

TAMARACK REHAB INC./A TAMARACK RECOVERY CENTRE

Financial Statements

Year Ended March 31, 2018

TAMARACK REHAB INC.T/A TAMARACK RECOVERY CENTRE

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CHARTERED PROFESSIONAL ACCOUNTANTS
PROFESSIONAL CORPORATION

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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, 2018 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, 2018 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
July 5, 2018



CHARTERED PROFESSIONAL ACCOUNTANTS


TAMARACK REHAB INC./T/A TAMARACK RECOVERY CENTRE

Statement of Financial Position

March 31, 2018

	2018	2017
ASSETS		
CURRENT		
Cash	\$ 185,268	\$ 184,239
Accounts receivable	27,354	24,641
Goods and services tax recoverable	1,179	2,365
Prepaid expenses	3,770	3,450
	<u>217,571</u>	214,695
TANGIBLE CAPITAL ASSETS (Note 3)	<u>215,631</u>	223,962
	<u>\$ 433,202</u>	<u>\$ 438,657</u>
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable	\$ 7,536	\$ 5,677
Wages payable	7,036	6,029
Deferred income	-	24,280
	<u>14,572</u>	35,986
NET ASSETS	<u>418,630</u>	402,671
	<u>\$ 433,202</u>	<u>\$ 438,657</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, 2018

	Budget 2018	Total 2018	Total 2017
REVENUES			
Manitoba Health	\$ 328,100	\$ 328,100	\$ 328,100
Self Referrals	125,500	106,500	126,625
Federal Government	102,778	103,209	118,746
Other Grants	23,500	35,624	48,005
Third party funded treatment	41,800	34,135	32,438
ELF Grant	-	10,000	-
Fundraising	9,500	9,444	11,944
Social Services	10,400	9,281	8,739
Other Income	-	2,439	549
	<u>641,578</u>	<u>638,732</u>	<u>675,146</u>
EXPENSES			
Advertising and promotion	1,500	422	2,310
Amortization	-	8,330	9,690
Building Repairs	13,000	780	56,025
Delivery, freight and express	-	47	-
Employee benefits	3,067	2,765	2,552
Equipment and Furniture	16,200	10,086	14,713
Food	37,608	38,393	30,891
House Effects	1,000	667	857
Insurance	13,901	12,648	13,523
Interest and bank charges	3,000	1,826	2,415
Janitorial Supplies	4,000	4,193	4,338
Miscellaneous	500	1,447	626
Office	7,400	10,063	8,326
ELF Project	-	10,000	-
Professional Fees - Program	15,000	481	3,738
Professional fees	3,800	3,619	3,699
Property taxes	3,500	3,368	3,310
Repairs and maintenance	15,000	9,841	3,425
Research and development	2,500	288	-
Salaries and wages	485,126	476,529	460,576
Staff Development	1,000	4,349	3,922
Supplies	5,000	6,953	4,489
Telephone	4,800	4,934	4,814
Travel	300	160	564
Utilities	14,935	10,584	10,579
	<u>652,137</u>	<u>622,773</u>	<u>645,382</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	<u>\$ (10,559)</u>	<u>\$ 15,959</u>	<u>\$ 29,764</u>

See notes to financial statements

TAMARACK REHAB INC./T/A TAMARACK RECOVERY CENTRE

Statement of Changes in Net Assets

Year Ended March 31, 2018

	Unrestricted Net Assets	Invested in Capital Assets	2018	2017
NET ASSETS - BEGINNING OF YEAR	\$ 169,020	\$ 233,651	\$ 402,671	\$ 327,555
Excess of revenues over expenses	24,289	(8,330)	15,959	29,764
Invested in tangible capital assets	-	-	-	45,352
NET ASSETS - END OF YEAR	\$ 193,309	\$ 225,321	\$ 418,630	\$ 402,671

TAMARACK REHAB INC.T/A TAMARACK RECOVERY CENTRE

Statement of Cash Flows

Year Ended March 31, 2018

	2018	2017
OPERATING ACTIVITIES		
Excess Of Revenues Over Expenses	\$ 15,959	\$ 29,764
Item not affecting cash:		
Amortization of tangible capital assets	8,330	9,690
	<u>24,289</u>	<u>39,454</u>
Changes in non-cash working capital:		
Accounts receivable	(2,713)	(11,638)
Accounts payable	1,860	(1,512)
Deferred income	(24,280)	2,840
Prepaid expenses	(320)	550
Goods and services tax payable	1,186	(544)
Wages payable	1,007	1,713
	<u>(23,260)</u>	<u>(8,591)</u>
INCREASE IN CASH FLOW	1,029	30,863
Cash - beginning of year	<u>184,239</u>	<u>153,376</u>
CASH - END OF YEAR	\$ 185,268	\$ 184,239

Notes to Financial Statements

Year Ended March 31, 2018

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.

Notes to Financial Statements

Year Ended March 31, 2018

3. TANGIBLE CAPITAL ASSETS

	Cost	Accumulated amortization	2018 Net book value	2017 Net book value
Land	\$ 42,836	\$ -	\$ 42,836	\$ 42,836
Buildings	218,710	61,780	156,930	163,469
Equipment	53,738	43,081	10,657	11,400
Computer equipment	31,660	30,441	1,219	1,820
Computer software	1,957	1,943	14	20
Appliances	21,109	17,134	3,975	4,417
	<u>\$ 370,010</u>	<u>\$ 154,379</u>	<u>\$ 215,631</u>	<u>\$ 223,962</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.