

OUTREACH ST. GEORGE'S KINGSTON

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2013

Outreach St. George's Kingston (the "Organization") has been established in order to provide the homeless and others in need with a daily hot meal at noon time. It is a registered charity exempt from income tax.

1. Significant Accounting Policies

These financial statements have been prepared in accordance with Part III of the CICA Handbook - Accounting Standards for Not-for-Profit Organizations. Significant accounting policies include the following:

(a) Revenue Recognition

Outreach St. George's Kingston follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. 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.

(b) Investments

Investments in equities, debt instruments and mutual funds are recorded at market value. Changes in fair value of these investments are recorded in the statement of operations.

(c) Capital Assets

No value is accorded to capital assets for reporting purposes. Capital asset purchases are charged as expense in the year of acquisition.

(d) Contributed Goods and Services

Volunteers contribute a substantial number of hours and goods each year to assist the Organization in carrying out its activities. Because of the difficulty of determining the fair value, contributions of such goods and services are not recognized in the financial statements.

(e) Use of Estimates

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires the Organization to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. All estimates are reviewed periodically and adjustments are made to the statements of operations as appropriate in the year they are known.