

TAMARACK INSTITUTE
FOR
COMMUNITY ENGAGEMENT

FINANCIAL STATEMENTS
NOVEMBER 30, 2024

Approved on behalf of the Board of Directors

Director

Director



INDEPENDENT AUDITOR'S REPORT

To the Directors of Tamarack Institute for Community Engagement

Opinion

I have audited the financial statements of **Tamarack Institute for Community Engagement**, which comprise the statement of financial position as at **November 30, 2024**, and the statements of operations, change 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 my opinion the accompanying financial statements present fairly, in all material respects, the financial position of **Tamarack Institute for Community Engagement** as at **November 30, 2024** and its results of operations, changes in net assets, and cash flows, for the year then ended, in accordance with Canadian Accounting Standards for Not-for-profit Organizations.

Basis of Opinion

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the entity in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my 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 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.

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.

Auditor's Responsibilities for the Audit of the Financial Statements

My 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 my 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 Auditing Standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I 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 my 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my 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.

I 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 I identify during my audit.

E.M. Simon CPA

April 22, 2025

Waterloo, ON

E.M. Simon CPA Professional Corporation

Authorized to practise public accounting by the Chartered Professional Accountants of Ontario

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TAMARACK INSTITUTE FOR COMMUNITY ENGAGEMENT

STATEMENT OF FINANCIAL POSITION

AS AT NOVEMBER 30, 2024

(With comparative figures as at November 30, 2023)

(The accompanying notes are an integral part of these financial statements)

	<u>2024</u>	<u>2023</u>
ASSETS		
CURRENT		
Cash - unrestricted	477,171	967,751
Cash - restricted - Sustainability Reserve	88,098	-
Investments - restricted - Sustainability Reserve (note 2)	3,143,733	3,531,831
Investments - unrestricted (note 2)	-	1,597,372
Accounts and grants receivable	1,122,249	385,582
Prepaid expenses	7,997	2,036
	4,839,248	6,484,572
LONG-TERM		
Investments - restricted - Sustainability Reserve (note 2)	300,000	-
	\$5,139,248	\$6,484,572
LIABILITIES		
CURRENT		
Accounts payable	555,991	306,105
Government remittances payable	86,286	85,145
Deferred revenues - earned revenues (note 3)	-	88,222
Deferred revenues - grants (note 3)	327,964	1,340,497
	970,241	1,819,969
NET ASSETS		
Internally restricted		
Sustainability Reserve	3,531,831	3,531,831
Unrestricted	637,176	1,132,772
	4,169,007	4,664,603
	\$5,139,248	\$6,484,572

TAMARACK INSTITUTE FOR COMMUNITY ENGAGEMENT

**STATEMENT OF CHANGE IN NET ASSETS
FOR THE YEAR ENDED NOVEMBER 30, 2024**

(With comparative figures for the year ended November 30, 2023)
(The accompanying notes are an integral part of these financial statements)

	<u>2024</u>			<u>2023</u>
	<u>Restricted</u>	<u>Unrestricted</u>	<u>Total</u>	
	<u>Sustainability</u>			
Opening net assets	3,531,831	1,132,772	4,664,603	4,164,500
Excess (deficit) for the year	-	(495,596)	(495,596)	500,103
Closing unrestricted net assets	\$ 3,531,831	\$ 637,176	\$ 4,169,007	\$ 4,664,603
Represented by:				
Cash - restricted - Sustainability Reserve	88,098	-	88,098	-
Investments - restricted - Sustainability Reserve (note 2)	3,143,733	-	3,143,733	3,531,831
Investments - restricted - Sustainability Reserve (note 2)	300,000	-	300,000	-
Remaining net assets	-	637,176	637,176	1,132,772
	\$ 3,531,831	\$ 637,176	\$ 4,169,007	\$ 4,664,603

TAMARACK INSTITUTE FOR COMMUNITY ENGAGEMENT

STATEMENT OF OPERATIONS

FOR THE YEAR ENDED NOVEMBER 30, 2024

(With comparative figures for the year ended November 30, 2023)

(The accompanying notes are an integral part of these financial statements)

	2024								2023	
	----- Vibrant Communities -----							Total	Total	
	Digital Resilience	Communities Building Belonging	Communities Building Youth Futures	Communities Ending Poverty	Community Climate Transitions	Digital Sales, Engagement & Learning	Learning Centre General	Operations		
REVENUES										
Grants:										
Philanthropic partners	179,184	236,974	30,000	428,661	308,451	5,000	4,000	162,248	1,354,518	1,897,059
Government partners	-	49,753	2,402,295	30,654	124,694	424,192	402,509	299,189	3,733,286	8,587,172
Corporate partners	-	-	-	-	-	-	-	-	-	75,000
Earned revenues:										
Event fees	-	-	-	-	-	345,642	-	-	345,642	363,036
Custom services	2,003	-	-	115,000	-	-	1,160,321	-	1,277,324	1,090,210
Memberships	-	19,800	30,326	62,032	40,543	-	-	-	152,701	141,341
Donations	-	53,864	-	30,000	21,864	-	-	-	105,728	54,739
Interest, books, other income	-	5,701	16,391	7,126	5,701	8,552	14,253	129,923	187,647	187,961
	181,187	366,092	2,479,012	673,473	501,253	783,386	1,581,083	591,360	7,156,846	12,396,518
EXPENDITURES (see schedule of expenditures)										
Program	164,420	359,735	2,446,607	647,778	494,240	937,141	1,442,832	957,088	7,449,841	11,745,940
Operating (note 4)	2,658	5,827	29,053	10,159	8,854	51,021	10,934	84,095	202,601	150,475
	167,078	365,562	2,475,660	657,937	503,094	988,162	1,453,766	1,041,183	7,652,442	11,896,415
EXCESS (DEFICIT) FOR THE YEAR	\$14,109	\$530	\$3,352	\$15,536	(\$1,841)	(\$204,776)	\$127,317	(\$449,823)	(\$495,596)	\$500,103

TAMARACK INSTITUTE FOR COMMUNITY ENGAGEMENT

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED NOVEMBER 30, 2024

(With comparative figures for the year ended November 30, 2023)

(The accompanying notes are an integral part of these financial statements)

SOURCES (USES) OF CASH:

	<u>2024</u>	<u>2023</u>
OPERATING ACTIVITIES:		
Excess of revenues over expenses	(495,596)	500,103
Change in non-cash current assets and liabilities:		
Accounts and grants receivable	(736,667)	(29,840)
Prepaid expenses	(5,961)	2,387
Accounts payable	249,886	(145,756)
Government remittances payable	1,141	79,648
Deferred revenues - earned revenues (note 3)	(88,222)	-
Deferred revenues - grants (note 3)	(1,012,533)	(431,806)
	(2,087,952)	(25,264)

INVESTING ACTIVITIES:

Investments liquidated (purchased)	1,685,470	(463,143)
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FINANCING ACTIVITIES:

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CHANGE IN FUNDS

	(402,482)	(488,407)
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CASH - opening	967,751	1,456,158
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CASH - closing	\$565,269	\$967,751
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REPRESENTED BY:

Cash - unrestricted	477,171	967,751
Cash - restricted - Sustainability Reserve	88,098	-
	\$565,269	\$967,751

TAMARACK INSTITUTE FOR COMMUNITY ENGAGEMENT

NOTES TO THE FINANCIAL STATEMENTS

NOVEMBER 30, 2024

NATURE AND PURPOSE OF THE ORGANIZATION

Tamarack Institute for Community Engagement ('Tamarack', or 'the organization') is incorporated without share capital under the laws of the Province of Ontario, and is a registered charity under the Income Tax Act, and as such is exempt from income tax, provided it complies with the requirements of the Act. Tamarack's primary objective is to reduce poverty and enhance the quality of life in households throughout Canada.

1. SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

These financial statements have been prepared using Canadian Accounting Standards for Not-for-profit Organizations.

Restricted Net Assets

The **Sustainability Reserve** was established to set aside sufficient assets to ensure the organization's future stability. Management may only draw funds from these reserves with Board approval.

Revenue Recognition

Revenues are only recognized when amounts are measurable and collection is reasonably assured. Tamarack uses the deferral method for recognizing revenues whereby externally restricted grants and donations are reflected as deferred revenue and only recognized as revenue when the related expenses have been incurred and the required services or other 'deliverables' have been rendered in accordance with the donors restrictions. Restricted revenues that are available for any given fiscal year are recognized based on the policy that expenses for a particular program are funded first with available restricted revenues for the program, and then with any unrestricted revenues earned by the program. Earned revenues are reflected upon completion of each contract, or a defined segment of the contract. Unrestricted contributions are reflected as revenue when received or receivable.

Donated materials, which would otherwise be purchased by Tamarack, are reflected at fair value provided it is reasonably determinable.

Cash

Cash consists of amounts held in chequing and savings accounts at financial institutions, plus term certificates with maturities of less than thirty days, if they are used to accommodate fluctuations in day-to-day balances in bank accounts.

Financial instruments

A financial instrument is a contract that creates a financial asset for one entity and a financial liability or equity instrument of another. Financial assets and liabilities are initially measured at fair value, except for non-arm's length transactions, if any. The organization subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments with quoted fair values in an active market, if any, which are measured at fair value. Changes in fair value are recognized in net income. Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of any write-down is recognized on the statement of operations and changes in net assets. Any previously recognized impairment losses may be reversed and reflected as income to the extent of improvement. However, financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origination, issuance or assumption.

TAMARACK INSTITUTE FOR COMMUNITY ENGAGEMENT

NOTES TO THE FINANCIAL STATEMENTS

NOVEMBER 30, 2024

2. INVESTMENTS AND OTHER FINANCIAL INSTRUMENT ASSETS

	<u>2024</u>	<u>2023</u>
Investments reflected at market values:		
- stocks, mutual funds, provincial and corporate bonds	2,079,589	-
Investments reflected at amortized cost:		
- GICs with rates between 2.25% and 3.9%, savings accounts	1,364,144	5,129,203
	3,443,733	5,129,203
Current - liquid or due within one year	3,143,733	5,129,203
Long-term - GICs maturing beyond one year	\$300,000	\$0
Financial instruments reflected at amortized cost:		
Investments above	1,364,144	5,129,203
Other financial instrument assets reflected at amortized cost	1,598,054	1,311,660
	\$2,962,198	\$6,440,863

There are no financial assets which have been adjusted for changes in fair value subsequent to purchase, nor any financial assets measured at amortized cost less a reduction for impairment.

As in the prior year, management believes the organization does face some currency risk, in that, some of its financial assets are denominated in US dollars, and fluctuations in exchange rates could negatively impact the value of these financial assets. As in the prior year, management believes it does not face any significant credit, interest rate, liquidity or market risk with respect to any of its financial instruments.

Financial assets denominated in US dollars (reflected in Canadian dollars):	<u>2024</u>	<u>2023</u>
Cash	21,905	493,014

3. DEFERRED REVENUES

	<u>2024</u>	<u>2023</u>
Represented by:		
World Education Services	-	181,698
Definity Foundation	69,987	144,201
McConnell Foundation	45,000	133,661
Custom Services	157,977	88,222
Echo Foundation	54,500	-
Employment and Social Development Canada	-	475,573
Suncor	-	41,974
Tides Foundation	-	25,143
Sonor Foundation	-	68,996
Community Foundation Canada	-	5,045
Red Cross	-	65,070
Public Health Agency of Canada	-	178,306
	327,464	1,407,889

TAMARACK INSTITUTE FOR COMMUNITY ENGAGEMENT
NOTES TO THE FINANCIAL STATEMENTS
NOVEMBER 30, 2024

3. DEFERRED REVENUES (continued)	<u>2024</u>	<u>2023</u>
forward	327,464	1,407,889
Be A Light donations:		
Opening unexpended donations	20,830	67,283
Donations received	8,277	3,285
Scholarships provided	(28,607)	(49,738)
Closing unexpended donations	500	20,830
Closing deferred revenues	\$327,964	\$1,428,719

4. ALLOCATION OF ADMINISTRATIVE EXPENSES

Tamarack incurs general support expenses that are common to the administration of the organization and each of its programs. Operating expenses are allocated by applying the full-time equivalent rate of personnel to these expenses or management's best estimates of actual usage by each fund. Support expenses are reflected in the attached Schedule of Expenditures.