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Did You Know?

Since the Army's earliest days, corps officers have been expected to share financial information with their congregations. From *The War Cry*, January 3, 1885:

"Important! To all persons interested in the work of The Salvation Army in Canada. For the satisfaction of the public at large, a balance sheet will be in future be publicly read out in the meetings every three calendar months in every corps. A secretary also will be selected and commissioned, whose duties will be to keep an account of all monies received and expended."

Editorial

This is the last issue of *Money & Mission* for our first publication year, which runs from October to June. We've covered a variety of topics in small, bite-sized articles. We hope that you have found them both interesting and informative. Your feedback has been positive, and we wish to thank those of you who have written to express appreciation or suggest topics for future issues.

Thanks are also due to our contributors who have provided timely, relevant and interesting articles,

and who have done so on top of already-busy schedules. Special thanks are owed to Patricia Dunbar, senior editor, and Angela Robertson, layout editor and production manager. Without their stellar efforts, these last 18 issues of volume I would simply not have been possible.

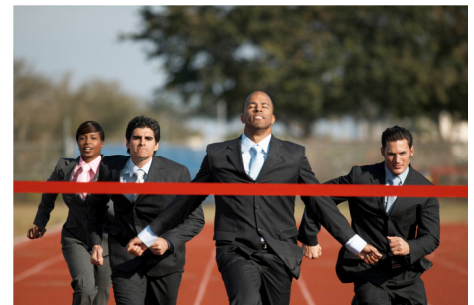
Thanks for reading . . . we look forward to connecting with you again when we publish the first issue of volume II on October 12, 2011.

Consolidation Update

It's hard to believe, but the Army's consolidated financial statements are now nearing completion. For the first time ever, we will be incorporating the financial position and results of operations of all ministry units in the Territory. As this issue is being released, draft statements have been prepared and audited, and are now undergoing final review before being presented to the Territorial Finance Council on June 30, 2011. We expect to have the statements on the website by mid-July.

This is the culmination of significant efforts by many people over a long period of time. To all of you who have helped us reach this milestone in financial reporting for the Territory, we say 'thank you'. Consolidated statements finally allow us to present a comprehensive financial picture of the Army's operations in the Territory. Special thanks go to the

financial reporting and consolidation staff in the finance department, under the leadership of Irene Chan, assistant financial secretary, and David Dunstan, director of financial reporting.



Energy Contracts – More to Consider

In our last issue of *Money & Mission*, we provided evidence that, most of the time, fixed rate energy contracts will not save you money.

Although we do not recommend signing a contract, it can be hard to avoid representatives from energy retailers who often employ high pressure, door to door sales tactics. Here are some things to consider if you are approached by an energy retailer.

1. **You have options.** You are under **no** obligation to sign a contract with an energy retailer, regardless of what the sales person might say. You can choose to stay with your public utility.
2. **You do not need to make a quick decision.** People often feel pressured or rushed to sign a contract by a sales person at the door. Take time to review the information and do not make a hasty decision that could have significant financial consequences.
3. **Contracts are usually for four to five years.** Should you want to cancel before the contract ends, penalties for early cancellation can range from \$50 to over \$1,000.
4. **Read the fine print.** Make sure you understand what you are being asked to sign.
5. **There is no guarantee that you will save money, even if you sign.** In fact, the evidence suggests that you will not save money, compared to staying with your public utility. Compare prices to those from your local utility and other competitors.
6. **Be wary of sales tactics and misrepresentation.** Make sure salespeople do not misrepresent themselves or their companies. Be wary of claims that you are just “renewing your contract”, even though you have never had a contract with the company.
7. **You are under no obligation to show the sales person your current utility bill unless you decide to sign the contract.** Keep this information safe and confidential.
8. **Keep copies of everything you sign.**
9. **Understand renewal terms.** Some companies will send a renewal notice, but require written notification if you do not wish to renew, sometimes 90 days prior to the end of the contract. Others may have an auto renewal clause i.e. the contract rolls over unless you specify otherwise.

Do your homework, research what you are being asked to sign and make an educated decision. If you have any questions, please contact your divisional property or business office.



Money & Mission

A publication of the Finance Department,
The Salvation Army Canada & Bermuda
Issue 18, June 22, 2011

Comments, Suggestions?

Do you have comments on any of the topics raised in this issue, or suggestions for a future issue? Write to us at:
Money&Mission@can.salvationarmy.org.

Subscription

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Chart of Account Changes

We have made several changes to the chart of accounts for divisions and ministry units. Please take note of the following, which came into effect on April 01, 2011.

419XXX Operating Fund Balance - Externally Restricted: Use this account as the closing account for general operating funds that are externally restricted and require separate disclosure on your financial statements. These fund balances will be rarely needed and will primarily apply to externally audited ministry units. Please contact the finance department if you think you need to use this account.

511400 Thrift Store Inter-departmental Transfers: Use to record grants between Thrift Stores and other operating departments.

521300 Christmas Kettle Inter-Fund Transfers: Use to record transfers of kettle income to another ministry unit. Both issuing and receiving units should use this account to record transfers, to avoid double counting of kettle income. The unit collecting and managing the kettle campaign will record kettle income.

723200 Supplies & Purchasing Expense: Use to record general expenses from supplies and purchasing (S&P). For the finance department’s clients, this account will be charged for initial pre-authorized withdrawals for S&P expenses. Ministry units may choose to journal initial charges to detailed expense accounts.

742700 Capital Loan Re-payments: 742700 is a roll-up account and should not be used. Use the 742710 sub-account to record any loan or mortgage payments to THQ on facilities which have been built, purchased or renovated. Use 742720 for external mortgage payments.

761206 to 260 Allocations to Capital Projects - DHQ Legacy Reserves: Restricted for DHQ. Use a specific account to record grants to capital projects for each legacy reserve and then close to the appropriate legacy fund balance on DHQ’s books