

2009



MONEY MENTORS ANNUAL REPORT



Your money is our favourite subject.



money mentors

WHO WE ARE

WE ARE THE FINANCIAL EXPERTS IN YOUR AREA

- Personal Money Coaching
- Debt Management Solutions
- Corporate and Community Education

Money Mentors is the only Alberta based not-for-profit organization and sole provider of the Orderly Payment of Debts Program, an option to bankruptcy. Whatever your financial situation may be, Money Mentors can help you save your Slot-Back Pig by helping you deal with your debts, use credit wisely, save for retirement, and achieve your financial goals.

THE MONEY MENTORS DIFFERENCE

- Unbiased Advice
- Accredited, diverse range of experts
- Services tailored to meet your needs

Over 64,000 people used Money Mentors services from all walks of life in 2009. Here is what a few of them have to say:

“Thank you for your honest approach to my situation. I found you cordial, personable, and informative. The reality of our conversation reflected the thoughts that have concerned me for a time and thus I feel the next step is action. Thank you again.”

“I like the services from the counsellor I spoke to. She was very informative and understanding.”

“The Wellness Fair inspires me to really take the initiative to fix all the problems I have been living with so long.”



MESSAGE FROM THE EXECUTIVE DIRECTOR

The scenery through out 2009 for Money Mentors was peppered with evidence of an economic downturn that deepened into the worst recession Canada has experienced since the 1980's. Businesses suffered, lay offs occurred, families and individuals experienced financial hardships that they were not prepared for.

Within this rocky economic environment, Money Mentors, helped over 64 000 Albertans with money management education and debt options through our website, telephone inquiries, personal financial coaching, debt programs, seminars and community presentations. Our knowledgeable and empathetic staff continued to provide quality service for those in financial chaos.

While bankruptcy numbers soared through 2009, the number of participants in the Orderly Payment of Debts Program (OPD) remained flat. The reasons for this are that OPD is a less viable option when people experience a reduction in work hours or job loss because they have less income to pay off their debts. Additionally, many individuals that were on a repayment program found themselves no longer able to meet their obligations and were forced into bankruptcy. As a result the number of referrals to one of our prominent stakeholders, bankruptcy trustees, increased 12% throughout the year. This demonstrates that sharp economic decline is devastating to the most financially vulnerable in our community.

Despite the economic decline and the increase in bankruptcies, our OPD program continued to be a win-win situation for both the debtor and the creditor. In 2009, creditors retrieved over eight million dollars through the OPD program that virtually would have been lost had

the consumers had no other option but bankruptcy. In association with our national body, Credit Counselling Canada, we find ourselves facing a challenging journey of re-negotiating an agreement for funding from the banking sector. While this financial support from the banks may no longer be available to cover the higher costs of debt management and financial education services in a time when it is most needed we will continue our efforts to assist those Albertans that need our services now more than ever.

As we move forward into 2010, we see a continued evolution of our services and a little light at the end of the recessionary tunnel. The expectation is that the Alberta economy will generate thousands of new jobs, giving people more options to deal with their debts and enable them to move financially forward. History has shown us that most people can take up to a year to walk into our office to finally deal with their debts. Based on that, our organization will continue to see the after-effects of the tough times people endured in 2009. We will be here to help them succeed!

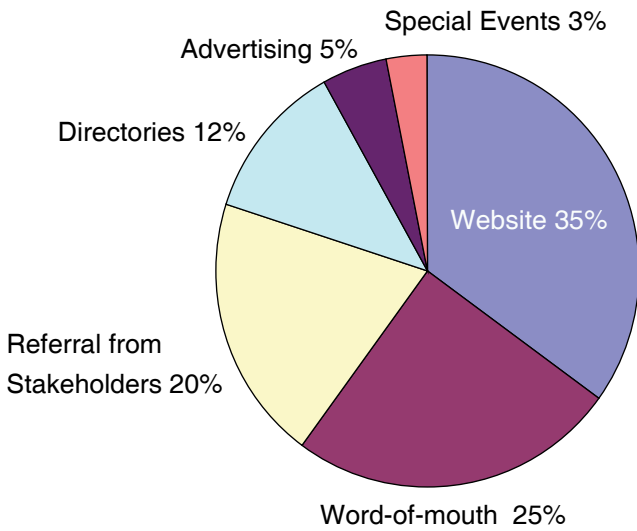
Jim Thorne

Creditors have received \$8,358,429 back of lost revenues through the Orderly Payment of Debt Program.



QUICK STATS

HOW DO CLIENTS HEAR ABOUT US?



CLIENT DEMOGRAPHICS

Average Age: 39

Single: 47%

Divorced: 7%

Married: 39%

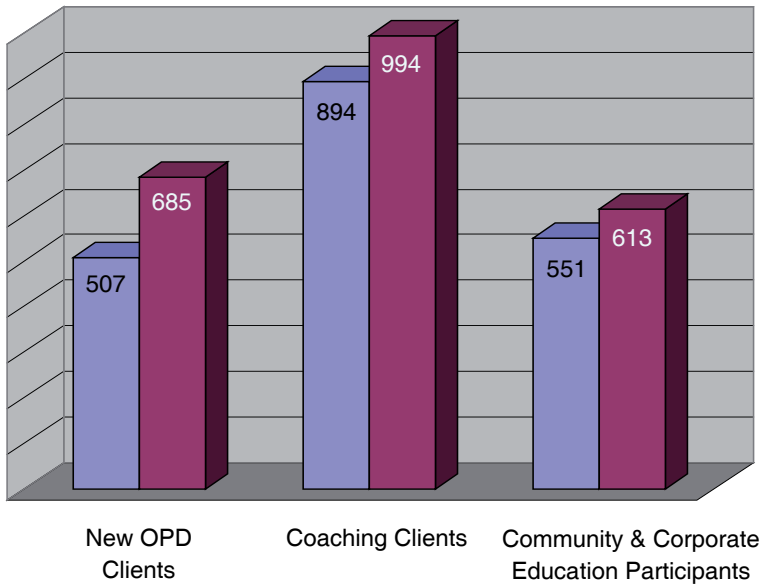
Separated: 7%

Widowed: 2%

Average outstanding debt: \$24,000

Average number of creditors: 8

Average gross monthly income: \$3,500



Total Albertans educated via web and telephone:
63,700

Total OPD, Coaching and Seminar clients for the year: **3,675**

2008 2009



BOARD CHAIR MESSAGE

For years, 13 in fact, Money Mentors has been helping Albertans with all kinds of financial challenges. 2009 proved no different as many households had a rough year due to the sudden global economic downturn we experienced.

It is notable that Money Mentors has helped so many Albertans through quality credit counselling and financial education with friendly, respectful, professional service. Being named one of the Alberta Consumer Champion Award winners proves it. As the Minister of Service Alberta put it, "These award winners go above and beyond the consumers in this province. They (the awards) honor real champions – Albertans who have demonstrated excellence in helping Alberta consumers become more knowledgeable about their consumer rights."

Money Mentors stakeholders are essential to the success of this organization. I would like to take this opportunity to thank you all. No matter what we accomplish, we can not do it alone. Creditors and community partners are vital to the longevity of an organization such as Money Mentors. The success of our clients is the most accurate measure of a not-for-profit, community-based organization. Successful clients lead to successful creditors and create thriving businesses and communities.

Creditor support such as the financial donations the banks provide, means we can provide the kind of

100% of first-time clients said the information their coach or counsellor provided was easy to understand.

education and programs that decrease default rates and enables thousands of Albertans to become financially literate and move forward. Community partners refer clients to our services, as we do to theirs. Thank you for this.

Essential to all of this is the dedication of the staff and board members of Money Mentors. Their enthusiasm, professionalism and unwavering commitment, makes the difference. It is you who teach, empower and guide the clients to success. On behalf of the board I would like to congratulate you and thank you for our continuing success.

Experience has shown us that repayment plans are not enough. Ongoing education and mentoring are essential. It's what empowers clients to not only pay their bills today but manage credit wisely and save for the future. That's why creditor support and community relations are so important. It allows Money Mentors to provide the kind of all-inclusive service that makes a difference. It's a business and community investment that makes sense.

Money Mentors is evolving, and collectively we will continue to make a difference.

Gary Howitt

OPD SUCCESS RATE



1997: 52%



2009: 83%

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BOARD OF DIRECTORS

Gary Howitt - Chair/Treasurer

Alberta Insolvency Practitioners' Association

Lynn Sande - Secretary

Provincial Financial Institution

Ava Benoit

Canadian Bankers Association

Lorne Broski

Association of Canadian Financial Corp.

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RED DEER

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Red Deer, AB

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LETHBRIDGE

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Lethbridge, AB

T1J 0E4

IN ALBERTA

Toll Free: 1-888-294-0076

WWW.MONEYMENTORS.CA

Call us!

Beginning November 2, 2009
appointments are available
evenings and Saturdays to
serve you better!

Monday to Thursday

8:00 a.m. - 8:00 p.m.

Friday & Saturday

9:00 a.m. - 5:00 p.m.