



# Air Cadet League of Canada

# ACC9

## Version 2020

Initial Development : Mr Rick Brooks

Subsequent Development : Mr André Guilbault

# User's Manual

Version of the guide : v2020.01

Accounting Application





## Table of Contents

|                                                        |           |
|--------------------------------------------------------|-----------|
| <b>LIST OF FIGURES .....</b>                           | <b>3</b>  |
| <b>FOREWORD .....</b>                                  | <b>5</b>  |
| SECTION 1 – INTRODUCTION .....                         | 5         |
| SECTION 2 – MINIMUM CONFIGURATION .....                | 5         |
| SECTION 3 – KNOWN ISSUES.....                          | 5         |
| SECTION 4 – TIPS .....                                 | 6         |
| <b>CHAPTER 1 – FINANCIAL RESOURCES MANAGEMENT.....</b> | <b>7</b>  |
| SECTION 1 – INTRODUCTION .....                         | 7         |
| SECTION 2 – GUIDING PRINCIPLES .....                   | 7         |
| SECTION 3 – ACCOUNTING SYSTEMS .....                   | 7         |
| SECTION 4 – SOME ACCOUNTING PRINCIPLES .....           | 8         |
| SECTION 5 – ACCOUNTING CYCLE .....                     | 8         |
| SECTION 6 – RESPONSABILITIES OF THE TREASURER.....     | 9         |
| SECTION 7 – BANK ACCOUNT .....                         | 10        |
| SECTION 8 – BUDGETING – PRINCIPLES.....                | 10        |
| SECTION 9 – CHARITIES .....                            | 11        |
| SECTION 10 – RETENTION OF BOOKS AND RECORDS .....      | 11        |
| SECTION 11 – ELECTRONIC RECORDS .....                  | 12        |
| <b>CHAPTER 2 – ACC9 APPLICATION OVERVIEW.....</b>      | <b>13</b> |
| SECTION 1 – DATA CONFIGURATION .....                   | 13        |
| SECTION 2 – TRANSACTIONS.....                          | 13        |
| SECTION 3 – TRACKERS AND TOOLS .....                   | 13        |
| SECTION 4 – FINANCIAL REPORTS .....                    | 14        |
| SECTION 5 – END OF YEAR .....                          | 14        |
| SECTION 6 – INVENTORY.....                             | 15        |
| <b>CHAPTER 3 – TABS IN DETAIL.....</b>                 | <b>17</b> |
| SECTION 1 – BASIC DATA CONFIGURATION .....             | 17        |
| SECTION 2 – REVENUES JOURNAL .....                     | 20        |
| SECTION 3 – EXPENSES JOURNAL.....                      | 22        |
| SECTION 4 – MONTHLY TRANSACTIONS .....                 | 24        |
| SECTION 5 – ACCOUNTS RECONCILIATION .....              | 25        |
| SECTION 6 – BUDGET TRACKER .....                       | 26        |
| SECTION 8 – INVESTMENTS .....                          | 26        |
| SECTION 7 – DND CLAIM TRACKER .....                    | 27        |
| SECTION 9 – VOLUNTEERING TRACKER .....                 | 28        |
| SECTION 10 – PAYMENT REQUEST.....                      | 28        |
| SECTION 11 – PETTY CASH.....                           | 29        |
| SECTION 12 – DEPOSIT FORM .....                        | 29        |
| SECTION 13 – ACTIVITY REPORT.....                      | 30        |
| SECTION 14 – SIMPLIFIED INVENTORY .....                | 30        |
| SECTION 14 – FINANCIAL STATEMENTS.....                 | 31        |



|                                                                         |           |
|-------------------------------------------------------------------------|-----------|
| SECTION 15 – TAX RETURN (WORKSHEET) .....                               | 33        |
| SECTION 16 – TAX REBATE (WORKSHEET) .....                               | 34        |
| SECTION 17 – NEXT YEAR BUDGET .....                                     | 35        |
| SECTION 18 – END OF YEAR .....                                          | 35        |
| SECTION 19 – INVENTORY .....                                            | 37        |
| <b>CHAPTER 4 – TRANSACTIONS .....</b>                                   | <b>41</b> |
| SECTION 1 – BANK DEPOSIT .....                                          | 41        |
| SECTION 2 – PAYMENT .....                                               | 42        |
| SECTION 3 – REIMBURSEMENT .....                                         | 43        |
| SECTION 4 – CANTEEN .....                                               | 43        |
| SECTION 5 – PETTY CASH .....                                            | 44        |
| SECTION 6 – SECURITY DEPOSIT .....                                      | 47        |
| SECTION 7 – FUNDS ADVANCE .....                                         | 48        |
| SECTION 8 – TRANSFER BETWEEN ASSET ACCOUNTS .....                       | 50        |
| SECTION 9 – CREDIT CARD .....                                           | 50        |
| SECTION 10 – INVENTORY TRANSACTIONS .....                               | 52        |
| <b>CHAPTER 5 – FINANCIAL REPORTS .....</b>                              | <b>53</b> |
| SECTION 1 – GENERAL .....                                               | 53        |
| SECTION 2 – BALANCE SHEET .....                                         | 53        |
| SECTION 3 – ASSETS STATEMENT .....                                      | 54        |
| SECTION 4 – ASSET ACCOUNT RECONCILIATION .....                          | 54        |
| SECTION 5 – INVENTORY .....                                             | 55        |
| SECTION 6 – PROVINCIAL AND FEDERAL INFORMATION RETURN - CHARITIES ..... | 55        |
| <b>CHAPTER 6 – ACCOUNTING PROCEDURES .....</b>                          | <b>57</b> |
| SECTION 1 – BANK ACCOUNT .....                                          | 57        |
| SECTION 2 – SPENDING AUTHORIZATION AND PAYMENT .....                    | 57        |
| SECTION 3 – PAYMENTS .....                                              | 58        |
| SECTION 4 – PETTY CASH .....                                            | 58        |
| SECTION 5 – DEPOSIT .....                                               | 59        |
| SECTION 6 – CREDIT CARD .....                                           | 59        |
| SECTION 7 – FUNDS ADVANCE .....                                         | 60        |
| SECTION 8 – CANTEEN MANAGEMENT .....                                    | 60        |
| SECTION 9 – INVENTORY MANAGEMENT .....                                  | 63        |
| SECTION 10 – TAX RECEIPT FOR DONATIONS .....                            | 63        |
| SECTION 11 – INVESTMENTS .....                                          | 64        |
| <b>ABBREVIATIONS .....</b>                                              | <b>67</b> |



## List of figures

|                                                                                    |           |
|------------------------------------------------------------------------------------|-----------|
| <b>CHAPTER 1 – FINANCIAL RESOURCES MANAGEMENT .....</b>                            | <b>7</b>  |
| FIGURE 1-1     ACCOUNTING CYCLE .....                                              | 9         |
| <b>CHAPTER 2 – ACC9 APPLICATION OVERVIEW .....</b>                                 | <b>13</b> |
| FIGURE 2-1     RELATIONSHIP OF DATA .....                                          | 13        |
| <b>CHAPTER 3 – TABS IN DETAIL .....</b>                                            | <b>17</b> |
| FIGURE 3-1     BASIC DATA – SSC AND COMMANDING OFFICER .....                       | 17        |
| FIGURE 3-2     BASIC DATA – INFORMATIONS ON ACCOUNTS AND TRANSFER OF BALANCE ..... | 18        |
| FIGURE 3-3     BASIC DATA – IDENTIFICATION OF ACCOUNTS .....                       | 18        |
| FIGURE 3-4     BASIC DATA – TRANSFER OF RESULTS .....                              | 19        |
| FIGURE 3-5     BASIC DATA – INFORMATIONS ABOUT TAXATION .....                      | 19        |
| FIGURE 3-6     BASIC DATA – TRANSFER OF OUTSTANDING TRANSACTIONS .....             | 20        |
| FIGURE 3-7     REVENUE TRANSACTION – IDENTIFICATION .....                          | 20        |
| FIGURE 3-8     REVENUE TRANSACTION – AFFECTATION .....                             | 21        |
| FIGURE 3-9     REVENUE TRANSACTION – CUSTOMIZING ACCOUNTS .....                    | 22        |
| FIGURE 3-10    EXPENSES TRANSACTION – IDENTIFICATION .....                         | 22        |
| FIGURE 3-11    EXPENSES TRANSACTION – ALLOTMENT .....                              | 23        |
| FIGURE 3-12    EXPENSES TRANSACTION – CUSTOMIZING ACCOUNTS .....                   | 24        |
| FIGURE 3-13    MONTHLY TRANSACTIONS LISTING - SORTING .....                        | 24        |
| FIGURE 3-14    ACCOUNTS RECONCILIATION - DETAILED .....                            | 25        |
| FIGURE 3-15    ACCOUNTS RECONCILIATION - SUMMARY .....                             | 25        |
| FIGURE 3-16    BUDGET TRACKER .....                                                | 26        |
| FIGURE 3-17    INVESTMENTS (INTERESTS) – WORKSHEET .....                           | 26        |
| FIGURE 3-18    INVESTMENTS (CAPITAL GAIN / LOSS) – WORKSHEET .....                 | 27        |
| FIGURE 3-19    DND CLAIM TRACKER - CLAIM .....                                     | 27        |
| FIGURE 3-20    DND CLAIM - APPROVAL .....                                          | 27        |
| FIGURE 3-21    DND CLAIM - REIMBURSEMENT .....                                     | 28        |
| FIGURE 3-22    VOLUNTEERING TRACKER .....                                          | 28        |
| FIGURE 3-23    PAYMENT REQUEST .....                                               | 28        |
| FIGURE 3-24    PETTY CASH RECONCILIATION .....                                     | 29        |
| FIGURE 3-25    DEPOSIT FORM .....                                                  | 29        |
| FIGURE 3-26    ACTIVITY REPORT .....                                               | 30        |
| FIGURE 3-27    SIMPLIFIED INVENTORY .....                                          | 30        |
| FIGURE 3-28    COVER PAGE AND IDENTIFICATION .....                                 | 31        |
| FIGURE 3-29    STATEMENT OF OPERATIONS .....                                       | 32        |
| FIGURE 3-30    BALANCE SHEET .....                                                 | 32        |
| FIGURE 3-31    STATEMENT OF FIXED ASSETS .....                                     | 33        |
| FIGURE 3-32    STATISTICAL REPORTS .....                                           | 33        |
| FIGURE 3-33    REPORT T3010 .....                                                  | 34        |
| FIGURE 3-34    REPORT TP-985.22-V .....                                            | 34        |
| FIGURE 3-35    TAX REBATE CALCULATIONS .....                                       | 34        |
| FIGURE 3-36    NEXT YEAR BUDGET ESTIMATE .....                                     | 35        |
| FIGURE 3-37    END OF YEAR OPERATIONS .....                                        | 36        |
| FIGURE 3-38    DATA TO BE REPORTED .....                                           | 37        |



|                                                |                                                     |           |
|------------------------------------------------|-----------------------------------------------------|-----------|
| FIGURE 3-39                                    | INVENTORY - CATEGORIES .....                        | 38        |
| FIGURE 3-40                                    | INVENTORY - DESCRIPTION .....                       | 38        |
| FIGURE 3-41                                    | INVENTORY - VALUES .....                            | 39        |
| FIGURE 3-42                                    | ITEMS LISTING FOR INSURANCE.....                    | 39        |
| <b>CHAPTER 4 – TRANSACTIONS .....</b>          |                                                     | <b>41</b> |
| FIGURE 4-1                                     | DEPOSIT IN PERSON OR AT THE COUNTER.....            | 41        |
| FIGURE 4-2                                     | DIRECT DEPOSIT .....                                | 42        |
| FIGURE 4-3                                     | ADJUSTMENT BY THE BANK .....                        | 42        |
| FIGURE 4-4                                     | ELECTRONIC TRANSFER (eTRANSFER).....                | 42        |
| FIGURE 4-5                                     | PAYMENT BY CHEQUE .....                             | 43        |
| FIGURE 4-6                                     | ADJUSTMENT BY THE BANK .....                        | 43        |
| FIGURE 4-7                                     | REIMBURSEMENT AGAINST AN EXPENSE .....              | 43        |
| FIGURE 4-8                                     | ENTRY- METHOD BASED ON PROFITS .....                | 44        |
| FIGURE 4-9                                     | ENTRY – METHOD BASED ON SALES AND PURCHASES .....   | 44        |
| FIGURE 4-10                                    | PETTY CASH – SIMPLE METHOD .....                    | 44        |
| FIGURE 4-11                                    | PETTY CASH – DETAILED METHOD .....                  | 45        |
| FIGURE 4-12                                    | ENTRY FY 2017-2018.....                             | 45        |
| FIGURE 4-13                                    | RECONCILIATION FY 2017-2018 .....                   | 46        |
| FIGURE 4-14                                    | ENTRY FY 2018-2019.....                             | 46        |
| FIGURE 4-15                                    | RECONCILIATION AF 2018-2019.....                    | 47        |
| FIGURE 4-16                                    | SAFETY DEPOSIT .....                                | 47        |
| FIGURE 4-17                                    | REIMBURSEMENT OF A SAFETY DEPOSIT.....              | 48        |
| FIGURE 4-18                                    | PAYMENT OF AN ADVANCE .....                         | 48        |
| FIGURE 4-19                                    | FINALIZING ENTRY – EXPENSE UNDER THE ADVANCE .....  | 49        |
| FIGURE 4-20                                    | FINALIZING ENTRY – EXPENSE EQUALS THE ADVANCE ..... | 49        |
| FIGURE 4-21                                    | FINALIZING ENTRY - EXPENSE OVER THE ADVANCE .....   | 49        |
| FIGURE 4-22                                    | PURCHASE OF AN INVESTMENT FUND .....                | 50        |
| FIGURE 4-23                                    | LIQUIDATION OF AN INVESTMENT .....                  | 50        |
| FIGURE 4-24                                    | CREDIT CARD –SIMPLE METHOD .....                    | 51        |
| FIGURE 4-25                                    | CREDIT CARD – DETAILED METHOD .....                 | 51        |
| FIGURE 4-26                                    | PURCHASE OF EQUIPMENT .....                         | 52        |
| <b>CHAPTER 5 – FINANCIAL REPORTS .....</b>     |                                                     | <b>53</b> |
| <b>CHAPTER 6 – ACCOUNTING PROCEDURES .....</b> |                                                     | <b>57</b> |
| FIGURE 6-1                                     | EXAMPLE OF RESOLUTION – POWER OF SPENDING .....     | 57        |
| FIGURE 6-2                                     | EXAMPLE OF CANTEEN FORMS AND RELATIONSHIP .....     | 61        |
| FIGURE 6-3                                     | ENTRY – METHOD BASED ON PROCEEDS.....               | 62        |
| FIGURE 6-4                                     | ENTRY – METHOD BASED ON SALES AND PURCHASES .....   | 62        |
| FIGURE 6-5                                     | RECONCILIATION OF CANTEEN ACCOUNT.....              | 62        |
| FIGURE 6-6                                     | EXAMPLE OF RESOLUTION –INVENTORY WRITE-OFF .....    | 63        |
| FIGURE 6-7                                     | EXAMPLE OF TAX RECEIPT .....                        | 64        |
| FIGURE 6-8                                     | CASHING DIVIDENDS/INTERESTS .....                   | 65        |
| FIGURE 6-9                                     | CAPITAL GAIN / LOSS .....                           | 65        |
| <b>ABBREVIATIONS.....</b>                      |                                                     | <b>67</b> |



## Foreword

### Section 1 – Introduction

1. After more than 10 years of using the ACC9 application, the time has come to introduce a new and improved version of this application. New tools have been added as well as several process automations to simplify the work of treasurers.
2. The application has been designed for use by all squadrons across Canada, while taking into account the specificity of some provinces. In addition, the application allows for simple customization of accounts to reflect the specificities of the squadrons.
3. The application was designed to be used at all times in protected mode, thus avoiding accidental alteration of the contents of cells containing formulas.
4. This manual is composed of 6 chapters, as follows:
  - a. Chapter 1 – Financial Resource Management. This chapter discusses basic accounting issues such as principles, bank accounts, authorities, records, responsibilities, etc. ;
  - b. Chapter 2 – ACC9 Application Overview. This chapter explains how the application is structured and a brief overview of the tabs;
  - c. Chapter 3 - Tabs in detail. Each tab is explained in detail including purpose, relationships with other tabs and other features;
  - d. Chapter 4 - Transactions. This chapter outlines the main transactions to be recorded in the two main journals and how to register transactions in Journals;
  - e. Chapter 5 - Financial Reports. This chapter discusses the final result of accounting. It details the documents making up the financial statements and required for each entity claiming these statements;
  - f. Chapter 6 - Accounting Procedures. This last chapter presents some accounting processes such as the management of the canteen, a credit card, deposits, inventory, etc.

### Section 2 – Minimum Configuration

5. This application has been developed from the Excel 2013 version. No compatibility test has been performed with previous versions. This version is compatible with subsequent versions of Excel. The application has not been tested with the MAC OS.
6. Microsoft has never developed a RunTime version for Excel (allows you to run an Excel application without having Excel installed on the computer) and does not intend to do so in a known future. Few equivalent spreadsheets software allow VBA programming and macros to be executed. The cloud version of Excel doesn't allow you to use the application (the one available on the League's SharePoint site).
7. The application is best suited for using a 16: 9 screen format and a resolution 1920 x 1080.

### Section 3 – Known issues

8. The Excel 2010 and later versions contain some bugs. These are aesthetic only and do not affect the validity of the data.
9. Using the Print Preview causes unwanted effects on the command buttons and check boxes. There are no known fixes.



## Section 4 – Tips

10. When using the application, make a habit of saving your work at regular intervals, for example every five minutes. If a problem occurs and you may lose new data, exit the application without saving and resume the work from the last backup.
11. Always make a backup copy, ideally each week. A reminder feature has been embedded in the application.
12. Feel free to validate your data from one tab to another. This will give you clues about recording errors.





# Chapter 1 – Financial Resources Management

## Section 1 – Introduction

1. ACC9 has been developed for more than a decade and is used by almost all air cadet squadrons in Canada. The financial structure presented allows the National Committee to consolidate data from different sources and to analyze trends.
2. It became clear that an in-depth overhaul of ACC9 was needed. In addition to aesthetic changes, several tools have been added to help manage financial resources. In addition, greater automation of some features has been added to maintain the integrity of the application. The application can be used in protected mode at any time.

## Section 2 – Guiding Principles

3. The well being of each Air Cadet Squadron is hugely influenced by the effective provision and management of financial resources. These in turn are based on a team effort whereby Commanding Officer, staff, Squadron Sponsoring Committee, volunteers and Cadets understand their role and required contribution.
4. Financial Resources management responsibilities in the operation of squadrons are, as a start, per the December 2005 Leagues-DND MOU, Part 2, Section 2.4.1, MOU Table 5.2.7, whereby:
  - a. All monies, including from Government/DND, the general public and all other sources, are assembled in the main operating account of the SSC (or additional accounts as may be required by law and/or trusts) controlled and administered by the SSC;
  - b. Fund raising is a function of and is organized by the SSC and is supported by the Commanding Officer with Staff and Cadets;
  - c. Budgeting is an integral part of financial management and balances the availability of financial resources with the requirements of the Squadron program; and
  - d. Reporting on Squadron finances must be transparent and available to stakeholders. It is essential that monies raised by the Squadron Cadets, for the Squadron Cadets, on behalf of the Squadron Cadets and in the name of the Squadron Cadets, be controlled by the PC-approved SSC and used only for the Squadron Air Cadet Program. In particular, care should be taken that Squadron-intended funds are not held or controlled by the Sponsor, as distinct from the SSC. The key financial management members of the SSC are the treasurer and the chairperson. These persons should be chosen with care. They should be capable, interested and available. However, the entire SSC shares in financial decisions and responsibilities, with input from the Commanding Officer.

## Section 3 – Accounting Systems

5. Financial accounting is an information system that provides data on the financial activities of organizations, to several types of users who need this information to make their decisions. The financial information is coded, recorded on a day-to-day basis in an accounting application and translated according to strict and well-established principles. Periodically they give rise to the publication of financial statements: balance sheet, statement of operations and capital. These statements must then be interpreted in order to make rational decisions.
6. There are two methods for posting accounting transactions: cash accounting and accrual accounting. Note that the use of accounting software has no impact on the choice of accounting method.
7. The accrual method of accounting is to consider income only when earned and expenses incurred only when incurred. Under this method, an invoice that must be paid by the organization is shown in the financial statements under liabilities and the amounts owed to it are shown as assets. Inventories, depreciation and inventory changes are part of the accrual accounting



considerations. The accrual method provides a more accurate picture of the financial position of the organization than the cash method.

8. The cash method of accounting recognizes transactions when they give rise to cash inflows or outflows. It is better to talk about revenues and charges. Although cash accounting has the advantage of simplicity, it has the disadvantage of not presenting the financial reality and giving a partial information of the functioning of the organization. In addition, it produces non-comparable results from one year to the next. This method is suitable for small organizations, with fewer entries and smaller revenues and expenses. That's why the Air Cadet League of Canada has adopted this method of accounting.

## Section 4 – Some Accounting Principles

9. To reflect as closely as its results, some Generally accepted accounting principles must be applied:
- The accounts must be regular and sincere and give a true picture of the organization that develops it;
  - Once the accounting has entered, classified and recorded the financial data, the whole must give a true and fair view of the entity's assets, financial position or results at the end of the financial year. An accounting gives an accurate picture of the operations of an organization if it is regular, that is to say if it respects the law and sincerity that is to say if the application of the law is made without cheating or concealment;
  - The principle of comparability requires the organization to provide not only data c omptables a year, but also those of year previous to better understand the changes;
  - The going concern principle assumes that the organization will continue to operate in the near future, at least until the end of the period. If not, the organization could not be considered a living organism and most accounts should be treated as if the organization were to cease operations;
  - The precautionary principle specifies that accounting is based on prudent assessments, in order to avoid the risk of transfer, over future periods, of uncertainties present which may affect the assets and the results of the organization;
  - The principle of consistency assumes the consistency of the accounting information of the successive exercises which must respect the permanence of the application of the rules and procedures. From one financial year to the next one must not, except compelling reason, modify the calculation and the presentation of the accounting operations. Any exception to this principle can not be justified e by an exceptional change of status of the organization or by communicating better information when there are multiple recording options;
  - The principle of non-compensation: no compensation must be made between the asset and liability accounts or the income and expenses accounts: a bank overdraft can not offset a deposit, a barter transaction (exchange in kind) must be analyzed in two operations, a purchase and a sale. On the contrary, account groupings (more active asset or more charge) are allowed; and
  - The principle of materiality: in states Financial must present significant transactions whose absence would induce the error analysts, and can make abstraction of low value transactions but these low-value transactions must still be recorded, based on the principle of completeness of the records;

## Section 5 – Accounting Cycle

10. All stages of accounting for transactions and economic facts relating to an entity. The accounting cycle includes all the accounting procedures to be performed during the financial year, from the identification from the supporting documents, the transactions and the facts to be recorded and the recording of these transactions and facts in the accounts and jopurnals, up to the closing of the financial statements for the year and the preparation of the financial statements

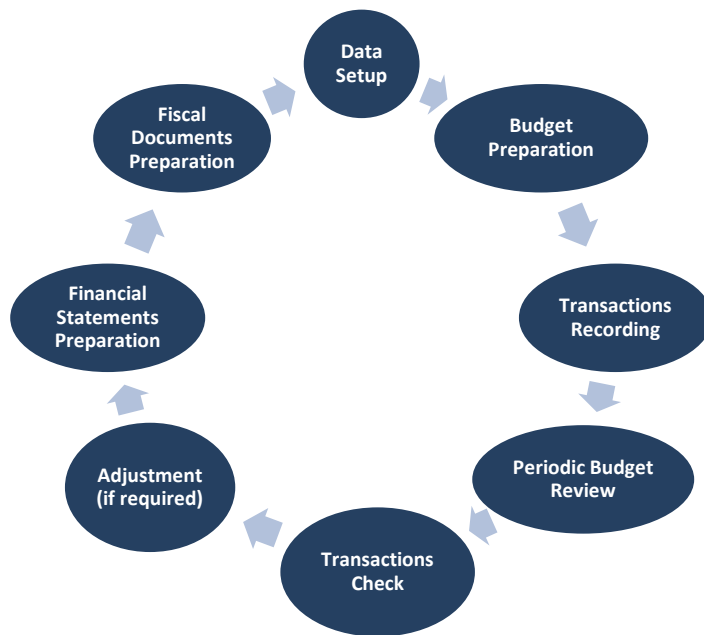


Figure 1-1 Accounting Cycle

11. Eight (8) major stages in the accounting cycle for the squadrons can be identified (Fig. 1-1):
- Data Setup.* The first step is to record the original data and transfer some information from the previous year;
  - Budget preparation.* This step is very important since the budget will guide you in your funding decisions;
  - Recording transactions.* This step lasts throughout the exercise. The registration can be made as transactions occur or periodically;
  - Periodic revision of the budget.* This step is optional but has the advantage of adapting to the changes that occur during the year. It is recommended to number the versions to avoid confusion;
  - Transactions Check.* When all transactions have been entered, an audit of all transactions should be made to verify that income and expenses have been posted to the correct accounts and that all statements are in balance;
  - Adjustments (if necessary).* Certain entries may be necessary to reflect reality as much as possible (e.g. Canteen, Petty Cash, Investments, etc.);
  - Preparation of financial statement.* This activity occurs after the end date of the exercise. We begin this step by reviewing every transaction to ensure that expenses and revenues have been deferred in the right accounts, reconciliations that sway and automatically generated financial statements reflect the reality; and
  - Preparation of tax document.* From the financial statements, Organizations recognized as a charity must produce certain reports and forms in order to comply with the rules enacted by the CRA and, where applicable, RQ.

## Section 6 – Responsibilities of the Treasurer

12. The Treasurer will produce payment cheques for reimbursement of SSC approved expenses upon presentation of proper receipts and approval by the SSC as a whole or the SSC Chair. The Treasurer will pay proper invoices on the same basis. The use of floats should be avoided if at all possible, in favor of reimbursements. If needed, floats need to be small and reconciled monthly. Payments and funds, including monies raised during fundraising, will be given to the treasurer, who will deposit them in the bank.



13. The Treasurer will keep the SSC books on an ongoing basis. A self-calculating Excel format ACC9 with journals is available and recommended.
14. The Treasurer will perform the monthly bank statement reconciliation. The Treasurer will present his/her report at monthly SSC meetings. The report will include the detailed revenues and expenditures lists, the bank balance, a copy of the latest bank statement and the budget how-goes-it as required. A year-to-date ACC9 may also be presented using the self-calculating Excel format with journals.
15. The Treasurer will be the custodian of accounting books, bank statements, cancelled cheques, supporting receipts and invoices, the tax receipt books and such. Proper files for any and all financial correspondence will be maintained by the Treasurer.
16. The Treasurer will apply all financial statutory rules and regulations imposed by governments, their agencies and the ACL. He will produce required reports and returns to the ACL, PC and CRA. He will apply for GST/HST rebates when entitled as a Registered Charity.
17. The Treasurer will formulate a yearly budget to be approved by the SSC, with the CO's input. The budget will balance the availability of financial resources with the needs of the squadron training and activities program. Revenues and expenditures will be tracked against the budget throughout the fiscal year.
18. When terminating his mandate, The Treasurer will conduct an orderly handover with his successor and use a 'Handover Certificate' when completing the transfer of responsibilities. (See the recommended Form ACC39).

## Section 7 – Bank Account

19. The SSC must have a single operating bank account for all Sqn/SSC funds and monies. Additional legally mandated accounts or Trust Accounts may be required (e.g. when Bingo licenses dictate it).
20. Accounts must be in the name of the SSC and not of the squadron (a CF unit). For example, an acceptable name is '444 Airplane SSC My town' or '445 Service Club Name Sqn SSC My town'. It shall never be in the name of the Sponsor (vice SSC) alone. An individual's name shall also never appear in the bank account name. The key word inclusion in acceptable bank account names is 'SSC'.
21. Accounts are to be set up on a two-signature basis. To ensure availability, there should be three or four signatories to the account. The SSC Chair is expected to be a signatory. He should be the regular co-signer of cheques with the treasurer. Signatories must be at arm's length with one another; that is not be family or business related.
22. Business-style books of cheques (with stubs) are to be used. The cheques book is to be in the possession of the Treasurer or in his absence the chair or another SSC member. Blank cheques are not to be signed.

## Section 8 – Budgeting – Principles

23. Some of the specific SSC financial responsibilities include the provision of training locales plus administration offices and storage facilities, meeting operating and utilities costs, providing insurance, and the financial aspects of contractual arrangements for the acquisition or disposal of assets, including in the event of the Squadron's disbandment or temporary cessation of operations. Guidance and assistance in providing complex financial support to a squadron may be obtained from the PC. SSCs need to be mindful of sustainability before engaging in expansive ventures. Incorporation will be most appropriate and required in some cases.
24. An analysis of the disbursements made by SSCs in all parts of Canada indicates that a comfortable amount raised from non-government sources and expended at the local level is approximately \$800 per cadet per year. In some instances, the amounts are considerably higher. However, an Air Cadet Squadron can be successfully operating a basic program on a budget of approximately \$400 per cadet per year, provided undue expenses for accommodation and/or transportation are not encountered.
25. SSCs are urged to approve their yearly budget, in support of a doable and approved yearly training and activities program before the end of the prior training year. This will incorporate the properly sequenced fundraising campaigns and activities to



support the required budget flow. SSCs and COs should also extend the planning cycle when contemplating special projects with extraordinary financial requirements.

26. Preparation of the budget should include the following specifics:
  - a. compiling a list of proposed activities, along with proposed dates for those activities (remember to consider accommodation, transportation, food, etc. for outings);
  - b. compiling a list of items required for cadet activities (e.g., sports equipment, prizes for competitions);
  - c. assigning costs to each activity or item to be acquired;
  - d. defining fund-raising ideas and estimates of revenue potential;
  - e. estimating the amounts of DND funding;
  - f. injecting cash brought forward from the previous financial year; and
  - g. adjusting proposed activities and acquisitions to reflect revenue potential, as required.
27. While most Squadrons are financially sustained in part by tag days, there exists a huge variety of fund raising methods and activities. SSCs should be mindful to limit the call on Cadets to fund raise. Direct, well-presented and managed appeals to community sources of funds are the responsibility of the SSC and keep Cadets away from fund raising.

### Section 9 – Charities

28. The Air Cadet League of Canada has and shall maintain official Registered Charity status, and as such it may issue official receipts for income tax purposes. This status helps significantly in raising funds through donations and contributions. PCs and SSCs are encouraged to obtain and maintain, individually, Registered Charity status. Provincial Committees and SSC are encouraged to obtain and maintain their status as individual charity.
29. The Federal Income Tax Act requires organizations that can qualify as charities, such as the ACLC, to file tax receipts. can register with the CRA, Charities Division.
30. For charitable agency status, each PC or SSC must complete an Application for Charity Registration – Charitable Registration Form T2050E. The completed Application Form and accompanying documents are to be submitted to CRA through your Provincial Committee Office or Financial Compliance Officer. Accompanying documents include a copy of two most recent ACC9 forms (unless new squadron) signed by the PC FCO and a copy of the SSC Meeting minutes approving applying for Registered Charity status.
31. To maintain this registered charity status, each SSC must submit to CRA a form T3010 Registered Charity Information Return and Public Information Return, within six months after the end of each fiscal year. Penalties are imposed for failure to file and to reinstate Registered Charity status.
32. Of course, charities having failed to file are to cease issuing tax receipts.

### Section 10 – Retention of books and records

33. There are three types of records that a charity must keep: governance documents, financial information, and vouchers. All charities must keep and protect their records either in French or in English.
34. These records must be made available to CRA. Failure to keep adequate books and records may result in fines, penalties or the revocation of your charitable status.



35. The CRA requires that the original version of the registers be kept at the Canadian address that appears on the CRA's charity files. If the person has multiple addresses in Canada, it is at the address on file that all records of the charity must be kept. Keeping records abroad, even if these records are made available electronically from Canada, does not meet the CRA's requirement.

36. The charity must also keep backup copies of its records in a different place, preferably outside its premises. This precaution is important to prevent the original version of these documents from being damaged or destroyed (eg, in case of fire or water damage).

37. The retention period of documents depends on the type of document and applies as much to the RC holding a charitable status as those that are not:

| Register type               | Mandatory retention period                                                                                                                                                                                                                                                                  |
|-----------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Duplicate donation receipts | Two years from the end of the calendar year in which the donation was made.<br><br>Ex. A receipt issued on April 23, 2017 may be destroyed on or after January 1, 2019                                                                                                                      |
| Financial records           | Six years after the end of the year to which they relate (or two years after the date of dissolution or termination of activity or revocation of the charity).<br><br>Ex. Financial records ending on June 30 or August 31, 2017, may be destroyed on or after July 1 or September 1, 2023. |
| Constitutive documents      | As long as the charity is registered, plus two years after the date of dissolution or termination of activity or revocation of the charity.                                                                                                                                                 |
| Minutes of SSC meetings     | As long as the charity is registered, plus two years after the date of dissolution or termination of activity or revocation of the charity.                                                                                                                                                 |

## Section 11 – Electronic Records

38. Records kept on a computer must be in an "electronic intelligible" format, even if the charity has paper copies of its electronic records. The term "intelligible electronic format" refers to a copy of the electronic records that can be accessed by CRA officials using CRA equipment. As a general rule, you must keep the computer files and the software or computer application used for the files in a format that can be installed in a standard computer system in order to operate it.

39. Images of vouchers or accounting books scanned by a scanner are acceptable. If these images contain the same information as the original version of the documents and all the relevant elements of their contents are legible, the original paper version of the vouchers or accounting records may be destroyed.

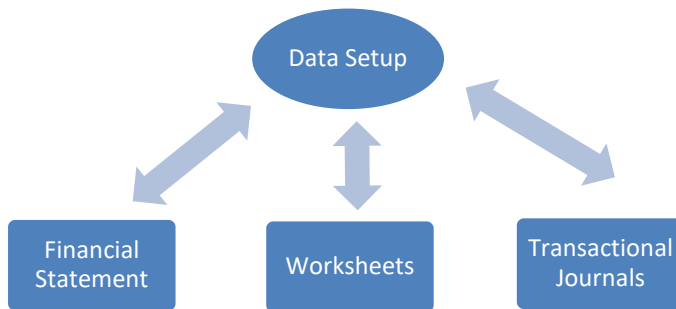
40. Charities must ensure that electronically stored records and supporting documents are matched so that they can be audited. In other words, the electronic records must contain sufficient information from supporting documents (eg, invoice numbers, dates, etc.) to be able to retrieve supporting documentation for a particular electronic transaction.



## Chapter 2 – ACC9 Application Overview

### Section 1 – Data Configuration

1. Before recording transactions, basic data must be entered: Informations about the SSC, the CO, the squadron and the financial data from the previous year.
2. This information is vital as it will be used by several other parts of the application (*Fig. 2-1*).



*Figure 2-1 Relationship of data*

### Section 2 – Transactions

3. The transactions section is the heart of the application. There are two main journals: revenues and expenses. These two journals affect all other parts of the application, except for some tools and worksheets. This section includes the following tabs:

|              |              |                      |                        |                    |
|--------------|--------------|----------------------|------------------------|--------------------|
| Revenue Jrnl | Expense Jrnl | Transactions Listing | Acct Detailed Reconcil | Acct Summ Reconcil |
|--------------|--------------|----------------------|------------------------|--------------------|

- a. Revenues Journal;
- b. Expenses Journal;
- c. Transactions listing;
- d. Detailed account reconciliation; et
- e. Summary of account reconciliations.

### Section 3 – Trackers and Tools

4. This section includes various tools that can help control different processes such as:

|                |             |                   |                      |                 |
|----------------|-------------|-------------------|----------------------|-----------------|
| Budget Tracker | Investments | DND Claim Tracker | Volunteering tracker | Payment Request |
| Petty Cash     | Deposits    | Activity Report   | Simplified Inventory |                 |



- a. *Budget tracker* – This tool allows the SSC to compare actual costs incurred with the budget, and make adjustments;
  - b. *Investments* – this worksheet allows you to track your investments and must be provided with your financial report to the League;
  - c. *DND Claim Tracker* – The claim form allows the squadron to be reimbursed by DND for certain expenses. The process is somewhat laborious in terms of paperwork and time. So good follow-up is extremely important;
  - d. *Volunteering Tracker* – some squadrons will want to keep track of volunteer hours worked during the year for statistical purposes;
  - e. *Payment Request* – this single-use form (no archiving can in ACC9) had to be used to authorize payments;
  - f. *Petty Cash (PC)* – this single-use form (no archiving can in ACC9) had to be used to reconcile and replenish the PC;
  - g. *Deposit* – this single use form (no archiving possible in ACC9) allows to detail the composition of the deposits; and
  - h. *Activity Report* – this single-use form (no archiving possible in ACC9) produces a statement of results for a particular activity. These reports may be used to determine the relevance or profitability of these activities;
5. All forms will be discussed in depth in Chapter 3 and 6.

## Section 4 – Financial reports

6. The financial statements section is the final result of the transactions. This section is driven by all the parts of the application. We find:

|                             |                               |                           |                           |
|-----------------------------|-------------------------------|---------------------------|---------------------------|
| Cover Page                  | ACC9 (Page 1) ID              | ACC9 (Pages 2-3) Revenues | ACC9 (Pages 4-5) Expenses |
| ACC9 (Page 6) Balance Sheet | ACC9 (Pages 7-9) Fixed Assets | Stat Report               |                           |

- a. Cover page;
- b. Identification;
- c. Statement of Operations - Revenues;
- d. Statement of Operations - Expenses;
- e. Balance Sheet;
- f. Statement of Fixed Assets; and
- g. Statistical reports.

## Section 5 – End of Year

7. The end-of-year worksheets will help finalize the Tax Return, prepare the next budget and complete the next year's setup data. We find :





T3010 Worksheet

TP-985.22-V Worksheet

Tax Rebate Calculations

End of Year

Budget Next FY

- a. T3010 Worksheet – all financial data is reported in this worksheet that will make easy the completion of the T3010 (federal tax report);
- b. TP-985.22-V Worksheet – this is the provincial tax return (Quebec only). These are the same data but presented in another form;
- c. Tax Rebate Calculations – This worksheet completes the Tax Rebate Form for Charity;
- d. Next Fiscal Year budget – this tool allows you to present the latest budget and actual results for the year that ends and propose the next budget; and
- e. End of year – this worksheet provides the necessary data to transfer to the next year's Data Setup.

## Section 6 – Inventory

8. Keeping the inventory is an important task of the accounting process. The treasurer is not necessarily the person in charge of the inventory but must be kept informed of any alienation and acquisition. We must distinguish the DND inventory and the SSC one (items purchased by the SSC). Squadron military personnel are responsible for the DND inventory and are not included in this application.

Inventory

1510 - Aircrafts

1520 - Land &amp; Property

1530 - Buildings

1540 - Vehicles

1550 - Office Equipment

1560 - Biathlon &amp; Shooting Eqp

1570 - Photography Eqpt

1580 - Field Equipment

1590 - Electronics Eqpt

1600 - Music &amp; Accessories

1610 - Trophies &amp; Awards

1620 - Miscellaneous

Inventory - Insurances

9. The inventory will be used to ensure adequate insurance coverage (through the League).
10. Some inventory accounts are customizable and some are not, depending on the automated reports to be produced.





## Chapter 3 – Tabs in detail

### Section 1 – Basic Data Configuration

1. As mentioned in the previous chapter, some basic data is needed before starting a new year. The first step is to determine in which language you want to work. Although you can change the language along the way, entries will not be translated.
2. *Squadron Sponsoring Committee (SSC) and Commanding Officer.* This information is important since it is replicated in the official financial statements submitted to the government and the League (*Fig. 3-1*).
3. *Number of cadets.* The number of cadets corresponds to your official quota as of March 31st.

| Squadron Sponsored Committee (SSC)                                                 |                                                                            |
|------------------------------------------------------------------------------------|----------------------------------------------------------------------------|
| SSC's Name                                                                         | 6000 Aurora Sponsoring Committee                                           |
| Mailing Address                                                                    | P.O. Box 1000 Stn Main                                                     |
| City, Prov.                                                                        | Ottawa ON                                                                  |
| Postal Code                                                                        | K2R 1C8                                                                    |
| SSC Chairperson's Name                                                             | Ms Jane Macdo                                                              |
| Is the Squadron Sponsoring Committee a Registered Canadian Charity (CRA)?          | <input checked="" type="radio"/> Yes <input type="radio"/> No              |
| If yes, insert number here:                                                        | 130387665RR0012                                                            |
| Business # (RT), if applicable                                                     | 130387665RT0107                                                            |
| Was the past year's Registered Charity Information Return (Form T3010/TP-985.22-V) | <input checked="" type="radio"/> Yes <input type="radio"/> No              |
| Provincial Committee Jurisdiction                                                  | Québec and Ottawa Valley                                                   |
| Treasurer's Name or the one who will complete the Financial Report                 | Mr Sean Money                                                              |
| Mailing Address                                                                    | 45 Ferdinand Crescent                                                      |
| City, Prov. & Postal Code                                                          | Ottawa ON K2R 2M0                                                          |
| Phone (Home)                                                                       | 613-856-2266                                                               |
| Best Time to Call                                                                  | EVENING                                                                    |
| Phone (Work or Cell)                                                               | 613-258-6699                                                               |
| Best Time to Call                                                                  | EVENING                                                                    |
| Fax                                                                                |                                                                            |
| (H) Home or (W) Work                                                               | <input checked="" type="radio"/> H <input type="radio"/> W                 |
| E-Mail                                                                             | <a href="mailto:andrequilbault98@gmail.com">andrequilbault98@gmail.com</a> |
| (H) Home or (W) Work                                                               | <input checked="" type="radio"/> H <input type="radio"/> W                 |

| Commanding Officer             |                    |
|--------------------------------|--------------------|
| Rank, First Name and Last Name | Capt Georges Paint |

Squadron Number : 6000

Squadron Name : Escadron 6000 Aurora

Number of Cadets : 64

Figure 3-1 Basic data – SSC and Commanding Officer

4. *Information of the current year.* Opening balances are closing balances in the prior year's balance sheet. This information is important and comes from the *Year-End* tab of the previous year. If this is a first year of operation, the balances will be zero (*Fig 3-2*).
5. *Fiscal Year (FY).* The fiscal year for all squadrons (except Quebec) extends from September 1 to August 31 of the following year. In Quebec, the fiscal year is from July 1 to June 30 of the following year.



### End of Year 2017-2018

Your report is balanced and ready to be printed

|                                         |           |
|-----------------------------------------|-----------|
| 1020 - Main Bank Account                | 19,717.36 |
| 1030 - Canteen                          | \$ 169.30 |
| 1040 - Petty Cash                       | \$ 500.00 |
| 1050 - Investments (Mutual Funds, etc.) | \$ -      |
| 1055 - Investments (GIC, etc.)          | \$ -      |
| 1060 - Refundable Security Deposit      | \$ -      |
| 1070 - Available (Rename)               | \$ -      |
| 1080 - Available (Rename)               | \$ -      |
| 1090 - Available (Rename)               | \$ -      |
| 1095 - Available (Rename)               | \$ -      |
| 2010 - Bank Credit Card                 | \$ -      |
| 1010 - Other Cash in hand               | \$ -      |

### Data Setup 2018-2019

Current Year's ACC-9 Information

| Opening Balances: | Asset Accounts                         |
|-------------------|----------------------------------------|
| \$ 19,717.36      | 1010 - Other Cash in hand              |
| \$ 169.30         | 1020 - Main Bank Account               |
| \$ 500.00         | 1030 - Canteen                         |
|                   | 1040 - Petty Cash                      |
|                   | 1050 - Investment (GIC, etc.)          |
|                   | 1055 - Investment (Mutual Funds, etc.) |
|                   | 1060 - Refundable Security Deposit     |
|                   | 1070 - Available (Rename)              |
|                   | 1080 - Available (Rename)              |
|                   | 1090 - Available (Rename)              |
|                   | 1095 - Available (Rename)              |
|                   | Liability Accounts                     |
|                   | 2010 - Bank Credit Card                |
|                   | 2020 - Bank Loans (Short Term)         |
|                   | 2030 - Other Loans/Leases (Short Term) |
|                   | 2040 - Other Outstanding Debts         |
|                   | 2210 - Notes Payable                   |
|                   | 2220 - Mortgage                        |
|                   | 2230 - Capital Equipment Lease         |

Select the Reporting Year

|                   |       |
|-------------------|-------|
| 2018              | 2019  |
| Date for Year-End | Jun   |
| Day               | Month |

Choose a day when you want to be reminded for a backup

Monday

Figure 3-2 Basic data – Informations on Accounts and transfer of balance

6. You can determine the day you want to be called to make your weekly backup when you start your application.
7. There are two types of accounts: Assets and Liabilities. The accounts 1010 to 1055 are standard and can not be changed, unlike the accounts from 1060 to 1095 that are customizable. The 2010 account is the most commonly used liability account. Other accounts are customizable (Fig. 3-3).

Asset Account

**Account**

Enter the French Name  
Dépôt de sécurité remboursable

Enter the English Name  
Refundable Security Deposit

**1060**

If you do not enter the new Account Name in both languages, the name choosen will appear regardless the language choosen.

Cancel
Update

| Asset Accounts                          |
|-----------------------------------------|
| 1010 - Other Cash in hand               |
| 1020 - Main Bank Account                |
| 1030 - Canteen                          |
| 1040 - Petty Cash                       |
| 1050 - Investments (GICs, etc.)         |
| 1055 - Investments (Mutual Funds, etc.) |
| 1060 - Refundable Security Deposit      |
| 1070 - Available (Rename)               |
| 1080 - Available (Rename)               |

Figure 3-3 Basic data – Identification of Accounts



8. *Transfer of results.* From the end of year data from the previous year, the results are transferred manually to the New Year Data Setup tab (Fig. 3-4).

| End of Year 2017-2018                                        |               |
|--------------------------------------------------------------|---------------|
| End of Year's ACC9 Information (from Page 7 - Balance Sheet) |               |
| Total Assets (from line 1700):                               | \$ 19,570.14  |
| Retained Earnings (line 3100):                               | \$ 21,134.30  |
| Surplus/Deficit Revenue over Expenditures (line 3110):       | \$ (1,564.57) |
| Current Liability (outstanding debt) (line 2400):            | \$ -          |
| Integer rounding adjustment (if used last year):             | \$ 0.41       |

| Data Setup 2018-2019                                     |               |
|----------------------------------------------------------|---------------|
| Last Year's ACC9 Information (To Page 7 - Balance Sheet) |               |
| Total Assets (line 1700):                                | \$ 19,570.14  |
| Retained Earnings (line 3100):                           | \$ 21,134.30  |
| Surplus/Deficit Revenue over Expenditures (line 3110):   | \$ (1,564.57) |
| Current Liability (outstanding debt) (line 2400):        | \$ -          |
| Integer rounding adjustment (if used last year):         | \$ 0.41       |

Figure 3-4 Basic data – Transfer of Results

9. *Taxes Informations.* The information on tax is used if your SSC is registered as a charity, which allows you to claim a part of taxes paid during the current year. Choose the province and the rates will appear automatically (Fig. 3-5).

| Taxes Information         |         |
|---------------------------|---------|
| Harmonized Tax Rate (HST) | 13.000% |
| Federal Tax Rate (GST)    | 5.000%  |
| Provincial Tax Rate (PST) | 8.000%  |
| Select your province      | ON      |

Figure 3-5 Basic data – Informations about taxation

10. Cheques and deposits still outstanding (not cleared by the banking institution and not shown on your last bank statement) must be carried forward into the new year. If the amounts were minimal and did not alter the results of the previous year, you could only remove the records in the previous year and record them in the new year. If more cheques or deposits in circulation exceed the number of available entries, some transactions (of the same nature if possible) are simply rolled over (Fig. 3-6).

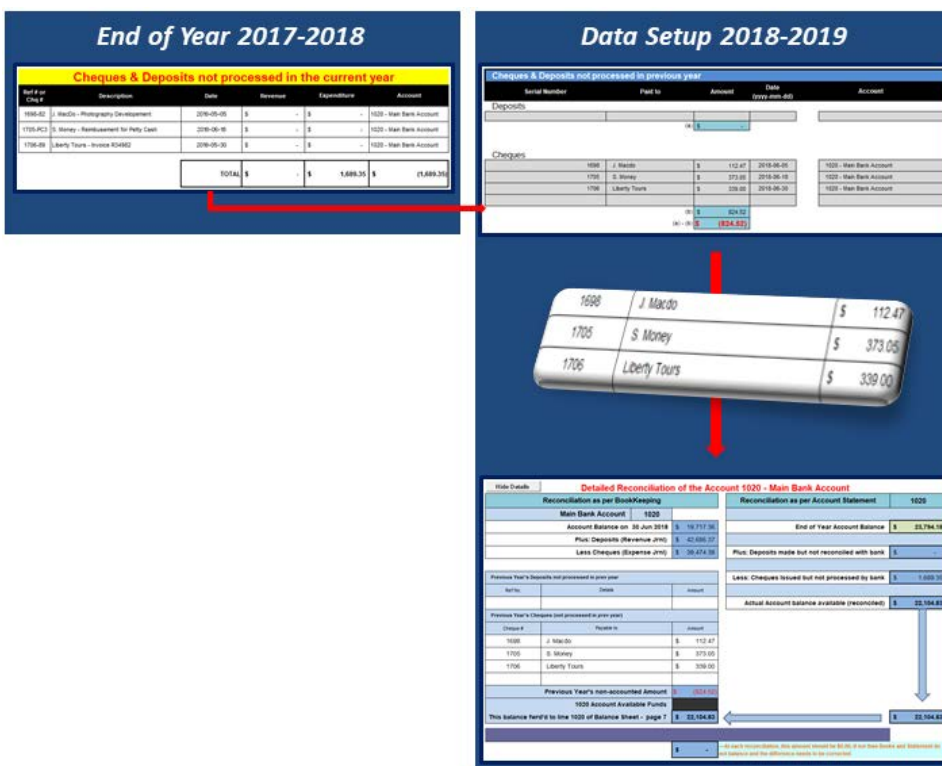


Figure 3-6 Basic data – Transfer of Outstanding Transactions

## Section 2 – Revenues Journal

11. The Revenue Journal is one of the two main journals used to record transactions.
12. *Identification section.* This section identifies the transaction and the assigned asset / liability account. It is important to maintain a methodology for naming transactions. Deposits can be composed of several elements. Some will prefer to detail the deposit into multiple transactions based on provenance and others will enter a single transaction but will identify the sources in the description (Fig. 3-7).

|                                                                                                                                                    |       |                                                                                                                                                                                                    |                                                         |                                                                          |                                                    |                                            |                                                                                                                                               |
|----------------------------------------------------------------------------------------------------------------------------------------------------|-------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------|--------------------------------------------------------------------------|----------------------------------------------------|--------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|
| ADJ Adjustment / Ajustement<br>BK Bank / Banque<br>DD Direct Deposit / Dépôt direct<br>DP Deposit / Dépôt<br>ET eTransfer / Transfert électronique |       | Add accounts of your own in available cells on this page. Ensure to respect the categories. The Sub-Accounts must correspond with their affiliated account. They will replicate to all other tabs. | Hide empty lines<br><input checked="" type="checkbox"/> | <b>Calculator</b><br><input type="button" value="Hide Unused Accounts"/> | If taxes are reimbursed by Gov't, enter them here. |                                            |                                                                                                                                               |
| Reconciled Transactions Type                                                                                                                       | Ref # | Date (dd/mm/yyyy)                                                                                                                                                                                  | Details                                                 | Amount of cash in                                                        | Main Account by Default<br>Account                 | PROOF OF CATEGORY ALLOCATION - must be \$0 | HST Reimbursed by Gov't<br>GST Reimbursed by Gov't<br>PST/QST Reimbursed by Gov't<br>Issued Tax Receipt Amount (not included in account 4070) |

Figure 3-7 Revenue Transaction – Identification

13. *Reconciled.* This hook is used to identify transactions that have been reconciled with official statements such as bank statements, investment reports, et.
14. *Ref #.* This is the direct link to your vouchers. We will identify the transaction by a code or a number:
  - a. ADJ – Manual adjustment not on any state;
  - b. BK – Transactions made by the bank or institution;



- c. DD – Direct Deposit;
  - d. DP – Direct Deposit; and
  - e. ET – Electronic transfer (eTransfer).
15. **Ref #.** Enter a reference linked to the supporting document. It can be the deposit number, a reference in an Account Statement, transaction number or a combination of these.
  16. **Date.** Enter the transaction date.
  17. **Details.** Record relevant information and maintain consistency in the denomination. An example would be : [Provenance – Explanations].
  18. **Cash-in Amount.** Enter the total deposit.
  19. **Account.** Choose the Asset account affected by the transaction. If the SSC uses only one account, the Default Main Account button allows you to register this account on all existing blank lines, thus avoiding choosing the account for each transaction.
  20. **HST/GST/PST.** If this is a DND rebate, enter the rebate related taxes. This presupposes that taxes have been previously entered in the expenditure journal.
  21. **Proof of Allocation.** This column only serves to verify that the Transactions part is equal to the Provenance part (debit = credit concept).
  22. **Allotment section.** Each revenue must be assigned to a revenue account (Fig. 3-8).

| 4000                                                        |                                      |            |                    |                            |                    |                                            |
|-------------------------------------------------------------|--------------------------------------|------------|--------------------|----------------------------|--------------------|--------------------------------------------|
| Donations, Grants & Other                                   |                                      |            |                    |                            |                    |                                            |
|                                                             |                                      | Edit       | Edit               | Edit                       | Edit               |                                            |
| 4020                                                        | 4030                                 | 4030.1     | 4030.2             | 4030.3                     | 4030.4             | 4040                                       |
| 1 (b)                                                       | 1 (c)                                |            |                    |                            |                    | 1 (d)                                      |
| From Non-Sponsor Veterans Organizations & their Auxiliaries | From Other Service Clubs (Charities) | United Way | Other Service Club | Embrun Knights of Columbus | Available (Rename) | Specific Purpose Non-DND Grants            |
| Sub-Accounts/ Sous-comptes                                  |                                      |            |                    |                            |                    | Transfers between accounts or Adjustments. |

Figure 3-8 Revenue Transaction – Affection

23. **Customization.** The journal allows you to personalize accounts. Permanent accounts should not be changed as they identify the types of income required in the tax report. Also, when you create a new account, you must respect the nature of each category because the categories are also related to the tax report. The accounts in the fundraising categories allow you to automatically replicate the equivalent expense account. These can be changed manually later. This is very useful for statistical tables. A button hides unused accounts for easier navigation (Fig. 3-9).



By creating an income account in this serie, you can create a counterpart expenses account in the 5600 Serie, in clicking the option. This account can be modified later.

| 4400<br>Other Fundraising |         |       |                    |                    |              |              |                    |                    |
|---------------------------|---------|-------|--------------------|--------------------|--------------|--------------|--------------------|--------------------|
| Edit                      | Edit    | Edit  | Edit               | Edit               | Edit         | Edit         | Edit               | Edit               |
| 4410                      | 4420    | 4430  | 4440               | 4450               | 4460         | 4470         | 4480               | 4490               |
| 4 (a)                     | 4 (b)   | 4 (c) | 4 (d)              | 4 (e)              | 4 (f)        | 4 (g)        | 4 (h)              | 4 (i)              |
| Bingo / Casino            | Tagging | AAAAA | Available (Rename) | Available (Rename) | TRIVIA Night | Bottle Drive | Available (Rename) | Available (Rename) |

Account - Revenues Jml

**Account**  
**4460**

Enter the French Name  
Soirée TRIVIA

Enter the French Explanation

Enter the English Name  
TRIVIA Night

Enter the English Explanation

If you do not enter the new Account Name in both languages, the name chosen will appear regardless the language chosen.

☐ Replicate to Account 5660

Cancel Update

Figure 3-9 Revenue Transaction – Customizing accounts

24. The same deposit can affect more than one account. The total amount in the accounts must equal the deposit amount. Some accounts allow you to create sub-accounts that help you keep track of the budget. Subaccounts do not appear in the Statement of Operations.

25. *Account transfer.* The last column is used when you want to transfer an amount between asset/liability accounts. Also it is used to make adjustments between accounts.

### Section 3 – Expenses Journal

26. The Expenses Journal is the other main journal used to record transactions.

|                                                                                                                                                                                     |                                                                                                                                                                                                    |                         |                                                         |                                                                          |                                     |  |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|---------------------------------------------------------|--------------------------------------------------------------------------|-------------------------------------|--|
| ADJ Adjustment / Ajustement<br>BK Bank / Banque<br>CC Credit Card / Carte de crédit<br>CH Cheque / Chèque<br>ET eTransfer / Transfert électronique<br>PC Petty Cash / Petite caisse | Add accounts of your own in available cells on this page. Ensure to respect the categories. The Sub-Accounts must correspond with their affiliated account. They will replicate to all other tabs. |                         | Hide empty lines<br><input checked="" type="checkbox"/> | <b>Calculator</b><br><input type="button" value="Hide Unused Accounts"/> | If taxes are paid, enter them here. |  |
| Reconciled Transactions Type<br>Ref #<br>Date (dd/mm/yyyy)                                                                                                                          | Details<br>For identify a void cheque, write "Void Cheque"                                                                                                                                         | Amount of Disbursements | Main Account by Default<br>Account                      | PROOF OF CATEGORY ALLOCATION - must be \$0                               | HST<br>GST<br>PST/QST               |  |

Figure 3-10 Expenses Transaction – Identification

27. *Identification section.* This section identifies the transaction and the assigned account. It is important to maintain a registration methodology. Disbursements can be composed of several elements. Some will prefer to detail the disbursement into multiple transactions based on provenance and others will enter a single transaction but will identify the source in the description (Fig. 3-10).

28. *Reconciled.* This hook is used to identify transactions that have reconciled with official statements such as bank statements, investment reports, and so on.





29. *Ref #.* This is the direct link to your vouchers. We will identify the transaction by a code or a number:
- ADJ – Manual adjustment not on any statement;
  - BK – Transactions made by the bank or institution.
  - CC – Detailed transactions for the Credit Card Reimbursement;
  - CH - A sequential number identifying the cheque;
  - ET – Payment by eTransfer; and
  - PC – Detailed transactions the Petty Cash Resupply;
30. *Ref #.* Enter a reference linked to the supporting document. It can be the cheque number, a reference in an Account Statement, transaction number or a combination of these.
31. *Date.* Enter the transaction date.
32. *Details.* Record relevant information and maintain consistency. An example would be: Provenance - Explanations.
33. *Amount of disbursement.* Enter the total of the cheque, adjustment or other transaction.
34. *Account.* Choose the account affected by the transaction. If the SSC uses only one account, the Default Main Account button allows you to register this account on all existing blank lines, thus avoiding choosing the account for each transaction.
35. *HST/GST/PST.* Enter the amount of the taxes based on the provincial tax system.
36. *Proof of Allocation.* This column only serves to verify that the Transactions part is equal to the Provenance part (debit = credit concept).
37. *Allotment section.* Each expense must be assigned to an account (Fig. 3-11).

| 5200                                            |                         |            |              |                    |                    |
|-------------------------------------------------|-------------------------|------------|--------------|--------------------|--------------------|
| DND Supported Mandatory Trg/Activities Expenses |                         |            |              |                    |                    |
| Edit                                            |                         | Edit       | Edit         | Edit               | Edit               |
| 5190                                            | 5210                    | 5210.1     | 5210.2       | 5210.3             | 5210.4             |
| 1 (t)                                           | 2 (a)                   |            |              |                    |                    |
| Available (Rename)                              | Field Training Exercise | FTX - Fall | FTX - Spring | Available (Rename) | Available (Rename) |

Sub-Accounts/ Sous-comptes

Transfers between accounts or Adjustments.

Figure 3-11 Expenses Transaction – Allotment

38. *Customization.* The journal allows you to personalize accounts. Permanent accounts should not be changed as they identify the types of expenses required in the tax report. Also, when you create a new account, you must respect the nature of each category because the categories are also related to the tax report. A button hides unused accounts for easier navigation (Fig. 3-12).



| Edit               |                    | Edit                    |            | 5200<br>DND Supported Mandatory Trg/Activities Expenses |                    |                    |  |
|--------------------|--------------------|-------------------------|------------|---------------------------------------------------------|--------------------|--------------------|--|
| 5180               | 5190               | 5210                    | 5210.1     | 5210.2                                                  | 5210.3             | 5210.4             |  |
| 1 (s)              | 1 (t)              | 2 (a)                   |            |                                                         |                    |                    |  |
| Available (Rename) | Available (Rename) | Field Training Exercise | FTX - Fall | FTX - Spring                                            | Available (Rename) | Available (Rename) |  |

Sub-Account - Expenses Jml

**Sub-Account 5210.1**

Enter the French Name: XEC - Automne

Enter the French Explanation:

Enter the English Name: FTX - Fall

Enter the English Explanation:

This sub-account is included in the account 5210. If you do not enter the new Account Name in both languages, the name chosen will appear regardless the language chosen.

Cancel Update

Figure 3-12 Expenses Transaction – Customizing accounts

39. A single disbursement can affect more than one account. The total amount in the accounts must equal the amount of the disbursement. Some accounts allow you to create sub-accounts that help you keep track of the budget. Subaccounts do not appear in the Statement of Operations.

40. *Account Transfer*. The last column is used when you want to transfer an amount between asset / liability accounts. Also it is used to make adjustments between accounts.

## Section 4 – Monthly Transactions

41. SSCs must practice a high level of transparency vis-à-vis its members. For this purpose, the treasurer must be able to produce a list of transactions for each month of operation. For this purpose, the *Monthly Transactions* tab allows you to list transactions in the Revenue-Expense format. Also, filtering can be applied according to date and accounts (Fig. 3-13).

Sort Oldest to Newest

Sort Newest to Oldest

Sort by Color

Clear Filter From "Date"

Filter by Color

Date Filters

Search (All)

☒ (Select All)

☐ 2019

☐ 2018

☒ TITRES/TITLES

OK Cancel

| TX Type         | Ref #    | Description                                      | Date       | Account | Revenue     | Expenditure |
|-----------------|----------|--------------------------------------------------|------------|---------|-------------|-------------|
| <b>REVENUES</b> |          |                                                  |            |         |             |             |
| DD              |          | CDT135 189-10 Reimbursement                      | 2019-06-17 | 1020    | \$ 1,283.70 |             |
| DD              |          | CDT135 189-9 Reimbursement                       | 2019-06-18 | 1020    | \$ 508.50   |             |
| <b>EXPENSES</b> |          |                                                  |            |         |             |             |
| CH              | 2042-171 | S. Greenberg - Scholarship FY 2019-20            | 2019-06-18 | 1020    |             | \$ 1,500.00 |
| CH              | 2043-172 | L. Stone - Scholarship FY 2019-20                | 2019-06-18 | 1020    |             | \$ 1,000.00 |
| CH              | 2044-173 | J. MacDo - Website and email domain renewal 1 Yr | 2019-06-18 | 1020    |             | \$ 36.25    |
| CH              | 2045-174 | ACL - 2019-20 Assessment                         | 2019-06-18 | 1020    |             | \$ 4,425.00 |
| CH              | 2046-175 | Jifty Photo&Print - Parade Board                 | 2019-06-18 | 1020    |             | \$ 58.86    |
| BK              |          | GlC Purchase - 0401-249863                       | 2019-08-02 | 1020    |             | \$ 1,000.00 |

Notes:

Figure 3-13 Monthly Transactions Listing - Sorting

42. It is important to always press the update button before printing or saving.



## Section 5 – Accounts Reconciliation

43. The reconciliation of all accounts is essential to any accounting. It ensures that the balance of the transaction journals equals the account balance plus or minus deposits and checks outstanding. This makes it possible to detect errors in the banking state or in the journals (*Fig. 3-14*).

| Detailed Reconciliation of the Account 1020 - Main Bank Account |                  |                                                  |              |
|-----------------------------------------------------------------|------------------|--------------------------------------------------|--------------|
| Hide Details                                                    |                  |                                                  |              |
| Reconciliation as per BookKeeping                               |                  | Reconciliation as per Account Statement          | 1020         |
| Main Bank Account                                               | 1020             |                                                  |              |
| Account Balance on 30 Jun 2018                                  | \$ 19,717.36     | End of Year Account Balance                      | \$ 21,605.56 |
| Plus: Deposits (Revenue Jnl)                                    | \$ 82,369.18     |                                                  |              |
| Less Cheques (Expense Jnl)                                      | \$ 79,656.46     | Plus: Deposits made but not reconciled with bank | \$ -         |
|                                                                 |                  |                                                  |              |
|                                                                 |                  | Less: Cheques Issued but not processed by bank   | \$ -         |
|                                                                 |                  |                                                  |              |
|                                                                 |                  | Actual Account balance available (reconciled)    | \$ 21,605.56 |
| Previous Year's Deposits not processed in prev year             |                  |                                                  |              |
| Ref No.                                                         | Details          | Amount                                           |              |
|                                                                 |                  |                                                  |              |
| Previous Year's Cheques (not processed in prev year)            |                  |                                                  |              |
| Cheque #                                                        | Payable to       | Amount                                           |              |
| 1696                                                            | J. Macdonald     | \$ 112.47                                        |              |
| 1705                                                            | A. Guilbault     | \$ 373.05                                        |              |
| 1706                                                            | 417 Bus Line Ltd | \$ 339.00                                        |              |
|                                                                 |                  |                                                  |              |
| Previous Year's non-accounted Amount                            |                  | \$ (824.52)                                      |              |
| 1020 Account Available Funds                                    |                  |                                                  |              |
| This balance fwd'd to line 1020 of Balance Sheet - page 6       |                  | \$ 21,605.56                                     |              |

Figure 3-14 Accounts Reconciliation - Detailed

44. The left and right columns are generated automatically. You only need to enter the balance of the account in question. An inequality requires an audit of journal entries, cheques and deposits reconciled with the statement of account or the accuracy of the balance. When an account is not in use, it can be hidden by pressing the *Hide Details* button.

45. The next tab is a summary of all reconciliations. If an account is not balanced, the box will turn red (*Fig. 3-15*).

| Main Bank Account                    |              | 1020                                 |
|--------------------------------------|--------------|--------------------------------------|
| Opening Balance                      | \$ 21,605.56 |                                      |
| Previous Year's non-accounted Amount | \$ (58.06)   |                                      |
| From Revenue Jnl tab                 | \$ 1,792.20  |                                      |
| From Expense Jnl tab                 | \$ 0,020.11  |                                      |
| Net Total                            | \$ 15,318.79 | Net Total Fwd'd to 1020 page 7 ACC-9 |
| Bank Statement Balance               | \$ 15,377.65 |                                      |
| Unreconciled Revenues                | \$ -         |                                      |
| Unreconciled Expenses                | \$ 58.86     |                                      |
| Net Total                            | \$ 15,318.79 | Balanced                             |

| Petty Cash                           |           | 1040                                 |
|--------------------------------------|-----------|--------------------------------------|
| Opening Balance                      | \$ 500.00 |                                      |
| Previous Year's non-accounted Amount | \$ -      |                                      |
| From Revenue Jnl tab                 | \$ -      |                                      |
| From Expense Jnl tab                 | \$ -      |                                      |
| Net Total                            | \$ 500.00 | Net Total Fwd'd to 1040 page 7 ACC-9 |
| Reconciliation Statement Balance     | \$ 500.00 |                                      |
| Unreconciled Revenues                | \$ -      |                                      |
| Unreconciled Expenses                | \$ -      |                                      |
| Net Total                            | \$ 500.00 | Balanced                             |

Figure 3-15 Accounts Reconciliation - Summary

46. This tab does not require any handling and is automatically generated by the Account Detailed Reconciliations.



## Section 6 – Budget Tracker

47. This tool is an important element in determining your financial health. You can adjust your budget during the year using a numbered version and a date (Fig. 3-16).

Version: 1.2 ☐ Hide empty lines Date: 25-Aug-2019 Fill in your approved budget in this column

| ACC-980             | Description                                                 | Details (examples)                    | Budget (this year) | Actuals (this year) | Differential  |
|---------------------|-------------------------------------------------------------|---------------------------------------|--------------------|---------------------|---------------|
| <b>Income Items</b> |                                                             |                                       |                    |                     |               |
| 4010 1 (a)          | From Official Sponsor(s)                                    | From Squadron's Official Sponsor only |                    |                     |               |
| 4020 1 (b)          | From Non-Sponsor Veterans Organizations & their Auxiliaries | Legion, RCAFA                         | \$ 5,000.00        | \$ 3,525.00         | \$ (1,475.00) |
| 4030 1 (c)          | From Other Service Clubs (Charities)                        | 4030 TOTAL                            | \$ 1,300.00        | \$ 1,550.00         | \$ 250.00     |
| 4030.1              | United Way                                                  | Deductions from pay                   | \$ 800.00          | \$ 850.00           | \$ 50.00      |
| 4030.2              | Other Service Club                                          |                                       |                    | \$ 200.00           | \$ 200.00     |
| 4030.3              | Knights of Columbus                                         |                                       | \$ 500.00          | \$ 500.00           |               |
| 4030.4              | Available (Rename)                                          |                                       |                    |                     |               |

**Total**

Revenues \$ 6,300.00

Expenses \$ 6,300.00

**BALANCED BUDGET**

Figure 3-16 Budget tracker

48. The annual budget must be balanced. Projected revenues must equal projected expenditures. This is because a Non-Profit Organization must not budget for surpluses or losses.

49. For this purpose, a screen allows you to follow the balance.

## Section 8 – Investments

50. The investments made by a squadron are rather rare but exist. The tab is used to track investment trends and the data must be provided with the financial statements. The Chapter 6 elaborate on the topic. There are two forms of placement.

51. *Term Deposit.* These investments have a maturity date and can be renewed when they come to term. These investments are a safer value but earn less than an investment fund. Generally, the revenue in terst / dividends are paid at the end of the annual cycle (Fig. 3-17).

**GICs, Term Deposits and Investments - Interests paid periodically**

Investment (GIC, etc.) 1050

|                                                |      |      |
|------------------------------------------------|------|------|
| Total Investments At Cost last year closing    | 2018 | \$ - |
| Plus: Purchases (Revenue Jmnl)                 |      | \$ - |
| Less: Sales (Expense Jmnl)                     |      | \$ - |
| <b>This Investment Account funds Available</b> |      | \$ - |

☒ Hide empty lines

| GIC/TDR Certificate number | GIC/TDR Issue date (dd/mm/yyyy) | Maturity date (dd/mm/yyyy) | Purchase Value | If sold at maturity during Current Period |                |
|----------------------------|---------------------------------|----------------------------|----------------|-------------------------------------------|----------------|
|                            |                                 |                            |                | Amount Received                           | Paid Interests |
|                            |                                 |                            |                |                                           |                |

Investments Balance Available in books \$ - ← Actual Account Statement balance available (reconciled) → \$ -

This should be \$0, if not, Books & Statement do not balance and difference needs to be corrected. \$ -

The Cost Method is recommended.

Figure 3-17 Investments (Interests) – Worksheet

52. *Investment Funds.* These funds have no end date but are more volatile in terms of value. They bring a little more in Capital Gains (Fig. 3-18).



| Investments (Mutual Funds or similar investments) - Generates only Capital Gains/Losses            |      |                                                              |
|----------------------------------------------------------------------------------------------------|------|--------------------------------------------------------------|
| Investment (Mutual Funds, etc.)                                                                    | 1055 |                                                              |
| Total Investments At Cost last year closing                                                        | 2018 | \$ -                                                         |
| Plus: Capital Gain/Purchases (Revenue Jnl)                                                         |      | \$ -                                                         |
| Less: Capital Lost/Sales or Withdraw (Expense Jnl)                                                 |      | \$ -                                                         |
| This Investment Account funds Available                                                            |      | \$ -                                                         |
| Investments Balance Available in books                                                             | \$ - | Actual Account Statement balance available (reconciled) \$ - |
| This should be \$0, if not, Books & Statement do not balance and difference needs to be corrected. |      |                                                              |

☒ Hide empty lines

| Investment name                                                                                                                            | Purchased and/or Capital Gains/Losses date (dd/mm/yyyy) | At Cost Amount | Capital Gain (Lost) Amount | Rec'd on sale Amount |
|--------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------|----------------|----------------------------|----------------------|
| The Market Value Method is recommended. The Capital Gains/Losses are recorded in the appropriate journal.                                  |                                                         |                |                            |                      |
| Derive the values in Market value column from your investment advisor/Company/Bank, etc. or from the latest investment statement received. |                                                         |                |                            |                      |

Figure 3-18 Investments (Capital Gain / Loss) – Worksheet

53. Chapter 6 offers more details on this topic.

## Section 7 – DND Claim Tracker

54. Each RCSU has their own forms used to claim DND refunds. This worksheet is divided into three parts: the claim, the approval by the RCSU and the reimbursement.

| INVOICE # | INVOICE DATE<br>YYYY-MM-DD | ACTIVITY            | MEALS                                                                                      |        | ACCOMMODATION                                                                              |        | TRANSPORTATION SUPPORT                                                                     |        | OTHER 1                                                                                    |           | OTHER 2                                                                                    |        | OTHER 3                                                                                    |        | REQUESTED REIMBURSEMENT |
|-----------|----------------------------|---------------------|--------------------------------------------------------------------------------------------|--------|--------------------------------------------------------------------------------------------|--------|--------------------------------------------------------------------------------------------|--------|--------------------------------------------------------------------------------------------|-----------|--------------------------------------------------------------------------------------------|--------|--------------------------------------------------------------------------------------------|--------|-------------------------|
|           |                            |                     | DESCRIPTION<br><small>Name of activity, supplier, service &amp; DND location, etc.</small> | AMOUNT | DESCRIPTION<br><small>Name of activity, supplier, service &amp; DND location, etc.</small> | AMOUNT | DESCRIPTION<br><small>Name of activity, supplier, service &amp; DND location, etc.</small> | AMOUNT | DESCRIPTION<br><small>Name of activity, supplier, service &amp; DND location, etc.</small> | AMOUNT    | DESCRIPTION<br><small>Name of activity, supplier, service &amp; DND location, etc.</small> | AMOUNT | DESCRIPTION<br><small>Name of activity, supplier, service &amp; DND location, etc.</small> | AMOUNT |                         |
| 199-9     | 2019-05-27                 | Gliding 12 May 2019 |                                                                                            |        |                                                                                            |        |                                                                                            |        | 401 Bus Line Ltd                                                                           | \$ 508.50 |                                                                                            |        |                                                                                            |        | \$ 508.50               |

Delete the completed claims from last year and report the outstanding claims to the beginning of the table.

Figure 3-19 DND Claim Tracker - Claim

55. The first part of the table shows the structure of a claim. Each request must have a number assigned by the squadron or randomly. This part should reflect the claim submitted to RCSU. Differences may exist depending on each RCSU (Fig. 3-19).

|                         |                                    |                                                        |                          |                                                                                                                                                    |    |                                                               |  |
|-------------------------|------------------------------------|--------------------------------------------------------|--------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|----|---------------------------------------------------------------|--|
| Account 4810            |                                    | Account 4820                                           |                          | The J8 Transfer Date is used to warn you that the reimbursement should be deposited after 30 days. Past 35 days, the next 5 columns will turn red. |    | Insert the number of days after which you want to be notified |  |
| REQUESTED REIMBURSEMENT | DND Local Support Allocation (LSA) | DND Allocation - Mandatory and Complementary Pgm (MCP) | AUTHORIZED REIMBURSEMENT | J8 DATE TRSF DD/MM/YYYY                                                                                                                            | 35 |                                                               |  |
| \$ 508.50               |                                    | \$ 508.50                                              | \$ 508.50                | 09/11/2018                                                                                                                                         |    |                                                               |  |

Figure 3-20 DND Claim - Approval

56. The second part contains the information provided to you by the RCSU during the processing of the claim. Upon approval of the claim, you will receive confirmation that the claim has been sent to J8 Finance for processing. It is the date of transfer to J8 which starts the counter of days before the deposit. Also, they will confirm which funding and the final amount will come from. You can create up to two DND budget accounts. These accounts are created in the revenue journal. Each RCSU being different, processing times may differ. A box allows you to enter the time in days (between 1 and 364) before being notified that there is a delay in payment. After this time, the line will turn red and a notice will appear when the application is opened (Fig. 3-20).



| REIMBURSEMENT RECEIVED | DEPOSIT DATE (YYYY-MM-DD) | HST REIMBURSED | GST REIMBURSED | PST REIMBURSED | ✓ | NOTES | CLAIMED BUT NOT REIMBURSED |
|------------------------|---------------------------|----------------|----------------|----------------|---|-------|----------------------------|
| \$ 508.50              | 2019-06-18                | \$ 58.50       |                |                | ✓ |       | \$ 1,283.70                |

Figure 3-21 DND Claim - Reimbursement

57. After the transfer to J8, you will see the deposit in the main bank account. Chapter 4 elaborates in detail how to record the transaction. Also, you will have to calculate the taxes for the reimbursed items. These amounts should be entered in the first step. Once the claim is reimbursed, check the box and the line will be highlighted in blue.

58. A counter gives you an overview of the outstanding due amount (depending on the information entered).

## Section 9 – Volunteering Tracker

59. This tab allows you to count the volunteer hours worked by SSC members. Some provincial committees and the ACLC might wish to establish statistics (Fig. 3-22).

| SERIAL | NAME, INITIALS  | JUL  | AUG  | SEP  | OCT  | NOV  | DEC  | JAN  | FEB  | MAR  | APR  | MAY  | JUN  | Total per Vol. | Monthly Average |
|--------|-----------------|------|------|------|------|------|------|------|------|------|------|------|------|----------------|-----------------|
| 1      |                 |      |      |      |      |      |      |      |      |      |      |      |      | 0.00           | 0.00            |
|        | Total per month | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00           | 0.00            |
|        | Monthly Average | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00           | 0.00            |

Figure 3-22 Volunteering Tracker

*In Chapter 6, we will discuss the accounting procedures and elaborate on the different forms that should be used. This application provides three (3) forms that can be used to complete transactions. They are single-use so they are not archived in ACC9. They must be completed, printed and reset.*

## Section 10 – Payment Request

60. This form should be used to make a payment by cheque. It allows to pre-authorize and authorize a payment. This process seems obvious in itself but traces of the transactions must be kept for future audit (Fig. 3-23).

| Expenses Pre-Approval |                     | Record #              | 012              | Date: | 15-Feb-2018 |
|-----------------------|---------------------|-----------------------|------------------|-------|-------------|
| Acct #                | Description         | Total                 |                  |       |             |
| 5120                  | Stamps              | \$ 100.00             |                  |       |             |
| 5440                  | Name tags           | \$ 150.00             |                  |       |             |
| 5210.2                | Food for Winter FTX | \$ 950.00             |                  |       |             |
| Cheque # 2015         |                     | Paid to: J. Foregrave | Advance required | ✓     | \$ 1,000.00 |

| Expenses Approval       |                                 | Date:       | 25-Feb-2018 |          |                  |
|-------------------------|---------------------------------|-------------|-------------|----------|------------------|
| Paid to:                | Supplier(s)                     |             |             |          |                  |
| S. Legros               | Misc                            |             |             |          |                  |
| Acct #                  | Description                     | HST         | GST         | PST/QST  | Total (Tx incl.) |
| 5120                    | 100 x Stamps                    | \$ 5.40     | \$ 10.90    |          | \$ 124.20        |
| 5440                    | 72 x Name Tag - Blue background | \$ 15.00    | \$ 30.90    |          | \$ 345.00        |
| 5210.2                  | Sobey's                         | \$ 22.30    | \$ 24.36    |          | \$ 690.00        |
| 5210.2                  | Costco                          | \$ 12.50    | \$ 13.59    |          | \$ 287.50        |
| 5210.2                  | Metro                           |             |             |          | \$ 25.98         |
| Total from reverse      |                                 | \$ -        | \$ 1.25     | \$ 2.50  | \$ 201.25        |
| Total of Taxes          |                                 | \$ -        | \$ 50.40    | \$ 81.25 |                  |
| Total (including Taxes) |                                 | \$ 1,673.93 |             |          |                  |
| Minus: Advance          |                                 | \$ 1,000.00 |             |          |                  |
| Payable (Receivable)    |                                 | \$ 673.93   |             |          |                  |

| Expenditures Listing (Cont'd) |                 | Record # | 912     |         |                  |
|-------------------------------|-----------------|----------|---------|---------|------------------|
|                               |                 | HST      | GST     | PST/QST | Total (Tx incl.) |
| 5210.2                        | Sobey's         |          |         |         | \$ 172.50        |
| 5010                          | 100 x Envelopes | \$ 1.25  | \$ 2.50 |         | \$ 28.75         |
| Reported on front - Total     |                 | \$ -     | \$ 1.25 | \$ 2.50 | \$ 201.25        |

Figure 3-23 Payment Request



## Section 11 – Petty Cash

61. This form reconciles the petty cash and allows the re-supply (Fig. 3-24).

**Cash in hand**

| Qty                         | \$ Total |
|-----------------------------|----------|
| \$0.05                      |          |
| \$0.10                      |          |
| \$0.20                      |          |
| \$0.50                      |          |
| \$1.00                      |          |
| \$2.00                      |          |
| \$5.00                      |          |
| \$10.00                     |          |
| \$20.00                     |          |
| \$50.00                     |          |
| \$100.00                    |          |
| Total Cash in hand          |          |
| Total Supp Docs. To be paid |          |

**Petty Cash Setting**

| Money | Qty / Roll | Qty needed | Sub-Total |
|-------|------------|------------|-----------|
| 5 c   | 40         | 20         | \$ 1.00   |
| 10 c  | 50         | 20         | \$ 2.00   |
| 20 c  | 40         | 20         | \$ 4.00   |
| 50 c  | 25         | 10         | \$ 12.50  |
| 1 \$  | 25         | 11         | \$ 27.50  |
| 5 \$  | 20         | 10         | \$ 100.00 |
| 10 \$ | 10         | 10         | \$ 100.00 |
| 20 \$ | 12         | 12         | \$ 240.00 |
|       |            |            | \$ 500.00 |

**Coding Summary**

| Account | Amount | Account | Amount |
|---------|--------|---------|--------|
| 5010    |        | 5400    |        |
| 5020    |        | 5410    |        |
| 5030    |        | 5420    |        |
| 5040    |        | 5430    |        |
| 5050    |        | 5440    |        |
| 5060    |        | 5450    |        |
| 5070    |        | 5460    |        |
| 5080    |        | 5470    |        |
| 5090    |        | 5480    |        |
| 5100    |        | 5490    |        |
| 5110    |        | 5500    |        |
| 5120    |        | 5510    |        |
| 5130    |        | 5520    |        |
| 5140    |        | 5530    |        |
| 5150    |        | 5540    |        |
| 5160    |        | 5550    |        |
| 5170    |        | 5560    |        |
| 5180    |        | 5570    |        |
| 5190    |        | 5580    |        |
| 5200    |        | 5590    |        |
| 5210    |        | 5600    |        |
| 5220    |        | 5610    |        |
| 5230    |        | 5620    |        |
| 5240    |        | 5630    |        |
| 5250    |        | 5640    |        |
| 5260    |        | 5650    |        |
| 5270    |        | 5660    |        |
| 5280    |        | 5670    |        |
| 5290    |        | 5680    |        |
| 5300    |        | 5690    |        |
| 5310    |        | 5700    |        |
| 5320    |        | 5710    |        |
| 5330    |        | 5720    |        |
| 5340    |        | 5730    |        |
| 5350    |        | 5740    |        |
| 5360    |        | 5750    |        |
| 5370    |        | 5760    |        |
| 5380    |        | 5770    |        |
| 5390    |        | 5780    |        |
| 5400    |        | 5790    |        |
| 5410    |        | 5800    |        |
| 5420    |        | 5810    |        |
| 5430    |        | 5820    |        |
| 5440    |        | 5830    |        |
| 5450    |        | 5840    |        |
| 5460    |        | 5850    |        |
| 5470    |        | 5860    |        |
| 5480    |        | 5870    |        |
| 5490    |        | 5880    |        |
| 5500    |        | 5890    |        |
| 5510    |        | 5900    |        |
| 5520    |        | 5910    |        |
| 5530    |        | 5920    |        |
| 5540    |        | 5930    |        |
| 5550    |        | 5940    |        |
| 5560    |        | 5950    |        |
| 5570    |        | 5960    |        |
| 5580    |        | 5970    |        |
| 5590    |        | 5980    |        |
| 5600    |        | 5990    |        |
| 5610    |        | 6000    |        |
| 5620    |        | 6010    |        |
| 5630    |        | 6020    |        |
| 5640    |        | 6030    |        |
| 5650    |        | 6040    |        |
| 5660    |        | 6050    |        |
| 5670    |        | 6060    |        |
| 5680    |        | 6070    |        |
| 5690    |        | 6080    |        |
| 5700    |        | 6090    |        |
| 5710    |        | 6100    |        |
| 5720    |        | 6110    |        |
| 5730    |        | 6120    |        |
| 5740    |        | 6130    |        |
| 5750    |        | 6140    |        |
| 5760    |        | 6150    |        |
| 5770    |        | 6160    |        |
| 5780    |        | 6170    |        |
| 5790    |        | 6180    |        |
| 5800    |        | 6190    |        |
| 5810    |        | 6200    |        |
| 5820    |        | 6210    |        |
| 5830    |        | 6220    |        |
| 5840    |        | 6230    |        |
| 5850    |        | 6240    |        |
| 5860    |        | 6250    |        |
| 5870    |        | 6260    |        |
| 5880    |        | 6270    |        |
| 5890    |        | 6280    |        |
| 5900    |        | 6290    |        |
| 5910    |        | 6300    |        |
| 5920    |        | 6310    |        |
| 5930    |        | 6320    |        |
| 5940    |        | 6330    |        |
| 5950    |        | 6340    |        |
| 5960    |        | 6350    |        |
| 5970    |        | 6360    |        |
| 5980    |        | 6370    |        |
| 5990    |        | 6380    |        |
| 6000    |        | 6390    |        |
| 6010    |        | 6400    |        |
| 6020    |        | 6410    |        |
| 6030    |        | 6420    |        |
| 6040    |        | 6430    |        |
| 6050    |        | 6440    |        |
| 6060    |        | 6450    |        |
| 6070    |        | 6460    |        |
| 6080    |        | 6470    |        |
| 6090    |        | 6480    |        |
| 6100    |        | 6490    |        |
| 6110    |        | 6500    |        |
| 6120    |        | 6510    |        |
| 6130    |        | 6520    |        |
| 6140    |        | 6530    |        |
| 6150    |        | 6540    |        |
| 6160    |        | 6550    |        |
| 6170    |        | 6560    |        |
| 6180    |        | 6570    |        |
| 6190    |        | 6580    |        |
| 6200    |        | 6590    |        |
| 6210    |        | 6600    |        |
| 6220    |        | 6610    |        |
| 6230    |        | 6620    |        |
| 6240    |        | 6630    |        |
| 6250    |        | 6640    |        |
| 6260    |        | 6650    |        |
| 6270    |        | 6660    |        |
| 6280    |        | 6670    |        |
| 6290    |        | 6680    |        |
| 6300    |        | 6690    |        |
| 6310    |        | 6700    |        |
| 6320    |        | 6710    |        |
| 6330    |        | 6720    |        |
| 6340    |        | 6730    |        |
| 6350    |        | 6740    |        |
| 6360    |        | 6750    |        |
| 6370    |        | 6760    |        |
| 6380    |        | 6770    |        |
| 6390    |        | 6780    |        |
| 6400    |        | 6790    |        |
| 6410    |        | 6800    |        |
| 6420    |        | 6810    |        |
| 6430    |        | 6820    |        |
| 6440    |        | 6830    |        |
| 6450    |        | 6840    |        |
| 6460    |        | 6850    |        |
| 6470    |        | 6860    |        |
| 6480    |        | 6870    |        |
| 6490    |        | 6880    |        |
| 6500    |        | 6890    |        |
| 6510    |        | 6900    |        |
| 6520    |        | 6910    |        |
| 6530    |        | 6920    |        |
| 6540    |        | 6930    |        |
| 6550    |        | 6940    |        |
| 6560    |        | 6950    |        |
| 6570    |        | 6960    |        |
| 6580    |        | 6970    |        |
| 6590    |        | 6980    |        |
| 6600    |        | 6990    |        |
| 6610    |        | 7000    |        |
| 6620    |        | 7010    |        |
| 6630    |        | 7020    |        |
| 6640    |        | 7030    |        |
| 6650    |        | 7040    |        |
| 6660    |        | 7050    |        |
| 6670    |        | 7060    |        |
| 6680    |        | 7070    |        |
| 6690    |        | 7080    |        |
| 6700    |        | 7090    |        |
| 6710    |        | 7100    |        |
| 6720    |        | 7110    |        |
| 6730    |        | 7120    |        |
| 6740    |        | 7130    |        |
| 6750    |        | 7140    |        |
| 6760    |        | 7150    |        |
| 6770    |        | 7160    |        |
| 6780    |        | 7170    |        |
| 6790    |        | 7180    |        |
| 6800    |        | 7190    |        |
| 6810    |        | 7200    |        |
| 6820    |        | 7210    |        |
| 6830    |        | 7220    |        |
| 6840    |        | 7230    |        |
| 6850    |        | 7240    |        |
| 6860    |        | 7250    |        |
| 6870    |        | 7260    |        |
| 6880    |        | 7270    |        |
| 6890    |        | 7280    |        |
| 6900    |        | 7290    |        |
| 6910    |        | 7300    |        |
| 6920    |        | 7310    |        |
| 6930    |        | 7320    |        |
| 6940    |        | 7330    |        |
| 6950    |        | 7340    |        |
| 6960    |        | 7350    |        |
| 6970    |        | 7360    |        |
| 6980    |        | 7370    |        |
| 6990    |        | 7380    |        |
| 7000    |        | 7390    |        |
| 7010    |        | 7400    |        |
| 7020    |        | 7410    |        |
| 7030    |        | 7420    |        |
| 7040    |        | 7430    |        |
| 7050    |        | 7440    |        |
| 7060    |        | 7450    |        |
| 7070    |        | 7460    |        |
| 7080    |        | 7470    |        |
| 7090    |        | 7480    |        |
| 7100    |        | 7490    |        |
| 7110    |        | 7500    |        |
| 7120    |        | 7510    |        |
| 7130    |        | 7520    |        |
| 7140    |        | 7530    |        |
| 7150    |        | 7540    |        |
| 7160    |        | 7550    |        |
| 7170    |        | 7560    |        |
| 7180    |        | 7570    |        |
| 7190    |        | 7580    |        |
| 7200    |        | 7590    |        |
| 7210    |        | 7600    |        |
| 7220    |        | 7610    |        |
| 7230    |        | 7620    |        |
| 7240    |        | 7630    |        |
| 7250    |        | 7640    |        |
| 7260    |        | 7650    |        |
| 7270    |        | 7660    |        |
| 7280    |        | 7670    |        |
| 7290    |        | 7680    |        |
| 7300    |        | 7690    |        |
| 7310    |        | 7700    |        |
| 7320    |        | 7710    |        |
| 7330    |        | 7720    |        |
| 7340    |        | 7730    |        |
| 7350    |        | 7740    |        |
| 7360    |        | 7750    |        |
| 7370    |        | 7760    |        |
| 7380    |        | 7770    |        |
| 7390    |        | 7780    |        |
| 7400    |        | 7790    |        |
| 7410    |        | 7800    |        |
| 7420    |        | 7810    |        |
| 7430    |        | 7820    |        |
| 7440    |        | 7830    |        |
| 7450    |        | 7840    |        |
| 7460    |        | 7850    |        |
| 7470    |        | 7860    |        |
| 7480    |        | 7870    |        |
| 7490    |        | 7880    |        |
| 7500    |        | 7890    |        |
| 7510    |        | 7900    |        |
| 7520    |        | 7910    |        |
| 7530    |        | 7920    |        |
| 7540    |        | 7930    |        |
| 7550    |        | 7940    |        |
| 7560    |        | 7950    |        |
| 7570    |        | 7960    |        |
| 7580    |        | 7970    |        |
| 7590    |        | 7980    |        |
| 7600    |        | 7990    |        |
| 7610    |        | 8000    |        |
| 7620    |        | 8010    |        |
| 7630    |        | 8020    |        |
| 7640    |        | 8030    |        |
| 7650    |        | 8040    |        |
| 7660    |        | 8050    |        |
| 7670    |        | 8060    |        |
| 7680    |        | 8070    |        |
| 7690    |        | 8080    |        |
| 7700    |        | 8090    |        |
| 7710    |        | 8100    |        |
| 7720    |        | 8110    |        |
| 7730    |        | 8120    |        |
| 7740    |        | 8130    |        |
| 7750    |        | 8140    |        |
| 7760    |        | 8150    |        |
| 7770    |        | 8160    |        |
| 7780    |        | 8170    |        |
| 7790    |        | 8180    |        |
| 7800    |        | 8190    |        |
| 7810    |        | 8200    |        |
| 7820    |        | 8210    |        |
| 7830    |        | 8220    |        |
| 7840    |        | 8230    |        |
| 7850    |        | 8240    |        |
| 7860    |        | 8250    |        |
| 7870    |        | 8260    |        |
| 7880    |        | 8270    |        |
| 7890    |        | 8280    |        |
| 7900    |        | 8290    |        |
| 7910    |        | 8300    |        |
| 7920    |        | 8310    |        |
| 7930    |        | 8320    |        |
| 7940    |        | 8330    |        |
| 7950    |        | 8340    |        |
| 7960    |        | 8350    |        |
| 7970    |        | 8360    |        |
| 7980    |        | 8370    |        |
| 7990    |        | 8380    |        |
| 8000    |        | 8390    |        |
| 8010    |        | 8400    |        |
| 8020    |        | 8410    |        |
| 8030    |        | 8420    |        |
| 8040    |        | 8430    |        |
| 8050    |        | 8440    |        |
| 8060    |        | 8450    |        |
| 8070    |        | 8460    |        |
| 8080    |        | 8470    |        |
| 8090    |        | 8480    |        |
| 8100    |        | 8490    |        |
| 8110    |        | 8500    |        |
| 8120    |        | 8510    |        |
| 8130    |        | 8520    |        |
| 8140    |        | 8530    |        |
| 8150    |        | 8540    |        |
| 8160    |        | 8550    |        |
| 8170    |        | 8560    |        |
| 8180    |        | 8570    |        |
| 8190    |        | 8580    |        |
| 8200    |        | 8590    |        |
| 8210    |        | 8600    |        |
| 8220    |        | 8610    |        |
| 8230    |        | 8620    |        |
| 8240    |        | 8630    |        |
| 8250    |        | 8640    |        |
| 8260    |        | 8650    |        |
| 8270    |        | 8660    |        |
| 8280    |        | 8670    |        |
| 8290    |        | 8680    |        |
| 8300    |        | 8690    |        |
| 8310    |        | 8700    |        |
| 8320    |        | 8710    |        |
| 8330    |        | 8720    |        |
| 8340    |        | 8730    |        |
| 8350    |        | 8740    |        |
| 8360    |        | 8750    |        |
| 8370    |        | 8760    |        |
| 8380    |        | 8770    |        |
| 8390    |        | 8780    |        |
| 8400    |        | 8790    |        |
| 8410    |        | 8800    |        |
| 8420    |        | 8810    |        |
| 8430    |        | 8820    |        |
| 8440    |        | 8830    |        |
| 8450    |        | 8840    |        |
| 8460    |        | 8850    |        |
| 8470    |        | 8860    |        |
| 8480    |        | 8870    |        |
| 8490    |        | 8880    |        |
| 8500    |        | 8890    |        |
| 8510    |        | 8900    |        |
| 8520    |        | 8910    |        |
| 8530    |        | 8920    |        |
| 8540    |        | 8930    |        |
| 8550    |        | 8940    |        |
| 8560    |        | 8950    |        |
| 8570    |        | 8960    |        |
| 8580    |        | 8970    |        |
| 8590    |        | 8980    |        |
| 8600    |        | 8990    |        |
| 8610    |        | 9000    |        |
| 8620    |        | 9010    |        |
| 8630    |        | 9020    |        |
| 8640    |        | 9030    |        |
| 8650    |        | 9040    |        |
| 8660    |        | 9050    |        |
| 8670    |        | 9060    |        |
| 8680    |        | 9070    |        |
| 8690    |        | 9080    |        |
| 8700    |        | 9090    |        |
| 8710    |        | 9100    |        |
| 8720    |        | 9110    |        |
| 8730    |        | 9120    |        |
| 8740    |        | 9130    |        |
| 8750    |        | 9140    |        |
| 8760    |        | 9150    |        |
| 8770    |        | 9160    |        |
| 8780    |        | 9170    |        |
| 8790    |        | 9180    |        |
| 8800    |        | 9190    |        |
| 8810    |        | 9200    |        |



## Section 13 – Activity Report

64. This form allows you to detail the costs related to a particular activity. This exercise is optional but can be used to present the results of an activity during a meeting (Fig. 3-26).

Date: 2019-05-24 Name of activity: Year-End Trip Maritimes From: 2019-05-01 To: 2019-05-05

Description/Overview: Visit of facilities in Gagetown, Shearwater, Museum, Guided Tours, Mar 50 cadets

| Revenues                   |                     |                                    |
|----------------------------|---------------------|------------------------------------|
| Description                | Budget (\$)         | Actual (\$)                        |
| Contributions from cadets  | \$ 6,000.00         | \$ 5,000.00                        |
| Sale of Chocolate Bars     | \$ 4,800.00         | \$ 2,450.00                        |
| Business Campaign Donation | \$ 5,000.00         | \$ 6,598.00                        |
| Contribution from SSC      | \$ 4,000.00         | \$ 4,000.00                        |
| <b>Total Budget</b>        | <b>\$ 19,800.00</b> | <b>Total revenues \$ 18,048.00</b> |

| Expenses                         |                     |                                    |
|----------------------------------|---------------------|------------------------------------|
| Description                      | Budget (\$)         | Actual (\$)                        |
| Meals in-route                   | \$ 2,300.00         | \$ 2,458.56                        |
| Transportation - VIP Coach       | \$ 12,000.00        | \$ 11,250.00                       |
| Transportation - Support vehicle | \$ 2,000.00         | \$ 1,829.98                        |
| Entry Fees                       | \$ 1,000.00         | \$ 860.00                          |
| Other Trip Expenses              | \$ 2,500.00         | \$ 1,587.25                        |
| <b>Total Budget</b>              | <b>\$ 19,800.00</b> | <b>Total expenses \$ 17,985.79</b> |
|                                  |                     | <b>Balance \$ 62.21</b>            |

| Third Party Expenses     |                    |                          |
|--------------------------|--------------------|--------------------------|
| Description              | Budget (\$)        | Actual (\$)              |
| Accommodation (RCSU(E))  | \$ 4,000.00        | \$ 3,000.00              |
| Meals on bases (RCSU(E)) | \$ 2,000.00        | \$ 2,450.00              |
| <b>Total</b>             | <b>\$ 6,000.00</b> | <b>Total \$ 5,450.00</b> |

Remarks: Trip well appreciated by cadets and staff. Some delay observed with visits.

Figure 3-26 Activity Report

## Section 14 – Simplified Inventory

65. This tab is a certified copy of the State of fixed assets and is used when the CRE does not use the inventory management provided in the application.

| Inventory Category Number         | Item Category Name | Asset Description | Purchase Price | Estimated Replacement Cost or Fair Market Value |
|-----------------------------------|--------------------|-------------------|----------------|-------------------------------------------------|
| <b>1510 - Aircraft</b>            |                    |                   |                |                                                 |
| 1510-1                            |                    |                   | \$ 12          | 1                                               |
| 1510-2                            |                    |                   |                |                                                 |
| 1510-3                            |                    |                   |                |                                                 |
| 1510-4                            |                    |                   |                |                                                 |
| 1510-5                            |                    |                   |                |                                                 |
| 1510-6                            |                    |                   | \$ 1           | 1                                               |
| 1510-7                            |                    |                   |                |                                                 |
| 1510-8                            |                    |                   |                |                                                 |
| <b>\$-Total</b>                   |                    |                   | <b>\$ 13</b>   | <b>\$ 2</b>                                     |
| <b>1520 - Land &amp; Property</b> |                    |                   |                |                                                 |
| 1520-1                            |                    |                   | \$ 1           | 1                                               |

The purchase price will be reflected in the statement of fixed assets in the financial statements. The replacement cost will be used for insurance coverage purposes. In the event that the purchase price or the replacement cost is not known, both are given the same value.

The data from this page will not be reported in the Statement of Fixed Asset.

Push this box to activate the Simplified Inventory

Figure 3-27 Simplified Inventory

66. Une simple pression de la boîte permet de transférer l'information d'inventaire, soit de de l'onglet Inventaire simplifié ou de l'inventaire détaillé.





## Section 15 – Financial Statements

67. The financial statements are a summary of transactions and a picture of the situation at the end of the fiscal year. The results obtained will make it possible to analyze the situation with a view to making future decisions. The chapter 5 gives more informations about this topic. The financial statements are divided into several statements:

- a. Cover page and identification page (Fig. 3-27);

Air Cadet League of Canada  
Provincial Committee (Québec and Ottawa Valley)  
Squadron Sponsoring Committee  
  
6000 Aurora



Annual Financial Report  
For Year Ending on 30 Jun 2020

| Air Cadet League of Canada<br>Squadron Sponsoring Committee<br>Financial Report<br>6000 Aurora                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                   |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|
| <small>Consolidated Multiple Accounts' version of the Squadron Sponsoring Committee Financial Report (Form ACC-9M)</small>                                                                                                                                                                                                                                                                                                                                                                |                                                                                   |
| <b>AIR CADET LEAGUE OF CANADA — 2006 BY-LAW Article 9.2.4 v. in the PPM</b>                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                   |
| <small>As specified in the by-laws of the ACL of C, PPM Article 9.2.4 v., each Squadron Sponsoring Committee must render an annual statement of receipts and expenditures on Form ACC-9M to its ACL Provincial Committee within sixty (60) days of the end of the fiscal year, that is by the date below. The PC will then review before sending a signed off copy to the National level.</small>                                                                                         |                                                                                   |
| <small>The Help Guide ("H") to assist in the proper completion of the ACC-9 is found at <a href="http://www.aircadetleague.com/Form9_Section7">www.aircadetleague.com/Form9_Section7</a></small>                                                                                                                                                                                                                                                                                          |                                                                                   |
| <b>THE FULL AND COMPLETE YEARLY SUBMISSION OF THIS FORM IS MANDATORY.</b>                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                   |
| <small>It must be completed with a Year-End of 30 Jun and submitted to the Provincial Committee by 30 September</small>                                                                                                                                                                                                                                                                                                                                                                   |                                                                                   |
| <b>SQUADRON SPONSORING COMMITTEE Identification</b>                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                   |
| <small>Sqn Number</small>                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 6000                                                                              |
| <small>Committee Name</small>                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 6000 Aurora Sponsoring Committee                                                  |
| <small>Provincial Committee Jurisdiction</small>                                                                                                                                                                                                                                                                                                                                                                                                                                          | Québec and Ottawa Valley                                                          |
| <small>For the Financial Year Ending on</small>                                                                                                                                                                                                                                                                                                                                                                                                                                           | 30 Jun 2020                                                                       |
| <small>SSC Mailing Address:</small>                                                                                                                                                                                                                                                                                                                                                                                                                                                       | P.O. Box 1000 3 <sup>rd</sup> Main<br>Ottawa ON K2R 2M0<br>K2R 1C8<br>Ms J. MacDo |
| <small>Person completing this form (normally the treasurer):</small>                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                   |
| <small>Name &amp; Title</small>                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Mr Sean Money                                                                     |
| <small>Mailing Address:</small>                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 45 Ferdinand Crescent                                                             |
| <small>City, Prov. &amp; Postal Code</small>                                                                                                                                                                                                                                                                                                                                                                                                                                              | Ottawa ON K2R 2M0                                                                 |
| <small>Phone 1: Residence</small>                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 613-856-2266                                                                      |
| <small>Phone 2: Other</small>                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 613-258-6699                                                                      |
| <small>Fax</small>                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | -                                                                                 |
| <small>e-mail</small>                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | <a href="mailto:sean.money@cornell.com">sean.money@cornell.com</a>                |
| <small>Direct Time to Call</small>                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Evening                                                                           |
| <small>Home</small>                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Evening                                                                           |
| <small>Business</small>                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Home                                                                              |
| <small>Is the Squadron Sponsoring Committee a Registered Canadian Charity?</small>                                                                                                                                                                                                                                                                                                                                                                                                        | YES                                                                               |
| <small>If yes, the Registration Number is:</small>                                                                                                                                                                                                                                                                                                                                                                                                                                        | 140387664 RR 0015                                                                 |
| <small>Business Registration Number (if applicable):</small>                                                                                                                                                                                                                                                                                                                                                                                                                              | 140387664 RT 0109                                                                 |
| <small>Was the past year's Registered Charity Information Return (Form T3884) filed?</small>                                                                                                                                                                                                                                                                                                                                                                                              | YES                                                                               |
| <b>THIS SECTION IS TO BE COMPLETED BY THE PC Financial Compliance Officer</b>                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                   |
| <small>The information provided in this ACC-9 has been reviewed with due diligence for completeness, responsibility and compliance in accordance with the League's procedures. This review is not an audit. The financial information included herein appears on its face to be reasonable. Nothing has come to our attention that would indicate the information provided is not reliable and/or fairly stated, except it and is noted in comments attached as annex "A" hereto.</small> |                                                                                   |
| <input type="checkbox"/> Check box if annex attached / Cochez la case si une annexe est incluse                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                   |
| <small>Date</small>                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | <small>PC Financial Compliance Officer (Name)</small>                             |
| <small>Date ACC-9 sent to NAC by the PC</small>                                                                                                                                                                                                                                                                                                                                                                                                                                           | <small>Signature</small>                                                          |
| <small>Date rec'd by NAC</small>                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <small>Date rec'd by NAC</small>                                                  |

Page 1/10

Figure 3-28 Cover Page and identification



- b. The statement of Operations: This report has two sub-statements, the Revenues Statement and the Expenses Statement. Revenue minus expenses represents the result (Fig. 3-28);

| Statement of Operations<br>6000 Aurora Sponsoring Committee |                                                             |          |  | Statement of Operations<br>6000 Aurora Sponsoring Committee     |                                              |          |  |
|-------------------------------------------------------------|-------------------------------------------------------------|----------|--|-----------------------------------------------------------------|----------------------------------------------|----------|--|
| REVENUES<br>For Year Ending on 30 Jun 2020                  |                                                             |          |  | EXPENSES<br>SURPLUS (DEFICIT)<br>For Year Ending on 30 Jun 2020 |                                              |          |  |
| <b>4000 - Donations, Grants &amp; Other</b>                 |                                                             |          |  | <b>5000 - Administrative &amp; Operating Expenses</b>           |                                              |          |  |
| (a) 4010                                                    | From Official Sponsor(s)                                    | \$ -     |  | (a) 5010                                                        | Admin & Office Supplies                      | \$ -     |  |
| (b) 4020                                                    | From Non-Sponsor Veterans Organizations & their Auxiliaries | \$ 3,525 |  | (b) 5020                                                        | Office Equipment                             | \$ -     |  |
| (c) 4030                                                    | From Other Service Clubs (Charities)                        | \$ 1,550 |  | (c) 5030                                                        | Storage - Rental                             | \$ -     |  |
| (d) 4040                                                    | Specific Purpose Non-OND Grants                             | \$ -     |  | (d) 5040                                                        | Storage - Maint                              | \$ -     |  |
| (e) 4050                                                    | Bequests and Such                                           | \$ -     |  | (e) 5050                                                        | Utilities                                    | \$ 36    |  |
| (f) 4060                                                    | Other Non-Tax Receipted Donations                           | \$ -     |  | (f) 5055                                                        | Sign Level Insurance                         | \$ -     |  |
| (g) 4070                                                    | Other Tax Receipted Donations                               | \$ -     |  | (g) 5060                                                        | AGM & Meetings                               | \$ -     |  |
| (h) 4080                                                    | Available (Rename)                                          | \$ -     |  | (h) 5070                                                        | Recruiting & Advertising                     | \$ -     |  |
| (i) 4090                                                    | Available (Rename)                                          | \$ -     |  | (i) 5080                                                        | Annual Provincial Committee Assessment       | \$ 4,425 |  |
| 4099                                                        | Donations, Grants & Other - Total                           | \$ 5,075 |  | (j) 5090                                                        | Air Group, Air Wing Overt and such           | \$ -     |  |
| <b>4200 - Gaming Fundraising</b>                            |                                                             |          |  | (k) 5100                                                        | Financial & Bank Charges                     | \$ -     |  |
| (a) 4210                                                    | PC Lottery / Raffle Sales                                   | \$ -     |  | (l) 5110                                                        | Facilities Rental                            | \$ -     |  |
| (b) 4220                                                    | PC Lottery / Raffle Share                                   | \$ -     |  | (m) 5120                                                        | Postal Fees                                  | \$ -     |  |
| (c) 4230                                                    | Sign Lottery / Raffle                                       | \$ -     |  | (n) 5130                                                        | Available (Rename)                           | \$ -     |  |
| (d) 4240                                                    | Bingo                                                       | \$ -     |  | (o) 5140                                                        | Available (Rename)                           | \$ -     |  |
| (e) 4250                                                    | Casino                                                      | \$ -     |  | (p) 5150                                                        | Available (Rename)                           | \$ -     |  |
| (f) 4260                                                    | Break Open Tickets                                          | \$ -     |  | (q) 5160                                                        | Available (Rename)                           | \$ -     |  |
| (g) 4270                                                    | Available (Rename)                                          | \$ -     |  | (r) 5170                                                        | Available (Rename)                           | \$ -     |  |
| (h) 4280                                                    | Available (Rename)                                          | \$ -     |  | (s) 5180                                                        | Available (Rename)                           | \$ -     |  |
| (i) 4290                                                    | Available (Rename)                                          | \$ -     |  | (t) 5190                                                        | Available (Rename)                           | \$ -     |  |
| 4299                                                        | Gaming Fundraising - Total                                  | \$ -     |  | 5199                                                            | Administrative & Operating Expenses - Total: | \$ 4,461 |  |
| <b>4400 - Other Fundraising</b>                             |                                                             |          |  | <b>5200 - DND Supported Mandatory Trg/Activities Expenses</b>   |                                              |          |  |
| (a) 4410                                                    | Portraits                                                   | \$ -     |  | (a) 5210                                                        | Field Training Exercise                      | \$ -     |  |
| (b) 4420                                                    | Tag Day - Fall                                              | \$ -     |  | (b) 5220                                                        | Leadership Courses                           | \$ -     |  |
| (c) 4430                                                    | Tag Day - Spring                                            | \$ -     |  | (c) 5230                                                        | Level 1 - Boot Camp                          | \$ -     |  |
| (d) 4440                                                    | Bottle Drive                                                | \$ -     |  | (d) 5235                                                        | Ceremonial Equipment                         | \$ -     |  |
| (e) 4450                                                    | TRNVA Night                                                 | \$ -     |  | (e) 5240                                                        | Sports & Phys Ed Related Activities          | \$ -     |  |
| (f) 4455                                                    | Available (Rename)                                          | \$ -     |  | (f) 5245                                                        | Flying and Gliding                           | \$ -     |  |
| (g) 4460                                                    | Available (Rename)                                          | \$ -     |  | (g) 5250                                                        | Training Equipment                           | \$ 59    |  |
| (h) 4465                                                    | Available (Rename)                                          | \$ -     |  | (h) 5260                                                        | Community Service                            | \$ -     |  |
| (i) 4470                                                    | Available (Rename)                                          | \$ -     |  | (i) 5270                                                        | Mess Dinner                                  | \$ -     |  |
| (j) 4475                                                    | Available (Rename)                                          | \$ -     |  |                                                                 |                                              |          |  |
| (k) 4480                                                    | Available (Rename)                                          | \$ -     |  |                                                                 |                                              |          |  |
| (l) 4485                                                    | Available (Rename)                                          | \$ -     |  |                                                                 |                                              |          |  |

Figure 3-29 Statement of Operations

- c. Balance sheet: this statement is a picture of the financial situation at a given date, normally at the end of the fiscal year (Fig. 3-29);

| Balance Sheet<br>6000 Aurora<br>For Year Ending on 30 Jun 2019 |                                                         |           |           | LIABILITIES                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                 |               |               |
|----------------------------------------------------------------|---------------------------------------------------------|-----------|-----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|---------------|---------------|
| ASSETS                                                         |                                                         |           |           | Last year                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                 |               |               |
| <b>1000 - Current Assets:</b>                                  |                                                         |           |           | <b>2000 - Current Liabilities:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                 |               |               |
| (a) 1010                                                       | Other Cash in hand                                      | \$ -      |           | (a) 2010                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Bank Credit Card                                | \$ -          |               |
| (b) 1020                                                       | Main Bank Account                                       | \$ 19,717 | \$ 22,105 | (b) 2020                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Bank Loans (Short Term)                         | \$ -          |               |
| (c) 1030                                                       | Canteen                                                 | \$ 169    | \$ 146    | (c) 2030                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Other Loans/Leases (Short Term)                 | \$ -          |               |
| (d) 1040                                                       | Petty Cash                                              | \$ 500    | \$ 500    | (d) 2040                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Other Outstanding Debts                         | \$ -          |               |
| (e) 1050                                                       | Investments (Mutual Funds, etc.)                        | \$ -      |           | 2100                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Total Current Liabilities:                      | \$ -          |               |
| (f) 1055                                                       | Investments (GIC, etc.)                                 | \$ -      |           | <b>2200 - Long-Term Debts:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                 |               |               |
| (g) 1060                                                       | Refundable Security Deposit                             | \$ -      | \$ 68     | (a) 2210                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Notes Payable                                   | \$ -          |               |
| (h) 1070                                                       | Available (Rename)                                      | \$ -      |           | (b) 2220                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Mortgage                                        | \$ -          |               |
| (i) 1080                                                       | Available (Rename)                                      | \$ -      |           | (c) 2230                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Capital Equipment Lease                         | \$ -          |               |
| (j) 1090                                                       | Available (Rename)                                      | \$ -      |           | 2300                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Total Long-Term Debts:                          | \$ -          |               |
| (k) 1095                                                       | Available (Rename)                                      | \$ -      |           | 2400                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Total Liabilities                               | \$ -          |               |
| 1100                                                           | Total Current Assets:                                   | \$ 20,387 | \$ 22,819 | <b>EQUITY</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                 |               |               |
| <b>1500 - Fixed Assets:</b>                                    |                                                         |           |           | <b>3000 - Equity</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                 |               |               |
| (a) 1510                                                       | Accruals                                                | \$ -      |           | (a) 3100                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Retained Earnings (Equity from prior year)      | \$ 19,570.14  | \$ 22,348.28  |
| (b) 1520                                                       | Land & Property                                         | \$ -      |           | (b) 3110                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Net Surplus / Net Deficit                       | \$ 2,778.14   | \$ (5,227.91) |
| (c) 1530                                                       | Buildings                                               | \$ -      |           | (c) -                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Adjustment                                      | \$ -          |               |
| (d) 1540                                                       | Vehicles                                                | \$ 3,000  | \$ 1      | 3200                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Total Equity (3100 + 3110)                      | \$ 22,348.28  | \$ 17,120.37  |
| (e) 1550                                                       | Office Equipment                                        | \$ 2,269  | \$ 1      | 3400                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Total Liabilities and Equity (Line 2400 + 3400) | \$ 17,120     | \$ 17,120     |
| (f) 1560                                                       | Bulbion, Shooting & Esgt                                | \$ 8,095  | \$ 1      | This ACCS has been prepared by Mr Sean Money. It accurately reports the Sponsoring Committee's financial position on this statement's date. We confirm due diligence has been exercised in maintaining appropriate accounting of revenues, expenses, and control of all monies in conformity to ACL rules and procedures. No audit was performed and consequently no auditor's opinion is expressed on these financial statements. Note that the CO signs as having been apprised of the contents of the ACCS-9 and having on the surface no reservation about its content. |                                                 |               |               |
| (g) 1570                                                       | Photography Esgt                                        | \$ -      |           | Commanding Officer                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Chairperson                                     | Treasurer     |               |
| (h) 1580                                                       | Field Equipment                                         | \$ 5,955  | \$ 1      | Signature                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                 |               |               |
| (i) 1590                                                       | Electronics Esgt                                        | \$ 7,168  | \$ 1      | Print Name: Capt Georges Piant                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Mr J. MacDo                                     | Mr Sean Money |               |
| (j) 1600                                                       | Music & Accessories                                     | \$ 21,250 | \$ 1      | Date: 2019-06-13                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 2019-06-13                                      | 2019-06-13    |               |
| (k) 1610                                                       | Trophies & Awards                                       | \$ 3,600  | \$ 1      | Page 7/10                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                 |               |               |
| (l) 1620                                                       | Miscellaneous                                           | \$ 12,135 | \$ 1      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                 |               |               |
| 1699                                                           | Total Fixed Assets - At Replacement Value per category: | \$ 63,802 |           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                 |               |               |
| 1700                                                           | Total Fixed Assets - At Nominal \$1 Value per category: | \$ 8      |           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                 |               |               |
| 1700                                                           | Total Assets (Line 1100 + 1600)                         | \$ 22,827 |           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                 |               |               |

Figure 3-30 Balance Sheet



- d. Statement of Fixed Assets: it lists all the physical assets held by the organization. This statement is generated automatically by the inventory (*Fig. 3-30*);

| Statement of Fixed Assets                 |                          |                        |               |                |                                           |
|-------------------------------------------|--------------------------|------------------------|---------------|----------------|-------------------------------------------|
| 6000 Aurora Sponsoring Committee          |                          |                        |               |                |                                           |
| For Year Ending on 30 Jun 2020            |                          |                        |               |                |                                           |
| Inventory Category Number                 | Serial # (If Applicable) | Asset Description      | Purchase Date | Purchase Price | Estimated Replacement Cost or Fair Market |
| <b>1550 - Office Equipment</b>            |                          |                        |               |                |                                           |
| 1550-1                                    |                          | Printer                |               |                | \$ 400                                    |
| 1550-2                                    |                          | Router                 |               |                | \$ 189                                    |
| 1550-3                                    |                          | Coat Rack              |               |                | \$ 300                                    |
| 1550-4                                    |                          | Filing Cabinet         |               |                | \$ 1,400                                  |
| 1550-5                                    |                          |                        |               |                | \$ -                                      |
| 1550-6                                    |                          |                        |               |                | \$ -                                      |
| 1550-7                                    |                          |                        |               |                | \$ -                                      |
| 1550-8                                    |                          | Others                 |               |                | \$ 75                                     |
| <b>\$-Total</b>                           |                          |                        |               | <b>\$ -</b>    | <b>\$ 2,344</b>                           |
| Page 8/10                                 |                          |                        |               |                |                                           |
| <b>1560 - Biathlon &amp; Shooting Eqp</b> |                          |                        |               |                |                                           |
| 1560-1                                    |                          | Boots & Poles          |               |                | \$ 3,380                                  |
| 1560-2                                    |                          | Ski + Binding (Pair)   |               |                | \$ 3,000                                  |
| 1560-3                                    |                          | Accessories - Shooting |               |                | \$ 1,185                                  |

Figure 3-31 Statement of Fixed Assets

68. In this application, the financial statements are generated automatically from the information contained in the other tabs. Financial statements may be accompanied by other documents supporting the information contained in the statements.

69. The tab *Statistics Report* is not part itself of the financial statements but provide a picture of the use of funds during the year. Customizable, these reports attached to the financial statements provide a high level of information (*Fig. 3-31*).

70. The two tables on fundraising require that the income and expenditure accounts be paired.

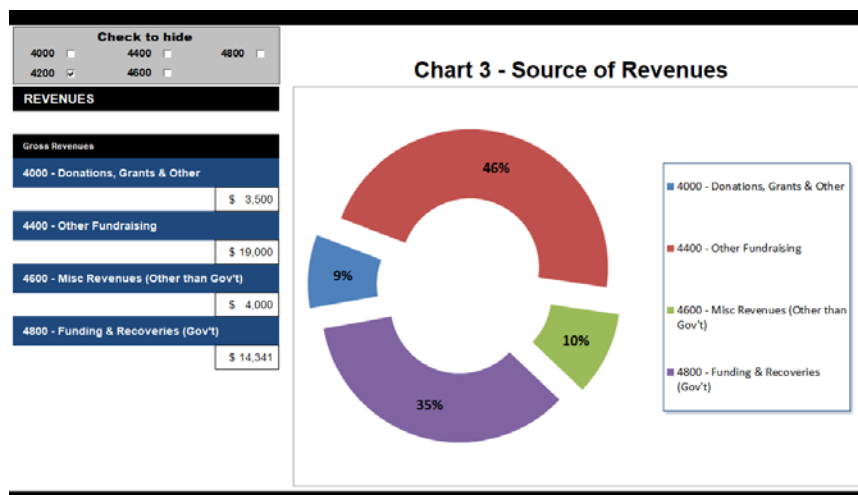


Figure 3-32 Statistical Reports

## Section 16 – Tax Return (Worksheet)

71. Any non-profit organization must file a tax return at the end of the year. For Quebec, the TP-985.22-V is the form to be used. For all other provinces, Form T3010 must be produced. To help complete the report, this tab generates the amounts for each line of the form. The amounts come from different accounts in the financial statements, hence the importance of recording transactions to the right accounts and creating accounts in the right categories. Manual adjustments may be necessary to reflect the particularities of each squadron (*Fig. 3-32 and 3-33*).



| Description                                                                                                                 | ACC-9<br>Line # | T3010<br>Line # | Amount | Amount    |
|-----------------------------------------------------------------------------------------------------------------------------|-----------------|-----------------|--------|-----------|
| <b>SECTION D</b>                                                                                                            |                 |                 |        |           |
| If Charities' revenues are over \$100,000, do not fill this section. Complete the Schedule B.                               |                 |                 |        |           |
| <b>ASSETS</b>                                                                                                               |                 |                 |        |           |
| Total Assets (including land and buildings)                                                                                 |                 | (a) 4200        | \$     | 80,689.37 |
| <b>LIABILITIES</b>                                                                                                          |                 |                 |        |           |
| Total Liabilities                                                                                                           |                 | (a) 4200        | \$     | -         |
| <b>REVENUES</b>                                                                                                             |                 |                 |        |           |
| Total Eligible Amounts of all gifts for which the charity issued tax receipts                                               |                 | (c) 4500        | \$     | -         |
| Total Amount Received From Other Registered Charities                                                                       |                 | (d) 4510        | \$     | 3,500.00  |
| Total other gifts received for which a tax receipt was not issued by the charity (excluding amounts at lines 4575 and 4630) |                 | (e) 4530        | \$     | -         |
| Total revenue received from government                                                                                      |                 | (f) 4570        | \$     | 14,340.56 |
| Total non tax-receipted amounts from all sources outside Canada                                                             |                 | (g) 4575        | \$     | -         |
| Total non tax-receipted revenue from fundraising                                                                            |                 | (h) 4630        | \$     | 19,000.00 |

Figure 3-33 Report T3010

| Description                                                                        | ACC-9<br>Line #              | TP985<br>Line # | Amount       |
|------------------------------------------------------------------------------------|------------------------------|-----------------|--------------|
| <b>Gifts and other revenue</b>                                                     |                              |                 |              |
| Total eligible amount of gifts for which the organization issued official receipts | 4070                         | (a) 12          | \$ -         |
| Total gifts received from other organizations with the same tax status             | 4010, 4020, 4030             | (b) 13          | \$ 3,500.00  |
| Portion of the amount from line 13 that constitutes specified gifts                |                              | (c) 13.1        |              |
| Other gifts for which the organization did not issue official receipts             | 4040, 4050, 4060, 4080, 4090 | (d) 14          | \$ -         |
| Revenue from government sources                                                    |                              | (e) 15          | \$ 14,340.56 |
| the federal government                                                             | 4899                         | (f) 15.1        | \$ 14,340.56 |
| a provincial government                                                            |                              | (g) 15.2        |              |
| a municipal or regional administration                                             |                              | (h) 15.3        |              |
| Investment income (interest and dividends)                                         | 4640                         | (i) 17          | \$ -         |

Figure 3-34 Report TP-985.22-V

## Section 17 – Tax Rebate (Worksheet)

72. Non-Profit Organizations registered as charities (000000000RR0000) may claim a refund of a portion of the taxes paid during the fiscal year. Rates vary at the federal level and from province to province. In addition, government refunds (DND) including taxes must be deducted from the amount calculated for reimbursement. Treasurers should check if changes have occurred from the previous year for the provincial and federal rates (Fig. 3-34).

| Quarter 1<br>Jul-Aug-Sep          | Taxes on<br>Expenses | Taxes repaid<br>by Gov't | Net Taxes Paid | Tax Rates             | HST Broken<br>Down+GST+PS<br>T |
|-----------------------------------|----------------------|--------------------------|----------------|-----------------------|--------------------------------|
| HST                               | \$ 204.55            | \$ 303.30                | \$ (98.75)     | 13.000%               |                                |
| GST                               | \$ -                 | \$ -                     | \$ -           | 5.000%                | \$ (37.98)                     |
| PST / QST                         | \$ -                 | \$ -                     | \$ -           | 8.000%                | \$ (60.77)                     |
| <b>Taxes</b>                      | <b>% of Rebate</b>   | <b>Forms</b>             | <b>Line</b>    | <b>Claimed Amount</b> |                                |
| Federal (GST)                     | 50%                  | GST66                    | 305            | \$ (18.99)            |                                |
| Provincial (PST / QST)            | 82%                  | RC7066                   | 305-ON         | \$ (49.83)            |                                |
| <b>Total Rebate to be claimed</b> |                      |                          | <b>409</b>     | <b>\$ (68.82)</b>     |                                |

| GST and PST Rate by Province |     |    |        |
|------------------------------|-----|----|--------|
| FED                          | 5%  | NT | 0%     |
| AB                           | 0%  | NU | 0%     |
| BC                           | 7%  | ON | 8%     |
| MB                           | 8%  | PE | 10%    |
| NB                           | 10% | QC | 9.975% |
| NL                           | 10% | SK | 6%     |
| NS                           | 10% | YT | 0%     |

The Rebate and Tax Level are extracted from the different Website of each province. It is strongly recommended that these informations be verified with the government.

| % of Provincial and Federal Tax Rebate |     |    |     |
|----------------------------------------|-----|----|-----|
| FED                                    | 50% | NT | 0%  |
| AB                                     | 0%  | NU | 0%  |
| BC                                     | 57% | ON | 82% |
| MB                                     | 0%  | PE | 38% |
| NB                                     | 50% | QC | 50% |
| NL                                     | 50% | SK | 0%  |
| NS                                     | 50% | YT | 0%  |

| Total for the<br>year             | Taxes on<br>Expenses | Taxes repaid<br>by Gov't | Net Taxes Paid | Tax Rates             | HST Broken<br>Down+GST+PS<br>T |
|-----------------------------------|----------------------|--------------------------|----------------|-----------------------|--------------------------------|
| HST                               | \$ 204.55            | \$ 303.30                | \$ (98.75)     | 13.000%               |                                |
| GST                               | \$ -                 | \$ -                     | \$ -           | 5.000%                | \$ (37.98)                     |
| PST / QST                         | \$ -                 | \$ -                     | \$ -           | 8.000%                | \$ (60.77)                     |
| <b>Taxes</b>                      | <b>% of Rebate</b>   | <b>Forms</b>             | <b>Line</b>    | <b>Claimed Amount</b> |                                |
| Federal (GST)                     | 50%                  | GST66                    | 305            | \$ (18.99)            |                                |
| Provincial (PST / QST)            | 82%                  | RC7066                   | 305-ON         | \$ (49.83)            |                                |
| <b>Total Rebate to be claimed</b> |                      |                          | <b>409</b>     | <b>\$ (68.82)</b>     |                                |

HST = Harmonized Sale Tax  
 GST = Goods and Service Tax  
 PST / QST = Provincial Sale Tax / Quebec Sale Tax  
 CRA = Canada Revenue Agency

Figure 3-35 Tax Rebate Calculations

73. Most provinces collect two taxes, one provincial and the other federal. Squadrons establish in the provinces participating in the HST, must apply for their provincial and federal reimbursement using forms RC7066 and GST66. For non-participating



provinces, except in Quebec, GST at the federal level must be claimed on Form GST66. PST will be claimed on province-specific forms, if applicable. For Quebec, the two sales taxes (GST and QST) are administered by the province and must be claimed using the joint form (CRA and Revenu Québec) FPZ-66 which contains the same information as Form GST66.

74. Rebate applications can be submitted every three months (four times a year) or once at the end of the year. But requests must necessarily be presented in the same frequency than the related organization, i.e. the Provincial Committee. The tab allows you to determine the amounts to be claimed for quarterly or annual applications.

75. If a quarterly amount is negative, no request will be made, and the negative amount will have to be deducted from the next quarter's amount. In recent years, requests can be made online, speeding up processing and reimbursement.

## Section 18 – Next Year Budget

76. The first step in a new fiscal year is to establish a new budget. To do this, it is important to know the revenues and expenses of the year just ended and the planned activities for the coming year. Since the data for the last year are in the end-of-year file, this tab will be used to prepare the next budget, make the necessary changes and adopt the new budget. Once adopted, the data will be transferred to the new file and the old file can be archived (*Fig. 3-35*).

77. It is important to understand that a non-profit organization can not present a budget with a surplus or a deficit elsewhere. This is why the organization must present a balanced budget. A control window is available in the tab.

| ACC<br>ID           | ACC 9<br>ID   | Description                                                 | Details (examples)                    | Budget 2019 /<br>2020 | Expenses 2019<br>/ 2020 | Explanations              | Proposed<br>Budget 2020 /<br>2021 |
|---------------------|---------------|-------------------------------------------------------------|---------------------------------------|-----------------------|-------------------------|---------------------------|-----------------------------------|
| <b>Income Items</b> |               |                                                             |                                       |                       |                         |                           |                                   |
| 4010<br>1 (a)       | 4010<br>1 (a) | From Official Sponsor(s)                                    | From Squadron's Official Sponsor only |                       |                         |                           |                                   |
|                     | 4020<br>1 (b) | From Non-Sponsor Veterans Organizations & their Auxiliaries | Legion, RCMAA                         | \$ 5,000              | \$ 1,700                | Revised grant for next FY | \$ 1,500                          |
|                     | 4030<br>1 (c) | From Other Service Clubs (Charities)                        |                                       |                       |                         |                           |                                   |
|                     |               |                                                             | <b>4030 TOTAL</b>                     | \$ 1,300              | \$ 2,652                |                           | \$ 2,000                          |
|                     |               |                                                             |                                       |                       |                         |                           |                                   |
| 4030<br>1 (c)       | 4030.1        | United Way                                                  | Deductions from pay                   | \$ 800                | \$ 1,352                |                           | \$ 1,000                          |
|                     | 4030.2        | Other Service Club                                          |                                       |                       | \$ 500                  | Grant denied for next FY  |                                   |
|                     | 4030.3        | Knights of Columbus                                         |                                       | \$ 500                | \$ 800                  |                           | \$ 1,000                          |
|                     | 4030.4        | Available (Rename)                                          |                                       |                       |                         |                           |                                   |

| Total                  |    |        |
|------------------------|----|--------|
| Revenues               | \$ | 55,956 |
| Expenses               | \$ | 55,956 |
| <b>BALANCED BUDGET</b> |    |        |

Figure 3-36 Next Year Budget Estimate

## Section 19 – End of Year

78. To close the year, just follow the four (4) steps (*Fig. 3-36*):

- Save the current file (under the same name);
- Print the Year End tab;
- Transfer the data. This button automatically creates a new light file containing all the information necessary for the provincial committees. All data is in protected mode. During transfer, you will notice the instability of the application; this is normal; and
- Exit the transfer file and reopen the previous file. Save the file with a new name for the next year and reset the file.



**Step 1 : Save**  
 Before going further, ensure to save this file (under the same name).

**Step 2 : Print data**  
 Print this worksheet. It contains all informations required to start the new Fiscal Year.  

Print

**Step 3 : Transfer data**  
 This operation will create a new file named :  
 <Squadron Number>\_<Fiscal Year>\_RollUpPgm.xdsm  
 The new file contains the essential information required by Provincial and National Committees. Some features have been deleted in order to reduce the size of the file. This file must be sent by email to the Provincial Committee.  

Transfer Data

**Step 4 : Reset Data**  
 This step must be performed on the initial file. The operation will ask you to save the file with a new name and will delete all Transactional Data. Verify all the basic data and start the new FY.  

Reset Data

**Figure 3-37 End of Year Operations**

| Serial | Tabs                              | Impacted                                                                    |
|--------|-----------------------------------|-----------------------------------------------------------------------------|
| 1      | Data Setup                        | Balance of account<br>Previous Year Data<br>Outstanding Cheques and deposit |
| 2      | Revenues Journal                  | All transactions                                                            |
| 3      | Exoenses Journal                  | All transactions                                                            |
| 4      | Transactions Listing              | Auto zeroing                                                                |
| 5      | Account Detailed reconciliation   | Auto zeroing                                                                |
| 6      | Account Summarized Reconciliation | Auto zeroing                                                                |
| 7      | Budget Tracker                    | Budget Column<br>Auto zeroing of real expenses                              |
| 8      | Investments                       | Auto zeroing of Rev/Exp<br>No reset of transactions section                 |
| 9      | CDT-135 Tracker                   | No reset                                                                    |
| 10     | Volunteering Tracker              | Manual Reset                                                                |
| 11     | Payment Request                   | Manual Reset                                                                |
| 12     | Petty Cash                        | Manual Reset                                                                |
| 13     | Deposit Form                      | Manual Reset                                                                |
| 14     | Activity Report                   | Manual Reset                                                                |



| Serial | Tabs                     | Impacted     |
|--------|--------------------------|--------------|
| 15     | Cover Page               | Auto zeroing |
| 16     | Revenues Statement       | Auto zeroing |
| 17     | Expenses Statement       | Auto zeroing |
| 18     | Balance Sheet            | Auto zeroing |
| 19     | Statement of Fixed Asset | Auto zeroing |
| 20     | Statistical Report       | Auto zeroing |
| 21     | T3010 Worksheet          | Auto zeroing |
| 22     | TP-985.22-V Worksheet    | Auto zeroing |
| 23     | Tax rebate Calculations  | Auto zeroing |
| 24     | Next Year Budget         | Auto zeroing |
| 25     | Inventory – All tabs     | No reset     |
| 26     | Inventory Worksheet      | No reset     |

79. In the new file: Complete the *Data Setup* tab with the End of Year data (Fig. 3-37)

**Data to be reported in the Next Year**  
6000 Aurora Sponsoring Committee

This is the information for next year's ACC9. Please print out this information and fill it in on next year's ACC9 worksheet 'Data Set up'.

Your report is balanced and ready to be printed

|                                         |              |
|-----------------------------------------|--------------|
| 1020 - Main Bank Account                | \$ 15,377.65 |
| 1030 - Carleven                         | \$ 166.75    |
| 1040 - Petty Cash                       | \$ 500.00    |
| 1050 - Investments (GICs, etc.)         | \$ 1,000.00  |
| 1055 - Investments (Mutual Funds, etc.) | \$ -         |
| 1060 - Refundable Security Deposit      | \$ 67.97     |
| 1070 - Available (Rename)               | \$ -         |
| 1080 - Available (Rename)               | \$ -         |
| 1090 - Available (Rename)               | \$ -         |
| 1095 - Available (Rename)               | \$ -         |
| 2010 - Bank Credit Card                 | \$ -         |
| 1010 - Other Cash in hand               | \$ -         |

Next Reporting Year: 2020 / 2021

End of Year's ACC9 Information  
(from Page 7 - Balance Sheet)

|                                                        |               |
|--------------------------------------------------------|---------------|
| Total Assets (from line 1800):                         | \$ 17,120.37  |
| Retained Earnings (line 3100):                         | \$ 22,348.28  |
| Surplus/Deficit Revenue over Expenditures (line 3110): | \$ (5,227.91) |
| Current Liability (outstanding debt) (line 2400):      | \$ -          |
| Integer rounding adjustment (if used last year):       | \$ -          |

Cheques & Deposits not processed in the current year

| TX       | Ref # or<br>Orig # | Description                     | Date       | Revenue | Expenditure | Account                  |
|----------|--------------------|---------------------------------|------------|---------|-------------|--------------------------|
| REVENUES |                    |                                 |            |         |             |                          |
| EXPENSES |                    |                                 |            |         |             |                          |
| CH       | 2046.175           | Jiffy PhotoPrint - Parade Board | 2019-05-10 | \$ -    | \$ 58.88    | 1020 - Main Bank Account |
| TOTAL    |                    |                                 |            | \$ -    | \$ 58.88    | \$ (58.88)               |

**Figure 3-38 Data to be reported**

## Section 20 – Inventory

80. There are two (2) types of inventory: equipment provided by DND and the one acquired through SSC funds. The equipment provided by DND is under the responsibility of the squadron's military personnel, while the assets acquired by the SSC are under its responsibility. Only this equipment must be included in the financial statements.

81. An inventory of the goods must be done at the beginning of the year. The value adjustments must be made during the inventory but can also be during the year if information leads you to believe that there is a significant change to the replacement values. Changes in values do not affect the balance of financial statements and can therefore be increased or decreased. Also, goods can be removed from the inventory for different reasons:

- a. Loss of property;



- b. Although rendered unusable;
- c. Low or no replacement value; and
- d. At the end of lifecycle.

82. *Inventory Accounts.* The items are divided into different Assets accounts. Some of them can not be modified: accounts 1510, 1520, 1530 and 1540 must be reported in the tax return and account 1620 serves as a catch-all account. Accounts 1550, 1560, 1570, 1580, 1590, 1600 and 1610 can be customized.

83. Inventory registration must be done in three steps: define the desired accounts, define the categories and sub-categories, and following the inventory count, record the items.

84. *Categories.* Categories are used to group assets of a similar nature and be reported in the Statement of Fixed Assets. The accounts include a category *Accessories* and / or *Other* (Fig. 3-38).

| CATEGORY |            | TOTAL AMOUNT BY CATEGORY | CATEGORY |             | TOTAL AMOUNT BY CATEGORY |
|----------|------------|--------------------------|----------|-------------|--------------------------|
| 1600-1   | Cymbals    | \$ 200.00                | 1600-9   | Quad Drums  | \$ 1,600.00              |
| 1600-2   | Saxophones | \$ 4,000.00              | 1600-10  | Snare Drums | \$ 1,600.00              |
| 1600-3   | Bass drums | \$ 1,400.00              | 1600-11  | Sax Tenor   | \$ 2,600.00              |
| 1600-4   | Trumpets   | \$ 2,000.00              | 1600-12  |             |                          |
| 1600-5   | Bells      | \$ 1,000.00              | 1600-13  |             |                          |
| 1600-6   | Clarinets  | \$ 700.00                | 1600-14  |             |                          |
| 1600-7   | Flutes     | \$ 1,000.00              | 1600-15  | Accessories | \$ 1,751.00              |
| 1600-8   | Trombones  | \$ 1,200.00              | 1600-16  | Others      | \$ 2,199.00              |

Figure 3-39 Inventory - Categories

85. *Identification.* This part allows an exhaustive description of each items. If there is a serial number, the item must be entered individually in the inventory, ie quantity = 1. You can enter your own serial number, if applicable (Fig. 3-39).

| Short Name<br>(Mandatory Field) | Serial Number | Description             | Category | Make     | Model    |
|---------------------------------|---------------|-------------------------|----------|----------|----------|
| Cymbals                         |               | 14" Cymbals             | 1600-1   | Sabian   |          |
| Saxophone                       | N80678        | Alto Saxophone          | 1600-2   | Musicare |          |
| Saxophone                       | N80674        | Alto Saxophone          | 1600-2   | Musicare | Musicare |
| Drum                            |               | Bass Drum - 5 Sqn Crest | 1600-3   | Ludwig   |          |
| Drum                            |               | Bass Drum (51)          | 1600-3   | Remo     |          |

Figure 3-40 Inventory - Description

86. *Values.* The *Purchase* section is used to determine the value of the goods acquired and will be reflected in the statement of assets. The *Replacement* section is used to determine the replacement value for insurance purposes. The column "insured" identifies the items that will be part of the inventory for insurance purposes. Certain low value or missing items can thus be removed from the list. The replacement value can be adjusted during the year. Proper evaluation of replacement values is essential as insurance coverage will be billed based on the total amount of inventory declared. An overestimation will unnecessarily increase the bill payable and, in any event, an assessment of the goods claimed in the event of a claim will be made by the insurance company. An underestimation, on the contrary, will penalize you in the event of a claim.





| PURCHASE           |          |            |                            |
|--------------------|----------|------------|----------------------------|
| Date<br>dd/mm/yyyy | Quantity | Unit Price | Total Amount -<br>Purchase |
|                    | 1        | \$ 200     | \$ 200                     |
|                    | 1        | \$ 2,000   | \$ 2,000                   |
|                    | 1        | \$ 2,000   | \$ 2,000                   |
|                    | 1        | \$ 700     | \$ 700                     |
|                    | 1        | \$ 700     | \$ 700                     |

| REPLACEMENT  |          |            |                               | Comments |
|--------------|----------|------------|-------------------------------|----------|
| 2019 / 2020  |          |            |                               |          |
| Insured<br>v | Quantity | Unit Price | Total Amount -<br>Replacement |          |
| v            | 1        | \$ 200     | \$ 200                        |          |
| v            | 1        | \$ 2,000   | \$ 2,000                      |          |
| v            | 1        | \$ 2,000   | \$ 2,000                      |          |
| v            | 1        | \$ 700     | \$ 700                        |          |
| v            | 1        | \$ 700     | \$ 700                        |          |

Figure 3-41 Inventory - Values

87. *Inventory – Insurances.* This tab is generated automatically from the information collected in the inventory accounts. This information will help you complete the various forms required by the insurer. The data must be current as of June 30 of the fiscal year that ends and will be used to determine the amount of insurance for the next fiscal year. Buttons are used to create different listings (Fig. 3-41).

| Insurance Coverage Period             |             | 2019 / 2020             |                            |               |
|---------------------------------------|-------------|-------------------------|----------------------------|---------------|
|                                       |             | \$ 59,264.00            | \$ 63,577.00               | \$ 53,435.00  |
| CATEGORIES                            |             | PURCHASE<br>TOTAL VALUE | REPLACEMENT<br>TOTAL VALUE | INSURED VALUE |
| <b>1600 - Music &amp; Accessories</b> |             | \$ 21,250.00            | \$ 21,250.00               | \$ 21,250.00  |
| 1600-1                                | Cymbals     | \$ 200                  | \$ 200                     | \$ 200        |
| 1600-2                                | Saxophones  | \$ 4,000                | \$ 4,000                   | \$ 4,000      |
| 1600-3                                | Bass drums  | \$ 1,400                | \$ 1,400                   | \$ 1,400      |
| 1600-4                                | Trumpets    | \$ 2,000                | \$ 2,000                   | \$ 2,000      |
| 1600-5                                | Bells       | \$ 1,000                | \$ 1,000                   | \$ 1,000      |
| 1600-6                                | Clarinets   | \$ 700                  | \$ 700                     | \$ 700        |
| 1600-7                                | Flutes      | \$ 1,000                | \$ 1,000                   | \$ 1,000      |
| 1600-8                                | Trombones   | \$ 1,200                | \$ 1,200                   | \$ 1,200      |
| 1600-9                                | Quad Drums  | \$ 1,600                | \$ 1,600                   | \$ 1,600      |
| 1600-10                               | Snare Drums | \$ 1,600                | \$ 1,600                   | \$ 1,600      |
| 1600-11                               | Sax Tenor   | \$ 2,600                | \$ 2,600                   | \$ 2,600      |
| 1600-12                               |             | \$ -                    | \$ -                       | \$ -          |
| 1600-13                               |             | \$ -                    | \$ -                       | \$ -          |
| 1600-14                               |             | \$ -                    | \$ -                       | \$ -          |
| 1600-15                               | Accessories | \$ 1,751                | \$ 1,751                   | \$ 1,751      |
| 1600-16                               | Others      | \$ 2,199                | \$ 2,199                   | \$ 2,199      |

|                          |                        |                            |
|--------------------------|------------------------|----------------------------|
| Insured Material Listing | Material Listing - All | Uninsured Material Listing |
|--------------------------|------------------------|----------------------------|

## Insured Material Listing

| <b>1510 - Aircrafts</b>                   |                |                    |                   |               |             |
|-------------------------------------------|----------------|--------------------|-------------------|---------------|-------------|
| Category                                  | Category Name  | Description        | Brand and Model   | Serial Number | Value       |
| <b>1520 - Land &amp; Property</b>         |                |                    |                   |               |             |
| Category                                  | Category Name  | Description        | Brand and Model   | Serial Number | Value       |
| <b>1530 - Buildings</b>                   |                |                    |                   |               |             |
| Category                                  | Category Name  | Description        | Brand and Model   | Serial Number | Value       |
| <b>1540 - Vehicles</b>                    |                |                    |                   |               |             |
| Category                                  | Category Name  | Description        | Brand and Model   | Serial Number | Value       |
| 1540-1                                    | Trailer        | Trailer            | Continental Cargo |               | \$ 2,920.00 |
| 1540-1                                    | Trailer        | Trailer Lock       |                   |               | \$ 80.00    |
| <b>1550 - Office Equipment</b>            |                |                    |                   |               |             |
| Category                                  | Category Name  | Description        | Brand and Model   | Serial Number | Value       |
| 1550-1                                    | Printer        | Printer            | HP                | CNBS35634     | \$ 400.00   |
| 1550-3                                    | Coat Rack      | Coat Rack          |                   |               | \$ 300.00   |
| 1550-4                                    | Filing Cabinet | Filing Cabinet     |                   |               | \$ 600.00   |
| 1550-4                                    | Filing Cabinet | Filing Cabinet     |                   |               | \$ 800.00   |
| 1550-2                                    | Router         | Router             |                   |               | \$ 169.00   |
| 1550-8                                    | Others         | Long reach Stapler |                   |               | \$ 75.00    |
| <b>1560 - Biathlon &amp; Shooting Eap</b> |                |                    |                   |               |             |

Figure 3-42 Items Listing for insurance





## Chapter 4 – Transactions

1. Most transactions are entered in one entry i.e. an entry in one of the two journals (revenues or expenses). Some transactions, particularly those consisting of an adjustment, include one or several entries i.e. in both journals. For practical purposes, all illustrated transactions that include taxes will be entered in the HST column.
2. A code convention will be used to identify the type of transaction, as follows:
  - a. Adjustment (ADJ);
  - b. Adjustments made by the bank (BK);
  - c. Credit Card (CC);
  - d. Cheque (CH);
  - e. Direct Deposit (DD);
  - f. Deposit (DP);
  - g. Electronic Transfer (ET); and
  - h. Petty Cash (PC).

### Section 1 – Bank Deposit

3. The bank deposit is any cash entry into an asset account identified in ACC9. The cash inflows are the following ways :
  - a. Deposit in person or at the ATM;
  - b. Direct deposit;
  - c. Adjustments made by the bank;
  - d. Electronic transfer;
4. The deposit in ATM or at counter requires the preparation of a slip. The latter serves as a supporting document. The other three types of cash inflow are made by the bank and are acknowledged by consulting the online transactions or the monthly statement of account. The electronic transfer has the particularity of sending a transfer notification.

*Example: You have a deposit of \$ 1,000.00 consisting of a cheque.*

#### Revenues Journal

| Reconciled | Transactions Type | Ref # | Date (yyyy-mm-dd) | Details                        | Amount of cash in | Account                  | HST Reimbursed by Gov't | PROOF OF CATEGORY ALLOCATION - must be \$0 | From Other Service Clubs (Charities) | Knights of Columbus |
|------------|-------------------|-------|-------------------|--------------------------------|-------------------|--------------------------|-------------------------|--------------------------------------------|--------------------------------------|---------------------|
| ✓          | DP                | 1825  | 2019-10-17        | Knights of Columbus - Donation | \$ 1,000.00       | 1020 - Main Bank Account |                         | \$ -                                       | \$ 1,000.00                          | \$ 1,000.00         |

**Figure 4-1** Deposit in person or at the counter



*Example: You realize that a deposit of \$ 2,507.69 has been made directly into the Main Account. After verification, you conclude that this is a DND refund from the Squadron's MCP budget. Refunded taxes must be entered.*

#### Revenues Journal

| Reconciled | Transactions Type | Ref # | Date (yyyy-mm-dd) | Details                     | Amount of cash in | Account                  | HST Reimbursed by Govt | PROOF OF CATEGORY ALLOCATION - must be \$0 | DND - Regular Training - Allocations (MCP) |
|------------|-------------------|-------|-------------------|-----------------------------|-------------------|--------------------------|------------------------|--------------------------------------------|--------------------------------------------|
| ✓          | DD                |       | 2019-07-30        | CDT-135 189-9 Reimbursement | \$ 2,507.69       | 1020 - Main Bank Account | \$ 176.09              | \$ -                                       | \$ 2,507.69                                |

**Figure 4-2 Direct Deposit**

*Example: On the last day of the month, your bank made an adjustment to the deposit # 1876. The deposit was a cheque from United Way. The adjustment is a credit of \$ 8.50 to the main account.*

#### Revenues Journal

| Reconciled | Transactions Type | Ref # | Date (yyyy-mm-dd) | Details                    | Amount of cash in | Account                  | HST Reimbursed by Govt | PROOF OF CATEGORY ALLOCATION - must be \$0 | From Other Service Clubs (Charities) | United Way |
|------------|-------------------|-------|-------------------|----------------------------|-------------------|--------------------------|------------------------|--------------------------------------------|--------------------------------------|------------|
| ✓          | BK                |       | 2019-07-30        | Adjustment to deposit 1816 | \$ 8.50           | 1020 - Main Bank Account |                        | \$ -                                       | \$ 8.50                              | \$ 8.50    |

**Figure 4-3 Adjustment by the bank**

*Example: At the end of the month, you note that an electronic transfer of \$ 350.00 was made by a parent to pay a cadet contribution for a squadron activity.*

#### Revenues Journal

| Reconciled | Transactions Type | Ref #        | Date (yyyy-mm-dd) | Details                        | Amount of cash in | Account                  | HST Reimbursed by Govt | PROOF OF CATEGORY ALLOCATION - must be \$0 | Money Collected for Activities |
|------------|-------------------|--------------|-------------------|--------------------------------|-------------------|--------------------------|------------------------|--------------------------------------------|--------------------------------|
| ✓          | ET                | 16565AS54546 | 2019-08-25        | 1st Instalment - Year-End Trip | \$ 350.00         | 1020 - Main Bank Account |                        | \$ -                                       | \$ 350.00                      |

**Figure 4-4 Electronic Transfer (eTransfer)**

## Section 2 – Payment

5. A payment can be made in different ways: in cash using PC, by cheque (XXXX), adjustments made by the bank (BK), by credit card (CC) or by electronic transfer (ET). Payments by credit card and petty cash will be dealt with in sections 5 and 9 respectively. Payment by eTransfer is available in some institutions and requires two authorized members. Before making a payment, certain conditions must be met. These conditions will be dealt with in Chapter 6.



*Example: You receive an invoice for the rental of a recreational facility for the FTX in the amount of \$ 1 500.00. You are preparing a cheque for this amount.*

#### Expenses Journal

| Reconciled | Transactions Type | Ref #    | Date (yyyy-mm-dd) | Details<br>For identify a void cheque, write "Void Cheque" | Amount of Disbursements | Account                  | HST       | PROOF OF CATEGORY ALLOCATION - must be \$0 | Field Training Exercise | FTX - Fall  |
|------------|-------------------|----------|-------------------|------------------------------------------------------------|-------------------------|--------------------------|-----------|--------------------------------------------|-------------------------|-------------|
| ✓          | CH                | 1731-113 | 2019-11-01        | Scouts Center- Rental 22-24 Oct 2019 / Invoice# 12548      | \$ 1,500.00             | 1020 - Main Bank Account | \$ 172.57 | \$ -                                       | \$ 1,500.00             | \$ 1,500.00 |

Figure 4-5 Payment by cheque

*Example: On the last day of the month, your bank made a withdrawal of \$ 12.00 for monthly bank charges.*

#### Expenses Journal

| Reconciled | Transactions Type | Ref # | Date (yyyy-mm-dd) | Details<br>For identify a void cheque, write "Void Cheque" | Amount of Disbursements | Account                  | HST | PROOF OF CATEGORY ALLOCATION - must be \$0 | Financial & Bank Charge |
|------------|-------------------|-------|-------------------|------------------------------------------------------------|-------------------------|--------------------------|-----|--------------------------------------------|-------------------------|
| ✓          | BK                |       | 2019-12-31        | Service Charge - December 2019                             | \$ 12.00                | 1020 - Main Bank Account |     | \$ -                                       | \$ 12.00                |

Figure 4-6 Adjustment by the bank

## Section 3 – Reimbursement

6. A refund is made in exchange for a prior expense. It is therefore a matter of depositing the funds and reducing the prior expense. This will reflect the actual amount of the expense. An exception is DND reimbursement for each activity, since budgeting is very difficult. For this reason, all DND repayments are grouped into a Revenue Journal account regardless of the activity.

*Example: You paid an invoice from a supplier of office supplies in the amount of \$ 850.00. During the month, you receive a cheque from the same company in the amount of \$ 150.00 as a refund for returned supplies.*

#### Expenses Journal

| Reconciled | Transactions Type | Ref # | Date (yyyy-mm-dd) | Details<br>For identify a void cheque, write "Void Cheque" | Amount of Disbursements | Account                  | HST | PROOF OF CATEGORY ALLOCATION - must be \$0 | Admin & Office Supplies | Transfers between accounts or Adjustment |
|------------|-------------------|-------|-------------------|------------------------------------------------------------|-------------------------|--------------------------|-----|--------------------------------------------|-------------------------|------------------------------------------|
| ✓          | ADJ               |       | 2019-10-12        | Staples - Reimbursement Invoice # 132                      |                         | 1020 - Main Bank Account |     | \$ -                                       | \$ (150.00)             | \$ 150.00                                |

#### Revenues Journal

| Reconciled | Transactions Type | Ref # | Date (yyyy-mm-dd) | Details                               | Amount of cash in | Account                  | HST Reimbursed by Gov't | PROOF OF CATEGORY ALLOCATION - must be \$0 | Transfers between accounts or Adjustment |
|------------|-------------------|-------|-------------------|---------------------------------------|-------------------|--------------------------|-------------------------|--------------------------------------------|------------------------------------------|
| ✓          | DP                | 1820  | 2019-10-12        | Staples - Reimbursement Invoice # 132 | \$ 150.00         | 1020 - Main Bank Account | \$ 12.42                | \$ -                                       | \$ 150.00                                |

Figure 4-7 Reimbursement against an expense

## Section 4 – Canteen

7. If you run a canteen, there are two different ways to count funds. The first (simplest) is to record only profits. This method is simple but does not allow to analyze the profitability of the canteen. The second method is to record sales and purchases. Canteen management will be discussed in Chapter 6.



Example: You receive a cash payment of \$ 250.00 corresponding to the profits of the last months.

### Revenues Journal

| Reconciled | Transactions Type | Ref # | Date (yyyy-mm-dd) | Details                            | Amount of cash in | Account                  | HST Reimbursed by Gov't | PROOF OF CATEGORY ALLOCATION - must be \$0 | Canteen   |
|------------|-------------------|-------|-------------------|------------------------------------|-------------------|--------------------------|-------------------------|--------------------------------------------|-----------|
| ✓          | DP                | 1832  | 2019-12-12        | Canteen Proceeds - Sep to Dec 2019 | \$ 250.00         | 1020 - Main Bank Account |                         | \$ -                                       | \$ 250.00 |

Figure 4-8 Entry- Method based on profits

Example: You receive \$ 250.00 corresponding to a portion of the profits of the last months. The canteen documents show that sales since the last deposit is \$ 600.00 and that vouchers for \$ 300.00 for the purchase of goods were provided by the manager.

### Revenues Journal

| Reconciled | Transactions Type | Ref # | Date (yyyy-mm-dd) | Details                          | Amount of cash in | Account                  | HST Reimbursed by Gov't | PROOF OF CATEGORY ALLOCATION - must be \$0 | Canteen   | Transfers between accounts or Adjustments. |
|------------|-------------------|-------|-------------------|----------------------------------|-------------------|--------------------------|-------------------------|--------------------------------------------|-----------|--------------------------------------------|
| ✓          | ADJ               |       | 2019-12-12        | Canteen Sales Sep to Dec 2019    | \$ 600.00         | 1030 - Canteen           |                         | \$ -                                       | \$ 600.00 |                                            |
| ✓          | ADJ               |       | 2019-12-12        | Canteen proceeds Sep to Dec 2019 | \$ 250.00         | 1020 - Main Bank Account |                         | \$ -                                       |           | \$ 250.00                                  |

### Expenses Journal

| Reconciled | Transactions Type | Ref # | Date (yyyy-mm-dd) | Details<br>For identify a void cheque, write "Void Cheque" | Amount of Disbursements | Account        | HST | PROOF OF CATEGORY ALLOCATION - must be \$0 | Canteen   | Transfers between accounts or Adjustments. |
|------------|-------------------|-------|-------------------|------------------------------------------------------------|-------------------------|----------------|-----|--------------------------------------------|-----------|--------------------------------------------|
| ✓          | ADJ               |       | 2019-10-12        | Canteen Purchases Sep to Dec 2019                          | \$ 300.00               | 1030 - Canteen |     | \$ -                                       | \$ 300.00 |                                            |
| ✓          | ADJ               |       | 2019-10-12        | Transfer from Canteen to Bank Account                      | \$ 250.00               | 1030 - Canteen |     | \$ -                                       |           | \$ 250.00                                  |

Figure 4-9 Entry – Method based on sales and purchases

## Section 5 – Petty Cash

8. Since bank charges are based on the number of cheques issued, it may be convenient to use a PC to pay small amounts. There are two methods, simple or detailed, to record this type of expense. The simple method assumes that no reconciliation will be made in ACC9. The detailed method allows reconciliation and enumerate all individual expenses in the list of monthly transactions. The PC management are developed in Chapter 6.

Example: You have a petty cash in the amount of \$ 500.00. You have expenses of \$ 450.00 supported by vouchers. You want to restock your petty cash. You have three (3) bills of \$ 100.00 each (stamps, rental of premises, training equipment) and another invoice of \$ 150.00 (transport).

### Expenses Journal

| Reconciled | Transactions Type | Ref #    | Date (yyyy-mm-dd) | Details<br>For identify a void cheque, write "Void Cheque" | Amount of Disbursements | Account                  | HST      | PROOF OF CATEGORY ALLOCATION - must be \$0 | Postal Fees | Drill Team |
|------------|-------------------|----------|-------------------|------------------------------------------------------------|-------------------------|--------------------------|----------|--------------------------------------------|-------------|------------|
| ✓          | CH                | 1754-165 | 2019-10-14        | S. Money - PC 1 Reimbursement                              | \$ 450.00               | 1020 - Main Bank Account | \$ 46.55 | \$ -                                       | \$ 300.00   | \$ 150.00  |

Figure 4-10 Petty Cash – Simple Method



| Revenues Journal |                   |              |                   |                                            |                         |                          |                         |                                            |                                            |            |                                            |
|------------------|-------------------|--------------|-------------------|--------------------------------------------|-------------------------|--------------------------|-------------------------|--------------------------------------------|--------------------------------------------|------------|--------------------------------------------|
| Reconciled       | Transactions Type | Ref #        | Date (yyyy-mm-dd) | Details                                    | Amount of cash in       | Account                  | HST Reimbursed by Gov't | PROOF OF CATEGORY ALLOCATION - must be \$0 | Transfers between accounts or Adjustments. |            |                                            |
| √                | ADJ               |              | 2019-10-14        | PC 1 Reimbursement                         | \$ 450.00               | 1040 - Petty Cash        |                         | \$ -                                       | \$ 450.00                                  |            |                                            |
|                  |                   |              |                   |                                            |                         |                          |                         |                                            |                                            |            |                                            |
| Expenses Journal |                   |              |                   |                                            |                         |                          |                         |                                            |                                            |            |                                            |
| Reconciled       | Transactions Type | Ref #        | Date (yyyy-mm-dd) | Details                                    | Amount of Disbursements | Account                  | HST                     | PROOF OF CATEGORY ALLOCATION - must be \$0 | Postal Fees                                | Drill Team | Transfers between accounts or Adjustments. |
| √                | CH                | 1754-PC190-1 | 14/10/2019        | S. Money - PC 1 Reimbursement              | \$ 450.00               | 1020 - Main Bank Account |                         | \$ -                                       |                                            |            | \$ 450.00                                  |
| √                | PC                | PC190-1      | 14/10/2019        | S. Money - Registered Letters              | \$ 100.00               | 1040 - Petty Cash        |                         | \$ -                                       | \$ 100.00                                  |            |                                            |
| √                | PC                | PC190-1      | 14/10/2019        | L. Novak - Stamps                          | \$ 100.00               | 1040 - Petty Cash        |                         | \$ -                                       | \$ 100.00                                  |            |                                            |
| √                | PC                | PC190-1      | 14/10/2019        | M. Jones - Registered Letters              | \$ 100.00               | 1040 - Petty Cash        |                         | \$ -                                       | \$ 100.00                                  |            |                                            |
| √                | PC                | PC190-1      | 14/10/2019        | S. Money - Liberty Tours Drill Competition | \$ 150.00               | 1040 - Petty Cash        |                         | \$ -                                       |                                            | \$ 150.00  |                                            |
|                  |                   |              |                   |                                            |                         |                          |                         |                                            |                                            |            |                                            |

Figure 4-11 Petty Cash – Detailed Method

9. It may happen that at the end of the year a single expense has been made from the CP and that the balance of the CP does not justify a bailout before the end of the year. However, you estimate that the expense should be allocated to the current fiscal year.

10. In this example, an amount of \$ 100 was paid out of the PC for the End-of-Year trip on June 29, 2018.

| Journal des dépenses |                   |       |                   |                                                            |                         |                   |     |                                            |                |              |
|----------------------|-------------------|-------|-------------------|------------------------------------------------------------|-------------------------|-------------------|-----|--------------------------------------------|----------------|--------------|
| Reconciled           | Transactions Type | Ref # | Date (yyyy-mm-dd) | Details<br>For identify a void cheque, write "Void Cheque" | Amount of Disbursements | Account           | HST | PROOF OF CATEGORY ALLOCATION - must be \$0 | Special Events | Year-End Act |
| ✓                    | PC                | 189-4 | 29/06/2018        | Liberty Tours - Balance on invoice #90154                  | \$ 100.00               | 1040 - Petty Cash |     | \$ -                                       | \$ 100.00      | \$ 100.00    |

Figure 4-12 Entry FY 2017-2018

11. When reconciling the PC, the balance in the account will be the money remaining in the PC (Fig. 4-13).

**Figure 4-13 Reconciliation FY 2017-2018**

## Journal des revenus

**Figure 4-14 Entry FY 2018-2019**

46





**Figure 4-15 Reconciliation AF 2018-2019**

14. Some organizations require a security deposit, such as for keys or the use of services. In general, these deposits are refundable. When necessary for a short time (non-recurring), this deposit can be treated as an expense. When reimbursed, this is to follow section 28. In some cases, it is better to make a long-term deposit (over a period exceeding the end of the year). In these cases, it is best to transfer this deposit to current assets. This helps to keep in mind that a deposit has been made in the past and to make sure it is still needed. If this type of deposit is recorded as an expense, we may forget it over time and lose track of it.

## Expenses Journal

**Figure 4-16 Safety Deposit**



*Example: For three (3) years, you have a latent deposit of \$ 100.00 with an organization that you no longer need to do with. You retrieve the deposit and deposit it to the main account.*

### Revenues Journal

| Reconciled | Transactions Type | Ref # | Date (yyyy-mm-dd) | Details                                    | Amount of cash in | Account                  | HST Reimbursed by Govt | PROOF OF CATEGORY ALLOCATION - must be \$0 | Transfers between accounts or Adjustments. |
|------------|-------------------|-------|-------------------|--------------------------------------------|-------------------|--------------------------|------------------------|--------------------------------------------|--------------------------------------------|
| ✓          | DP                | 1890  | 2019-12-12        | Reimbursement to CDSDEO - Security Deposit | \$ 100.00         | 1020 - Main Bank Account |                        | \$ -                                       | \$ 100.00                                  |

### Expenses Journal

| Reconciled | Transactions Type | Ref # | Date (yyyy-mm-dd) | Details<br>For identify a void cheque, write "Void Cheque" | Amount of Disbursements | Account                            | HST | PROOF OF CATEGORY ALLOCATION - must be \$0 | Transfers between accounts or Adjustments. |
|------------|-------------------|-------|-------------------|------------------------------------------------------------|-------------------------|------------------------------------|-----|--------------------------------------------|--------------------------------------------|
| ✓          | ADJ               |       | 2019-12-12        | Reimbursement to CDSDEO - Security Deposit                 | \$ 100.00               | 1060 - Refundable Security Deposit |     | \$ -                                       | \$ 100.00                                  |

**Figure 4-17 Reimbursement of a Safety Deposit**

## Section 7 – Funds Advance

15. In certain circumstances, the amount of the expenses justifies the payment of an advance of funds. This advance must be accompanied by certain conditions. The terms of the advances are covered in Chapter 6. Advances are made in two stages: advance payment and finalization. The payment is treated as a payment and covered in section 27.

Once the expense has been made, the transactions must be recorded. Three (3) scenarios are possible: the expense is less (scenario 1), equal to (scenario 2) or greater (scenario 3) than the advance. *Example: A staff member is authorized to receive a cash advance of \$ 500.00 to cover entry fees for an upcoming activity. Entrance fees can not be paid by cheque.*

### Expenses Journal

| Reconciled | Transactions Type | Ref #     | Date (yyyy-mm-dd) | Details<br>For identify a void cheque, write "Void Cheque" | Amount of Disbursements | Account                  | HST | PROOF OF CATEGORY ALLOCATION - must be \$0 | Special Events | Halloween Night |
|------------|-------------------|-----------|-------------------|------------------------------------------------------------|-------------------------|--------------------------|-----|--------------------------------------------|----------------|-----------------|
| ✓          | CH                | 2001-1899 | 2019-10-11        | Advance - Lt Bound - Halloween Entry Fees                  | \$ 500.00               | 1020 - Main Bank Account |     | \$ -                                       | \$ 500.00      | \$ 500.00       |

**Figure 4-18 Payment of an Advance**



*Example: Scenario 1 - When returning from the activity, the staff gives you a receipt in the amount of \$ 400.00 and a personal check ( or cash) of \$ 100.00. The actual amount of taxes paid is \$ 35.00.*

### Expenses Journal

| Reconciled Transactions Type | Ref # | Date (yyyy-mm-dd) | Details<br>For identify a void cheque, write "Void Cheque" | Amount of Disbursements | Account | HST      | PROOF OF CATEGORY ALLOCATION - must be \$0 | Special Events | Halloween Night | Transfers between accounts or Adjustments. |
|------------------------------|-------|-------------------|------------------------------------------------------------|-------------------------|---------|----------|--------------------------------------------|----------------|-----------------|--------------------------------------------|
| ✓ ADJ                        |       | 2019-11-15        | Reimbursement on advance Ch # 2001 - Halloween Entry Fees  |                         |         | \$ 35.00 | \$ -                                       | \$ (100.00)    | \$ (100.00)     | \$ 100.00                                  |

### Revenues Journal

| Reconciled Transactions Type | Ref # | Date (yyyy-mm-dd) | Details                                                                        | Amount of cash in | Account                  | HST Reimbursed by Gov't | PROOF OF CATEGORY ALLOCATION - must be \$0 | Transfers between accounts or Adjustments. |
|------------------------------|-------|-------------------|--------------------------------------------------------------------------------|-------------------|--------------------------|-------------------------|--------------------------------------------|--------------------------------------------|
| ✓ DP                         | 1895  | 2019-11-15        | Deposit - Reimbursement on advance Ch # 2001 - Halloween Entry Fees - Lt Bound | \$ 100.00         | 1020 - Main Bank Account |                         | \$ -                                       | \$ 100.00                                  |

**Figure 4-19 Finalizing entry – Expense under the advance**

*Example: Scenario 2 - When returning from the activity, the manager gives you a receipt in the amount of \$ 500.00. No writing is required if it is only to enter the amount of s paid taxes.*

### Expenses Journal

| Reconciled Transactions Type | Ref #     | Date (yyyy-mm-dd) | Details<br>For identify a void cheque, write "Void Cheque" | Amount of Disbursements | Account                  | HST      | PROOF OF CATEGORY ALLOCATION - must be \$0 | Special Events | Halloween Night |
|------------------------------|-----------|-------------------|------------------------------------------------------------|-------------------------|--------------------------|----------|--------------------------------------------|----------------|-----------------|
| ✓ CH                         | 2001-1899 | 2019-10-11        | <del>Advance</del> - Lt Bound - Halloween Entry Fees       | \$ 500.00               | 1020 - Main Bank Account | \$ 35.00 | \$ -                                       | \$ 500.00      | \$ 500.00       |

**Figure 4-20 Finalizing entry – Expense equals the advance**

*Example: Scenario 3 - When returning from the activity, the manager gives you a receipt in the amount of \$ 600.00. You are preparing a cheque in the amount of \$ 100.00 to cover the difference.*

### Expenses Journal

| Reconciled Transactions Type | Ref #     | Date (yyyy-mm-dd) | Details<br>For identify a void cheque, write "Void Cheque"                  | Amount of Disbursements | Account                  | HST      | PROOF OF CATEGORY ALLOCATION - must be \$0 | Special Events | Halloween Night |
|------------------------------|-----------|-------------------|-----------------------------------------------------------------------------|-------------------------|--------------------------|----------|--------------------------------------------|----------------|-----------------|
| ✓ CH                         | 2003-1904 | 2019-11-07        | Lt Bound - Advance Ch# 2001 - Halloween Entry Fees - Balance Invoice # 3456 | \$ 100.00               | 1020 - Main Bank Account | \$ 42.00 | \$ -                                       | \$ 100.00      | \$ 100.00       |

**Figure 4-21 Finalizing entry - Expense over the advance**



## Section 8 – Transfer between Asset Accounts

16. It is sometimes necessary to transfer amounts from one asset account to another. For example, if you decide to invest an amount in an investment fund, it is not an expense or an income. It is rather a decrease in the main bank account (assets) and an increase in the investment account (assets).

*Example: You realize that you can afford to invest some of the principal account funds in an investment fund. You estimate that \$ 8,000.00 will not affect normal operations and may be invested.*

### Expenses Journal

| Reconciled | Transactions Type | Ref #     | Date (yyyy-mm-dd) | Details<br>For identify a void cheque, write "Void Cheque" | Amount of Disbursements | Account                  | HST | PROOF OF CATEGORY ALLOCATION - must be \$0 | Transfers between accounts or Adjustment |
|------------|-------------------|-----------|-------------------|------------------------------------------------------------|-------------------------|--------------------------|-----|--------------------------------------------|------------------------------------------|
| ✓          | CH                | 2012-1910 | 2019-09-10        | BMO Investment - Purchase of Funds                         | \$ 8,000.00             | 1020 - Main Bank Account |     | \$ -                                       | \$ 8,000.00                              |

### Revenues Journal

| Reconciled | Transactions Type | Ref # | Date (yyyy-mm-dd) | Details                            | Amount of cash in | Account                                 | HST Reimbursed by Gov't | PROOF OF CATEGORY ALLOCATION - must be \$0 | Transfers between accounts or Adjustment |
|------------|-------------------|-------|-------------------|------------------------------------|-------------------|-----------------------------------------|-------------------------|--------------------------------------------|------------------------------------------|
| ✓          | ADJ               |       | 2019-09-10        | BMO Investment - Purchase of Funds | \$ 8,000.00       | 1055 - Investments (Mutual Funds, etc.) |                         | \$ -                                       | \$ 8,000.00                              |

Figure 4-22 Purchase of an Investment Fund

*Example: You estimate that you will need an additional amount for your future operations. The SSC makes the decision to liquidate a portion of the investment fund for an amount of \$ 2,000.00. The amount is deposited in your account by the bank.*

### Expenses Journal

| Reconciled | Transactions Type | Ref # | Date (yyyy-mm-dd) | Details<br>For identify a void cheque, write "Void Cheque" | Amount of Disbursements | Account                                 | HST | PROOF OF CATEGORY ALLOCATION - must be \$0 | Transfers between accounts or Adjustment |
|------------|-------------------|-------|-------------------|------------------------------------------------------------|-------------------------|-----------------------------------------|-----|--------------------------------------------|------------------------------------------|
| ✓          | ADJ               |       | 2019-12-31        | BMO Investments - Sale of Funds                            | \$ 2,000.00             | 1055 - Investments (Mutual Funds, etc.) |     | \$ -                                       | \$ 2,000.00                              |

### Revenues Journal

| Reconciled | Transactions Type | Ref # | Date (yyyy-mm-dd) | Details                         | Amount of cash in | Account                  | HST Reimbursed by Gov't | PROOF OF CATEGORY ALLOCATION - must be \$0 | Transfers between accounts or Adjustment |
|------------|-------------------|-------|-------------------|---------------------------------|-------------------|--------------------------|-------------------------|--------------------------------------------|------------------------------------------|
| ✓          | BK                |       | 2019-12-31        | BMO Investments - Sale of Funds | \$ 2,000.00       | 1020 - Main Bank Account |                         | \$ -                                       | \$ 2,000.00                              |

Figure 4-23 Liquidation of an Investment

## Section 9 – Credit Card

17. In the electronic age in which we live, more and more organizations are using web applications to deliver their services. This applies to both public and private services. These sites use various payment methods such as debit card, credit card, pre-paid credit cards or electronic transfers. It can be very convenient for the SSC to have a credit card in the name of the organization. Terms of use are covered in Chapter 6.



18. There are also two (2) methods for counting transactions with a credit card: simple or detailed. The simple method does not allow the use of ACC9 conciliation and is therefore not recommended. The detailed method allows you to enumerate all individual expenses in the list of monthly transactions. The type of writing is similar to that of petty cash.

*Example: The SSC has a credit card with a limit of \$ 1,000.00. The authorized incumbent makes expenditures in the amount of \$ 800.00: two (2) Office supplies purchases of \$ 200.00 each and two (2) other food purchases of \$ 200.00 each.*

### Expenses Journal

| Reconciled Transactions Type | Ref # | Date (yyyy-mm-dd) | Details<br>For identify a void cheque, write "Void Cheque" | Amount of Disbursements | Account                  | HST | PROOF OF CATEGORY ALLOCATION - must be \$0 | Admin & Office Supplies | Social Activities | Christmas Dinner | Welcome BBQ |
|------------------------------|-------|-------------------|------------------------------------------------------------|-------------------------|--------------------------|-----|--------------------------------------------|-------------------------|-------------------|------------------|-------------|
| ✓                            | CH    | 1754-1832         | 2019-10-14 MasterCard - Statement Oct 2019                 | \$ 800.00               | 1020 - Main Bank Account |     | \$ -                                       | \$ 400.00               | \$ 400.00         | \$ 200.00        | \$ 200.00   |

Figure 4-24 Credit Card –Simple Method

### Revenues Journal

| Reconciled Transactions Type | Ref # | Date (yyyy-mm-dd) | Details                         | Amount of cash in | Account                 | HST Reimbursed by Gov't | PROOF OF CATEGORY ALLOCATION - must be \$0 | Transfers between accounts or Adjustments. |
|------------------------------|-------|-------------------|---------------------------------|-------------------|-------------------------|-------------------------|--------------------------------------------|--------------------------------------------|
| ✓                            | ADJ   | 2019-10-14        | MasterCard - Statement Oct 2019 | \$ 800.00         | 2010 - Bank Credit Card |                         | \$ -                                       | \$ 800.00                                  |

### Expenses Journal

| Reconciled Transactions Type | Ref # | Date (yyyy-mm-dd) | Details<br>For identify a void cheque, write "Void Cheque" | Amount of Disbursements              | Account   | HST                      | PROOF OF CATEGORY ALLOCATION - must be \$0 | Admin & Office Supplies | Social Activities | Christmas Dinner | Welcome BBQ | Transfers between accounts or Adjustments. |
|------------------------------|-------|-------------------|------------------------------------------------------------|--------------------------------------|-----------|--------------------------|--------------------------------------------|-------------------------|-------------------|------------------|-------------|--------------------------------------------|
| ✓                            | CH    | 1754-1832         | 2019-10-14                                                 | MasterCard - Statement Oct 2019      | \$ 800.00 | 1020 - Main Bank Account |                                            | \$ -                    | \$ -              |                  |             | \$ 800.00                                  |
| ✓                            | CC    | 910               | 2019-10-14                                                 | Staples - Supplies                   | \$ 200.00 | 2010 - Bank Credit Card  |                                            | \$ -                    | \$ 200.00         | \$ -             |             |                                            |
| ✓                            | CC    | 910               | 2019-10-14                                                 | Staples - Supplies                   | \$ 200.00 | 2010 - Bank Credit Card  |                                            | \$ -                    | \$ 200.00         | \$ -             |             |                                            |
| ✓                            | CC    | 910               | 2019-10-14                                                 | Costco - Food for Welcome BBQ        | \$ 200.00 | 2010 - Bank Credit Card  |                                            | \$ -                    | \$ 200.00         |                  | \$ 200.00   |                                            |
| ✓                            | CC    | 910               | 2019-10-14                                                 | Dollarama - Supplies for Xmas Dinner | \$ 200.00 | 2010 - Bank Credit Card  |                                            | \$ -                    | \$ 200.00         | \$ 200.00        |             |                                            |

Figure 4-25 Credit Card – Detailed Method



## Section 10 – Inventory Transactions

19. You will notice that inventories are not recorded at cost. They are represented by an amount of \$ 1.00 for each category. When a first inventory item is added to a new category, the amount of \$ 1.00 is automatically entered in section 1500 of the fixed assets. This has the effect of unbalancing the balance sheet. You can correct this by entering the \$ 1.00 on the balance sheet adjustment line. Another way is to write an adjustment write to the books. This adjustment entry can be done indifferently in the income or expenditure journal. In this example, the adjustment is done in the expense journal. Inventory procedures are discussed in Chapter 6.

*Example: The squadron has decided to set up a new photography club for cadets. The squadron has no equipment for this purpose. So, you bought \$ 2,000 of photography equipment. By putting this equipment in your inventory in the new account, your balance sheet asset increases by \$ 1.00.*

### Expenses Journal

| Reconciled | Transactions Type | Ref #     | Date (yyyy-mm-dd) | Details<br><small>For identify a void cheque, write "Void Cheque"</small> | Amount of Disbursements | Account                  | HST       | PROOF OF CATEGORY ALLOCATION - must be \$0 | Photo Club  | Transfers between accounts or Adjustment |
|------------|-------------------|-----------|-------------------|---------------------------------------------------------------------------|-------------------------|--------------------------|-----------|--------------------------------------------|-------------|------------------------------------------|
| ✓          | CH                | 1902-1862 | 2019-09-01        | Photo Bella - Purchase of Equipment                                       | \$ 2,000.00             | 1020 - Main Bank Account | \$ 230.08 | \$ -                                       | \$ 2,000.00 |                                          |
| ✓          | ADJ               |           | 2019-09-01        | Adjustment to section Fixed Assets of the Balance Sheet                   |                         |                          |           | \$ -                                       | \$ (1.00)   | \$ 1.00                                  |

**Figure 4-26 Purchase of Equipment**



## Chapter 5 – Financial Reports

### Section 1 - General

1. An organization's financial reports are the end product of accounting records.
2. Financial statements are a structured financial representation of events affecting an organization and transactions carried out by the organization. Their purpose is to provide information on financial position, performance, and cash flow, which is useful for a wide range of users when making economic decisions. The financial statements are used to compare the performance of an organization in relation to its past performance, but also compared to others.
3. The financial statements include the following:
  - a. Balance Sheet;
  - b. Statement of Operations;
  - c. Statement of Fixed Assets;
  - d. Reconciliation of Asset Accounts;
  - e. Latest Bank Statement;
  - f. Latest Investment Statements;
4. In addition, other documents must be attached:
  - a. Inventory;
  - b. Inventory Listing for insurance purposes; and
  - c. Tax Return (federal T3010 or provincial TP985.22-V).
5. All these documents must be submitted to the Provincial Committee by September 30th of the current year following the end of the fiscal year.
6. Upon request, the Provincial Committee may require an electronic copy of ACC9 for verification.

### Section 2 – Balance Sheet

7. The balance sheet has three (3) main parts:
  - a. **Assets:** An asset is an identifiable part of the heritage of an organization has a positive economic value, ie generating a resource that the organization controls a result of past events and from which organization attend a future economic advantage. The asset is divided into two categories: short-term assets ie readily and quickly marketable assets, such as money in the bank account, petty cash, canteen money, refundable deposits, etc. Conversely, long-term assets are not immediately accessible and may require some time to cash it. It includes inventory, short-, medium- and long-term investments, fixed assets, etc. For the needs of the squadrons, we group the fixed assets on the one hand and the other assets on the other hand;
  - b. **Liabilities:** assets that have a negative economic value to the organization, that is, the obligations of the organization towards a third party that is likely or certain to result in an outflow. resources for the benefit of this third party, with no at least equivalent counterpart expected from it. There are two types of liabilities: the short



term and the long term. Short-term liabilities represent items that could be recalled quickly by creditors or have a limited duration. Long-term ones have a longer duration (over several years) and normally, we are not expected to pay all of the debt in the short term;

- c. Equity: the difference between assets and liabilities. In the case of a non-profit organization, the credit is calculated as the net worth of the previous year plus the surplus or minus the loss of the current year;

8. An important section to analyze is that of having. The line of surpluses or net losses must be analyzed with care. Due to the type of accounting used, it often happens that there is a deficit of operation because we do not use the concepts of accounts receivable or payable. To find out if your deficit should be further analyzed, add the amounts receivable and subtract the amounts payable; the result should give you a better idea of your situation.

### Section 3 – Assets Statement

9. This report groups all the inventory items in order to properly identify the types and their value. ACC9 establishes twelve (12) capital asset classes. Certain categories are imposed since they must be reported in the Tax Return:

- a. 1510 – Aircrafts;
- b. 1520 – Land and Property;
- c. 1530 – Buildings;
- d. 1540 – Vehicles.

10. All other categories are customizable except the Category 1620 – Miscellaneous which will serve as catch-all category.

11. Each category allows you to include subcategories. All data comes from the inventory tool and is automatically reported in the asset status.

### Section 4 – Asset Account Reconciliation

12. Reconciliation of asset accounts (or reconciliation of asset accounts) is a process used to ensure that the organization's books are in line with professional bank statements. That is, the debit balance of the accounts must be equal to the credit balance of the external statements of account.

13. Reconciliation is not mandatory, but it serves to check the concordance of the accounts data and to ensure the reality of the accounting situation. In particular, reconciliation is useful for checking whether there are any recording omissions, discrepancies or possible errors. In particular, you must look for these errors :

- a. Transactions recorded on the bank statement but not yet recorded in the organization's books;
- b. Transactions recorded in the books of the organization, but not yet registered by the bank or others;
- c. Transactions recorded, but with incorrect amounts; and
- d. Debit transactions rather than credit.

14. The reconciliations are automated in the ACC9 in a detailed way and also in a summary way. Only the accounts used must be reconciled and attached to the financial statements.

15. For each of the accounts used, the statements of account as of June 30 of the fiscal year must be attached. Here we mean the bank statement, account statements for investments, the general canteen journal, the reconciliation of the petty cash (unless it was restocked at June 30), the statement of account credit card, etc.





## Section 5 – Inventory

16. For insurance purposes, the detailed list of the inventory and the insurance form must be attached to the financial statements. The ACC9 inventory section provides all the necessary and required information in terms of inventory. Insurance coverage is not mandatory but strongly suggested. Squadrons can choose the institution of their choice but the Air Cadet League has negotiated preferred rates for all squadrons. The choice made by the squadron should be an annual resolution by the SSC.

## Section 6 – Provincial and Federal Information Return - Charities

17. Even though the SSCs do not pay taxes, they must produce some governmental documents. These forms are available on the websites of both levels of government. It is important to visit the website to get the most current version of the forms. Although similar, governments renew their version each year.

18. At the end of the fiscal year, several documents must be sent to several stakeholders. All do not need to receive all the documents.

19. For each stakeholder that must receive documents, here are the ones for each:

| Stakeholders<br>Documents                                                                                                                     | SSC Chair | CO | Sqn<br>Advisor | PC     | CRA    | RQ |
|-----------------------------------------------------------------------------------------------------------------------------------------------|-----------|----|----------------|--------|--------|----|
| Financial Statements (Cover Page, Presentation Page, Statement of Operations, Balance Sheet, Statement of Capital Assets, Statistical Report) | X         | X  |                |        |        |    |
| Detailed inventory and worksheets                                                                                                             | X         |    | X              | X      |        |    |
| Detailed account reconciliation and summary                                                                                                   | X         |    | X              | X      |        |    |
| Bank Statement, Credit and Investment Statements                                                                                              | X         |    | X              | X      |        |    |
| Form <b>FP-2066</b> - GST/HST and QST Public Service Bodies' Rebate Application                                                               | X         |    | X              | X      |        | X  |
| Form <b>GST66</b> - Application for GST/HST Public Service Bodies' Rebate and GST Self-Government Refund                                      | X         |    | X              | X      | X      |    |
| Form <b>T1235</b> – Directors / Trustees and Like Officials Worksheet                                                                         | X         |    | Note 1         | Note 1 | Note 1 |    |
| Form <b>T1236</b> – Qualified Donees Worksheet / Amounts provided to other organizations                                                      | X         |    | Note 2         | Note 2 | Note 2 |    |
| Form <b>T3010</b> – Registered Charity Information Return                                                                                     | X         |    | X              | X      | X      |    |
| Form <b>TP-985.22</b> - Information Return for Registered Charities and Other Donees                                                          | X         |    | X              | X      |        | X  |



| Documents \ Stakeholders                                                                                                                                                                                      | SSC Chair | CO | Sqn Advisor | PC       | CRA | RQ     |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|----|-------------|----------|-----|--------|
| Form <b>TP-985.22</b> Schedule C- Summary of Gifts Made to Qualified Donees                                                                                                                                   | <b>X</b>  |    | Note 2      | Note 2   |     | Note 2 |
| Form <b>TP-985.22</b> Schedule D- Directors and Other Officers                                                                                                                                                | <b>X</b>  |    | Note 1      | Note 1   |     | Note 1 |
| Other document requested by the Financial Compliance Officer.                                                                                                                                                 | <b>X</b>  |    | <b>X</b>    | <b>X</b> |     |        |
| <b>Notes</b><br><br><b>1</b> This form lists the SSC Board of Directors for the new starting year.<br><br><b>2</b> This form must be used only if the squadron made a donation to another Registered Charity. |           |    |             |          |     |        |

20. Several forms can now be completed and transmitted electronically. Keep all transmission confirmations as proof of submission.



## Chapter 6 – Accounting Procedures

### Section 1 – Bank Account

1. Each SSC must open a bank account at a recognized Canadian bank. The preferred type of account is an account for a non-profit organization. Generally, these accounts have advantages in terms of the number of free transactions, the amount of bank charges. Also, some restrictions / features must apply :
  - a. The account must require two simultaneous signers. It is better to appoint more than two signatories but no more than four (4). In general, the signatories are the Chairperson, one or two Vice-Chairpersons, the treasurer;
  - b. The account must not authorize withdrawal at the counter or at the ATM; and
  - c. The debit card must only allow viewing of the online account(s). No online transaction should be allowed.

### Section 2 – Spending Authorization and Payment

2. SSC must be diligent and prudent in their spending. It is clear that the funds were raised by the cadets and should, to a large extent, benefit them. It is evident that some expenses relate to the SSC and squadron administrations. The generally accepted ratio is 85% of the expenses to be attributed to squadron operations. This rate will be lower since the PC assessment is included in administrative expenses and will vary according to the number of cadets (quota) in the squadron. To check the ratio, we will apply the following formula:

$$[( \text{Line 5199} - \text{line 5080} ) / \text{Line 5999}] = [ \text{Percentage of administrative costs} ]$$

3. It should be kept in mind that some squadrons are experiencing special situations that could affect this ratio. This ratio must be considered as an indication and not as an absolute rule. It's just about being able to justify it.
4. *Power to spend.* The spending power should be the subject of resolutions at the beginning of the year assemblies and be incorporated in the statutes and regulations of the SSC. Here is an example of a resolution (Fig. 6-1) :

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                   |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|
| Squadron 6000 Aurora                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 15 septembre 2018 |
| Resolution No. 1234                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                   |
| This resolution was unanimously passed at the meeting of members held on September 12, 2018 at 234 Mabel Street, Ottawa, Ontario.                                                                                                                                                                                                                                                                                                                                                               |                   |
| Be it resolved that the Spending Authorities be determined as follows:                                                                                                                                                                                                                                                                                                                                                                                                                          |                   |
| <ol style="list-style-type: none"><li>1. The Chair may authorize an expenditure of up to \$ 500 for current operations without the consent of the Executive.</li><li>2. The 1st Vice Chair may incur an expense of up to \$ 1,500 to rent facilities or transportation.</li><li>3. The Executive Committee may authorize an expenditure of up to \$ 5,000 without recourse to the members of the Committee.</li><li>4. Any expenditure over \$ 5,000 must be endorsed by all members.</li></ol> |                   |
| L. Writter<br>Secretary                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                   |
| J. MacDo<br>Chair                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                   |

Figure 6-1 Example of Resolution – Power of spending



5. We must distinguish the power to authorize an expense and the power to sign cheques.

### Section 3 - Payments

6. *Pre-authorization of expenses.* All expenses must be pre-authorized. You can use the payment request form, an email, meeting minutes. Telephone authorizations must be used only in case of emergency and should be confirmed by written confirmation at a later date.

7. *Payment authorization.* It is useful to use a payment form to record the information of a payment. The essential elements that must be found on the form are:

- a. Date and document number;
- b. Name of the recipient of the payment;
- c. Name of the supplier (if different from the previous one);
- d. Detail of the expense;
- e. Account number assigned in ACC9;
- f. The amount of taxes, if any;
- g. The total amount of the invoice;
- h. The total amount of the refund (if there is more than one invoice);
- i. Cheque number;
- j. Authorized signatures.

8. *Payment of an invoice.* When the expense has been authorized and made, it must be paid. Any outflow of funds must be justified using a document such as an invoice, a contract, a cash slip, etc. A debit or credit transaction coupon is not sufficient as it normally provides no information on the service rendered. This applies to both check payment and petty cash (PC). A Single-use form is available on the *Tools* tab of ACC9 or you can create your own custom forms. This form is also available in the *Tools* tab of ACC9 or you can create your own custom forms. An example of a form is included in Section 10 of Chapter 3.

### Section 4 – Petty Cash

9. In the case of a payment by the PC, a less rigorous system is required by the nature and the amount of the expenses, and not to increase the process. One solution would be to have the voucher initialized by an authorized signatory. The PC Holder must keep a record of all expenses, including the following information:

- a. Document number;
- b. Account number assigned in ACC9;
- c. The name of the person reimbursed;
- d. Description of the expense;
- e. Amount shown on the voucher;
- f. Amount of taxes; and



- g. Amount reimbursed. When payment is made electronically, the amount is debited to the nearest cent. On the other hand, when repaying the amount must be rounded up;
- 10. This information will be reported on a petty cash replenishment form. An example of a form is in the application.
- 11. Periodically, an SSC member should be assigned for a PC audit. This is to count expenses and cash to ensure that the total is the amount allocated for the PC. Any discrepancies must be investigated.
- 12. This form is available on the *Tools* tab of ACC9 or you can create your own custom forms. This form is also available in the *Tools* tab of ACC9 or you can create your own custom forms. An example of a form is included in Section 11 of Chapter 3.

## Section 5 – Deposit

13. Just like payments, deposits must be justified. Bank deposit slips must be completed but these slips provide limited information. It lists the checks but does not find the reason for the check and does not detail the source of the cash. A detailed deposit slip must be completed with the following information:

- a. Document number;
  - b. Deposit Date;
  - c. Reconciliation of cash;
  - d. The list of deposits by source:
    - (1) Account number assigned in ACC9;
    - (2) Name of the issuer;
    - (3) Description; et
    - (4) Cash or cheque;
  - e. The total deposit on both forms must be identical.
14. This form is also available in the *Tools* tab of ACC9 or you can create your own custom forms. An example of a form is included in Section 12 of Chapter 3.

## Section 6 – Credit Card

15. The use of a credit card is not recommended since it does not allow control of expenses and authorizations. Unlike the bank check, two signatures are not required to perform the transactions.
16. But in an electronic age where more and more transactions are now online, it may be necessary to obtain such a card. The elements to remember are the following :
- a. The credit card must be identified on behalf of the SSC and, possibly, on behalf of an individual. It is recommended to use the name of the chair of the SSC, as this will provide relative stability to the holder;
  - b. Expenses appearing on the credit card must be accompanied by an authorization of expenditure such as an email, a pre-authorization of expenses signed by an authorized person. Verbal authorization is prohibited. Authorizations must be given to the treasurer for reconciliation and payment;
  - c. Limit to a minimum the persons authorized to carry out transactions on behalf of the SSC;



- d. The treasurer is responsible for analyzing the statements of account, reporting any deviations from unjustified procedures or expenses, and recommending measures to avoid such discrepancies (from modification of procedures to cancellation of the card); and
- e. The type of expenditure should be limited to the following:
  - (1) Certain online purchases (not otherwise available);
  - (2) Online facility reservations; and
  - (3) Security deposit when renting.

17. It is not recommended to register the credit card on a commercial site such as Amazon.com or Apple and other transactional sites. In addition, it is forbidden to physically leave the credit card as a deposit. It is also forbidden to make cash advances with the card. Some issuing institutions may block this action.

18. The credit card holder must ensure the security of the credit card as if it were his own card.

19. An example of journal entries is explained in section 9, chapter 4.

### Section 7 – Funds Advance

20. When an expense is authorized, the best method of payment must be determined. Payment by cheque for the exact amount should be the preferred method. In some circumstances, a fund advance to a military personnel or SSC will be the best way to go.

21. An advance to a member of the military personnel should be recommended by the CO. In all cases, the advance must be approved by an authorized SSC's member.

22. The finalization of the expenditure must be done within a reasonable time. The treasurer is responsible for following up on advances.

### Section 8 – Canteen Management

23. Most squadrons provide canteen service to cadets. The canteen can be a way to generate additional funds or simply to offer a zero-cost service. Unless the SSC decides otherwise and in an informed way, the canteen should not generate a deficit.

24. Even if the canteen is operated independently of ACC9 accounting, an income and expense control system must be put in place to prevent abuse, fraud or other malfeasance. Also, this control makes it possible to determine if the canteen generates profits or losses. This control system must not become cumbersome and take up too much time for the volunteers who take care of it.

25. *Sales.* Most canteens do not use a cash register for sales. Manual recordings can become tedious given the short opening period (eg 15 minutes at an instructional evening). The simplest way to determine income is to determine the difference between the early cash register and the cash register at the end. This difference represents sales made during the opening period of the canteen.

26. The formula to use is:

$$[ \text{Closing Balance} ] - [ \text{Opening Balance} ] = [ \text{Sales} ]$$

27. The balance at the end of the opening period will be reconciled and reported to the General Journal.



- | CANTEN - JOURNAL OF SALES                    |          |           |            |                        |  |
|----------------------------------------------|----------|-----------|------------|------------------------|--|
| DATE                                         | CURRENCY | AMOUNT    | TOTAL      |                        |  |
| 4<br>september<br>2018<br>Training<br>Night  | \$       | 50.00 x   | = \$ -     | BALANCE<br>OPENING (a) |  |
|                                              | \$       | 20.00 x 2 | = \$ 40.00 |                        |  |
|                                              | \$       | 10.00 x 3 | = \$ 30.00 | \$ 107.35              |  |
|                                              | \$       | 5.00 x 3  | = \$ 15.00 |                        |  |
|                                              | \$       | 2.00 x 9  | = \$ 18.00 | SALES (b)              |  |
|                                              | \$       | 1.00 x 12 | = \$ 12.00 |                        |  |
|                                              | \$       | 0.25 x 23 | = \$ 5.75  | \$ 15.60               |  |
|                                              | \$       | 0.10 x 17 | = \$ 1.70  |                        |  |
|                                              | \$       | 0.05 x 10 | = \$ 0.50  | CASH IN HAND (c)       |  |
|                                              | Tabs     |           | =          | \$ 122.95              |  |
|                                              | Rolls    |           | =          |                        |  |
| 11<br>september<br>2018<br>Training<br>Night | \$       | 50.00 x 1 | = \$ 50.00 | BALANCE<br>OPENING (a) |  |
|                                              | \$       | 20.00 x 2 | = \$ 40.00 |                        |  |
|                                              | \$       | 10.00 x 3 | = \$ 30.00 | \$ 91.70               |  |
|                                              | \$       | 5.00 x 2  | = \$ 10.00 |                        |  |
|                                              | \$       | 2.00 x 3  | = \$ 6.00  | SALES (b)              |  |
|                                              | \$       | 1.00 x 6  | = \$ 6.00  |                        |  |
|                                              | \$       | 0.25 x 10 | = \$ 2.50  | \$ 54.25               |  |
|                                              | \$       | 0.10 x 12 | = \$ 1.20  |                        |  |
|                                              | \$       | 0.05 x 5  | = \$ 0.25  | CASH IN HAND (c)       |  |
|                                              | Tabs     |           | =          | \$ 145.95              |  |
|                                              | Rolls    |           | =          |                        |  |
| 18<br>september<br>2018<br>Training<br>Night | \$       | 50.00 x 1 | = \$ 50.00 | BALANCE<br>OPENING (a) |  |
|                                              | \$       | 20.00 x 3 | = \$ 60.00 |                        |  |
|                                              | \$       | 10.00 x 5 | = \$ 50.00 | \$ 145.95              |  |
|                                              | \$       | 5.00 x 3  | = \$ 15.00 |                        |  |
|                                              | \$       | 2.00 x 9  | = \$ 18.00 | SALES (b)              |  |
|                                              | \$       | 1.00 x 9  | = \$ 9.00  |                        |  |
|                                              | \$       | 0.25 x 18 | = \$ 4.50  | \$ 62.75               |  |
|                                              | \$       | 0.10 x 17 | = \$ 1.70  |                        |  |
|                                              | \$       | 0.05 x 10 | = \$ 0.50  | CASH IN HAND (c)       |  |
|                                              | Tabs     |           | =          | \$ 208.70              |  |
|                                              | Rolls    |           | =          |                        |  |

| CANTEN - GENERAL JOURNAL |                            |           |            |           |         |
|--------------------------|----------------------------|-----------|------------|-----------|---------|
| DATE                     | TRANSACTION                | SALES (+) | PURCH. (-) | BALANCE   | REMARKS |
|                          | Balance from previous Page |           |            | \$ 169.30 |         |
| 03-Sep-18                | Purchase                   |           | \$ 61.95   | \$ 107.35 |         |
| 04-Sep-18                | Sales                      | \$ 15.60  |            | \$ 122.95 |         |
| 08-Sep-18                | Purchase                   |           | \$ 31.25   | \$ 91.70  |         |
| 11-Sep-18                | Sales                      | \$ 54.25  |            | \$ 145.95 |         |
| 18-Sep-18                | Sales                      | \$ 62.75  |            | \$ 208.70 |         |
| 18-Sep-18                | Depot                      |           | \$ 100.00  | \$ 108.70 |         |

| CANTEN - JOURNAL OF PURCHASES |             |          |           |               |       |
|-------------------------------|-------------|----------|-----------|---------------|-------|
| NAME                          | DATE REIMB. | SUPPLIER | AMOUNT    | PURCHASE DATE | INIT. |
| K. Dulong                     | 05-Sep-18   | CostCo   | \$ 61.95  | 02-Sep-18     |       |
| K. Dulong                     | 08-Sep-18   | CostCo   | \$ 31.25  | 08-Sep-18     |       |
| L. Bidou                      | 18-Sep-18   | Deposit  | \$ 100.00 | N/A           |       |
|                               |             |          |           |               |       |

**Figure 6-2** Example of Canteen Forms and relationship

- 61

| Revenues Journal |                   |       |                   |                                           |                   |                          |                        |                                            |           |
|------------------|-------------------|-------|-------------------|-------------------------------------------|-------------------|--------------------------|------------------------|--------------------------------------------|-----------|
| Reconciled       | Transactions Type | Ref # | Date (yyyy-mm-dd) | Details                                   | Amount of cash in | Account                  | HST Reimbursed by Govt | PROOF OF CATEGORY ALLOCATION - must be \$0 | Canteen   |
| √                | DP                | 1901  | 2019-09-18        | Deposit Canteen Proceeds 1 to 18 Sep 2019 | \$ 100.00         | 1020 - Main Bank Account |                        | \$ -                                       | \$ 100.00 |

**Figure 6-3** Entry – Method based on proceeds

| Revenues Journal |                   |       |                   |                                           |                         |                          |                         |                                            |           |                                      |
|------------------|-------------------|-------|-------------------|-------------------------------------------|-------------------------|--------------------------|-------------------------|--------------------------------------------|-----------|--------------------------------------|
| Reconciled       | Transactions Type | Ref # | Date (yyyy-mm-dd) | Details                                   | Amount of cash in       | Account                  | HST Reimbursed by Gov't | PROOF OF CATEGORY ALLOCATION - must be \$0 | Canteen   | Transfer between accounts Adjustment |
| √                | ADJ               |       | 2019-09-18        | Canteen Sales 1 to 18 Sep 2019            | \$ 132.60               | 1030 - Canteen           |                         | \$ -                                       | \$ 132.60 |                                      |
| √                | DP                | 1901  | 2019-09-18        | Deposit Canteen Proceeds 1 to 18 Sep 2019 | \$ 100.00               | 1020 - Main Bank Account |                         | \$ -                                       |           | \$ 100.00                            |
|                  |                   |       |                   |                                           |                         |                          |                         |                                            |           |                                      |
| Expenses Journal |                   |       |                   |                                           |                         |                          |                         |                                            |           |                                      |
| Reconciled       | Transactions Type | Ref # | Date (yyyy-mm-dd) | Details                                   | Amount of Disbursements | Account                  | HST                     | PROOF OF CATEGORY ALLOCATION - must be \$0 | Canteen   | Transfer between accounts Adjustment |
| √                | ADJ               |       | 2019-09-18        | Canteen Purchases 1 to 18 Sep 2019        | \$ 93.20                | 1030 - Canteen           |                         | \$ -                                       | \$ 93.20  |                                      |
| √                | ADJ               |       | 2019-09-18        | Deposit Canteen Proceeds 1 to 18 Sep 2019 | \$ 100.00               | 1030 - Canteen           |                         | \$ -                                       |           | \$ 100.00                            |
|                  |                   |       |                   |                                           |                         |                          |                         |                                            |           |                                      |

**Figure 6-4** Entry – Method based on Sales and Purchases

| <b>Hide Details</b>                                       | <b>Detailed Reconciliation of the Account 1030 - Canteen</b> |           |
|-----------------------------------------------------------|--------------------------------------------------------------|-----------|
| Reconciliation as per BookKeeping                         |                                                              |           |
| Canteen                                                   | 1030                                                         |           |
| Account Balance on 30 Jun 2019                            | \$                                                           | 169.30    |
| Plus: Deposits/Sales (Revenue Jrnl)                       | \$                                                           | 132.60    |
| Less: Cheques/Purchases (Expense Jrnl)                    | \$                                                           | 193.20    |
| Previous Year's Deposits (not processed in prev year)     |                                                              |           |
| Ref No.                                                   | Details                                                      | Amount    |
|                                                           |                                                              |           |
| Previous Year's Cheques (not processed in prev year)      |                                                              |           |
| Cheque #                                                  | Payable to                                                   | Amount    |
|                                                           |                                                              |           |
| Previous Year's non-accounted Amount                      |                                                              | \$ -      |
| 1030 Account Available Funds                              |                                                              |           |
| This balance fwd'd to line 1030 of Balance Sheet - page 7 | \$                                                           | 108.70    |
| Reconciliation as per Account Statement                   |                                                              |           |
|                                                           |                                                              | 1030      |
| End of Year Account Balance                               |                                                              | \$ 108.70 |

← At each reconciliation, this amount should be \$0.00, if not then Books and Statement do not balance and the difference needs to be corrected

**Figure 6-5    Reconciliation of Canteen Account**





## Section 9 – Inventory Management

32. The inventory of assets owned by SSC constitutes a significant portion of the assets. Sound management of these assets is required to ensure positive control and avoid losses, theft and degradation of these assets.

33. The ACC9 provides a sophisticated tool for maintaining this inventory of assets. The property acquired is accompanied by a purchase receipt, a certificate of value or a valuation of the fair market value. This helps to determine the replacement value for insurance purposes. If the SSC does not wish to use the inventory tool, it will still have to enter the total assets in each category in order to reflect these amounts in the Statement of Fixed Assets.

34. *Insurance.* Depending on the value of property held by the SSC, insurance against theft and fire can be useful. According to the insurer, the provincial committees are negotiating reasonable and affordable coverage. SSC are encouraged to use these hedges. The *Inventory-Insurances* tab can be useful for listing the items to be insured. As each insurance company is different, the information requested may differ.

35. It can happen that a property becomes defective, unusable, lost or obsolete. It is useless to keep it.

36. The write-off of property should be subject of a resolution at a meeting of Board of Directors, especially if the value of the property to be written off is appreciable (*Fig. 6-6*). Once the write-off of the property has been authorized, it may be removed from the inventory list.

|                                                                                                                                                                                                                                                                                                                                                                               |                    |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|
| Squadron 6000 Aurora                                                                                                                                                                                                                                                                                                                                                          | September 15, 2018 |
| Resolution # 1235                                                                                                                                                                                                                                                                                                                                                             |                    |
| This resolution was unanimously passed at the meeting of members held on September 12, 2018 at 234 Mabel Street, Ottawa, Ontario.                                                                                                                                                                                                                                             |                    |
| Be it resolved that the following items be removed from the inventory:                                                                                                                                                                                                                                                                                                        |                    |
| <ol style="list-style-type: none"><li>1. 1 x pair of Salomon S-12 ski purchased in 2015 for \$ 300.00.</li><li>2. The item is damaged and is considered a total loss. The item will not be replaced in the short term as a complete re-evaluation of the biathlon program is underway.</li><li>3. The item will be disposed of in a landfill site to be determined.</li></ol> |                    |
| L. Ritter<br>Secretary                                                                                                                                                                                                                                                                                                                                                        |                    |
| J. MacDo<br>Chair                                                                                                                                                                                                                                                                                                                                                             |                    |

**Figure 6-6** Example of Resolution –Inventory Write-off

37. The resolution is part of the minutes or redacted separately.

## Section 10 – Tax Receipt for Donations


38. These receipts should only be used if your organization is recognized as a charity and registered with CRA.

39. Controlling charitable tax receipts is very important as they can be audited by CRA. A copy of each receipt issued must be kept with the accounting documents.



40. There are three (3) kinds of donation for which a receipt can be issued:
- A monetary donation (cash or check);
  - A donation of goods and services; or
  - A combination of the first two.
41. The monetary donation is the simplest. The amount of the receipt will correspond to the amount of the donation. The gift in service is less obvious. The amount of the receipt will correspond to a reasonable amount allocated to the service. One way to assess this amount is to ask yourself what amount would have been billed if the service was not offered for free. In the case of an item, the fair market value will be entered on the receipt.
42. The third form of donation is a combination of the first two. The best example is the organization of a golf tournament where part of the donation is included in the total cost of registration. The receipt should only include the portion of the donation.

**Official donation receipt for income tax purposes**

 **6000 Aurora Squadron**  
*Royal Canadian Air Cadets*  
[Chair@auroraaircadets.com](mailto:Chair@auroraaircadets.com)

Charity registration #: 130387665RR0012

P.O. Box 1000 Stn Main  
 Ottawa ON  
 K2R 1C8

Donated by: Michael Jackson Date: January 21, 2019  
 Person or business who will use the receipt for income tax purposes

Address: 1290 Walk Street City: Ottawa  
 Province: Ontario Postal Code: K2R 7H7 Phone Number: 613-111-5555

☒ Cheque  
☐ Cash  
☐ Property/Svcs


**\$25,000.00**      \*\*Twenty-Five-Tousand\*\*      00 / Dollars

Authorized Signature \_\_\_\_\_

Canada Revenue Agency • Canada.ca/charities-giving:

---

**Official donation receipt for income tax purposes**

 **6000 Aurora Squadron**  
*Royal Canadian Air Cadets*  
[Chair@auroraaircadets.com](mailto:Chair@auroraaircadets.com)

Charity registration #: 130387665RR0012

P.O. Box 1000 Stn Main  
 Ottawa ON  
 K2R 1C8

Donated by: Michael Jackson Date: January 21, 2019  
 Person or business who will use the receipt for income tax purposes

Address: 1290 Walk Street City: Ottawa  
 Province: Ontario Postal Code: K2R 7H7 Phone Number: 613-111-5555

☒ Cheque  
☐ Cash  
☐ Property/Svcs

**\$25,000.00**      \*\*Twenty-Five-Tousand\*\*      00 / Dollars

Authorized Signature \_\_\_\_\_

Canada Revenue Agency • Canada.ca/charities-giving:

E- 104

E- 104

Figure 6-7 Example of Tax Receipt

43. There are thousands of samples of forms available. Make sure the form you are using meets CRA standards (Fig. 6-7).
44. It is possible for SSC members to receive a donation receipt to offset their personal travel expenses related to their function within the SSC under certain conditions.

## Section 11 – Investments

45. Investments by squadrons are rather rare. The amounts invested are often minor. As a result, accrued interest and capital gains have a minor impact on the financial statements. For this reason, the cost method will be favored. This method of accounting for investments assumes that the investor initially records the investment at its acquisition cost and only recognizes revenue to the extent that it is received. These interests and capital gains will not appear in the financial statements but must be reported in the *Investment* tab. The statements will show the accrued interest and the gain on your investments.



46. If the SSC wishes to record the capital gain and / or the interest on its investments, the following examples show how to proceed.
47. Carry forward interest income on an investment:

*Example: At the end of the year, the investment fund pays an amount of \$ 124.35 in dividends and interest. The payment is made by the bank.*

**Revenues Journal**

| Reconciled | Transactions Type | Ref # | Date (yyyy-mm-dd) | Details                           | Amount of cash in | Account                  | HST Reimbursed by Gov't | PROOF OF CATEGORY ALLOCATION - must be \$0 | Bank and Investment Interest/ Income |
|------------|-------------------|-------|-------------------|-----------------------------------|-------------------|--------------------------|-------------------------|--------------------------------------------|--------------------------------------|
| ✓          | BK                |       | 2019-12-01        | BMO Investments - Interest Income | \$ 124.35         | 1020 - Main Bank Account |                         | \$ -                                       | \$ 124.35                            |

**Figure 6-8 Cashing dividends/interests**

48. Carry forward a capital gain / loss:

*Example: At the end of the year, the investment generates a plus-value of \$ 124.35.*

**Revenues Journal**

| Reconciled | Transactions Type | Ref # | Date (yyyy-mm-dd) | Details                          | Amount of cash in | Account                                 | HST Reimbursed by Gov't | PROOF OF CATEGORY ALLOCATION - must be \$0 | Bank and Investment Interest/ Income |
|------------|-------------------|-------|-------------------|----------------------------------|-------------------|-----------------------------------------|-------------------------|--------------------------------------------|--------------------------------------|
| ✓          | ADJ               | 21548 | 29/06/2019        | Capital Gain Investors Statement | \$ 124.35         | 1055 - Investments (Mutual Funds, etc.) |                         | \$ -                                       | \$ 124.35                            |

**Figure 6-9 Capital Gain / Loss**

49. Postponing interest reinvested in capital will follow the same procedures as in Figure 6-9.





## Abbreviations

| Abbreviations in English |                                         | Abbreviation in French |                                                             |
|--------------------------|-----------------------------------------|------------------------|-------------------------------------------------------------|
| <b>ACLC</b>              | Air Cadet League of Canada              | <b>LCAC</b>            | Ligue des cadets de l'air du Canada                         |
| <b>ADJ</b>               | Adjustment                              | <b>ADJ</b>             | Ajustement                                                  |
| <b>AGM</b>               | Annual General Meeting                  | <b>AGA</b>             | Assemblée générale annuelle                                 |
| <b>BK</b>                | Bank                                    | <b>BK</b>              | Banque                                                      |
| <b>CAF</b>               | Canadian Armed Forces                   | <b>FAC</b>             | Forces armées canadiennes                                   |
| <b>CATO</b>              | Cadet Administrative and Training Order | <b>OAIC</b>            | Ordonnance sur l'administration et l'instruction des cadets |
| <b>CC</b>                | Credit Card                             | <b>CC</b>              | Carte de crédit                                             |
| <b>CCO</b>               | Canadian Cadet Organization             | <b>OCC</b>             | Organisation des cadets du Canada                           |
| <b>CH</b>                | Cheque                                  | <b>CH</b>              | Chèque                                                      |
| <b>CI</b>                | Civilian Instructor                     | <b>IC</b>              | Instructeur civil                                           |
| <b>CIC</b>               | Cadet Instructor Cadre                  | <b>CIC</b>             | Cadre des instructeurs de cadet                             |
| <b>CRA</b>               | Canadian Revenue Agency                 | <b>ARC</b>             | Agence du revenu du Canada                                  |
| <b>CY</b>                | Calendar Year                           | <b>AC</b>              | Année civile                                                |
| <b>DD</b>                | Direct Deposit                          | <b>DD</b>              | Dépôt direct                                                |
| <b>DND</b>               | Department of National Defence          | <b>MDN</b>             | Ministère de la défense nationale                           |
| <b>DP</b>                | Deposit                                 | <b>DP</b>              | Dépôt                                                       |
| <b>ET</b>                | eTransfer                               | <b>ET</b>              | Transfert électronique                                      |
| <b>FCO</b>               | Financial Compliance Officer            |                        |                                                             |
| <b>FY</b>                | Fiscal year                             | <b>AF</b>              | Année financière                                            |
| <b>GIC</b>               | Guaranteed Investment Certificate       | <b>CPG</b>             | Certificat de placement garanti                             |
| <b>GST</b>               | Goods and Services Tax                  | <b>TPS</b>             | Taxe sur les produits et services                           |
| <b>HST</b>               | Harmonized Sales Tax                    | <b>TVH</b>             | Taxe de vente harmonisée                                    |



| Abbreviations in English |                                     | Abbreviation in French |                                          |
|--------------------------|-------------------------------------|------------------------|------------------------------------------|
| <b>LSA</b>               | Local Support Allocation            | ASL                    | Allocation de soutien local              |
| <b>MCP</b>               | Mandatory and Complementary Program | POC                    | Programme obligatoire et complémentaire  |
| <b>MoU</b>               | Memorandum of Understanding         | PE                     | Protocole d'entente                      |
| <b>NDHQ</b>              | National Defence Headquarter        | QGDN                   | Quartier général de la Défense nationale |
| <b>PC</b>                | Provincial Committee                | CP                     | Comité provincial                        |
| <b>PC</b>                | Petty Cash                          | PC                     | Petite caisse                            |
| <b>PST</b>               | Provincial Sales Tax                | TVP                    | Taxe de vente provinciale                |
| <b>QST</b>               | Quebec Sales Tax                    | TVQ                    | Taxe de vente du Québec                  |
| <b>RCSU</b>              | Regional Cadet Support Unit         | URSC                   | Unité régionale de soutien des cadets    |
| <b>RQ</b>                | Revenu Québec                       | RQ                     | Revenu Québec                            |
| <b>Sqn</b>               | Squadron                            | Esc                    | Escadron                                 |
| <b>SSC</b>               | Squadron Sponsoring Committee       | CRE                    | Comité répondant d'escadron              |
| <b>Svcs</b>              | Services                            | Svcs                   | Services                                 |
| <b>Tx</b>                | Transaction                         | Tx                     | Transaction                              |