

PHILADELPHIA MUMMERS BRIGADE ASSOCIATION  
FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2012 AND 2011

PHILADELPHIA MUMMERS BRIGADE ASSOCIATION

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**& Associates Ltd**  
Accountants & Advisors

## INDEPENDENT ACCOUNTANTS' REVIEW REPORT

Board of Trustees  
Philadelphia Mummers Brigade Association  
Sewell, New Jersey

We have reviewed the accompanying statements of financial position of Philadelphia Mummers Brigade Association as of June 30, 2012 and 2011, and the related statements of activities, and cash flows for the years then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of Organization management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the reviews in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

Our reviews were conducted primarily for the purpose of expressing a conclusion that there are no material modifications that should be made to the financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America. The supplementary information included is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the inquiry and analytical procedures applied in the reviews of the basic financial statements, and we did not become aware of any material modifications that should be made to such information.

*Elko & Associates Ltd*

February 14, 2013

PHILADELPHIA MUMMERS BRIGADE ASSOCIATION  
 STATEMENTS OF FINANCIAL POSITION  
 See Independent Accountants' Review Report

	JUNE 30,	
	2012	2011
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash	\$ 21,018	\$ 14,941
Contributions receivable	28,788	17,636
<b>TOTAL ASSETS</b>	<b>\$ 49,806</b>	<b>\$ 32,577</b>
<b>LIABILITIES AND NET DEFICIT</b>		
<b>CURRENT LIABILITIES</b>		
Line of credit	\$ 44,500	\$ 50,000
Accounts payable and accrued expenses	39,265	94,511
Total Liabilities	83,765	144,511
<b>NET DEFICIT - UNRESTRICTED</b>	<b>(33,959)</b>	<b>(111,934)</b>
<b>TOTAL LIABILITIES AND NET DEFICIT</b>	<b>\$ 49,806</b>	<b>\$ 32,577</b>

The accompanying Notes are an integral part of these statements.

PHILADELPHIA MUMMERS BRIGADE ASSOCIATION  
 STATEMENTS OF ACTIVITIES  
 See Independent Accountants' Review Report

	FOR THE YEARS ENDED JUNE 30,	
	2012	2011
UNRESTRICTED NET ASSETS		
REVENUES AND SUPPORT		
Contributions	\$ 164,596	\$ 136,769
Program revenue	120,894	107,281
Fundraising events	13,306	238
Merchandise sales	6,515	2,739
Dues	3,200	3,300
Total Revenues and Support	308,511	250,327
EXPENSES		
Program expenses	203,844	284,424
General and administrative	18,444	21,114
Fundraising	8,248	6,110
Total Expenses	230,536	311,648
CHANGE IN NET ASSETS	77,975	(61,321)
NET DEFICIT - BEGINNING OF YEAR	(111,934)	(50,613)
NET DEFICIT - END OF YEAR	\$ (33,959)	\$ (111,934)

The accompanying Notes are an integral part of these statements.

PHILADELPHIA MUMMERS BRIGADE ASSOCIATION  
 STATEMENTS OF CASH FLOWS  
 See Independent Accountants' Review Report

	FOR THE YEARS ENDED JUNE 30,	
	2012	2011
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 77,975	\$ (61,321)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
(Increase) decrease in:		
Contributions receivable	(11,152)	54,148
Increase (decrease) in:		
Accounts payable and accrued expenses	(55,246)	5,247
Net Cash Provided by (Used in) Operating Activities	11,577	(1,926)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Payments on line of credit	(5,500)	-
<b>NET INCREASE (DECREASE) IN CASH</b>	6,077	(1,926)
<b>CASH - BEGINNING OF YEAR</b>	14,941	16,867
<b>CASH - END OF YEAR</b>	\$ 21,018	\$ 14,941
 <b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION</b>		
Cash was paid during the years for interest	\$ 2,439	\$ 2,383

The accompanying Notes are an integral part of these statements.

PHILADELPHIA MUMMERS BRIGADE ASSOCIATION  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2012 AND 2011  
See Independent Accountants' Review Report

NOTE A - Nature of Activities and Significant Accounting Policies

Nature of Operations - The Philadelphia Mummets Brigade Association (the "Association") promotes the transmission of cultural folk traditions in the context of social and community activities in which the Association both plans and participates. The Association's support comes primarily from donor contributions and ticket sales.

Use of Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Basis of Presentation - The financial statements of the Association have been prepared on the accrual basis of accounting. The Association reports information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, and permanently restricted. As of June 30, 2012 and 2011, there were no temporarily restricted or permanently restricted net assets.

Restricted and Unrestricted Revenue and Support - Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions.

Cash and Cash Equivalents - For purposes of the statements of cash flows, the Association considers highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

Contributions Receivable - Contributions receivable consists of unconditional promises to give. Management has determined that the contributions receivable was fully collectible; therefore no allowance for uncollectible accounts was considered necessary at June 30, 2012.

Expense Allocations - Directly identifiable expenses are charged to programs and supporting services as incurred. Expenses related to more than one function are charged to programs and supporting services on the basis of expense analysis. General and administrative expenses include those expenses that are not directly identifiable with any other specific function, but provide for the overall support and direction of the Association.

Income Taxes - The Association is exempt from federal income tax under provisions of Section 501(c)(3) of the Internal Revenue Code.

The federal income tax returns of the Association for 2008, 2009 and 2010 are subject to examination by the federal, state and local taxing jurisdictions, generally for three years after they were filed.

Advertising - The Association expenses advertising costs as incurred. Advertising and marketing costs for the years ended June 30, 2012 and 2011 totaled \$16,088 and \$23,037, respectively.

Reclassification - Certain amounts in the prior year have been reclassified to conform to the current year presentation.

PHILADELPHIA MUMMERS BRIGADE ASSOCIATION  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2012 AND 2011  
See Independent Accountants' Review Report

NOTE B - Line of Credit

The Association maintains a \$50,000 unsecured bank line of credit. The line of credit bears interest at the Wall Street Prime Rate plus one and three quarters percent (5.00% as of June 30, 2012). Interest expense for the years ended June 30, 2012 and 2011 was \$2,439 and \$2,383, respectively.

NOTE C - Subsequent Events

In preparing these financial statements, management has evaluated events and transactions for potential recognition or disclosure through February 14, 2013, the date the financial statements were available to be issued.



SUPPLEMENTARY INFORMATION

PHILADELPHIA MUMMERS BRIGADE ASSOCIATION  
 SCHEDULE OF FUNCTIONAL EXPENSES  
 FOR THE YEAR ENDED JUNE 30, 2012  
 See Independent Accountants' Review Report

	<u>Program expenses</u>	<u>General and administrative</u>	<u>Fundraising</u>	<u>TOTAL</u>
Advertising	\$ 2,250	\$ -	\$ -	\$ 2,250
Business registration fees	-	175	-	175
Insurance	-	3,179	-	3,179
Marketing	13,838	-	-	13,838
Merchandise	3,732	-	-	3,732
Office	-	5,475	-	5,475
Professional fees	-	7,595	-	7,595
Postage expense	-	1,201	-	1,201
Production	173,971	299	8,248	182,518
Recruitment	300	-	-	300
Security	4,753	-	-	4,753
Trash removal	5,000	-	-	5,000
Travel and accommodations	-	520	-	520
	<u>-</u>	<u>520</u>	<u>-</u>	<u>520</u>
Total	<u>\$ 203,844</u>	<u>\$ 18,444</u>	<u>\$ 8,248</u>	<u>\$ 230,536</u>

PHILADELPHIA MUMMERS BRIGADE ASSOCIATION  
 SCHEDULE OF FUNCTIONAL EXPENSES  
 FOR THE YEAR ENDED JUNE 30, 2011  
 See Independent Accountants' Review Report

	<u>Program expenses</u>	<u>General and administrative</u>	<u>Fundraising</u>	<u>TOTAL</u>
Advertising	\$ 2,500	\$ -	\$ -	\$ 2,500
Insurance	-	5,475	-	5,475
Marketing	20,537	-	-	20,537
Merchandise	8,484	-	-	8,484
Office	-	5,278	-	5,278
Professional fees	290	7,050	-	7,340
Postage expense	-	769	-	769
Production	245,004	100	6,110	251,214
Security	2,609	-	-	2,609
Trash removal	5,000	-	-	5,000
Travel and accommodations	-	2,442	-	2,442
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total	<u>\$ 284,424</u>	<u>\$ 21,114</u>	<u>\$ 6,110</u>	<u>\$ 311,648</u>