash and cash equivalents	272,505	3,471,602
Cash and cash equivalents, beginning of year	3,839,336	367,734
Cash and cash equivalents, end of year	\$ 4,111,841	\$ 3,839,336

See accompanying notes to financial statements.

# INNOVATE BC

(FORMERLY “BRITISH COLUMBIA INNOVATION COUNCIL”)

Notes to Financial Statements

Year ended March 31, 2018, with comparative information for 2017

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## 1. Authority and purpose:

Innovate BC was established on March 15, 2018 by an amendment of the British Columbia Innovation Council Act to the Innovate BC Act, RSBC 1996, c. 415. Prior to March 15, 2018, Innovate BC was known as British Columbia Innovation Council (the “Council”). The Council was established in 2006 by an amendment of the Innovation and Science Council Act to the British Columbia Innovation Council Act (the “Act”).

Innovate BC is governed by a Board of Directors, appointed by the provincial government of British Columbia (the “Province”). Innovate BC is exempt from the payment of income taxes under Section 149 of the Income Tax Act.

Under Section 13 of the Act, the directors, officers, and employees of Innovate BC have certain immunities in the exercise of their duties carried out in their connection with Innovate BC.

The objective of Innovate BC is to encourage development and application of advanced or innovative technology to meet the needs of industry in British Columbia including the implementation, administration and funding of programs.

## 2. Significant accounting policies:

### (a) Basis of accounting and presentation:

These financial statements are prepared in accordance with Canadian public sector accounting standards as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.

### (b) Cash and cash equivalents:

Cash and cash equivalents include investments with a term to maturity of 90 days or less at the date of acquisition.

### (c) Investments:

Investments, which include investments with original terms to maturity of greater than 90 days, are recorded at amortized cost plus accrued interest, which approximates market value. Interest income is recognized in the period earned.

Investments in privately-held corporations are recorded at a nominal market value.

### (d) Revenue recognition:

Unrestricted contributions and government grants are recorded as revenue when received or receivable, if the amounts can be estimated and collection is reasonably assured. Other unrestricted revenue, including sales of services and products, are reported as revenue at the time the services are provided or the goods delivered.

# INNOVATE BC

(FORMERLY "BRITISH COLUMBIA INNOVATION COUNCIL")

Notes to Financial Statements (continued)

Year ended March 31, 2018

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## 2. Significant accounting policies (continued):

### (d) Revenue recognition (continued):

Investment income on unrestricted assets is recognized as revenue when it is earned. Investment income that is subject to external restrictions is deferred and recognized as revenue in the year in which the related expense is incurred.

Endowment contributions are recognized as revenue when received. Investment income earned from restricted cash and investments related to the endowment funds are deferred and recognized as revenue when they are spent or disbursed in accordance with the restrictions of the endowment.

Contributions externally restricted for non-capital specific purposes are recorded as deferred revenue and recognized as revenue in the year in which the stipulations are met.

### (e) Government transfers:

Transfers from governments with restrictions are deferred and recognized as revenue when they are spent in accordance with the stipulations in the related agreements. Transfers from governments without restrictions are recognized as revenue when received or receivable if the amounts can be reasonably estimated and collection is reasonably assured.

### (f) Financial instruments:

Financial instruments are classified into two categories: fair value or amortized cost:

Investments with fixed maturity dates are recorded at amortized costs. Income on these investments is recognized in the Statement of Operations and Accumulated Surplus over the period of time the investments are held. Sales and purchases of investments are recorded on the trade date. Transaction costs related to the acquisition of investments are included in the cost of the related investments.

The carrying amounts of other financial instruments such as cash and cash equivalents, and accounts receivables also approximate their fair value due to their short-term maturities.

Innovate BC does not have any financial instruments required or elected to be subsequently recorded at fair value.

### (g) Non-financial assets:

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They may have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

# INNOVATE BC

(FORMERLY "BRITISH COLUMBIA INNOVATION COUNCIL")

Notes to Financial Statements (continued)

Year ended March 31, 2018

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## 2. Significant accounting policies (continued):

### (h) Tangible capital assets:

Tangible capital assets are initially recorded at cost which includes amounts that are directly attributed to acquisition, construction, development or betterment of the asset. The historical cost, less residual value, of the tangible capital assets is amortized commencing at the time the asset is available for use based on the methods and rates as shown in the schedule below:

Asset	Amortization
Furniture, fixtures and equipment	20% declining balance
Computer hardware and software	33% declining balance
Leasehold improvements	Straight line over the lesser of the term of the lease and the useful life of the asset

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When events or circumstances indicate that a tangible capital asset no longer has any long-term service potential, the net carrying amount is written down to the residual value of the asset. No write-downs were determined to be necessary during the current year.

### (i) Prepaid expenses:

Prepaid expenses are recorded at cost and amortized over the period where the benefits are received.

### (j) Employee future benefits:

Innovate BC accrues employee vacation entitlements. These accruals are included in accounts payable and accrued liabilities. Innovate BC is a member of the Public Service multi-employer pension plan (note 10). Defined contribution plan accounting is applied to the multi-employer defined benefit plan and, accordingly, contributions are expensed when paid or payable.

### (k) Use of estimates:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. The significant areas requiring the use of management estimates include the determination of useful lives of tangible capital assets for amortization and the accrual of liabilities. When actual results differ from the estimates and assumptions, the impact will be recorded in future periods when the difference becomes known.

# INNOVATE BC

(FORMERLY "BRITISH COLUMBIA INNOVATION COUNCIL")

Notes to Financial Statements (continued)

Year ended March 31, 2018

### 3. Investments:

Restricted and unrestricted investments consist of term deposits and guaranteed investment certificates with maturity dates ranging from June 2018 to June 2021, bearing interest at rates ranging from 1.30% to 2.31%.

Included in unrestricted investments are shares of previous British Columbia Advanced Systems Foundation ("ASI") program participant private corporations received in exchange for all or a portion of loan or royalty interests. As at March 31, 2017, Innovate BC has assessed these shares of privately-held corporations to have nominal market value. As such, these investments are recorded at a nominal value of \$1 each for each company shareholding. The estimated market value of the long-term investments as at March 31, 2018 is \$6 (2017 - \$6).

In 2016, Innovate BC received correspondence that one of the privately-held corporations in which it had shares was being sold. At the time of the sale, Innovate BC's share in the corporation was valued at \$2,116,564. During the year, Innovate BC received proceeds of \$88,735 (2017 - \$1,754,955) from the sale of an investment that was sold in the previous year, the proceeds are included in Other in the Statement of Operations and Accumulated Surplus. In the sales agreement is a provision to hold back of 10% of the proceeds which was placed into escrow. During 2017, approximately 50% of the escrow funds was released on the first anniversary of the closing date. The final escrow funds of approximately \$90,600 will be released in the fiscal year 2019 on the 18-month anniversary of the closing date. The remaining escrow balance is not reflected in the financial statements.

### 4. Tangible capital assets:

<b>Cost</b>	Balance, March 31, 2017	Additions	Disposals	Balance, March 31, 2018
Furniture, fixtures and equipment	\$ 210,415	\$ -	\$ -	\$ 210,415
Computer hardware and software	572,236	9,505	10,042	571,699
Leasehold improvements	120,569	-	-	120,569
	<b>\$ 903,220</b>	<b>\$ 9,505</b>	<b>\$ 10,042</b>	<b>\$ 902,683</b>

<b>Accumulated Amortization</b>	Balance, March 31, 2017	Amortization	Accumulated amortization of disposals	Balance, March 31, 2018
Furniture, fixtures and equipment	\$ 156,379	\$ 10,807	\$ -	\$ 167,186
Computer hardware and software	472,386	27,982	7,052	493,316
Leasehold improvements	66,169	19,200	-	85,369
	<b>\$ 694,934</b>	<b>\$ 57,989</b>	<b>\$ 7,052</b>	<b>\$ 745,871</b>

# INNOVATE BC

(FORMERLY "BRITISH COLUMBIA INNOVATION COUNCIL")

Notes to Financial Statements (continued)

Year ended March 31, 2018

## 4. Tangible capital assets (continued):

	Net book value March 31, 2018	Net book value March 31, 2017
Furniture, fixtures and equipment	\$ 43,229	\$ 54,036
Computer hardware and software	78,383	99,850
Leasehold improvements	35,200	54,400
	<u>\$ 156,812</u>	<u>\$ 208,286</u>

There were no write-downs or reversals of write-downs previously recorded on any tangible capital assets.

## 5. Accumulated surplus:

Accumulated surplus is comprised of the following:

	2018	2017
Invested in tangible capital assets	\$ 156,812	\$ 208,286
NRAS Endowment	50,000,000	50,000,000
Unrestricted	6,359,438	6,286,180
	<u>\$ 56,516,250</u>	<u>\$ 56,494,466</u>

## 6. Deferred program revenues:

	Balance March 31, 2017	Funds received	Funds expended	Balance March 31, 2018
Agriculture Science and Innovation	\$ 1,643,615	\$ -	\$ (376,488)	\$ 1,267,127
Agriculture Science (Challenge Event)	18,357	28,114	(46,471)	-
Aquaculture & Environment Research	376,024	-	-	376,024
BC Growth Opportunities	103,745	-	(103,745)	-
Industrial Innovation Scholarship	102,750	-	-	102,750
BCIC Tech Works	-	13,523,110	(13,523,110)	-
Internet of Things Challenge	-	87,000	(53,579)	33,421
Smart Communities Pilot	-	130,000	-	130,000
LEEF Student Program	598,711	352,211	(45,545)	905,377
	<u>2,843,202</u>	<u>14,120,435</u>	<u>(14,148,938)</u>	<u>2,814,699</u>
BC Tech Summit (a)	1,376,386	1,120,270	(843,471)	1,653,185
Total	<u>\$ 4,219,588</u>	<u>\$ 15,240,705</u>	<u>\$ (14,992,409)</u>	<u>\$ 4,467,884</u>



# INNOVATE BC

(FORMERLY "BRITISH COLUMBIA INNOVATION COUNCIL")

Notes to Financial Statements (continued)

Year ended March 31, 2018

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## 6. Deferred program revenues (continued):

- (a) The revenue and expenses for the BC Tech Summit are recorded on a net basis.
- (b) Funds restricted for future program expenses have been separated and classified as restricted cash and cash equivalents - deferred programs and restricted investments - deferred programs.
- (c) Included within funds expended are \$47,336 of expenses for which funds have not been received. The amount is included in the total program revenue in the Statement of Operations and Accumulated Surplus and Accounts receivables in the Statement of Financial Position.

## 7. Natural Resources and Applied Science Research Endowment (NRAS):

In fiscal year 2005/2006, Innovate BC was charged with stewarding an endowment contribution of \$50,000,000 from the Ministry of Economic Development. Investment earnings are restricted for the support of training, research and development in natural resources and applied sciences. Restricted cash and investments of \$54,307,369 are comprised of the permanently restricted endowment balance of \$50,000,000 and unspent interest earnings of \$4,307,369. During the year, Innovate BC awarded Ignite Awards of \$1,276,064 (2017 - \$616,737) to research projects in natural resources and applied sciences.

Deferred revenue from the NRAS endowment balance comprises of the following:

	2018	2017
Accumulated interest, beginning of year	\$ 4,674,200	\$ 4,365,264
Interest earned net of fees	1,103,365	1,092,433
Awards and administration fees	(1,470,196)	(783,497)
Accumulated interest, end of year	\$ 4,307,369	\$ 4,674,200

## 8. Commitments:

Innovate BC has entered into operating leases for their premises and certain office equipment. Total estimated lease payments up to the end of the lease terms are as follows:

2019	\$ 325,623
2020	271,749
	\$ 597,372

# INNOVATE BC

(FORMERLY “BRITISH COLUMBIA INNOVATION COUNCIL”)

Notes to Financial Statements (continued)

Year ended March 31, 2018

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## 9. Contractual obligations:

Innovate BC has entered into a number of project grant contracts as at March 31, 2018 to provide future funding of research projects to be completed subsequent to the year-end. These contractual obligations are funded in installments and payments are due based on conditions included in the contract being satisfied. As such, no liability has been accrued in the financial statements as Innovate BC is not liable for payments until these conditions have been met.

The contractual obligations of Innovate BC as at March 31, 2018 are \$1,828,374 (2017 - \$2,859,638).

## 10. Contractual rights:

Innovate BC has entered into a number of multi-year contracts with third parties that entitles Innovate BC to receive the following amounts:

	2019	2020
Leases	\$ 75,000	\$ 62,500
Other	11,300	9,400
	\$ 86,300	\$ 71,900

## 11. Employee future benefits:

Innovate BC and its employees contribute to the Public Service Pension Plan (the “Plan”) in accordance with the *Public Sector Pension Plans Act* (the “Act”). The Public Service Pension Board of Trustees, representing plan members and employers, is responsible for administering the plan, including investment of assets and administration of benefits. As the Plan is a multi-employer, defined benefit plan, Innovate BC accounts for its payments on the basis of a defined contribution plan. The plan covers approximately 56,885 active employees.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plan. The actuary’s calculated contribution rate is based on the entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plan. This rate is then adjusted to the extent there is amortization of any funding deficit.

The latest actuarial valuation as at March 31, 2017, indicated a funding surplus of \$1,896,000,000 for basic pension benefits on a going concern basis. The next valuation will be as at March 31, 2020, with results available in early 2021.

During the year, Innovate BC paid and expensed \$109,694 (2017 - \$131,677) for contributions to the Plan.

# INNOVATE BC

(FORMERLY "BRITISH COLUMBIA INNOVATION COUNCIL")

Notes to Financial Statements (continued)

Year ended March 31, 2018

## 12. Related parties:

Innovate BC is related through common ownership to all Province of British Columbia ministries, agencies, crown corporations, school districts, health authorities, hospital societies, universities and colleges that are included in the provincial government reporting entity. Transactions with these entities, unless disclosed otherwise, are recorded at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Innovate BC received \$19,590,000 (2017 - \$9,145,000) in provincial funding from the Ministry of Jobs, Trade and Technology.

## 13. Expenses by object:

The following is a summary of expenses by object:

	2018	2017
Expenses:		
Program expenses and disbursements	\$ 19,416,272	\$ 12,535,306
Salaries and benefits	1,826,038	1,907,333
Rent	316,565	308,271
Contracted services	388,745	128,509
Office expenses	157,054	149,531
Other costs	153,494	183,440
	22,258,168	15,212,390
Amortization	57,989	76,621
Total expense	\$ 22,316,157	\$ 15,289,011

# INNOVATE BC

(FORMERLY "BRITISH COLUMBIA INNOVATION COUNCIL")

Notes to Financial Statements (continued)

Year ended March 31, 2018

## 14. Budget figures:

Budget figures included in the financial statements were approved by the Board on August 28, 2017 to reflect current estimates.

	Original budget	Amended budget	Change
Revenue:			
Province of British Columbia	\$ 21,590,000	\$ 21,590,000	\$ -
Program revenue (note 4)	329,000	329,000	-
NRAS Endowment Funds	1,594,000	1,330,000	(264,000)
Interest and other	258,000	415,000	157,000
Total revenue	23,771,000	23,664,000	(107,000)
Expenses:			
Programs and Initiatives	19,406,000	19,568,000	162,000
NRAS Endowment Funds	1,594,000	1,330,000	(264,000)
General administration	2,771,000	2,766,000	(5,000)
Total expenses	23,771,000	23,664,000	(107,000)
Surplus as at March 31, 2018	-	-	-
Accumulated surplus, beginning of year	56,494,466	56,494,466	-
Accumulated surplus, end of year	\$ 56,494,466	\$ 56,494,466	\$ -

Changes between the original budget and the amended budget primarily result from: (a) changes in NRAS administration expenses; (b) program and initiatives, and associated revenues and expenses.

**INNOVATE BC  
SCHEDULE OF DEBTS  
FOR THE YEAR ENDED MARCH 31, 2018**

This organization has no debts under the Financial Information Act.

**INNOVATE BC  
SCHEDULE OF GUARANTEE AND INDEMNITY AGREEMENTS  
FOR THE YEAR ENDED MARCH 31, 2018**

This organization has not given any guarantees or indemnities under the Guarantees and Indemnities Regulation.

**INNOVATE BC  
SCHEDULE OF REMUNERATION AND EXPENSES  
FOR THE YEAR ENDED MARCH 31, 2018**

1. Elected Officials, Employees appointed by Cabinet and Members of the Board of Directors

Name	Position	Remuneration	Expenses
Larkin, L	Director	\$0	\$94
Lew, D	Chair, Board of Directors	\$0	\$1,375
Total: members of the Board of Directors (A)		\$0	\$1,469

2. Other Employees

Name	Remuneration	Expenses
Anderson, C	155,753	26,237
Biesiada-Panas, A	79,770	6,227
Chan, L	96,448	5,094
Choboter, J	141,652	3,617
Divic, T	88,218	2,986
Payne, P	49,093	2,234
Vickers, S	66,026	5,738
Wood, D	95,961	1,757
Total	772,921	53,890
Total employees with remuneration greater than \$75,000:	772,921	53,890
Total employees with remuneration of \$75,000 or less	943,423	50,566
Pension benefits	109,694	-
Total remuneration – other employees (B)	1,826,038	104,456

**INNOVATE BC  
STATEMENT OF SEVERANCE AGREEMENTS  
FOR THE YEAR ENDED MARCH 31, 2018**

There were no severance agreement compensation payments between Innovate BC and a non-unionized employee during fiscal year 2017/2018.

\* "Compensation" means payment was determined based on individual's base salary.



**INNOVATE BC  
SCHEDULE OF PROGRAM EXPENSES AND DISBURSEMENTS  
FOR THE YEAR ENDED MARCH 31, 2018**

<b>Program expenses and disbursements exceeding \$25,000</b>	
602307 BC Ltd.	50,326
Accelerate Okanagan Technology Association	211,821
ACETECH	33,952
Agrisco Supplies Corp.	44,987
Alyssa Brownsmith Events	29,500
Bioenterprise Corporation	200,000
Cowan & Associates Management	34,834
Emily Carr University of Art and Design	35,000
Foresight Cleantech Accelerator Centre	175,000
How Creative Inc.	61,308
Innovation Central Society	225,000
Innovation Island Technology Association	150,000
Jacobsen Edwards Recruitment	39,056
Kamloops Innovation Centre Society	225,000
Kootenay Association for Science & Tech.	104,950
Langara College	45,000
Minister of Finance	284,393
National Research Council Canada	45,360
New Ventures BC Society	12,394,429
Northern Development Trust Initiative	525,000
Selkirk College	125,000
Simon Fraser University	101,500
Sumas Regional Consortium for High Tech	177,000
Univeristy of British Columbia	875,064
University of Northern BC	80,000
University of Victoria	253,000
Victoria Advanced Technology Council	330,000
Wavefront Wireless Commercialization Centre Society	230,000
	17,086,480
Consolidated and distributed to suppliers who received \$25,000 or less	2,329,792
<b>Total program expenses</b>	<b>19,416,272</b>

**INNOVATE BC  
SCHEDULE OF SUPPLIERS  
FOR THE YEAR ENDED MARCH 31, 2018**

Program expenses and disbursements	19,416,272
<u>Payments for goods and services exceeding \$25,000</u>	
Amortization	57,989
BC Pension Corporation (Employer portion)	109,694
Employees' salaries and benefits	1,640,629
Farris Vaughan, Wills & Murphy LLP	27,132
FullTech Systems Inc.	30,891
GWL Realty Advisor	316,565
KPMG LLP, T4348	33,400
Minister of Finance	43,026
Prelazzi, Dean	59,178
Receiver General (EI, CPP employer portion)	75,715
	21,810,491
Payments for goods and services of \$25,000 and under	505,666
<b>Total expenses</b>	<b>22,316,157</b>