

THE BRUNSWICK STREET MISSION
Financial Statements
Year Ended December 31, 2013

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Index to Financial Statements
Year Ended December 31, 2013

	Page
INDEPENDENT AUDITOR'S REPORT	1
FINANCIAL STATEMENTS	
Statement of Operations and Net Assets	2
Statement of Financial Position	3
Statement of Cash Flows	4
Notes to Financial Statements	5 - 7

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, 2013 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 accounting standards for not-for-profit organizations, 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.

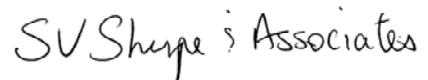
Basis for Qualified Opinion

In common with many charitable organizations, the Mission 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 Mission 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 effect of adjustments, if any, which I might have determined to be necessary had I been able to satisfy myself concerning the completeness of the contributions referred to in the preceding paragraph, the financial statements present fairly, in all material respects, the financial position of The Brunswick Street Mission as at December 31, 2013 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Dartmouth, Nova Scotia
April 14, 2014



S V SHUPE & ASSOCIATES
Chartered Accountant

THE BRUNSWICK STREET MISSION
Statement of Operations and Net Assets
Year Ended December 31, 2013

	2013	2012
Receipts		
Donations	\$ 119,847	\$ 81,358
Fundraising	67,900	63,484
Building renovation grant	61,501	-
Division of Mission in Canada grants	60,000	58,000
Grants and other	38,929	34,145
Community Services trusteeship fees	35,272	33,368
Building rental and parking	16,105	13,940
Investment income	36	-
	<u>399,590</u>	<u>284,295</u>
Expenditures		
Building occupancy (<i>Note 6</i>)	53,733	47,523
Building renovations	61,501	-
Fundraising	27,298	30,267
Office and administrative	13,531	10,528
Professional fees	4,816	5,541
Program	61,430	41,613
Salaries and wages	137,245	112,444
Telephone	4,328	2,571
	<u>363,882</u>	<u>250,487</u>
Excess of receipts over expenditures for the year	\$ 35,708	\$ 33,808
Unrestricted net assets - beginning of year	<u>77,976</u>	<u>44,168</u>
Unrestricted net assets - end of year	<u>\$ 113,684</u>	<u>\$ 77,976</u>

THE BRUNSWICK STREET MISSION
Statement of Financial Position
December 31, 2013

	2013	2012
ASSETS		
Current		
Cash	\$ 106,245	\$ 85,914
Term deposit	10,030	-
Accounts receivable	4,300	14,967
HST receivable	11,225	5,705
	<u>131,800</u>	106,586
Cash held in trust (Note 5)	<u>3,031</u>	4,429
	<u>\$ 134,831</u>	<u>\$ 111,015</u>
LIABILITIES		
Current		
Accounts payable	\$ 5,655	\$ 11,706
Deferred receipts	12,461	16,904
	<u>18,116</u>	28,610
Mission trust liability (Note 5)	<u>3,031</u>	4,429
	<u>21,147</u>	33,039
NET ASSETS		
Unrestricted net assets	<u>113,684</u>	77,976
	<u>\$ 134,831</u>	<u>\$ 111,015</u>

Contractual obligations (Note 7)

ON BEHALF OF THE BOARD

_____ Director

_____ Director

THE BRUNSWICK STREET MISSION

Statement of Cash Flows

Year Ended December 31, 2013

	2013	2012
Operating activities		
Cash received from contributions and receipts	\$ 405,814	\$ 295,697
Cash paid to suppliers and employees	(369,933)	(252,159)
Harmonized Sales Tax	(5,520)	(483)
	<hr/>	<hr/>
Increase in cash flow	30,361	43,055
Cash - beginning of year	85,914	42,859
	<hr/>	<hr/>
Cash - end of year	\$ 116,275	\$ 85,914

THE BRUNSWICK STREET MISSION

Notes to Financial Statements

Year Ended December 31, 2013

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. BASIS OF PRESENTATION

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (GAAP). Canadian accounting standards for not-for-profit organizations are part of Canadian GAAP.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations 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.

Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. The carrying value of cash, accounts receivable, accounts payable, and deferred receipts approximates its fair value due to the immediate or short term maturity of these instruments. Financial instruments are tested for impairment at each reporting date with unrealized losses reported in income.

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, 2013

4. FINANCIAL INSTRUMENTS

The Mission is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Mission's risk exposure and concentration as of December 31, 2013.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Mission 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.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Mission is exposed to this risk mainly in respect of its receipt of funds from its contributors and other related sources, payments for employee wages and government remittances, and other accounts payable.

5. 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.

6. BUILDING OCCUPANCY

	<u>2013</u>	<u>2012</u>
Rent	\$ 8,402	\$ 8,158
Utilities	23,075	19,412
Repairs and maintenance	<u>22,256</u>	<u>19,953</u>
	<u>\$ 53,733</u>	<u>\$ 47,523</u>

THE BRUNSWICK STREET MISSION

Notes to Financial Statements

Year Ended December 31, 2013

7. CONTRACTUAL OBLIGATIONS

The Mission has entered into a lease 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:

2014	\$	8,654
2015		8,914

8. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.