



Annual Report

Fiscal Year 2024-25

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Message from the CEO



As we reflect on our inaugural year at the Canadian Centre of Recovery Excellence (CoRE), I am proud to share the progress we have made in advancing our mandate to find the most effective ways to support recovery from mental health and addiction in Alberta. Established in June 2024, under the *Canadian Centre of Recovery Excellence Act*, CoRE was founded with a clear vision: to bridge the gap between research and real-world solutions, ensuring recovery is not just possible but expected.

Our mission is to empower decision-making with the best available data and evidence to determine what works—and what doesn’t—in supporting individuals with mental health or addiction across the care continuum. Over the past year, we have built the foundation for our work by conducting literature reviews, producing scientific publications, and providing policymakers with data-driven, actionable recommendations to support long-term wellness.

A cornerstone of our approach is advancing a recovery-oriented system of care - a framework providing access to a continuum of services across prevention, intervention, treatment, and recovery. To ensure this approach is effective, accessible, and informed by the best possible evidence, CoRE has launched several priority projects, including those described in this report.

Collaboration has been key to our progress. We have worked with credible, well-established partners both domestically and internationally, ensuring our insights are grounded in scientific evidence, practical application, and ethical implementation. By conducting independent evaluations and mobilizing expert knowledge, CoRE is providing decision-makers with the evidence they need to drive meaningful change.

As we look ahead, our commitment remains clear: recovery is for everyone. Through rigorous evaluation and research, data-driven solutions, and cross-sector collaboration, we will continue working toward a world-leading system of care that provides meaningful, measurable, and lasting outcomes for individuals, families, and communities.

I extend my heartfelt gratitude to CoRE’s dedicated team members, partners, and stakeholders for their shared belief in our vision as we built a new organization, grew our team, and delivered impactful work in our first year. Together, we are making real progress toward a future where every person struggling with mental health or addiction has access to the care and support, they need to achieve long-term recovery.

Sincerely,

[original signed by]

Kym Kaufmann

Board Chair and Chief Executive Officer
Canadian Centre of Recovery Excellence

Introduction

Accountability Statement

This Annual Report is prepared in accordance with the *Alberta Public Agencies Governance Act*, *Fiscal Planning and Transparency Act* and the *Sustainable Fiscal Planning and Reporting Act*. It is intended to provide an overview of CoRE's key achievements, operational highlights, and financial performance over the reporting period. The purpose of the report is to promote transparency, support accountability, and demonstrate the value and impact of CoRE's work to stakeholders, partners, and the public.

This report was prepared under the direction of the Board Chair, and all economic or fiscal implications have been considered in its preparation. This report fulfills CoRE's financial and performance reporting obligations and aligns with the Ministry of Mental Health and Addiction's 2024-27 Business Plan, which outlines a commitment to improving the recovery-oriented system of care across Alberta.

CoRE is accountable for contributing to several key priorities outlined in the Ministry of Mental Health and Addiction's 2024-25 Annual Report, including:

- Refocusing the health care system through the establishment of CoRE;
- Improving data and evidence for decision-making by advancing an Evaluation and Research Plan, developing a system-level performance measurement framework, and improving data quality; and
- Expanding access to mental health supports in schools through the evaluation of school-based mental health initiatives.

Progress against these priorities is detailed in this document.

Report Overview

The 2024-25 Annual Report captures CoRE's activities and accomplishments for the fiscal year, covering the period from June 21, 2024 to March 31, 2025.

In addition to financial statements and performance results, the report provides a high-level overview of CoRE's strategic work. It highlights the organization's mission, values, and mandate, presents key achievements, and outlines the direction for the year ahead.

About Us

Every person suffering from mental health or addiction deserves the opportunity for recovery. No one wants to watch their parent, child, sibling, or loved one struggle without a path to freedom from the grip of a treatable illness. Mental health and addiction challenges affect millions of lives, rippling through families, workplaces, and communities. While various programs aim to address these challenges, we can—and must—do more to give anyone suffering their best chance of success.

This is where CoRE comes in. Established in June 2024, CoRE builds on Alberta’s pioneering work to advance a recovery-oriented system of care, known as the Alberta Recovery Model. We do this by:

- **Strengthening Recovery Services** - We rigorously evaluate the programs comprising the Alberta Recovery Model, enabling decision makers with the necessary information to ensure services are effective, accessible, and informed by the best possible evidence.
- **Harnessing Data for Better Outcomes** – By linking datasets from health and social services, we provide powerful insights to policymakers and frontline providers to help people get the support they need, when they need it.
- **Conducting Evaluation and Research** – We study the global recovery best practices and provide clear, actionable recommendations to improve mental health and addiction care.
- **Mobilizing Knowledge and Leadership** – We equip families, communities, and decision-makers with data-informed strategies to drive real change.

At CoRE, we believe that recovery is for everyone. By advancing research, data, and innovation, we are making sure that those struggling with addiction and mental health challenges are met with solutions they can trust.

“Alberta is leading the country with the development of the Alberta Recovery Model to address mental health and addiction challenges. The establishment of these two new organizations will support the delivery of recovery-oriented services to Albertans and will further cement Alberta as a leader in the field. We are proud to establish Recovery Alberta and CoRE as part of the Alberta Recovery Model.”

Dan Williams, Former Minister of Mental Health and Addiction

Vision, Mission, and Values

CoRE is a new Crown corporation that empowers decision-makers with data and the best possible information to support people with mental health or addiction in their pursuit of recovery. The vision and mission outlined below are supported by CoRE’s values: clarity, expertise, integrity, and exploration.

Vision

To find the most effective ways to support recovery.

Mission

Empowering decision-making with data and evidence to support people in their pursuit of recovery.

Clarity

CoRE prioritizes clarity, ensuring our research and support is transparent, simple, and easy to understand.



Expertise

CoRE values expertise, leveraging our professional knowledge and experience to lead and innovate in the field of mental health and addiction recovery.



Values

Exploration

CoRE values exploration, continuously seeking out new frontiers and opportunities to enhance recovery approaches.



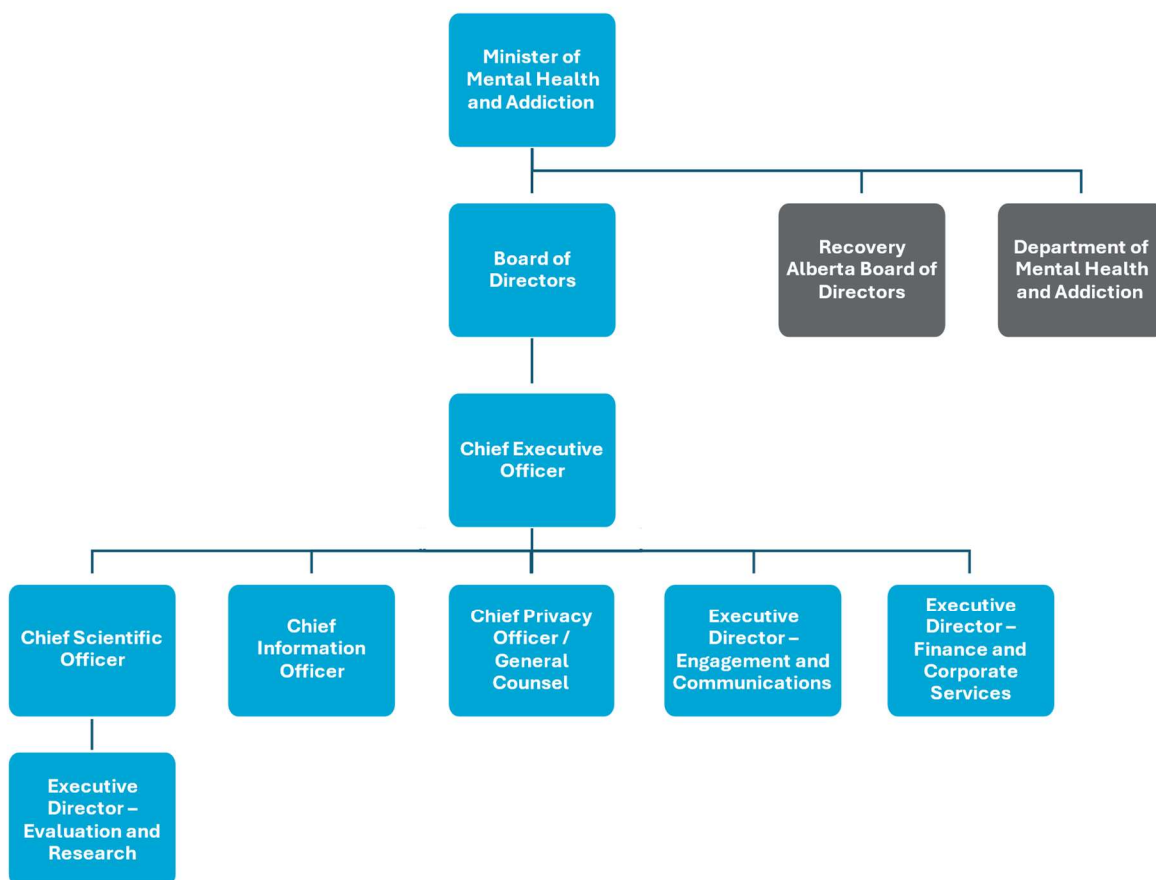
Integrity

CoRE upholds honesty, transparency, and ethical conduct. Our commitment to unbiased, scientific analysis and recommendations to support the formulation of public policies, devoid of political or personal biases.



Organizational Overview

CoRE is established through the [Canadian Centre of Recovery Excellence Act](#). The Board of Directors reports to the Minister of Mental Health and Addiction (through the Board Chair).



2024-25 Key Strategic Achievements

Over the past year, CoRE focused on establishing the organization, hiring staff, developing plans to guide strategic work in alignment with its mandate, building relationships across the mental health and addiction sector, and advancing evaluation and research priorities.

Established CoRE

CoRE made significant progress establishing a new and productive organization. This work ensured that the appropriate budget, staff, resources, structures, policies, processes, privacy controls, and office space is in place to support long-term success and accountability in delivering on its provincial mandate.

- **Operating budget was approved** for fiscal year 2024-25.
- A detailed **organizational structure** was developed, and CoRE hired a leadership team along with 20 full-time employees.
- **Internal policies** were drafted and approved to support strong accountability. Policies include those related to governance, finance, human resources, privacy, and information technology.
- An internal **privacy management program** was launched, including associated policies to enable data privacy and protection.

Developed Relationships

CoRE has fostered relationships within the mental health and addiction sector across Alberta and beyond to identify shared objectives and areas of collaboration, and to promote knowledge sharing.

- Developed a **Communications and Engagement Plan** and participated in key **domestic and international conferences** to strengthen partnerships in mental health and addiction and spread outcomes related to the recovery-oriented system of care.
- Presented findings or led discussions at the following conferences:
 - **Foundations for Drug Policy**, *Washington, DC, September 2024*: Led a general discussion on drug policy in Canada.
 - **Canadian Society of Addiction Medicine**, *Hamilton, ON, November 2024*: Presented on the innovative uses of Sublocade in high-risk populations and rapid induction to Buprenorphine Naloxone.
 - **Health Data Research Network Canada**, *Virtual, February 2025*: Presented on the use of artificial intelligence for de-identification of free-text health data.
 - **68th UN Commission on Narcotic Drugs**, *Virtual, March 2025*: Presented on the Alberta Recovery Model with a focus on recovery communities, including key services and future direction.
 - **Mathison-Littmann Research Day 2025**, *Calgary, AB, March 2025*: Presented on mandated treatment programs for professionals with substance use disorders that work in safety sensitive jobs.

Developed Plans to Guide CoRE's Work

CoRE created key planning documents that outline its objectives and priorities and a multi-year plan to sequence and guide implementation.

- A detailed [2025-28 Business Plan](#) was created to define the key aims and objectives that CoRE will focus on to achieve its mandate. The business plan serves as a roadmap for CoRE's activities, including leveraging data, conducting evaluations, advancing research, providing expert guidance, and building partnerships.
- **Evaluation and Research priorities** were developed to help inform the evolution of a recovery-oriented systems of care in Alberta. These priorities promote evidence-based evaluation and research to improve the mental health and addiction services in Alberta, leading to better recovery outcomes. CoRE's evaluation and research priorities are as follows:



Advanced Evaluation and Research Priorities

CoRE has made meaningful progress on evaluating evidence-based approaches that improve recovery outcomes and strengthen Alberta's mental health and addiction system. CoRE completed and significantly advanced several initiatives in the 2024-25 fiscal year, which are detailed below.



Evaluating Recovery-Oriented System of Care

A recovery-oriented system of care focuses on providing person-centered, accessible, and effective services for individuals with mental health and addiction. Evaluating and optimizing service delivery ensures that programs are high-quality, empirically tested, and adaptable to individuals' evolving recovery needs. Continuous evaluation supports proven practices, enabling organizations to maximize benefits and improve outcomes for the population.

The following initiatives were completed or significantly progressed in 2024-25, to advance the evaluation of a recovery-oriented system of care.

Individual Placement and Support

- Completed a rapid review of Individual Placement Support programs based out of the United Kingdom, United States, and other jurisdictions to identify benefits and implementation considerations.
- Initiated planning for multiple evaluation frameworks, including a focus on child and youth programs, to assess program impact and inform future decision making.

Spotlight

Compassionate Intervention Review

- CoRE's recently published a [policy white paper](#) that explores the implementation of a best-in-class compassionate intervention model to support individuals with severe addiction in Alberta.
- It outlines the urgent need for structured and evidence-based approaches, such as extended inpatient treatment followed by appropriate aftercare.
- Findings underscore the potential to learn from effective interventions and improve recovery outcomes as well as reduce harm for individuals unable to engage in voluntary treatment.

In Progress: Quality Standards

- Convened a Quality Standards Group of leading medical and clinical experts to provide specialized guidance on the development of standards.
- Provided advice on draft system and licensing standards for Bed-Based Withdrawal Management Services, Intensive Addiction Treatment, and Supportive Recovery Services providing guidance on key elements to support consistency and quality of addictions services across the province.



Supporting Recovery Through Measurement

Accurate measurement is essential to understanding mental health and addiction challenges. By conducting surveys on mental health and addiction prevalence, service use and recovery journeys, we can assess the effectiveness of interventions and identify service gaps. This data-driven approach will inform policies and programs, ensuring that recovery-oriented services meet the needs of the population.

The following initiative was significantly advanced in 2024-25, to support recovery through measurement.

In Progress: Mental Health and Addiction Prevalence Survey

- Established an expert reference group to provide guidance on survey design, methodology, and implementation to ensure validity and relevance across populations.
- Started designing a province-wide survey to measure the prevalence of mental health, addiction, service use, and recovery amongst adults in Alberta.



Building Recovery in Workplaces and Schools

Workplaces and educational institutions play a crucial role in helping individuals start or sustain recovery. By implementing workplace health initiatives and strategies, we can encourage early assessment and intervention, fostering healthier and more productive work environments. Additionally, schools and educational institutions contribute to shaping future providers by integrating recovery-oriented values and empirically tested practices into curricula, promoting the notion that recovery is both desirable and achievable.

The following initiative was completed to build recovery in workplaces and schools.

Recovery Ready Workplaces

- Published an expert-informed guidance document, [Recovery-Friendly Workplaces: Recommendations for Employers, Employees, and the Occupational Medicine Community](#), offering practical strategies for employers to support recovery in safety-sensitive and decision-critical roles. This work positions Alberta as a leader in creating safer, healthier, and more inclusive workplaces.



Empowering Recovery in Communities and Families

Families and communities are vital in supporting recovery and promoting mental wellness. Early intervention with at risk children and youth can foster resilience and reduce mental health and addiction issues in the future. Understanding recovery in families and communities not only supports those in recovery but also helps prevent the onset of these challenges across generations.

The following initiatives were completed or significantly progressed in 2024-25, to empower recovery in communities and families.

Cannabis Impacts on Children and Youth

- Developed six documents synthesizing findings from literature reviews, a jurisdictional scan, and polling of individuals aged 18-25 to summarize the known impacts of cannabis legalization on children and youth in Alberta.
- The materials highlight key concerns related to cannabis use among youth, including its impacts on brain development, educational outcomes including achievement and completion, increased mental health challenges, and emergency department visits.
- The documents offer tailored recommendations for youth, parents and guardians, educators, and policymakers to support informed decision-making and strengthen prevention efforts related to cannabis use.

In Progress: Health Evidence Review on Child and Youth Transitions

- Initiated systematic reviews of evidence-based interventions that support youth with mental health conditions and complex needs during transitions from child and youth services to adult services, and evidence-based interventions in schools and communities that can enhance youth transitions into meaningful vocational and employment pathways.

Looking Ahead

CoRE remains focused on advancing its strategic priorities and supporting long-term, system-wide improvements in mental health and addiction care. Building on the progress made to date, CoRE is advancing evaluation and research efforts that generate actionable insights to improve recovery outcomes and service quality. CoRE will also strengthen its role as a trusted source of expert guidance and knowledge by equipping individuals, providers, and policymakers with the tools needed to make informed decisions. In parallel, CoRE will continue developing a secure, high-quality data and analytics system that connects key data sources across Alberta.

CoRE will also be advancing the following priorities as outlined by the Government of Alberta in 2025-26:

Priority 1: Alberta has an integrated and comprehensive mental health and addiction system that enables access to a robust continuum of supports and services to help individuals achieve recovery and wellness.

To advance this priority, CoRE will assist with the following:

- Introduce a mental health and addiction system plan to set strategic direction for the ministry, cross-ministry partners, and community service providers to support further implementation of the Alberta Recovery Model.
- Enhance mental health and addiction system oversight.

Priority 2: Albertans experience effective, high-quality mental health and addiction care grounded in continuous improvement, innovation, and informed decision making.

To advance this priority, CoRE will assist with the following:

- Conduct system-level evaluation of Alberta's recovery-oriented system of care and research through CoRE to inform the delivery of mental health and addiction services and improve recovery outcomes for Albertans.
- Work with government and community partners to improve the quality, effectiveness, and efficiency of service delivery across the continuum of care to maximize resources and produce impactful health outcomes for Albertans accessing the mental health and addiction system.

These efforts will support the creation of a high-quality, recovery-oriented system of care in Alberta—one that is consistent, evidence-based, and responsive to the needs of individuals, families, and communities.



Appendices

Appendix A – Performance Measures

These measures align to system-level priorities and aim to assess progress towards near-term commitments. CoRE’s performance measures will continue to evolve over time to include longer-term outcomes and societal level impact measures which will be in alignment with the system-level performance measurement framework. Performance against indicators outlined in CoRE’s first annual Business Plan are specified below:

Performance Indicator	2024-25	2025-26 Targets	2026-27 Targets*	2027-28 Targets*
1. Number of new data assets to support evaluation and applied research	0	5	TBD	TBD
2. Number of active evaluation and research projects related to recovery-oriented system of care	7	9	TBD	TBD
3. Number of consults with policy and decision-makers	9	3	TBD	TBD
4. Number of collaborations with recovery-promoting organizations	1	3	TBD	TBD

**Future years’ targets are under development for inclusion in the 2026-27 Business Plan*

Appendix B – Annual Report Extract and Other Statutory Reports/Corporate Integrity

CoRE has no disclosures for 2024/25 under the following Acts:

- *Freedom of Information and Protection of Privacy Act*
- *Public Interest Disclosure (Whistleblower Protection) Act*

Appendix C – 2024/25 Financial Statements

Canadian Centre of Recovery Excellence

Financial Statements

For the Period of June 21, 2024 to March 31, 2025

Statement of Management Responsibility

Independent Auditor's Report

Statement of Operations

Statement of Financial Position

Statement of Change in Net Financial Assets

Statement of Cash Flows

Notes to the Financial Statements

Schedules to the Financial Statements

**CANADIAN CENTRE OF RECOVERY EXCELLENCE
MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING**

The accompanying financial statements are the responsibility of management and have been reviewed and approved by Senior Management. The financial statements were prepared in accordance with Canadian Public Sector Accounting Standards, and of necessity, include some amounts that are based on estimates and judgement.

To discharge its responsibility for the integrity and objectivity of financial reporting, management maintains a system of internal accounting controls comprising written policies, standards and procedures, and a formal authorization structure. This system provides management with reasonable assurance that transactions are in accordance with governing legislation and are properly authorized, reliable financial records are maintained, and assets are adequately safeguarded.

The Canadian Centre of Recovery Excellence's Board of Directors meets with management and the Auditor General of Alberta to review financial matters and approves the financial statements upon finalization of the audit. The Auditor General of Alberta has open and complete access to the Board of Directors.

The Auditor General of Alberta provides an independent audit of the financial statements. His examination is conducted in accordance with Canadian Generally Accepted Auditing Standards and includes tests and procedures, which allow him to report on the fairness of the financial statements prepared by management.

On behalf of the Canadian Centre of Recovery Excellence.

[Original signed by Kym Kaufmann]

Chief Executive Officer
Kym Kaufmann
May 14, 2025

[Original signed by Naren Makwana]

Executive Director, Finance & Corporate Services
Naren Makwana
May 14, 2025

Independent Auditor's Report



To the Board of Directors of the Canadian Centre of Recovery Excellence

Report on the Financial Statements

Opinion

I have audited the financial statements of the Canadian Centre of Recovery Excellence, which comprise the statement of financial position as at March 31, 2025, and the statements of operations, change in net financial assets, and cash flows for the period from June 21, 2024 to March 31, 2025, 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 the Canadian Centre of Recovery Excellence as at March 31, 2025, and the results of its operations, its changes in net financial assets, and its cash flows for the period then ended in accordance with Canadian public sector accounting standards.

Basis for 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 Canadian Centre of Recovery Excellence 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.

Other information

Management is responsible for the other information. The other information comprises the information included in the *Annual Report*, but does not include the financial statements and my auditor's report thereon. The *Annual Report* is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I will perform on this other information, I conclude that there is a material misstatement of this other information, I am required to communicate the matter to those charged with governance.

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 public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of the 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 Canadian Centre of Recovery Excellence'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 an intention exists to liquidate or to cease operations, or there is no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Canadian Centre of Recovery Excellence'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 generally accepted 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 Canadian Centre of Recovery Excellence'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 Canadian Centre of Recovery Excellence'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 Canadian Centre of Recovery Excellence 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.

[Original signed by W. Doug Wylie FCPA, FCMA, ICD.D]
Auditor General

May 14, 2025
Edmonton, Alberta

CANADIAN CENTRE OF RECOVERY EXCELLENCE
STATEMENT OF OPERATIONS
FOR THE PERIOD JUNE 21, 2024 TO MARCH 31, 2025
(thousands of dollars)

	2025	
	Budget	Actual
	(Note 4)	
Revenues (Note 2(b))		
Government of Alberta grants	\$ 4,300	\$ 4,300
Investment income	-	87
	<u>4,300</u>	<u>4,387</u>
Expenses (Note 2(b) and Schedule 1)		
Administration	1,837	810
Evaluation and Research	1,914	1,226
Communications and Engagement	549	183
	<u>4,300</u>	<u>2,219</u>
Annual operating surplus	-	2,168
Accumulated operating surplus, beginning of period	-	-
Accumulated operating surplus, end of period	<u>\$ -</u>	<u>\$ 2,168</u>

The accompanying notes and schedules are part of these financial statements.

CANADIAN CENTRE OF RECOVERY EXCELLENCE
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2025
(thousands of dollars)

	2025
Financial Assets	
Cash (Note 5)	\$ 2,941
Accounts receivable	8
	<u>2,949</u>
Liabilities	
Accounts payable and other accrued liabilities	441
Unspent deferred contributions (Note 7)	688
	<u>1,129</u>
Net Financial Assets	<u>1,820</u>
Non-Financial Assets	
Tangible capital assets (Note 9)	342
Prepaid expenses	6
	<u>348</u>
Net Assets	<u>\$ 2,168</u>
Net Assets	
Accumulated operating surplus	<u>\$ 2,168</u>
 Contractual obligations (Note 10)	

The accompanying notes and schedules are part of these financial statements.

CANADIAN CENTRE OF RECOVERY EXCELLENCE
STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
FOR THE PERIOD JUNE 21, 2024 TO MARCH 31, 2025
(thousands of dollars)

	2025	
	Budget	Actual
	(Note 4)	
Annual operating surplus	\$ -	\$ 2,168
Acquisition of tangible capital assets (Note 9)	-	(345)
Amortization of tangible capital assets (Note 9)	-	3
(Increase) in prepaid expenses	-	(6)
Increase in net financial assets in the period	-	1,820
Net financial assets, beginning of period	-	-
Net financial assets, end of period	\$ -	\$ 1,820

The accompanying notes and schedules are part of these financial statements.

CANADIAN CENTRE OF RECOVERY EXCELLENCE
STATEMENT OF CASH FLOWS
FOR THE PERIOD JUNE 21, 2024 TO MARCH 31, 2025
(thousands of dollars)

	2025
Operating Transactions	
Annual operating surplus	\$ 2,168
Non-cash items included in annual operating surplus:	
Amortization of tangible capital assets (Note 9)	3
(Increase) in accounts receivable	(8)
(Increase) in prepaid expenses	(6)
Increase in accounts payable and other accrued liabilities	441
Increase in unspent deferred contributions (Note 7)	688
Cash provided by operating transactions	<u>3,286</u>
Capital Transactions	
Acquisition of tangible capital assets (Note 9)	<u>(345)</u>
Cash applied to capital transactions	<u>(345)</u>
Increase in cash	2,941
Cash at beginning of period	-
Cash at end of period	<u>\$ 2,941</u>

The accompanying notes and schedules are part of these financial statements.

CANADIAN CENTRE OF RECOVERY EXCELLENCE
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2025
(thousands of dollars)

Note 1 AUTHORITY

The Canadian Centre of Recovery Excellence (CoRE) is a crown corporation established on June 21, 2024 under the *Canadian Centre of Recovery Excellence Act*.

Pursuant with the act, CoRE has a mandate to empower decision makers with research and information to advance recovery-oriented mental health and addiction services. CoRE does this by informing best practices, conducting program evaluation and analyzing data to support the development of objective and practical policy.

CoRE is exempt from income taxes under the *Income Tax Act*.

Comparative figures are not presented as this is CoRE's first period of operations.

Note 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

These financial statements are prepared in accordance with Canadian Public Sector Accounting Standards (PSAS).

(a) Reporting Entity

The financial statements reflect the assets, liabilities, revenues and expenses of CoRE.

(b) Basis of Financial Reporting

Revenues

All revenues are reported on the accrual basis of accounting.

Cash received for which services have not been provided by year end is recognized as unearned revenue.

Revenues from transactions with no performance obligations are recognized at their realizable value when CoRE has the authority to claim or retain an inflow of economic resources and identifies a past transaction or event that gives rise to an asset.

Government of Alberta grants

Transfers from the Government of Alberta are referred to as provincial grants.

Provincial grants and associated externally restricted investment income are recognized as deferred contributions when the stipulations together with CoRE's actions and communications as to the use of the grants, create a liability. These grants are recognized as revenue as the stipulations are met and, when applicable, CoRE complies with its communicated use of these grants.

All other provincial grants, without stipulations for the use of the transfer, are recognized as revenue when the grant is authorized and CoRE meets the eligibility criteria (if any).

Investment income

Investment income includes interest income held at a Canadian chartered bank.

CANADIAN CENTRE OF RECOVERY EXCELLENCE
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2025
(thousands of dollars)

Note 2 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES**
(CONT'D)

(b) Basis of Financial Reporting (Cont'd)

Expenses

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year are expensed.

Valuation of Financial Assets and Liabilities

CoRE's financial assets and liabilities are generally measured as follows:

<u>Financial Statement Component</u>	<u>Measurement</u>
Cash	Cost
Accounts receivable	Lower of cost or net recoverable value
Accounts payable and other accrued liabilities	Cost

CoRE does not have any financial instruments classified in the fair value category and does not hold equities traded in an active market, nor engage in derivative contracts or foreign currency transactions. CoRE is not exposed to remeasurement gains or losses and, consequently, a statement of remeasurement gains and losses is not presented.

Financial Assets

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations.

Financial assets are CoRE's financial claims on external organizations and individuals at the year end.

Cash

Cash is held at a Canadian chartered bank.

Accounts Receivable

Accounts receivable are recognized at the lower of cost or net recoverable value. A valuation allowance is recognized when recovery is uncertain.

Liabilities

Liabilities are present obligations of CoRE to external organizations and individuals arising from past transactions or events occurring before year end, the settlement of which is expected to result in the future sacrifice of economic benefits. They are recognized when there is an appropriate basis of measurement and management can reasonably estimate the amounts.

Non-Financial Assets

Non-financial assets are acquired, constructed, or developed assets that do not normally provide resources to discharge existing liabilities, but instead:

- (a) are normally employed to deliver services;
- (b) may be consumed in the normal course of operations; and
- (c) are not for sale in the normal course of operations.

Non-financial assets are limited to tangible capital assets and prepaid expenses.

Note 2 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES
(CONT'D)**

(b) Basis of Financial Reporting (Cont'd)

Tangible Capital Assets

Tangible capital assets are recognized at cost less amortization, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost includes overhead directly attributable to construction and development, as well as interest costs that are directly attributable to the acquisition or construction of the asset.

The cost, less residual value, of the tangible capital assets, excluding work-in-progress, is amortized on a straight-line basis over their estimated useful lives as follows:

Furniture and office equipment	10 years
Computer hardware and software	5 years

Tangible capital assets are written down when conditions indicate that they no longer contribute to CoRE's ability to provide services, or when the value of future economic benefits associated with the tangible capital assets are less than their book value. The net write-downs are accounted for as expenses in the Statement of Operations.

Prepaid Expenses

Prepaid expenses are recognized at cost and amortized based on the terms of the agreement.

Measurement Uncertainty

Measurement uncertainty exists when there is a variance between the recognized or disclosed amount and another reasonably possible amount. The amounts recognized for amortization of tangible capital assets are based on estimates of the useful life of the related assets. Actual results could differ from estimates.

Note 3 **FUTURE CHANGES IN ACCOUNTING STANDARDS**

On April 1, 2026, CoRE will adopt the following new conceptual framework and accounting standard approved by the Public Sector Accounting Board:

- **The Conceptual Framework for Financial Reporting in the Public Sector**

The Conceptual Framework is the foundation for public sector financial reporting standard setting. It replaces the conceptual aspects of Section PS 1000 Financial Statement Concepts and Section PS 1100 Financial Statement Objectives. The conceptual framework highlights considerations fundamental for the consistent application of accounting issues in the absence of specific standards.

- **PS 1202 Financial Statement Presentation**

Section PS 1202 sets out general and specific requirements for the presentation of information in general purpose financial statements. The financial statement presentation principles are based on the concepts within the Conceptual Framework.

Management is currently assessing the impact of the conceptual framework and the standard on the financial statements.

CANADIAN CENTRE OF RECOVERY EXCELLENCE
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2025
(thousands of dollars)

Note 4 BUDGET

CoRE's 2024 - 2025 operating budget was submitted to and approved by the Minister of Mental Health and Addiction.

Note 5 CASH

Cash is held in an account with a Canadian chartered bank and earns interest calculated based on the average monthly cash balance. The funds are available to be withdrawn upon request. CoRE's interest rate arrangement became effective on August 1st, 2024. During the 8-month period ended March 31, 2025, CoRE earned interest at an annual average rate of 3.60%.

Cash includes restricted funds of \$688 as reflected in unspent deferred contributions (Note 7).

Note 6 FINANCIAL RISK MANAGEMENT

CoRE has the following financial instruments: cash, accounts receivable, accounts payable and other accrued liabilities.

CoRE has exposure to the following risks from its use of financial instruments: interest rate risk, liquidity risk and credit risk. CoRE does not have exposure to price risk as it is fully funded by the Government of Alberta. CoRE does not have exposure to foreign exchange risk as its foreign transactions are insignificant.

(a) Interest rate risk

Interest rate risk is the risk that the rate of return and future cash flows on CoRE's cash held in bank accounts will fluctuate because of changes in market interest rates. As CoRE holds bank deposits that are interest bearing and accounts payable that are non-interest bearing, the Corporation is not exposed to significant interest rate risk relating to its financial assets and liabilities.

(b) Liquidity risk

Liquidity risk is the risk that CoRE will encounter difficulty in meeting obligations associated with financial liabilities. CoRE enters into transactions to purchase goods and services on credit. Liquidity risk is measured by reviewing CoRE's future net cash flows for the possibility of negative net cash flow. CoRE manages the liquidity risk resulting from its accounts payable obligations by maintaining adequate cash resources in interest bearing bank deposits.

(c) Credit Risk

Credit risk is the risk of loss arising from the failure of a counterparty to fully honor its contractual obligations. CoRE is not exposed to any significant credit risk from potential non-payment of accounts receivable. As at March 31, 2025, the balance of accounts receivable does not contain amounts that are uncollectible.

CANADIAN CENTRE OF RECOVERY EXCELLENCE
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2025
(thousands of dollars)

Note 7 UNSPENT DEFERRED CONTRIBUTIONS

	2025
	Ministry of Mental Health and Addiction
Balance at beginning of the period	\$ -
Cash received or receivable during the period	688
Recognized as revenue	-
Balance at end of period	\$ 688

The unspent deferred contribution from the Ministry of Mental Health and Addiction at the end of the period is restricted to conducting initial population based mental health and addiction surveys.

Note 8 BENEFIT PLAN

CoRE participates in the Local Authorities Pension Plan (LAPP), a multi-employer defined benefit pension plan. CoRE accounts for this multi-employer pension plan on a defined contribution basis. CoRE is not responsible for future funding of the plan deficit other than through contribution increases. Pension expense recorded in the financial statements is equivalent to CoRE's annual contributions of \$60 for the period ended March 31, 2025.

At December 31, 2024, the Local Authorities Pension Plan reported a surplus of \$19,557,148 (2023 – surplus of \$15,056,661).

Note 9 TANGIBLE CAPITAL ASSETS

	2025		
	Furniture & Equipment	Computer Hardware & Software	Total
Estimated Useful Life	10 years	5 years	
Historical Cost			
Beginning of the period	\$ -	\$ -	\$ -
Additions	209	136	345
	209	136	345
Accumulated Amortization			
Beginning of the period	-	-	-
Amortization expense	-	3	3
	-	3	3
Net book value at March 31, 2025	\$ 209	\$ 133	\$ 342

CANADIAN CENTRE OF RECOVERY EXCELLENCE
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2025
(thousands of dollars)

Note 10 **CONTRACTUAL OBLIGATIONS**

Contractual obligations are obligations of CoRE to others that will become liabilities in the future when the terms of those contracts or agreements are met.

Estimated payment requirements for each of the next five years and thereafter are as follows:

Year ended March 31	Operating Lease and Contracts
2025 – 26	<u>\$</u> 196
2026 – 27	219
2027 – 28	228
2028 – 29	235
2029 – 30	241
Thereafter	84
	<u>\$</u> 1,203

Note 11 **APPROVAL OF THE FINANCIAL STATEMENTS**

The Board approved CoRE's financial statements on May 14, 2025.

**CANADIAN CENTRE OF RECOVERY EXCELLENCE
EXPENSES – DETAILED BY OBJECT
FOR THE PERIOD JUNE 21, 2024 TO MARCH 31, 2025
(thousands of dollars)**

Schedule 1

	2025	
	Budget (Note 4)	Actual
Salaries, wages, and employee benefits	\$ 2,293	\$ 1,379
Supplies and services	2,007	837
Amortization of tangible capital assets (Note 9)	-	3
Total expenses	\$ 4,300	\$ 2,219

CANADIAN CENTRE OF RECOVERY EXCELLENCE
SALARY AND BENEFITS DISCLOSURE
FOR THE PERIOD JUNE 21, 2024 TO MARCH 31, 2025
(thousands of dollars)

Schedule 2

	2025			
	Base Salary ⁽¹⁾	Other Cash Benefits ⁽²⁾	Other Non-Cash Benefits ⁽³⁾	Total
Board Chair & Chief Executive Officer ⁽⁴⁾	\$ 184	\$ 38	\$ 11	\$ 233
Chief Scientific Officer ⁽⁵⁾	223	-	-	223
Chief Information Officer ⁽⁶⁾	29	-	6	35
Chief Privacy Officer / General Counsel ⁽⁷⁾	53	-	11	64
Executive Director, Finance & Corporate Services ⁽⁸⁾	89	-	17	106
Executive Director, Communications & Engagement ⁽⁹⁾	101	-	16	117
	\$ 679	\$ 38	\$ 61	\$ 778

(1) Base salary includes regular salary.

(2) Other cash benefits include pay-in-lieu benefits and vehicle allowance. There were no bonuses paid in 2025.

(3) Other non-cash benefits include employer's share of benefits and contributions or payments made on behalf of employees including pension, health care, dental coverage, and professional memberships.

(4) The incumbent held the position effective July 1, 2024. The Board Chair does not receive remuneration for participation on the Board.

(5) The incumbent held the position effective July 1, 2024. CoRE provides compensation to this incumbent as part of the agreement with their professional corporation.

(6) The incumbent held the position effective February 10, 2025.

(7) The incumbent held the position effective August 12, 2024. The incumbent is employed on a 0.4 Full-Time Equivalent basis.

(8) The incumbent held the position effective September 23, 2024.

(9) The incumbent held the position effective July 31, 2024.

CANADIAN CENTRE OF RECOVERY EXCELLENCE
ACTUAL RESULTS COMPARED WITH BUDGET
FOR THE PERIOD JUNE 21, 2024 TO MARCH 31, 2025
(thousands of dollars)

Schedule 3

	Budget (Note 4)	Adjustments ⁽¹⁾	Adjusted Budget	Actual
Revenue				
Government of Alberta grants	\$ 4,300	\$ -	\$ 4,300	\$ 4,300
Investment income	-	-	-	87
	4,300	-	4,300	4,387
Expenses				
Administration	1,837	119	1,956	810
Evaluation and Research	1,914	(22)	1,892	1,226
Communications and Engagement	549	(97)	452	183
	4,300	-	4,300	2,219
Annual Operating Surplus	-	-	-	2,168
Capital				
Capital Investment	-	-	-	345
Less: Amortization of tangible capital assets	-	-	-	(3)
Net capital investment	-	-	-	342
Surplus	\$ -	\$ -	\$ -	\$ 1,826

(1) Adjustments reflect changes to the original budget approved by the Ministry of Mental Health and Addiction.

CANADIAN CENTRE OF RECOVERY EXCELLENCE
RELATED PARTY TRANSACTIONS
FOR THE PERIOD JUNE 21, 2024 TO MARCH 31, 2025
(thousands of dollars)

Schedule 4

Related parties are those entities consolidated or accounted for on a modified equity basis in the Government of Alberta's Consolidated Financial Statements. Related parties also include key management personnel and close family members of those individuals in CoRE. CoRE and its employees paid or collected certain taxes set by regulation. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this schedule.

CoRE had the following transactions with related parties recorded in the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties.

	2025
Revenues	
Grants	\$ 4,300
	<u>\$ 4,300</u>
Expenses	
Other services	-
	<u>\$ -</u>
Receivable from related parties	-
	<u>\$ -</u>
Payable to related parties	-
	<u>\$ -</u>
Transferred from related parties	688
	<u>\$ 688</u>

At March 31, 2025, CoRE recorded \$688 in deferred revenue from the Ministry of Mental Health and Addiction related to unspent deferred contributions (Note 7).



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