

TAMARACK REHAB INC./T/A TAMARACK RECOVERY CENTRE
Financial Statements
Year Ended March 31, 2017

TAMARACK REHAB INC.T/A TAMARACK RECOVERY CENTRE

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CHARTERED PROFESSIONAL ACCOUNTANTS
PROFESSIONAL CORPORATION

720 A St. Mary's Road, Winnipeg, Manitoba R2M 3N2
Telephone: 204.284.3717 Fax: 204.284.3746

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, 2017 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.

(continues)

Independent Auditor's Report to the Members of TAMARACK REHAB INC.T/A TAMARACK RECOVERY CENTRE *(continued)*

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, 2017 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, MB
June 21, 2017



CHARTERED PROFESSIONAL ACCOUNTANTS

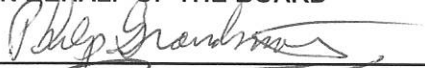
TAMARACK REHAB INC. T/A TAMARACK RECOVERY CENTRE


Statement of Financial Position

March 31, 2017

	2017	2016
ASSETS		
CURRENT		
Cash	\$ 184,239	\$ 153,376
Accounts receivable	24,641	13,003
Goods and services tax recoverable	2,365	1,821
Prepaid expenses	3,450	4,000
	<u>214,695</u>	172,200
TANGIBLE CAPITAL ASSETS (Note 3)	<u>223,961</u>	188,300
	<u>\$ 438,656</u>	<u>\$ 360,500</u>
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable	\$ 5,677	\$ 7,190
Wages payable	6,029	4,316
Deferred income	24,280	21,440
	<u>35,986</u>	32,946
NET ASSETS		
Unrestricted net assets	178,710	139,256
Invested in capital assets	223,960	188,298
	<u>402,670</u>	327,554
	<u>\$ 438,656</u>	<u>\$ 360,500</u>

ON BEHALF OF THE BOARD

 Director

 Director

TAMARACK REHAB INC./T/A TAMARACK RECOVERY CENTRE

Statement of Revenues and Expenditures

Year Ended March 31, 2017

	Budget 2017	Total 2017	Total 2016
REVENUES			
Manitoba Health	\$ 328,100	\$ 328,100	\$ 328,099
Federal Government	66,251	118,746	52,097
Self Referrals	125,500	126,625	126,625
Outpatient Services	41,800	32,438	39,863
Social Services	17,822	8,739	18,634
Other Grants	56,000	48,005	44,011
Fundraising	-	11,944	22,107
Other Income	-	549	1,550
	635,473	675,146	632,986
EXPENSES (Schedule 1)	655,077	645,382	610,072
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$ (19,604)	\$ 29,764	\$ 22,914

TAMARACK REHAB INC.T/A TAMARACK RECOVERY CENTRE

Statement of Changes in Net Assets

Year Ended March 31, 2017

	Unrestricted net assets	Invested in capital assets	2017	2016
NET ASSETS - BEGINNING OF YEAR	\$ 139,256	\$ 188,298	\$ 327,554	\$ 296,514
Excess of revenues over expenses	39,454	(9,690)	29,764	22,914
Invested in tangible capital assets	-	45,352	45,352	8,126
NET ASSETS - END OF YEAR	\$ 178,710	\$ 223,960	\$ 402,670	\$ 327,554

TAMARACK REHAB INC.T/A TAMARACK RECOVERY CENTRE

Statement of Cash Flows
Year Ended March 31, 2017

	2017	2016
OPERATING ACTIVITIES		
Excess Of Revenues Over Expenses	\$ 29,764	\$ 22,914
Item not affecting cash:		
Amortization of tangible capital assets	9,690	8,646
	39,454	31,560
Changes in non-cash working capital:		
Accounts receivable	(11,638)	16,498
Accounts payable	(1,512)	486
Deferred income	2,840	(1,310)
Prepaid expenses	550	(9)
Goods and services tax payable	(544)	(171)
Wages payable	1,713	4,316
	(8,591)	19,810
INCREASE IN CASH FLOW	30,863	51,370
Cash - beginning of year	153,376	102,006
CASH - END OF YEAR	\$ 184,239	\$ 153,376

TAMARACK REHAB INC.T/A TAMARACK RECOVERY CENTRE

Notes to Financial Statements

Year Ended March 31, 2017

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, 2017

3. TANGIBLE CAPITAL ASSETS

	Cost	Accumulated amortization	2017 Net book value	2016 Net book value
Land	\$ 42,836	\$ -	\$ 42,836	\$ 42,836
Buildings	218,710	55,241	163,469	124,928
Equipment	53,738	42,338	11,400	12,872
Computer equipment	31,660	29,841	1,819	2,716
Computer software	1,957	1,937	20	40
Appliances	21,109	16,692	4,417	4,908
	<u>\$ 370,010</u>	<u>\$ 146,049</u>	<u>\$ 223,961</u>	<u>\$ 188,300</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./A TAMARACK RECOVERY CENTRE

Expenses

(Schedule 1)

Year Ended March 31, 2017

	Budget 2017	Total 2017	Total 2016
ADMINISTRATION			
Advertising and promotion	\$ 2,250	\$ 2,310	\$ 6,210
Interest and bank charges	3,000	2,415	2,331
Equipment and Furniture	15,000	14,713	8,131
Insurance	13,498	13,523	12,674
Miscellaneous	1,000	626	1,638
Office	11,350	8,326	9,997
Professional fees	3,400	3,699	3,398
	<u>49,498</u>	<u>45,612</u>	<u>44,379</u>
FACILITIES			
Amortization	-	9,690	8,646
Building Repairs	44,000	56,025	15,626
Food	36,000	30,891	31,524
House Effects	1,000	857	791
Janitorial Supplies	3,900	4,338	4,202
Property taxes	3,240	3,310	3,114
Repairs and maintenance	12,000	3,425	4,912
Research and development	2,500	-	11,005
Telephone	4,800	4,814	4,736
Utilities	10,437	10,579	9,687
	<u>117,877</u>	<u>123,929</u>	<u>94,243</u>
PROGRAM			
Fundraising	-	-	4,022
Professional Fees - Program	6,265	3,738	6,190
Supplies	8,500	4,489	4,271
Staff Development	2,000	3,922	1,805
Travel	300	564	279
	<u>17,065</u>	<u>12,713</u>	<u>16,567</u>
STAFF COSTS			
Salaries and wages	468,597	460,576	452,791
Employee benefits	2,040	2,552	2,092
	<u>\$ 655,077</u>	<u>\$ 645,382</u>	<u>\$ 610,072</u>