

## **Springs Church – A Commitment to Maintain Trust (2021)**

- Springs Church recognizes that our finances originate as donations by people committed to the work of the local church known as Springs Church. Our obligation, therefore, is to spend that money conservatively and wisely in continuing the ministry.
- Springs Church employs qualified, accredited financial accounting staff that are trained and equipped to keep the financial records of the church.
- Springs Church voluntarily submits to an annual audit by an independent public accounting firm. All financial statements are presented in accordance with generally accepted accounting principles.
- Springs Church believes in compliance with all federal, provincial, and municipal laws and regularly receives legal advice to ensure that the ministry is staying current with applicable laws and regulations as they change.
- Springs Church requires all board members and employees to abide by a policy regarding conflicts of interest that encourages high standards of ethics and integrity.
- During 2021, Springs Church expensed 73.8% of total revenues on programs, services, and outreach directed at reaching people with the Gospel of Jesus Christ and meeting the physical needs of the less fortunate. In addition to expenses, Springs Church also invests in capital assets (lands, buildings, and equipment). These are recorded on the balance sheet as assets and are written down over their useful lives through amortization. If amortization were included in the figure above, Springs Church would have expensed 80.3% of total expenditures on our programs and services.
- During 2021, Springs Church spent about 3.8% of revenues on administration.
- Any cash reserves that Springs Church accumulates are solely for the purposes of fiscal responsibility, savings, future growth, and expansion (buildings, lands, and equipment). Economic downturns and the COVID-19 situation confirm and emphasize the wisdom of the "Joseph principle" of saving in good years. Springs Church endeavours to have sufficient savings on hand to weather any storm that may come our way.
- During 2021, Springs Church salaries accounted for 39.9% of total revenue (\$5 million in wages and benefits for 58 full-time and 28 part-time staff). Springs Church believes in paying its employees fairly. As such, Springs Church pays employee salaries in line with the market place. Executive salaries are determined through independent salary surveys and market conditions. Benefits for all Springs Church employees are in line with market place practices. Pastor Leon Fontaine's salary is determined solely by the Board of Springs Church based on recommendations from independent salary surveys.
- Springs Church strives to ensure that all fundraising efforts clearly portray the purpose of the funds to be raised and that all contributions received are used for those specific purposes. If funds cannot be used for the designated purpose, the donor will be contacted and asked for direction.
- Springs Church believes in dealing fairly with vendors. We make every effort to pay our vendors within their payment terms thus not taking advantage of them by using their money. Although we need to be fiscally responsible, we also recognize that vendors need to earn a fair profit and as such, make every effort to create win-win scenarios in pricing negotiations.
- Springs Church commits to posting our consolidated audited financial statements on our website and updating the information annually.
- Springs Church protects the privacy of our members and donors by not marketing our mailing list. Information collected in our database is used only for the internal purposes of communicating with our members, mobilizing and utilizing our volunteers, and for income tax receipting purposes.