

ONTARIO LIBRARY ASSOCIATION**NOTES TO FINANCIAL STATEMENTS**

DECEMBER 31, 2002

2. Significant accounting policies (continued)*Contributed services*

The Association would not be able to carry out its activities without the services of the many volunteers who contribute a considerable number of hours. Due to the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure 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 may differ from those estimates.

3. Inter-fund loans

Inter-fund loans bear interest at the bank prime rate plus 1% and have no specific terms of repayment.

4. Capital assets

	Cost	Accumulated amortization	Net book value 2002	Net book value 2001
	\$	\$	\$	\$
Office furniture & equipment	74,953	60,286	14,667	17,554
Computer equipment & software	233,321	160,210	73,111	62,246
Leasehold improvements	28,112	18,741	9,371	14,056
	<u>336,386</u>	<u>239,237</u>	<u>97,149</u>	<u>93,856</u>