

**BOUNDLESS ADVENTURES
ASSOCIATION**

FINANCIAL STATEMENTS

MARCH 31, 2023



INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Boundless Adventures Association

Qualified Opinion

We have audited the financial statements of Boundless Adventures Association (the "Association"), which comprise the statement of financial position as at March 31, 2023, and the statement of operations, statement of changes in fund balances and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the accompanying financial statements present fairly, in all material respects, the financial position of the Association as at March 31, 2023, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

Basis for Qualified Opinion

In common with many charitable organizations, the Association derives part of its revenue from the general public in the form of donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of revenue from these sources was limited to accounting for the amounts recorded in the records of the Association and we were unable to determine whether any adjustments might be necessary for the fiscal years ended March 31, 2023 and March 31, 2022 to donation revenues, excess of revenue over expenses, assets, fund balances, and opening fund balances.

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 Association 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 qualified 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 Association'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 Association or to cease operations, or has no realistic alternative but to do so.

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

INDEPENDENT AUDITORS' REPORT, CONTINUED

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 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 Boundless Adventures Association'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 Boundless Adventures Association'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 Association 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 audit.

Mississauga, Ontario
June 27, 2023



CHARTERED PROFESSIONAL ACCOUNTANTS
LICENSED PUBLIC ACCOUNTANTS




BOUNDLESS ADVENTURES ASSOCIATION

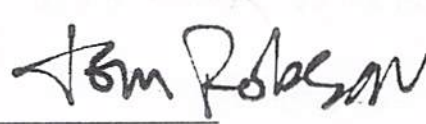
STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2023

	2023	2022
ASSETS		
Current		
Cash and cash equivalents (Note 3)	\$ 939,526	\$ 817,690
Accounts receivable (Note 13)	16,235	22,615
Portfolio investments (Note 5)	503,599	584,475
Prepaid expenses and deposits	10,110	8,313
	<u>1,469,470</u>	<u>1,433,093</u>
Portfolio investments (Note 5)	316,241	-
Internally restricted assets (Note 4)	1,591,615	1,518,302
Facilities and equipment (Note 6)	<u>2,998,533</u>	<u>3,118,968</u>
	<u>\$ 6,375,859</u>	<u>\$ 6,070,363</u>
LIABILITIES		
Current		
Accounts payable and accrued liabilities	\$ 64,241	\$ 59,195
Government remittances payable	21,362	17,144
Deferred revenue (Note 7)	<u>355,120</u>	<u>509,771</u>
	<u>440,723</u>	<u>586,110</u>
Deferred contributions related to facilities and equipment (Note 8)	<u>445,517</u>	<u>470,055</u>
	<u>886,240</u>	<u>1,056,165</u>
FUND BALANCES		
General fund	3,898,004	3,495,896
Contingency fund (note 2a)	1,327,755	1,252,814
B.E.C.A. Environmental fund (note 2a)	213,860	215,488
Innovation fund (note 2a)	<u>50,000</u>	<u>50,000</u>
	<u>5,489,619</u>	<u>5,014,198</u>
	<u>\$ 6,375,859</u>	<u>\$ 6,070,363</u>

Approved on behalf of the board

Director, 

Director, 



BOUNDLESS ADVENTURES ASSOCIATION

STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS

FOR THE YEAR ENDED MARCH 31, 2023

	<i>Innovation Fund</i>	<i>B.E.C.A. Environmental Fund</i>	<i>Contingency Fund</i>	<i>General Fund</i>	<i>Total 2023</i>	<i>Total 2022</i>
Revenue						
Ontario M.C.C.S.S. Program (note 10)						
Youth Justice	\$ -	\$ -	\$ -	\$ 84,000	\$ 84,000	\$ 84,000
C.R.R.F	-	-	-	18,223	18,223	26,003
Recognition of deferred M.C.C.S.S. capital funding (note 8)	-	-	-	2,699	2,699	3,308
C.T.Y.S. Program (note 11)						
Intensive Treatment Services	-	-	-	200,224	200,224	200,224
Coordinated Access and Intake	-	-	-	1,000	1,000	1,000
Service Coordination	-	-	-	1,000	1,000	1,000
Waterworks	-	-	-	20,900	20,900	20,900
C.T.Y.S. Program (note 12)	-	-	-	291,923	291,923	291,923
Government assistance (Note 13)	-	-	-	-	-	164,473
User fees	-	-	-	127,919	127,919	104,256
Payroll subsidy	-	-	-	23,372	23,372	29,163
Donations	-	-	-	998,349	998,349	991,946
High school fees	-	-	-	542,672	542,672	500,354
Recognition of other deferred capital funding (Note 8)	-	-	-	21,839	21,839	22,988
Investment income	-	4,337	74,941	-	79,278	13,087
Other income	-	-	-	460	460	233
	<u>-</u>	<u>4,337</u>	<u>74,941</u>	<u>2,334,580</u>	<u>2,413,858</u>	<u>2,454,858</u>

See accompanying notes



BOUNDLESS ADVENTURES ASSOCIATION

STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS

FOR THE YEAR ENDED MARCH 31, 2023

	<i>Innovation Fund</i>	<i>B.E.C.A. Environmental Fund</i>	<i>Contingency Fund</i>	<i>General Fund</i>	<i>Total 2023</i>	<i>Total 2022</i>
Expenses						
Salaries	-	-	-	1,114,090	1,114,090	1,069,142
Program expense and supplies (Note 9)	-	-	-	150,784	150,784	200,951
Amortization	-	-	-	125,262	125,262	138,637
Food	-	-	-	118,916	118,916	106,833
Employer costs and benefits	-	-	-	112,763	112,763	98,777
Insurance	-	-	-	70,776	70,776	62,318
Automotive and travel	-	-	-	33,619	33,619	37,553
Utilities	-	-	-	33,232	33,232	35,548
Repairs and maintenance	-	-	-	29,100	29,100	16,616
Accounting and audit	-	-	-	29,092	29,092	26,791
Rent - office (Note 9)	-	-	-	23,624	23,624	23,162
Waterworks	-	-	-	21,140	21,140	22,472
Program development	-	-	-	20,760	20,760	17,296
Property taxes	-	-	-	17,467	17,467	19,609
Rent - staff accommodations (Note 9)	-	-	-	9,355	9,355	9,355
Telephone	-	-	-	9,319	9,319	8,279
Staff education	-	-	-	8,835	8,835	14,273
Office and general	-	-	-	4,183	4,183	11,667
Bank charges	-	-	-	155	155	104
	-	-	-	1,932,472	1,932,472	1,919,383
	-	4,337	74,941	402,108	481,386	535,475
Other income						
Gain on sale of equipment	-	-	-	-	-	(5,782)
Unrealized loss (gain) on short-term investments	-	5,965	-	-	5,965	(9,049)
	-	5,965	-	-	5,965	(14,831)
Excess of revenue over expenses	\$ -	\$ (1,628)	\$ 74,941	\$ 402,108	\$ 475,421	\$ 550,306

See accompanying notes



BOUNDLESS ADVENTURES ASSOCIATION

STATEMENT OF CHANGES IN FUND BALANCES

FOR THE YEAR ENDED MARCH 31, 2023

	<i>Innovation Fund</i>	<i>B.E.C.A. Environmental Fund</i>	<i>Contingency Fund</i>	<i>General Fund</i>	<i>Total 2023</i>	<i>Total 2022</i>
Balance, beginning of year	\$ 50,000	\$ 215,488	\$ 1,252,814	\$ 3,495,896	\$ 5,014,198	\$ 4,463,892
Excess of revenues over expenses	-	(1,628)	74,941	402,108	475,421	550,306
Balance, end of year	<u>\$ 50,000</u>	<u>\$ 213,860</u>	<u>\$ 1,327,755</u>	<u>\$ 3,898,004</u>	<u>\$ 5,489,619</u>	<u>\$ 5,014,198</u>

See accompanying notes



BOUNDLESS ADVENTURES ASSOCIATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2023

	2023	2022
Cash flows from operating activities		
Excess of revenue over expenditures	\$ 475,421	\$ 550,306
Adjustments for items not affecting cash		
Amortization	125,262	138,637
Accrued interest income	(51,914)	-
Unrealized loss (gain) on portfolio investments	5,965	(9,049)
Gain on sale of equipment	-	(5,782)
	<u>554,734</u>	<u>674,112</u>
Change in non-cash working capital items		
Accounts receivable	6,380	45,000
Prepaid expenses and deposits	(1,797)	(1,461)
Accounts payable and accrued liabilities	5,046	(47,502)
Government remittances payable	4,219	2,281
Deferred revenue	(154,651)	18,886
	<u>413,931</u>	<u>691,316</u>
Cash flows from investing activities		
Additions to facilities and equipment	(4,830)	(13,687)
Increase in internally restricted assets, net	(21,398)	(20,197)
Proceeds from sale of facilities and equipment	-	6,000
Proceeds on disposition of portfolio investments	3,165,731	1,484,988
Additions to portfolio investments	(3,407,060)	(1,886,818)
	<u>(267,557)</u>	<u>(429,714)</u>
Cash flows from financing activities		
Recognition of deferred M.C.C.S.S. capital funding	(2,699)	(3,308)
Recognition of other deferred capital funding	(21,839)	(22,988)
	<u>(24,538)</u>	<u>(26,296)</u>
Increase in cash	<u>121,836</u>	<u>235,306</u>
Cash, beginning of year	<u>817,690</u>	<u>582,384</u>
Cash, end of year	<u>\$ 939,526</u>	<u>\$ 817,690</u>
Cash consists of:		
Cash	\$ 288,596	\$ 331,395
Cash equivalents	650,930	486,295
	<u>\$ 939,526</u>	<u>\$ 817,690</u>

See accompanying notes



BOUNDLESS ADVENTURES ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2023

1. NATURE OF OPERATIONS

The Boundless Adventures Association (the "Association") is principally involved in providing outdoor educational and counselling programs for special needs groups. The Association is a registered charity under the Income Tax Act and is accordingly exempt from income taxes, provided certain requirements of the Income Tax Act are met.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. Significant accounting policies adopted by the Association are as follows:

(a) Fund accounting

The Association follows the deferral method of accounting for contributions and uses fund accounting to report its activities.

i) General Fund

The day-to-day operations are recorded in the General Fund. This includes the revenues and expenses related to outdoor educational and counselling programs.

ii) Contingency Fund

The Contingency Fund allows for the funding of un-budgeted expenses including exceptional financial stress or an investment in extraordinary opportunities to further the goals of the Association.

iii) Boundless Education Conservation Alliance Environmental Fund

The Boundless Education Conservation Alliance ("B.E.C.A.") Environmental Fund allows for funding of expenses associated with monitoring, enforcing and defending the Conservation covenants and easements placed on Boundless land for centuries to come.

iv) Innovation Fund

The Innovation Fund allows for funding of extraordinary education and training opportunities for the Boundless School Community.

(b) Cash equivalents

The Association considers all highly liquid investments that can be readily converted to known amounts of cash at any point during the investment term without penalty to be cash equivalents.

(c) Investments and internally restricted assets

Investments and restricted assets are held in money market funds, guaranteed investment certificates and exchange traded funds. Money market funds and guaranteed investment certificates are recorded at amortized cost. Exchange traded funds are recorded at market value.



BOUNDLESS ADVENTURES ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2023

2. SIGNIFICANT ACCOUNTING POLICIES, continued

(d) Facilities and equipment

Facilities and equipment are recorded at cost and are being amortized over their estimated useful lives. The annual amortization rates and methods are as follows:

Buildings	Declining balance	5%
Equipment	Declining balance	30%
Vehicles	Declining balance	30%
Furniture and fixtures	Declining balance	30%
Sports Court	Declining balance	10%
Computer equipment	Declining balance	30%

(e) Revenue recognition

i) Fees received from users are recognized when the users attend the specific outdoor educational program.

ii) Unrestricted and capital contributions are recognized as revenue when received.

iii) Restricted contributions for operating expenses are recognized as revenue in the year in which the related expenses are incurred.

iv) Contributions towards facilities and equipment are included as deferred contributions and are amortized to revenue at the same rate as the amortization of the related facilities and equipment.

v) Grants and subsidies are recognized as revenue over the period to which they relate.

vi) Contributed materials and services are not recognized in the financial statements.

vii) Government assistance is recognized as revenue in the year in which the related expenses are incurred.

viii) Realized and unrealized gains and losses on investments are recognized as they arise.

ix) Interest income is accrued as earned over the term of the underlying investments.

3. CASH EQUIVALENTS

Cash equivalents consist of guaranteed investment certificates with interest at 3.85% to 4.05% that can be readily converted to known amounts of cash at any point during the investment term without penalty.



BOUNDLESS ADVENTURES ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2023

4. INTERNALLY RESTRICTED ASSETS

The Association has internally restricted assets for the purposes as outlined in Note 2(a)(ii), (a)(iii), and (a)(iv). The assets consist of the following at year-end:

	2023	2022
Cash	\$ 1,951	\$ 4,525
Guaranteed investment certificates	1,377,755	1,302,814
Exchange traded funds	211,909	210,963
	<u>\$ 1,591,615</u>	<u>\$ 1,518,302</u>

5. PORTFOLIO INVESTMENTS

The portfolio investments are comprised of guaranteed investment certificates held by the Association with interest rates ranging from 2.15% to 5.00% (2022 - 0.61% to 2.23%) and maturity dates between 2024 to 2027.

6. FACILITIES AND EQUIPMENT

	2023 Cost	2023 Accumulated amortization	2023 Net	2022 Net
Land	\$ -	\$ -	\$ 1,063,963	\$ 1,063,963
Buildings	3,366,347	1,506,280	1,860,067	1,953,009
Equipment	177,623	173,513	4,110	5,871
Vehicles	497,492	448,845	48,647	69,495
Furniture and fixtures	77,717	75,366	2,351	3,359
Sports court	36,541	22,559	13,982	15,536
Computer equipment	58,965	53,552	5,413	7,735
	<u>\$ 4,214,685</u>	<u>\$ 2,280,115</u>	<u>\$ 2,998,533</u>	<u>\$ 3,118,968</u>

7. DEFERRED REVENUE

Deferred revenue represents the portion of donations, high school fees, user fees and C.T.Y.S. funding collected in advance of the next fiscal year. The breakdown of deferred revenue is as follows:

	2023	2022
Donation revenue	\$ 306,500	\$ 370,500
High school fees	45,500	96,350
User fees	3,120	-
C.T.Y.S.	-	42,921
	<u>\$ 355,120</u>	<u>\$ 509,771</u>



BOUNDLESS ADVENTURES ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2023

7. DEFERRED REVENUE, continued

Changes in deferred revenue for the year are as follows:

	2023	2022
Beginning balance	\$ 509,771	\$ 490,885
Less amount recognized as revenue in the year	(509,771)	(490,885)
Add amount received related to next year	<u>355,120</u>	<u>509,771</u>
	<u>\$ 355,120</u>	<u>\$ 509,771</u>

8. DEFERRED CONTRIBUTIONS RELATED TO FACILITIES AND EQUIPMENT

Deferred contributions related to the acquisition of facilities and equipment consist of the following:

	2023	2022
M.C.C.S.S. capital funding	\$ 30,577	\$ 33,276
Other capital funding	<u>414,940</u>	<u>436,779</u>
	<u>\$ 445,517</u>	<u>\$ 470,055</u>

	2023	2022
Beginning balance	\$ 470,055	\$ 496,351
Less M.C.C.S.S. capital funding recognized during the year	(2,699)	(3,308)
Less other capital funding recognized during the year	<u>(21,839)</u>	<u>(22,988)</u>
	<u>\$ 445,517</u>	<u>\$ 470,055</u>

9. RELATED PARTY TRANSACTIONS

The Association has entered into certain transactions with its Executive Director, consisting of rent payments for the remaining areas of the premises not owned by the Association subsequent to the purchase of the property in 2017. Rent paid was in the amount of \$32,979 during the year (2022 - \$32,517). The terms of the Executive Director's cabin and office leases adheres to industry standard conflict of interest guidelines.

In the prior year, the Association made consulting service payments to its President in the amount of \$15,000. The President is an organic farmer and provided guidance to Boundless staff on developing an organic garden in fiscal 2022. The payments were one-time, and shall not be carried on in an ongoing capacity.



BOUNDLESS ADVENTURES ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2023

10. CONTRACT WITH MINISTRY OF CHILDREN, COMMUNITY AND SOCIAL SERVICES

The Association has a service contract with the Ministry of Children, Community and Social Services ("M.C.C.S.S."). A reconciliation report summarizes, by service, all revenues and expenditures and identifies any resulting surplus or deficit that relates to the service contract. As per this report, the program revenues are equal to program expenses. Any deficit amounts are reflected in the Transfer Payment Annual Reconciliation Report. During the year, the Association received \$84,000 for this contract. Expenditures related to running these programs are included in the statement of operations and are allocated as follows:

	2023	2022
Employer costs and benefits	\$ 76,533	\$ 70,933
Program expense and supplies	<u>7,467</u>	<u>13,067</u>
	<u>\$ 84,000</u>	<u>\$ 84,000</u>

An additional \$18,223 (2022 - \$26,003) of program expenses were recovered by the Association as part of the COVID-19 Residential Relief Fund ("C.R.R.F.") facilitated by the M.C.C.S.S.

11. CONTRACT WITH CENTRAL TORONTO YOUTH SERVICES

The Association has a service contract with the Central Toronto Youth Services ("C.T.Y.S.") that is being contracted out by M.C.C.S.S. During the year, the Association received funding of \$223,124 (2022 - \$223,124) for the Intensive Treatment Services, Coordinated Access and Intake, Service Coordination and Water Works programs. Expenditures related to running these programs are included in the statement of operations and are allocated as follows:

	2023	2022
Employer costs and benefits	\$ 14,659	\$ 13,829
Food	15,459	14,956
Program expense and supplies	27,275	23,759
Salaries	144,831	149,680
Waterworks	<u>20,900</u>	<u>20,900</u>
	<u>\$ 223,124</u>	<u>\$ 223,124</u>



BOUNDLESS ADVENTURES ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2023

12. CONTRACT WITH CENTRAL TORONTO YOUTH SERVICES

The Association has a second service contract with C.T.Y.S. that is being contracted out by the Toronto Central Local Health Integration Network. During the year, the Association received funding of \$291,923 (2021 - \$291,923) for these services. Expenditures related to running these programs are included in the statement of operations and are allocated as follows:

	2023	2022
Employer costs and benefits	\$ 22,553	\$ 19,755
Food	23,783	21,367
Program expense and supplies and other	22,139	36,973
Salaries	<u>222,818</u>	<u>213,828</u>
	<u>\$ 291,293</u>	<u>\$ 291,923</u>

13. GOVERNMENT ASSISTANCE

Included on the prior year statement of operations are wage subsidies received from the Government of Canada as part of relief programs offered to organizations in response to the COVID-19 pandemic. The Association claimed \$164,473 under the Canada Emergency Wage Subsidy program in fiscal 2022, all of which was received prior to year-end. No claims were made under these programs in fiscal 2023.

14. FINANCIAL INSTRUMENTS

Financial instruments consist of recorded amounts of accounts receivable, investments, and accounts payable and accrued liabilities. The carrying value of these instruments approximate their fair value due to their immediate or short-term liquidity.

(a) Interest rate risk

The Association's exposure to interest rate fluctuations is with respect to the investments held at year-end which contain variable interest rates.

The assessment of interest rate risk exposure is unchanged from the prior year.

(b) Credit, currency, and liquidity risk

It is management's opinion that the Association is not exposed to significant credit, currency, or liquidity risks arising from its financial instruments. There has been no change in this assessment from prior year.



BOUNDLESS ADVENTURES ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2023

15. FUNDRAISING COSTS

The total fundraising costs incurred by the Association in the fiscal year amounted to \$53,608 (2022 -\$49,094), representing \$50,608 (2022 - \$46,794) in salaries and \$3,000 (2022 - \$2,300) in postage and administration fees.

