

# The Sky's the Limit



— THE —  
**BOUNDLESS**  
— SCHOOL —

Annual Report 2015-2016





# THE BOUNDLESS

SCHOOL

Annual Report 2015-2016

4	Dear Boundless Families
6	This Year's Profile of a Star
10	Things Are looking Up
13	The Kids Just Nailed It
17	Friends, Contributors and Volunteers
20	Independent Auditors' Report

## The Boundless School Board of Directors:

Nick Arsenaault, President of the Board; Sustainability Manager, Sobeys - Cassandra Eagles CPA-CMA , Treasurer of the Board Controller, Millcreek Management Inc. - Laura Heinz M.A.; Secretary of the Board, Program Evaluator - Dr. Alexandra Mihailovic BSc MD FRCSC PhD(c); General Surgeon; Expertise in Public and Global Health - Dr. Erin Brennan, Emergency Medicine, Kingston General Hospital - Tom Robson, Teacher; Former Program Manager, Boundless Adventures - James Nunes, Special Education Teacher, Peel District School Board - Sarah Frasca, Social Worker, Toronto District School Board

## Dear Friends of Boundless

In 2015/2016, ninety six per cent of our struggling teens completed Boundless with their heads held high, spines a little straighter and brains definitely bigger. Conjuring internal resources they never knew they had, their accomplishments brought tears to their families' eyes.

It's become clear that these special kids do better here than anywhere else. No matter what the challenges, it seems inevitable their direction is always up, up and up.

While overlooking a waterfall, musing about his time at Boundless, one student put it best, "The goal here is just up". And for our charity, things are looking just as rosy.

We just purchased our property outright. Recent donations have spawned a three-year plan where we'll expand boarding school enrolment by 50%. We'll build a new learning centre next year. More community partnerships shall be forged. Our teachers and clinicians are renting or buying in the local housing market – suggesting they are here for the longer haul.

The sky is indeed the limit.

At least that's how we feel now. Our Toronto partners, who invest so much in the kids before and after they arrive at Boundless, are over the moon at the prospect of this expansion.

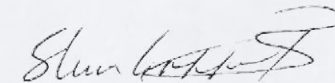
Like all best laid plans, they must be rooted in grit.

We have a boatload of money to raise, teachers to train and retain, kids to recruit, curriculum to write, shovels to break ground; and a mental health treatment model to hone.

Our students will have to keep digging deeper to make their lives better. We are trying to keep them enrolled longer, even for two to three years, if that what is takes, to keep their sights pointed toward the sky.

Friends of Boundless, the support you have shown us this past year has been without precedent. Thank you.

And to our teachers and clinicians - the depths of your creativity in making curriculum so engaging, while keeping kids sane, is a wonder to behold. I believe we already have the best experiential program in the country, and we have barely begun. Thanks to you too.



Steven Gottlieb • Executive Director  
July 20, 2016

## This Year's Profile of a Star

Raymond, our choice for the coolest mini biography of the year, reminds us that truth is stranger than fiction.

Usually dressed in fatigues and brandishing an AK 47 made out of toilet paper rolls, Ray does not fit any mould we have ever encountered. When told he would have limited communication with home during the boarding school, he responded, "f..k that, who needs it".

We understand his reluctance. He intimated that his father "couldn't be trusted around children", so he wouldn't bring home his friends, leading him to wander. Perhaps hearsay, but we do know that his mom called Children's Aid to "take Ray away", and then fearing this would in fact come to pass, she abducted him to Mexico for one year.

Returning in a funk to Toronto when he was 15, Ray started experimenting with ways to blow things up using everyday household items. While he NEVER tried to hurt anyone or any thing, he did land himself in the emergency ward on one occasion. His petty thievery also furnished him with his very own probation officer.

By 17, he was two years behind in school, with a desire to get his diploma "so I can get the hell out of the house". His mother was equally zealous, figuring she would be getting a break from a son who "I can't figure out".





He arrived at Boundless grunting. Too shy and overwhelmed to speak, he would belch the oddest sounds in lieu of language. This lasted 10 days.

When another student had figured out how to hack into our internet, that's when we heard Ray's first coherent sentence. "I can fix that for you guys". And so with his magical digits tapping away, hacking the hacker, Ray solved our dilemma.

One might think his peers would write him off as a rat. Instead, they marvelled at his award winning "hackery", and Ray soon found himself with the in-crowd.

The words came in a flood. His mastery of Science class was plain to see. He shocked and awed the teachers with his academic prowess. Who knew? He was gobbling up credits, the quickest study of the school.

One day he drew a moustache above his lips, feigned a Russian accent, and had the other young-uns make their own toilet paper guns; and together they devised field games that held the students in rapture. The other kids fell in love with Ray and he became the soul of this place.

Ray found his mojo and let the oddity of his nature work to his advantage for the first time in his life. He graduated Boundless with a full diploma, and is currently studying computer technology in College.

# Things Are looking Up

## Long-Term Horizon – We Just Purchased the Boundless Property

For fifteen years, we have been keen to buy our property that we currently rent. At long last, the purchase was finalized in June. The deal closes March 31st 2017 (please see note 11 in the audited statements herein).

### The Opportunities:

- We control the destiny of the land and buildings
- Because there is no financing required, we save \$100,000 in rent each and every year. We shall re-invest 100% of this in programs. This means more kids served
- We hope to have the property become a designated conservation area, protected by federal legislation for 999 years. 600 acres is almost 1 square mile, a tidy parcel that can provide for, and teach and nourish people for generations to come
- Capital funding for the future will be easier to procure. Donors want to know that 100% of their capital donations benefit a charity directly

### The Challenge:

- Operating costs to maintain new buildings will grow. This puts added pressure in an already tight economy

## Three-Year Horizon

Inspired by a recent donation from the Bernard and Norton Wolf Family Foundation – one million dollars over three years - our mid-term plan is set in stone.

We shall be expanding the boarding school by 50% over this time frame. Half of this donation goes to building a new learning centre, while the other half goes to scholarships to increase enrolment.

### The Opportunities:

- If you build it, they will come. And the generous Wolf Foundation donation insures this through their investment in scholarships. This means 50% more kids can enrol, and some of these will stay longer. Students will now be able to stay with us for multiple years. Many dearly need this
- The new learning centre will improve our capacity to teach and to counsel
- Our Toronto partners are preparing to increase the number of their referrals, much to their delight. The whole community benefits from this expansion

### The Challenge:

- To complete the building project, we'll need to raise an additional quarter million dollars. We'll leverage the Wolf Foundation donation for all its worth
- Because we forecast that Government revenue shall not grow, nor will our social enterprise surplus because we have maxed it out, sustaining the 50% growth in our boarding school, beyond the three-year time horizon, may not be easy.

We'll need to expand our fundraising acumen and capacity to double our donations over the next five years. Sustained growth must come from the private sector, and this is a key component of our strategic plan



## The Kids Just Nailed It in 2015/2016

We introduced screening techniques that meant that teens were better suited for the long haul of learning. New student-engagement strategies helped youth take greater ownership. The students built a beautiful and kind and exquisite school culture that left them weeping their last night at that thought of missing this place.

And yet we were quicker to expel a student if he/she was too toxic to group process. Twice this saved the entire team. We picked the smaller battles more often – but really they are never small. The world stopped if a dish was left undone. The teens learned to get past their hissy fits.

As far as academics, some arrived barely literate and soon became adept writers. They learned to speak thoughtfully, publically, and with precision. They became engaged with the world around them and its history. Their marks improved so substantially the reader would be apt to think the scores were embellished. And of course, a slew of them finished Boundless with full diplomas.

### By The Numbers

- The Youth program served 192 at-risk students. 77 student spots in BLISS (our boarding school); and 129 spots in the group program (These numbers don't add to 194 because there is overlap)
- 129 OF 132 youth completed the group program – two couldn't finish because of mental health issues, and one because of a drug related matter

- 66 of 72 student spots completed BLISS. Two of six were expelled for “toxicity” and four left for mental health concerns
- The program was executed safely, with zero serious incidents. We logged 247 behavioural incidents
- Boundless issued 279 out of a possible 292 credits in BLISS; and 129 of a possible 132 in the group program
- 38 students completed their full high school diploma at Boundless. Of the rest, 89% have returned to mainstream school full time
- BLISS students’ English grades increased an average of 24% compared to their public school scores; math grades improved an average of 29%. History scores improved an average of 28%. Science by an astounding 34%. Elective credit grades averaged 79 % across BLISS and the Group Program
- Project revenue and expenses were above projections. The budget was balanced

#### Profiles of Students

- 100% of our students had achieved credits below their grade level
- 89% experienced long term school interruptions
- 44% had been suspended or expelled
- 98% presented diagnosed mental health and learning challenges
- 32% had criminal histories
- 100% reported as low-income





Friends, Contributors and Volunteers

Individuals

Anonymous Donor (x8)  
Richard Andrews  
Kate Bahen  
Mona Bandeen  
Carolyn Bennett M.P. St. Pauls  
Deborah Burgess  
Julie Caskanette  
Danny Christopher  
Jane Connolly  
Alan Convery  
Gayle Corcoran  
Tom Cronin  
Judy Farrant  
Peter Ferguson  
Hershel Fogelman  
Veola Fung  
Eleanor Harper  
Don and Mary Hogarth  
Eric Jackman  
Cathy Johnson  
Rudy and Rita Koehler

Joe Kowalski  
Vince Langdon  
Viggo Lewis  
Rebecca Louzado  
Ian Macdonald  
TJ Machado  
Ian Mackenzie  
Jane Martin  
Hannah McKenzie  
Susan McLeod  
Maria Meyer  
Lise Olds  
Luke and Shani Parsons  
Gail Regan  
Sonya Richmond  
Nada Ristich  
Shirley Roberts  
Joan and Bob Robson, in  
memory of Ian Robson  
Alex Russell  
David Schiller  
Ann Kelner Shendroff

Leslie Sinclair  
Kimberley Stephen  
Bri Trypuc  
Anne Marie Turnbull  
Gary Ursell  
Carol Wall  
Todd Walters  
Susan Wood  
Bill Young  
Norman and Janey Young

Foundation and Corporate Contributors

Anonymous Company (X3)  
AMT Associates  
Ardea Foundation  
Aston Family Foundation  
Bealight Foundation  
Bank of Montreal  
Averbach Family  
Foundation

Canadian Imperial Bank  
of Commerce  
Catherine and Maxwell  
Meighen Foundation  
Charles Ivey Foundation  
Cloverleaf Foundation  
Crabtree Foundation  
Echo Foundation  
E.W. Bickle Foundation  
Gartley Family Foundation  
at the Toronto Community  
Foundation  
George Lunan Foundation  
Gordon and Ruth Gooder  
Charitable Foundation  
Greenrock Charitable Trust  
Harry A. Newman  
Memorial Fund  
Henry White Kinnear  
Foundation  
Hydro One Employee's  
and Pensioner's Charity Trust  
Ian Robson Scholarship Fund  
Intact Foundation  
Jackman Foundation

JCS Canada Charity Fund  
J.P. Bickle Foundation  
Keurig Canada  
Kids Up Front Foundation  
Koehler Family Fund,  
part of the portfolio of  
the Toronto Community  
Foundation  
Langar Foundation  
Mackenzie Financial  
Charitable Foundation  
Munich Reinsurance  
Company of Canada  
North Face Explore Fund  
Ontario Employee's and  
Pensioner's Charity Trust  
Ontario Parks  
Patrick Hodgson Family  
Foundation  
Percy R. Gardiner Foundation  
Pottruff Family Foundation  
Purolator Courier  
Robert Kerr Foundation  
Royal Bank Financial Group  
Foundation

Scott Griffin Foundation  
ScotiaBank  
Sir Joseph Flavelle Foundation  
S.M. Blair Family Foundation  
Stacey Family "Aurora" Fund  
at the Toronto Community  
Foundation  
St. George's Society of Toronto  
T.D. Bank Financial Group  
Telus Communications Inc.  
Temerty Foundation  
The Acapella Foundation  
The Derick Brenninkmeyer  
Charitable Foundation  
The Halo Foundation  
Thomas J. Johnston  
Foundation  
Toronto Star Fresh Air Fund  
Sanofipasteur  
Shum Vourkoutiotis  
Fund at the Toronto  
Community Foundation  
Unifor Local 1701 employees  
Walker Wood Foundation  
W. C. Kitchen Foundation

Wilderness Tours  
Wilkinson family Fund at  
the Toronto Community  
Foundation

### Government Funders

Ontario Ministry of Children  
and Youth Services  
Toronto Central Local Health  
Integration Network

### Community Partners

Archway Outpatient Clinic  
Brain Injury Services of  
Simcoe County Inc.  
Brock University Department  
of Outdoor Recreation  
Catholic Children's Aid  
Society (Toronto)  
Children's Aid Society  
(Toronto)  
Central Toronto Youth  
Services

Centre for Addiction  
and Mental Health  
C W Jeffrey's  
Collegiate Institute  
Durham Children's Aid Society  
Good Sheppard  
Habitat Services  
Lakeshore Collegiate  
Institute  
Native Child and Family  
Services of Toronto  
New Outlook  
Nipissing University  
Department of Education  
Palmer Rapids Public  
School  
Pathways to Independence  
Peel, Halton and Dufferin  
Acquired Brain Injury  
Services  
Pembroke Regional  
Hospital – Community  
Mental Health Services  
Progress Place

Queen's University Faculty  
of Education  
Reconnect Mental Health  
Services  
Regeneration House  
Regional Community Brain  
Injury Services  
St. Stephens Community  
Centre Youth Program  
Toronto Catholic District  
School  
Board – Supervised  
Alternative  
Learning  
Toronto District School  
Board  
University of Western  
Ontario Dept.  
of Education

## Independent Auditors' Report

### To the Board of Directors of Boundless Adventures Association

We have audited the accompanying financial statements of the Boundless Adventures Association, which comprise the statement of financial position as at March 31, 2016, and the statements of operations, changes in fund balances and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's 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, the auditor considers internal control

relevant to the Association's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### 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 and memberships, 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 to donation and membership revenues, excess of revenue over expenses, assets and fund balances.

### Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of the Boundless Adventures Association as at March 31, 2016, and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Mississauga, Ontario  
June 9, 2016

CHARTERED ACCOUNTANTS  
LICENSED PUBLIC ACCOUNTANTS

Statement of Financial Position

AS AT MARCH 31, 2016

	2016	2015
Assets		
Current		
Cash	\$ 302,299	\$ 198,435
Accounts receivable	33,397	28,541
Short term investments	180,723	179,025
Prepaid expenses and deposits	11,871	8,401
Accrued interest receivable	<u>9,539</u>	<u>11,237</u>
	537,829	425,639
Assets designated for property acquisition (note 3)	2,238,506	2,047,184
Facilities and equipment (note 4)	<u>562,855</u>	<u>585,252</u>
	<u>\$ 3,339,190</u>	<u>\$ 3,058,075</u>

See accompanying notes to the financial statements.

Statement of Financial Position

AS AT MARCH 31, 2016

	2016	2015
Liabilities		
Current		
Accounts payable and accrued liabilities	\$ 37,629	\$ 39,508
Government remittances payable	15,458	14,969
Deferred revenue	<u>327,025</u>	<u>222,185</u>
	380,112	276,662
Deferred M.C.Y.S. contributions related to facilities and equipment	<u>35,301</u>	<u>37,067</u>
	<u>415,413</u>	<u>313,729</u>
Commitment (note 5)		
Fund Balances		
General fund	685,271	697,162
Property acquisition fund	<u>2,238,506</u>	<u>2,047,184</u>
	<u>2,923,777</u>	<u>2,744,346</u>
	<u>\$ 3,339,190</u>	<u>\$ 3,058,075</u>

Approved on behalf of the board

Director  Director 

See accompanying notes to the financial statements.

## Statement of Operations

FOR THE YEAR ENDED MARCH 31, 2016

	Property Acquisition Fund 2016	General Fund 2016	2016	2015
<b>Revenue</b>				
Toronto Central L.H.I.N. (note 7)	\$ -	\$ 286,199	\$ 286,199	\$ 286,199
Ontario M.C.Y.S. Program				
(notes 8 and 9)	-	191,599	191,599	191,599
Youth Justice	-	84,000	84,000	84,000
Repairs and maintenance	-	6,163	6,163	13,330
Water Works	-	20,900	20,900	20,900
Recognition of deferred M.C.Y.S. capital funding	-	10,604	10,604	9,267
User fees	-	208,965	208,965	240,150
Payroll subsidy	-	35,064	35,064	28,689
Donations	-	519,728	519,728	404,872
High school fees	-	630,423	630,423	627,102
Investment income	41,322	796	42,118	41,373
Other	-	4,278	4,278	4,614
	<u>41,322</u>	<u>1,998,719</u>	<u>2,040,041</u>	<u>1,952,095</u>

See accompanying notes to the financial statements.

## Statement of Operations

FOR THE YEAR ENDED MARCH 31, 2015

	Property Acquisition Fund 2016	General Fund 2016	2016	2015
<b>Expenses</b>				
Accounting and audit	-	23,656	23,656	22,090
Amortization	-	112,421	112,421	101,270
Automotive and travel	-	50,718	50,718	62,300
Bank charges	-	193	193	753
Employee benefits	-	96,890	96,890	89,023
Food	-	123,846	123,846	110,925
Insurance	-	61,681	61,681	58,894
Office and general	-	5,704	5,704	8,816
Water Works	-	21,416	21,416	21,233
Program expense and supplies	-	145,336	145,336	132,470
Program development	-	74,962	74,962	94,479
Rent - camp	-	109,392	109,392	107,491
Rent - office	-	27,153	27,153	26,754
Salaries	-	933,202	933,202	880,223
Property taxes	-	9,450	9,450	7,500
Staff education	-	18,042	18,042	13,693
Telephone	-	10,792	10,792	8,144
Utilities	-	29,448	29,448	27,405
M.C.Y.S. repairs and maintenance	-	6,308	6,308	13,640
	<u>-</u>	<u>1,860,610</u>	<u>1,860,610</u>	<u>1,787,103</u>
<b>Excess of revenue over expenses</b>				
	<u>\$ 41,322</u>	<u>\$ 138,109</u>	<u>\$ 179,431</u>	<u>\$ 164,992</u>

See accompanying notes to the financial statements.

Statement of Changes in Fund Balances

FOR THE YEAR ENDED MARCH 31, 2016

	Property Acquisition Fund	General Fund	Total 2016	Total 2015
Balance, beginning of years	\$ 2,047,184	\$ 697,162	\$ 2,744,346	\$ 2,579,354
Excess of revenues over expenses	41,322	138,109	179,431	164,992
Appropriations	<u>150,000</u>	<u>(150,000)</u>	<u>-</u>	<u>-</u>
Balance, end of years	<u>\$ 2,238,506</u>	<u>\$ 685,271</u>	<u>\$ 2,923,777</u>	<u>\$ 2,744,346</u>

Statement of Cash Flows

FOR THE YEAR ENDED MARCH 31, 2016

	2016	2015
Cash flows from operating activities		
Excess of revenue over expenses	\$ 179,431	\$ 164,992
Adjustment for		
Amortization	112,421	101,270
Gain on sale of facilities and equipment	<u>(1,630)</u>	<u>-</u>
	<u>290,222</u>	<u>266,262</u>
Change in non-cash working capital items		
Accounts receivable	(4,856)	2,526
Prepaid expenses and deposits	(3,470)	9,616
Accrued interest receivable	1,698	(380)
Accounts payable and accrued liabilities	(1,879)	4,636
Government remittances payable	489	2,468
Deferred revenue	<u>104,840</u>	<u>2,430</u>
	<u>387,044</u>	<u>287,558</u>
Cash flows from investing activities		
Additions to facilities and equipment	(93,392)	(16,670)
(Increase) decrease in short-term investments, net	(1,699)	380
Increase in assets designated for property acquisition, net	(191,322)	(264,748)
Proceeds from sale of facilities and equipment	<u>5,000</u>	<u>-</u>
	<u>(281,413)</u>	<u>(281,038)</u>
Cash flows from financing activities		
M.C.Y.S. capital funding received	8,837	16,670
Recognition of deferred M.C.Y.S. capital funding	<u>(10,604)</u>	<u>(9,267)</u>
	<u>(1,767)</u>	<u>7,403</u>
Increase in cash	103,864	13,923
Cash, beginning of year	<u>198,435</u>	<u>184,512</u>
Cash, end of year	<u>\$ 302,299</u>	<u>\$ 198,435</u>

See accompanying notes to the financial statements.

See accompanying notes to the financial statements.

Notes to the Financial Statements

MARCH 31, 2016

1.Nature of Operations

The Boundless Adventures 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 are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The significant policies are detailed 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)

Property Acquisition Fund

The Property Acquisition Fund was established for the acquisition of property to meet the long-term interests of the Association.
- (b)

Investments

All investments are held in money market funds and guaranteed investment certificates and are carried at amortized cost.
- (c)

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:

Equipment	Declining balance	30%
Vehicles	Declining balance	30%
Furniture and fixtures	Declining balance	30%
Computer equipment	Declining balance	30%
Leasehold improvements		
Lodge	Straight line	20 years

Notes to the Financial Statements

MARCH 31, 2016

The Association amortizes its leasehold improvements (other than the Lodge) on a straight line basis over the remaining term of the lease.

- (d)

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 on the financial statements.

3. Assets Designated for Property Acquisition

The Association has internally restricted assets for the purposes as outlined in Note 2(a)(ii). The assets consist of the following:

	2016	2015
Money market funds	\$ 29,099	\$ 37,987
Guaranteed investment certificates	<u>2,209,407</u>	<u>2,009,197</u>
	<u>\$ 2,238,506</u>	<u>\$ 2,047,184</u>

Notes to the Financial Statements

MARCH 31, 2016

4.Facilites and Equipment	2016 Cost	2016 Accumulated amortization	2016 Net	2015 Net
Equipment	\$ 164,101	\$ 136,658	\$ 27,443	\$ 19,783
Vehicles	373,783	327,132	46,651	20,400
Furniture and fixtures	62,630	60,244	2,386	3,408
Computer equipment	46,909	44,304	2,605	3,722
Leasehold improvements				
Lodge	847,163	556,801	290,362	332,721
Other	469,322	277,113	192,209	203,719
Trillium capital expenditures	<u>37,428</u>	<u>36,229</u>	<u>1,199</u>	<u>1,499</u>
	\$ 2,001,336	\$ 1,438,481	\$ 562,855	\$ 585,252

5.Commitment

The Association has entered into an agreement to lease the camp premises until 2020. As is discussed further in note 11, the Association reached an agreement to purchase the camp facilities from its Executive Director. Lease payments will therefore no longer be required once the sale closes on March 31, 2017. In the event that the sale does not close, minimum payments under the agreement are as follows:

2017	\$ 100,170
2018	102,174
2019	104,217
2020	<u>106,302</u>
	\$ 412,863

Notes to the Financial Statements

MARCH 31, 2016

6.Related Party Transactions

The Association has entered into certain transactions with its Executive Director, consisting of rent paid for the camp and office space in the amount of \$136,544 during the year (2015 \$134,245). The terms of the leases were updated in 2005 at the time of the move to the new office and were approved by the Board of Directors upon reliance of an independent appraisal opinion prepared for the purposes of determining the fair market value of the underlying leased assets. They also adhere to conflict of interest guidelines approved by the Province of Ontario. The lease for office space was updated during 2011 using market rates at that date.

7.Toronto Central L.H.I.N. Reporting

Under the terms of its agreement with the Toronto Central Local Health Integration Network (“L.H.I.N.”), the Association is required to disclose certain expenses funded by the L.H.I.N. In the current year, the Association incurred related salaries of \$157,952, benefits of \$17,375, rents of \$36,864 as well as supplies, utilities and administration of \$109,900, this created a net deficit for L.H.I.N. purposes of \$35,892 (2015 \$13,738).

8.Contract With Ministry of Children and Youth Services

The Association has a service contract with the Ministry of Children & Youth Services (“M.C.Y.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 Intensive Treatment Services program is in a deficit position of \$4,691 for the year ended March 31, 2016 (2015 \$11,916). Any deficit amounts are reflected in the Transfer Payment Annual Reconciliation Report. In addition to the Intensive Treatment Services program, the Association received funding for the Water Works program of \$20,900 with related expenditures of \$21,416, resulting in an over expenditure of \$516 for the year. The Association also received funding for both the Access Intake Service Planning program and Service Coordination Process program of \$1,000 each. Both programs had related expenditures of \$1,000 each, resulting in no over expenditures for the year.

## Notes to the Financial Statements

MARCH 31, 2016

### 9.Contract With Ministry of Children and Youth Services - Youth Justice Division

The Association has an additional service contract with the Ministry of Children & Youth Services for Youth Justice funding. 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 the report, the Reintegration Services program is in a deficit position of \$12,408 for the year ended March 31, 2016 (2015 \$2,000). Any deficit amounts are reflected in the Transfer Payment Annual Reconciliation Report.

### 10.Financial Instruments

Interest rate, credit, currency and liquidity risks

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

### 11.Subsequent Events

Subsequent to the year end, the Association reached an agreement to purchase the camp facilities from its Executive Director at a purchase price of \$2,000,000. The sale will close on March 31, 2017.

In addition, a grant has been pledged to the Association for \$1,000,000 by the Bernard and Norton Wolf Family Foundation. This grant is to be made over three years in payments of \$350,000, \$350,000, and \$300,000 in 2017, 2018, and 2019 respectively. The pledge is to help expand the Association's boarding school program.

— T H E —  
**BOUNDLESS**  
— S C H O O L —  
[www.theboundlessschool.com](http://www.theboundlessschool.com)

