

TAMARACK REHAB INC.T/A TAMARACK RECOVERY CENTRE

Financial Statements

Year Ended March 31, 2023

TAMARACK REHAB INC.T/A TAMARACK RECOVERY CENTRE
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Year Ended March 31, 2023

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INDEPENDENT AUDITOR'S REPORT

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

Opinion

We have audited the financial statements of TAMARACK REHAB INC. T/A TAMARACK RECOVERY CENTRE (the organization), which comprise the statement of financial position as at March 31, 2023, and the statements of revenues and expenses, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

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

Basis for Opinion

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 organization in accordance with 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 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 ASNPO, 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 organization'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 organization or to cease operations, or has no realistic alternative but to do so.

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

(continues)

Independent Auditor's Report to the Members of TAMARACK REHAB INC./T/A TAMARACK RECOVERY CENTRE (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 our 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 organization'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 the organization'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 organization 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 our audit.

Winnipeg, MB
May 25, 2023




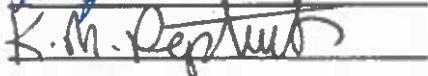
CHARTERED PROFESSIONAL ACCOUNTANTS

TAMARACK REHAB INC. T/A TAMARACK RECOVERY CENTRE
Statement of Financial Position
March 31, 2023

	2023	2022
ASSETS		
CURRENT		
Cash	\$ 411,253	\$ 363,644
Accounts receivable	212,489	44,096
Goods and services tax recoverable	3,021	9,235
Prepaid expenses	5,055	1,739
	<u>631,818</u>	<u>418,714</u>
CAPITAL ASSETS (Note 3)	<u>1,109,577</u>	<u>1,154,469</u>
	<u>\$ 1,741,395</u>	<u>\$ 1,573,183</u>
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable	\$ 17,208	\$ 10,750
Current portion of long term debt (Note 4)	18,000	18,000
Wages payable	71,808	63,566
Deferred income	328,617	144,303
	<u>435,633</u>	<u>236,619</u>
LONG TERM DEBT (Note 4)	<u>286,588</u>	<u>293,870</u>
DEFERRED CONTRIBUTIONS RELATED TO CAPITAL ASSETS	<u>524,560</u>	<u>546,417</u>
	<u>1,246,781</u>	<u>1,076,906</u>
NET ASSETS	<u>494,614</u>	<u>496,277</u>
	<u>\$ 1,741,395</u>	<u>\$ 1,573,183</u>

ON BEHALF OF THE BOARD


 _____ Director


 _____ Director

TAMARACK REHAB INC. T/A TAMARACK RECOVERY CENTRE

Statement of Revenues and Expenses

Year Ended March 31, 2023

	Budget 2023	Total 2023	Total 2022
REVENUES			
Manitoba Health	\$ 328,100	\$ 328,100	\$ 328,100
Federal Government	98,500	76,740	80,123
Manitoba Housing and Renewal Corp. - Rent subsidy	-	13,110	-
Winnipeg Regional Health (Housing)	99,960	99,960	-
Self Referrals	81,600	63,156	78,033
Third party funded treatment	60,000	39,925	62,650
Client subsidy fund	234,280	227,433	121,945
Other Grants	148,848	212,340	353,794
Fundraising and donations	25,000	18,123	18,767
Other Income	600	831	624
Deferred contributions related to capital assets	-	21,857	17,750
Grocery contribution	12,600	11,327	5,285
	<u>1,089,488</u>	<u>1,112,902</u>	<u>1,067,071</u>
EXPENSES			
Advertising and promotion	11,400	4,535	4,073
Amortization	-	44,891	41,814
Delivery, freight and express	50	132	50
Employee benefits	45,707	49,961	46,364
Equipment and Furniture	21,300	17,785	63,494
Food	97,500	64,307	56,077
House Effects	6,000	3,441	3,504
Insurance	20,872	22,418	19,215
Interest and bank charges	2,750	2,390	2,471
Interest on long term debt	11,000	10,717	11,002
Janitorial Supplies	14,000	9,850	11,199
Miscellaneous	1,600	1,419	2,756
Office	15,720	13,689	14,978
Professional Fees - Program	18,000	19,500	1,976
Professional fees	5,800	6,597	10,226
Property taxes	8,280	8,932	8,173
Repairs and maintenance	41,000	47,324	9,797
Research and grant expense	-	2,776	-
Salaries and wages	771,563	743,695	677,527
Staff Development	6,500	2,765	3,831
Supplies	15,250	7,947	10,324
Telephone	5,875	5,561	6,250
Travel	680	171	210
Utilities	29,000	23,760	22,820
	<u>1,149,847</u>	<u>1,114,563</u>	<u>1,028,131</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	<u>\$ (60,359)</u>	<u>\$ (1,661)</u>	<u>\$ 38,940</u>

TAMARACK REHAB INC./T/A TAMARACK RECOVERY CENTRE
Statement of Changes in Net Assets
Year Ended March 31, 2023

	Unrestricted Net Assets	Invested in Capital Assets	2023	2022
NET ASSETS - BEGINNING OF YEAR	\$ 160,094	\$ 336,182	\$ 496,276	\$ 457,336
Deficiency of revenues over expenses	21,373	(23,034)	(1,661)	38,940
Principal reduction of mortgage	(7,282)	7,282	-	-
NET ASSETS - END OF YEAR	\$ 174,185	\$ 320,430	\$ 494,615	\$ 496,276

TAMARACK REHAB INC.T/A TAMARACK RECOVERY CENTRE**Statement of Cash Flows
Year Ended March 31, 2023**

	2023	2022
OPERATING ACTIVITIES		
Excess (deficiency) of revenues over expenses	\$ (1,661)	\$ 38,940
Item not affecting cash:		
Amortization of capital assets	44,891	41,814
	<u>43,230</u>	<u>80,754</u>
Changes in non-cash working capital:		
Accounts receivable	(168,393)	(30,283)
Accounts payable	6,457	2,811
Deferred income	184,314	(324,449)
Prepaid expenses	(3,316)	(184)
Goods and services tax payable	6,214	(2,277)
Wages payable	8,242	11,015
	<u>33,518</u>	<u>(343,367)</u>
Cash flow from (used by) operating activities	<u>76,748</u>	<u>(262,613)</u>
INVESTING ACTIVITY		
Purchase of capital assets	-	(240,856)
Cash flow from (used by) investing activity	<u>-</u>	<u>(240,856)</u>
FINANCING ACTIVITIES		
Repayment of long term debt	(7,282)	(6,998)
Deferred contributions related to capital assets	(21,857)	223,107
Cash flow from (used by) financing activities	<u>(29,139)</u>	<u>216,109</u>
INCREASE (DECREASE) IN CASH FLOW	47,609	(287,360)
Cash - beginning of year	<u>363,644</u>	<u>651,004</u>
CASH - END OF YEAR	\$ 411,253	\$ 363,644

TAMARACK REHAB INC.T/A TAMARACK RECOVERY CENTRE

Notes to Financial Statements

Year Ended March 31, 2023

1. DESCRIPTION OF OPERATIONS

Tamarack Recovery Centre operates two residential treatment facilities 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.

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

TAMARACK REHAB INC. T/A TAMARACK RECOVERY CENTRE**Notes to Financial Statements****Year Ended March 31, 2023****3. CAPITAL ASSETS**

	Cost	Accumulated amortization	2023 Net book value	2022 Net book value
Land	\$ 42,836	\$ -	\$ 42,836	\$ 42,836
Buildings	1,263,003	206,403	1,056,600	1,100,625
Equipment	53,738	46,108	7,630	8,154
Computer equipment	31,660	31,496	164	246
Computer software	1,957	1,957	-	-
Appliances	21,109	18,762	2,347	2,608
	<u>\$ 1,414,303</u>	<u>\$ 304,726</u>	<u>\$ 1,109,577</u>	<u>\$ 1,154,469</u>

4. LONG TERM DEBT

	2023	2022
Belgian-Alliance Credit Union loan bearing interest at 3.99% per annum. The loan was secured by building at 54 Balmoral Street.	\$ 264,588	\$ 271,870
Belgian Alliance Credit Union loan bearing interest at 0% per annum, secured by CEBA Loan..	40,000	40,000
	<u>304,588</u>	<u>311,870</u>
Amounts payable within one year	<u>(18,000)</u>	<u>(18,000)</u>
	<u>\$ 286,588</u>	<u>\$ 293,870</u>

5. 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.

TAMARACK REHAB INC.T/A TAMARACK RECOVERY CENTRE**Tamarack(60 Balmoral)****(Schedule 1)****Year Ended March 31, 2023**

	2023	2022
REVENUES		
Manitoba Health	\$ 328,100	\$ 328,100
Federal Government	76,740	80,123
Self Referrals	42,550	64,400
Third party funded treatment	39,925	62,650
Client subsidy fund	216,134	118,687
Other Grants	19,107	149,624
Fundraising and donations	18,123	13,317
Other Income	831	624
	<u>741,510</u>	<u>817,525</u>
EXPENSES		
Advertising and promotion	4,535	4,073
Amortization	8,593	9,021
Delivery, freight and express	132	50
Employee benefits	37,635	47,720
Equipment and Furniture	13,197	33,347
Food	39,811	41,526
House Effects	1,852	1,233
Insurance	11,403	10,150
Interest and bank charges	2,245	2,310
Janitorial Supplies	5,204	7,360
Miscellaneous	1,404	2,634
Office	10,517	11,192
Professional Fees - Program	16,425	900
Professional fees	4,300	6,524
Property taxes	4,008	3,584
Repairs and maintenance	15,170	6,217
Research and grant expense	2,776	-
Salaries and wages	521,054	534,118
Staff Development	2,765	3,729
Supplies	4,842	7,782
Telephone	3,687	4,595
Travel	147	164
Utilities	12,437	12,928
	<u>724,139</u>	<u>751,157</u>
EXCESS OF REVENUES OVER EXPENSES	\$ 17,371	\$ 66,368

TAMARACK REHAB INC.T/A TAMARACK RECOVERY CENTRE

The Branch(54 Balmoral)

(Schedule 2)

Year Ended March 31, 2023

	2023	2022
REVENUES		
Winnipeg Regional Health (Housing)	\$ 99,960	\$ -
Manitoba Housing and Renewal Corp. - Rent subsidy	13,110	-
Self Referrals	20,606	13,633
Grocery contribution	11,327	5,285
Client subsidy fund	11,299	3,258
Other Grants	193,232	204,170
Fundraising and donations	-	5,450
Deferred contributions related to capital assets	21,857	17,750
	<u>371,391</u>	<u>249,546</u>
EXPENSES		
Amortization	36,299	32,793
Employee benefits	12,326	(1,356)
Equipment and Furniture	4,588	30,147
Food	24,496	14,551
House Effects	1,589	2,271
Insurance	11,015	9,065
Interest and bank charges	146	160
Interest on long term debt	10,717	11,002
Janitorial Supplies	4,646	3,839
Miscellaneous	15	121
Office	3,172	3,786
Professional Fees - Program	3,075	1,076
Professional fees	2,297	3,702
Property taxes	4,923	4,590
Repairs and maintenance	32,154	3,579
Salaries and wages	222,641	143,409
Staff Development	-	102
Supplies	3,105	2,542
Telephone	1,874	1,656
Travel	24	45
Utilities	11,323	9,892
	<u>390,425</u>	<u>276,972</u>
DEFICIENCY OF REVENUES OVER EXPENSES	<u>\$ (19,034)</u>	<u>\$ (27,426)</u>