

TAMARACK REHAB INC.T/A TAMARACK RECOVERY CENTRE

Financial Statements

Year Ended March 31, 2016

TAMARACK REHAB INC.T/A TAMARACK RECOVERY CENTRE

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Year Ended March 31, 2016

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INDEPENDENT AUDITOR'S REPORT

To the Members of TAMARACK REHAB INC.T/A TAMARACK RECOVERY CENTRE

We have audited the accompanying financial statements of TAMARACK REHAB INC.T/A TAMARACK RECOVERY CENTRE, which comprise the statement of financial position as at March 31, 2016 and the statements of revenues and expenditures, changes in net assets 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 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 TAMARACK REHAB INC.T/A TAMARACK RECOVERY CENTRE as at March 31, 2016 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.

Winnipeg, Manitoba
June 29, 2016



CHARTERED PROFESSIONAL ACCOUNTANTS

Thornton & Co.


TAMARACK REHAB INC.T/A TAMARACK RECOVERY CENTRE


Statement of Financial Position

March 31, 2016

	2016	2015
ASSETS		
CURRENT		
Cash	\$ 153,376	\$ 102,006
Accounts receivable	13,003	29,501
Due from government agencies	1,821	1,650
Prepaid expenses	4,000	3,991
	<u>172,200</u>	137,148
TANGIBLE CAPITAL ASSETS (Note 3)	<u>188,300</u>	188,818
	<u>\$ 360,500</u>	<u>\$ 325,966</u>
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable	\$ 7,190	\$ 6,702
Wages payable	4,316	-
Deferred income	21,440	22,750
	<u>32,946</u>	29,452
NET ASSETS		
Unrestricted net assets	139,256	107,696
Invested in tangible capital assets	188,298	188,818
	<u>327,554</u>	296,514
	<u>\$ 360,500</u>	<u>\$ 325,966</u>

ON BEHALF OF THE BOARD

 Director

 Director

TAMARACK REHAB INC.T/A TAMARACK RECOVERY CENTRE

Statement of Revenues and Expenditures

For the Year Ended March 31, 2016

	Budget 2016	Total 2016	Total 2015
REVENUES			
Manitoba Health	\$ 328,100	\$ 328,099	\$ 328,100
Self Referrals	130,500	126,625	142,000
Federal Government	84,319	52,097	93,253
Outpatient services	22,500	39,863	22,473
Other Grants	45,000	44,011	21,158
Fundraising	20,000	22,107	13,435
Social Services	10,340	18,634	10,092
Donations	-	-	7,303
Other income	-	1,550	545
	640,759	632,986	638,359
EXPENSES (Schedule 1)	631,841	610,072	589,027
EXCESS OF REVENUES OVER EXPENSES	\$ 8,918	\$ 22,914	\$ 49,332

TAMARACK REHAB INC.T/A TAMARACK RECOVERY CENTRE

Statement of Changes in Net Assets

Year Ended March 31, 2016

	Unrestricted net assets	Invested in tangible capital assets	2016	2015
NET ASSETS - BEGINNING OF YEAR	\$ 107,696	\$ 188,818	\$ 296,514	\$ 237,372
Excess of revenues over expenses	31,560	(8,646)	22,914	49,332
Prior period adjustments	-	-	-	(600)
Invested in tangible capital assets	-	8,126	8,126	10,410
NET ASSETS - END OF YEAR	\$ 139,256	\$ 188,298	\$ 327,554	\$ 296,514

See notes to financial statements

Thornton & Co.

TAMARACK REHAB INC.T/A TAMARACK RECOVERY CENTRE

Statement of Cash Flows

Year Ended March 31, 2016

	2016	2015
OPERATING ACTIVITIES		
Excess of revenues over expenses	\$ 22,914	\$ 49,334
Item not affecting cash:		
Amortization of tangible capital assets	8,646	9,698
	<u>31,560</u>	<u>59,032</u>
Changes in non-cash working capital:		
Accounts receivable	16,498	(21,288)
Accounts payable	486	(260)
Deferred income	(1,310)	22,750
Prepaid expenses	(9)	1,298
Goods and services tax payable	(171)	(319)
Wages payable	4,316	(1,751)
Bonuses payable	-	109
	<u>19,810</u>	<u>539</u>
OTHER CASH FLOW ITEMS		
Prior period adjustments	-	(600)
INCREASE IN CASH FLOW	51,370	58,971
Cash - beginning of year	<u>102,006</u>	<u>43,037</u>
CASH - END OF YEAR	\$ 153,376	\$ 102,008

See notes to financial statements

Thornton & Co.

TAMARACK REHAB INC.T/A TAMARACK RECOVERY CENTRE

Notes to Financial Statements

Year Ended March 31, 2016

1. DESCRIPTION OF OPERATIONS

Tamarack Recovery Centre is a residential treatment facility for individuals with chemical and alcohol dependencies and other drug abuse problems, which facilitates independent living and lifestyle change. Tamarack Recovery Centre is incorporated under the Manitoba Corporations Act as a non-profit organization and is a registered charity under the Income Tax Act (Canada).

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO). Canadian accounting standards for not-for-profit organizations are part of Canadian GAAP.

Revenue recognition

TAMARACK REHAB INC.T/A TAMARACK RECOVERY CENTRE follows the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. 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 net assets.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

Seminar fees are recognized as revenue when the seminars are held.

Tangible capital assets

Tangible capital assets are stated at cost less accumulated amortization. Tangible capital assets are amortized over their estimated useful lives at the following rates and methods:

Buildings	4%	declining balance method
Computer equipment	33%	declining balance method
Computer software	50%	declining balance method
Other machinery and equipment	20%	declining balance method
Furniture and fixtures	10%	declining balance method
Appliances	10%	declining balance method

The Company regularly reviews its capital assets to eliminate obsolete items. Government grants are treated as a reduction of capital asset cost.

TAMARACK REHAB INC. T/A TAMARACK RECOVERY CENTRE

Notes to Financial Statements

Year Ended March 31, 2016

3. TANGIBLE CAPITAL ASSETS

	Cost	Accumulated amortization	2016 Net book value	2015 Net book value
Land	\$ 42,836	\$ -	\$ 42,836	\$ 42,836
Buildings	173,358	48,430	124,928	121,838
Equipment	53,738	40,866	12,872	14,559
Computer equipment	31,660	28,944	2,716	4,054
Computer software	1,957	1,917	40	80
Appliances	21,109	16,201	4,908	5,453
	<u>\$ 324,658</u>	<u>\$ 136,358</u>	<u>\$ 188,300</u>	<u>\$ 188,820</u>

4. ECONOMIC DEPENDENCE

The operations of Tamarack Rehab Inc. T/A Tamarack Recovery Centre are economically dependent on the ongoing financial support of Manitoba Health, contracts and per diems.

5. PUBLIC SECTOR COMPENSATION DISCLOSURE

Based on our audit, two employees received aggregate compensation in excess of \$50,000.

TAMARACK REHAB INC. T/A TAMARACK RECOVERY CENTRE

Expenses

(Schedule 1)

For the Year Ended March 31, 2016

	Budget 2016	Total 2016	Total 2015
ADMINISTRATION			
Advertising and promotion	\$ 5,400	\$ 6,210	\$ 9,367
Interest and bank charges	3,000	2,331	2,499
Equipment and Furniture	9,800	8,131	11,264
Insurance	12,700	12,674	13,932
Miscellaneous	1,000	1,638	916
Office	11,350	9,997	10,342
Professional fees	3,400	3,398	3,398
	<u>46,650</u>	<u>44,379</u>	<u>51,718</u>
FACILITIES			
Amortization	-	8,646	9,698
Building Repairs	22,000	15,626	6,074
Food	34,000	31,524	32,139
House Effects	1,000	791	502
Janitorial Supplies	3,000	4,202	3,160
Property taxes	3,288	3,114	3,157
Repairs and maintenance	7,500	4,912	10,989
Research and development	15,000	11,005	209
Telephone	4,666	4,736	4,536
Utilities	9,765	9,687	9,824
	<u>100,219</u>	<u>94,243</u>	<u>80,288</u>
PROGRAM			
Fundraising	6,000	4,022	4,275
Professional Fees - Program	7,020	6,190	3,780
Supplies	8,694	4,271	4,057
Staff Development	2,000	1,805	3,380
Travel	300	279	79
Vehicle	-	-	29
	<u>24,014</u>	<u>16,567</u>	<u>15,600</u>
STAFF COSTS			
Salaries and wages	458,958	452,791	438,759
Employee benefits	2,000	2,092	2,662
	<u>460,958</u>	<u>454,883</u>	<u>441,421</u>
	<u>\$ 631,841</u>	<u>\$ 610,072</u>	<u>\$ 589,027</u>

See notes to financial statements

Thorntons & Co.