

S.S.C.O.P.E. INCORPORATED

Notes to Financial Statements
(Unaudited)

Year ended March 31, 2009

1. General

S.S.C.O.P.E. Incorporated is a non-profit organization incorporated without share capital under the laws of Manitoba on June 7, 1990 and is dedicated to providing casual paid employment and fellowship to consumers of the mental health system. The organization is a registered charity under the Income Tax Act, Canada.

2. Summary of significant accounting policies

(a) Capital assets

Capital assets are written off to expense in the year of acquisition.

(b) Use of estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of 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 management's best estimates, as additional information becomes available in the future.

(c) Revenue recognition

The organization follows the deferral method of accounting for contributions from grants and donations. 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.

3. Deferred revenue

Prior to the 2007/08 year end, the organization received a grant of \$25,000 from the Winnipeg Regional Health Authority to assist in funding an additional support worker in 2008/09. There was partial use of this funding in the amount of \$5,606 in the 2008/09 year. The Winnipeg Regional Health Authority has extended the grant to 2009/10 and the balance of \$19,394 will be included in revenue in that year to match the expense.

4. Business operations – Casual employment

The purpose of S.S.C.O.P.E. (Self-Starting Creative Opportunities For People In Employment) as stated in note one to the financial statements is to provide casual paid employment and fellowship to consumers of the mental health system. Some of the business operations in which workers are employed include general cleaning, moving, summer yard care and snow shovelling.

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5. Economic dependence

The organization is partially dependent on government agency support to finance its operations. These statements are prepared on the basis that this support will continue.

6. Financial Instruments

The following policies and assumptions were used to determine the fair value of each class of financial assets and financial liabilities.

Cash and bank, accounts and GST rebate receivable, accounts and workers fees payable: The carrying amount of each item in this class is comparable to its fair value due to the approaching maturity of these financial instruments.

7. Statement of changes in cash flows

A separate statement of changes in cash flows is not presented since cash flows from operating, investing and financing activities are readily apparent from other financial statements.