

# Money & Mission



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## Did You Know?

There's still time to participate in our Money & Mission reader survey. Our thanks to those of you who have already responded. If you have not, please take a few minutes to tell us what you think of our newsletter. Your response will help us plan next year's issues to ensure we are meeting your needs.

The survey can be found at:

[www.surveymonkey.com/s/MoneyandMission](http://www.surveymonkey.com/s/MoneyandMission).

The final deadline for participating is July 11, 2012.

Thanks in advance for your participation!

## Editorial

With this issue, we conclude Volume 2 of Money & Mission. We hope you have enjoyed reading Money & Mission this year, and that you have found it to be both informative and educational.

Thanks are due to a number of people who, on top of their busy and demanding jobs, still find time to meet publishing deadlines and help us put together a bi-monthly, quality two-pager. Hats off to Patricia Dunbar and Angela Robertson who take the sometimes rough

stones of our writing efforts and polish them into diamonds displayed in attractive cases! Thanks also to all of our contributors this year: Arnold Adey, Irene Chan, David Dunstan, Samantha Moss, Rozina Aziz, Patricia Dunbar and Christopher Tuk.

Our first issue of the 2012/13 year will be released on October 10, 2012. Until then, have a pleasant summer!

## Accounting

The Army's first regional accounting centres were established in 1998, and, by 2000, the finance department was offering services in all parts of Canada, with Bermuda added in 2005. Today, we handle accounting and financial reporting for 330 of 460 ministry units; we are poised to see this number grow over the next few years.

One of the things we stress to new staff is that the finance department does not have its own mission statement. Our view is that the Army only has one mission, and our department is as concerned with that mission as anyone else. As General John Gowans so aptly stated, saving souls, growing saints, and serving suffering humanity is our mission too. Although our job doesn't involve directly preaching the gospel or serving those in need, what we do frees up and supports others to do what they do best.

Recently, an officer who is retiring wrote to one of our offices to express his appreciation of the work done by the finance department in supporting his ministry. Here's an extract from his letter:

*"At the end of June I will be retiring from active service after 44 years as an Officer. In that time, I have gone from no forms to report to government to many. In times past, when we had thrift stores, etc., and had to fill our payroll reports manually; it was such a pain and*

*the unforgiving exactness that CRA requires didn't help at all. Then the T3010 came rolling across our horizon like a choking dust storm with ever increasing requirements, made even eating beets seem reasonable for me.*

*In the beginning, I viewed regional accounting with suspicion as another arms-length mechanism to reduce my local autonomy to choose. However, I have found it to be just the opposite. I have found it liberating to not have the mechanics of payroll to dredge through nor to struggle to breathe under the mountain of the government financial reports. The staff has been most patient and most helpful on so many occasions when my accounting denseness would seep through my benign questions.*

*I can only imagine how inundated you must be a certain times of the year but, as one who visits some of the most broken people imaginable in prisons, I have been grateful that I can concentrate being the right person for them and not get distracted by the importance of financial accounting and book keeping. Every blessing to you and the good people who do your kind of work that makes our people to people work possible."*

Mission accomplished.

# Financial Reporting

As this issue is released, the year-end external audit is wrapping up. Based on feedback from KPMG, LLP, the Army's auditors, the 2012 year-end has gone reasonably well. Almost all ministry units and other entities met the deadlines for closing their books and being prepared for their audits.

This is a significant undertaking, involving over 160 separate audit engagements. Our thanks go out to everyone involved for their cooperation and hard work. We particularly want to acknowledge the coordinating role played by Irene Chan, assistant financial secretary, who will retire later this year. We could not have done it without you, Irene!

# Financial Management

We thought you would be interested in some highlights from the 2011/12 fiscal year for The Salvation Army in Canada and Bermuda:

- Total expenses - \$623 million.
- Total assets - \$1.48 billion.
- Total donations and legacies - \$180 million.
- Total government funding - \$210 million.
- Total thrift store revenues - \$124 million; Cost of operations - \$111 million; Net profit - \$13 million.
- Headquarters costs as a percentage of total revenue – 6.9%.
- Public relations and fundraising costs as a percentage of donations and legacies – 11.7%.
- General Investment Fund – Total return for the year– 1.65%; Average return over past 10 years – 6.57%.
- Territorial Headquarters entities with reserves adequate to fund 3 months' operations – 4 of 6.
- Divisional headquarters with reserves adequate to fund 3 months' operations – 8 of 9.
- Ministry units with reserves adequate to fund 3 months' operations – 235 of 455.
- Ministry units realizing operating deficits in 2011/12 – 191 (42%); Average deficit - \$57,000.
- Ministry units with negative fund balances – 53; Average negative fund balance - \$188,000.

# In the News

## **Consolidated Financial Statements Release**

Tomorrow, Thursday, June 28, 2012, the Territorial Finance Council will meet to review draft consolidated financial statements for The Salvation Army in Canada and Bermuda for the year ended March 31, 2012 and to receive the audit findings report from representatives of KPMG, LLP. Later in the day, the members of the Governing Council will convene for its annual meeting at which the financial statements are expected to be formally approved. The statements will be released publically on the Army's web sites shortly thereafter. This is the second year the territory has published consolidated financial statements.

## **New Property Secretary Named**

Lt. Colonel Neil Watt, territorial secretary for business administration, has announced the appointment of Mr. Mike Gilbert as the territorial property secretary, effective July 1, 2012. Gilbert, who has been a member of the property department for 25 years, currently serves as assistant property secretary. This is the first time the post has been filled by someone other than a commissioned officer. Major Dennis Brown has been appointed as assistant property secretary.

## **Assistant Financial Secretary Named**

Mr. Paul Goodyear, territorial financial secretary, has announced the appointment of Ms. Patricia Dunbar as assistant financial secretary, effective July 1, 2012. Dunbar, who has served as the director of treasury since 2006, will now oversee the treasury and payroll groups, as well as take on additional responsibilities for staff education and training, general administration, and communications.



Giving Hope Today

## **Money & Mission**

*A publication of the Finance Department,  
The Salvation Army Canada & Bermuda  
Issue 18, Volume II,  
June 27, 2012*

## **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](mailto:Money&Mission@can.salvationarmy.org).

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## **Editorial Team**

### **Managing Editor:**

*R. Paul Goodyear*

### **Senior Editor:**

*Patricia Dunbar*

### **Design Editor & Production Manager:**

*Angela Robertson*

## **Finance Department Offices**

2 Overlea Blvd  
Toronto, ON M4H 1P4  
(416) 425.2111 ext. 2237

116 - 276 Midpark Way SE  
Calgary AB T2X 1J6  
(403) 201.9223

884 - 167 Lombard Ave  
Winnipeg MB R3B 0T6  
(204) 975.0735

1655 Richardson St  
Montréal QC H3K 3J7  
(514) 288.2848

101 - 85 Thorburn Rd  
St. John's NL A1B 3M2  
(709) 579.3919