

THE BRUNSWICK STREET MISSION
Financial Statements
Year Ended December 31, 2011

THE BRUNSWICK STREET MISSION
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Year Ended December 31, 2011

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INDEPENDENT AUDITOR'S REPORT

To the Directors of The Brunswick Street Mission

I have audited the accompanying financial statements of The Brunswick Street Mission, which comprise the statement of financial position as at December 31, 2011, and the statements of operations and net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified audit opinion.

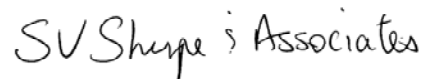
Basis for Qualified Opinion

In common with many not-for-profit organizations, the association derives revenue from donations and fundraising the completeness of which is not susceptible of satisfactory audit verification. Accordingly, my verification of these revenues was limited to the amounts recorded in the records of the association and I was not able to determine whether any adjustments might be necessary to contributions, excess of revenues over expenses, current assets and net assets.

Qualified Opinion

In my opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of The Brunswick Street Mission as at December 31, 2011, and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Dartmouth, Nova Scotia
April 2, 2012



S V SHUPE & ASSOCIATES
Chartered Accountant

THE BRUNSWICK STREET MISSION
Statement of Operations and Net Assets
Year Ended December 31, 2011

	2011 Budget	2011 Actual	2010 Actual
Receipts <i>(Page 7)</i>	\$ 193,630	\$ 220,906	\$ 235,595
Program expenditures			
Benevolent	17,000	14,161	21,499
Drop in	18,000	20,316	18,846
Fundraising	12,800	15,882	16,861
Other program	8,900	8,131	16,087
Salaries and wages	108,000	116,437	107,832
	<u>164,700</u>	<u>174,927</u>	<u>181,125</u>
Administrative expenditures			
Bad debts	-	400	300
Building occupancy and maintenance	20,150	27,655	13,356
Office and administrative	6,250	11,396	6,965
Professional fees	4,950	4,830	5,007
Utilities and telephone	16,500	20,090	21,414
	<u>47,850</u>	<u>64,371</u>	<u>47,042</u>
Excess receipts over expenditures for the year	(18,920)	(18,392)	7,428
Unrestricted net assets - beginning of year	<u>-</u>	<u>62,560</u>	<u>55,132</u>
Unrestricted net assets - end of year	<u>\$ (18,920)</u>	<u>\$ 44,168</u>	<u>\$ 62,560</u>

THE BRUNSWICK STREET MISSION
Statement of Financial Position
December 31, 2011

	2011	2010
ASSETS		
Current		
Cash	\$ 42,859	\$ 68,026
Accounts receivable	14,656	13,018
	<u>57,515</u>	81,044
Cash held in trust (Note 4)	<u>26,416</u>	29,067
	<u>\$ 83,931</u>	<u>\$ 110,111</u>
LIABILITIES		
Current		
Accounts payable	\$ 13,347	\$ 15,671
Due to Brunswick Street United Church	-	2,813
	<u>13,347</u>	18,484
Mission trust liability (Note 4)	<u>26,416</u>	29,067
	<u>39,763</u>	47,551
NET ASSETS		
Unrestricted net assets	<u>44,168</u>	62,560
	<u>\$ 83,931</u>	<u>\$ 110,111</u>

Contractual obligations (Note 5)

ON BEHALF OF THE BOARD

_____ Director

_____ Director

THE BRUNSWICK STREET MISSION
Statement of Cash Flows
Year Ended December 31, 2011

	2011	2010
Operating activities		
Receipt of cash contributions	\$ 218,868	\$ 242,287
Cash paid to suppliers and employees	(241,222)	(234,500)
	<u>(22,354)</u>	<u>7,787</u>
Financing activity		
Advances from (to) Brunswick Street United Church	<u>(2,813)</u>	4,616
Increase (decrease) in cash flow	(25,167)	12,403
Cash - beginning of year	<u>68,026</u>	55,623
Cash - end of year	\$ 42,859	\$ 68,026

THE BRUNSWICK STREET MISSION

Notes to Financial Statements

Year Ended December 31, 2011

1. DESCRIPTION OF OPERATIONS

The Brunswick Street Mission is an unincorporated mission ministry operating out of the Brunswick Street United Church. The ministry is an "Outreach Ministry" of the Halifax Presbytery of the United Church of Canada.

The Mission is a registered charity under the Income Tax Act, as such is not subject to either federal or provincial income taxes.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Measurement uncertainty

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Capital assets

Capital items are expensed in the year which they are purchased.

Capital management

The mission's net assets are comprised of \$44,168 of unrestricted funds. The mission's objectives when managing capital are to continue as a going concern and to protect its ability to meet its on-going liabilities. The mission maintains sufficient liquidity to meet its obligations as they come due. The mission does not carry long-term debt and is not subject to any externally imposed capital requirements.

Revenue recognition

The Mission follows the deferral method of accounting for contributions. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Restricted contributions are not recognized as revenue until the restriction is met.

Donated Materials and Services

Donated materials and services are not recognized in these financial statements.

THE BRUNSWICK STREET MISSION

Notes to Financial Statements

Year Ended December 31, 2011

3. FINANCIAL INSTRUMENTS

Credit Risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The association is exposed to credit risk from contributors. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The association has a significant number of contributors which minimizes concentration of credit risk.

Fair Value

The association's carrying value of cash and cash equivalents, accounts receivable, and accounts payable approximates its fair value due to the immediate or short term maturity of these instruments.

4. MISSION TRUST LIABILITY

The mission acts as trustee of social assistance entitlements paid to persons in need in accordance with section 10 of the Employment Support and Income Assistance Act of Nova Scotia. Cash received in trust is held until disbursed to the entitled individuals and is not the property of the Mission. As such, the receipts and disbursements of the trust are not reflected in the statement of operations or statement of cash flows.

5. CONTRACTUAL OBLIGATIONS

The Mission has entered into an agreement with the Brunswick Street United Church regarding the usage of building and property at 2701 Brunswick Street in Halifax, Nova Scotia. The agreement outlines the financial obligations of the Mission which includes rent, utilities, and regular maintenance of the facilities. The agreement also grants the Mission the right to certain building rental and parking revenues derived from the property. The agreement can be terminated with two years notice by either party, and it will continue without change unless changes are mutually agreed on. The minimum annual rent payments over the next two years are approximately as follows:

2012	\$	8,280
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THE BRUNSWICK STREET MISSION
Schedule of Receipts
Year Ended December 31, 2011

	2011	2010
Receipts		
Donations		
Mission	\$ 42,769	\$ 36,323
Benevolent program	5,293	7,488
Christmas program	4,784	1,955
Drop In program	2,471	2,349
Food bank program	200	190
	55,517	48,305
Division of Mission in Canada grants	55,000	40,000
Fundraising	50,838	71,022
Community Services trusteeship fees	27,820	31,080
Other	16,321	14,605
Building rental and parking	15,410	8,596
Investment Income Share from Brunswick Street United Church	-	13,833
Discharge of employee benefit costs	-	8,154
	\$ 220,906	\$ 235,595