

## Using Estimates and Allocations

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Department:	Finance
Number:	200.1.7
Effective Date:	02/14/2020
Review Date:	03/17/2021
Revised Date:	02/19/2020
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I. Policy:

It is our policy in the preparation of financial statements that we may involve the use of accounting estimates in determining the carrying amounts of assets & liabilities and the associated expense or income for the period where such amounts cannot be measured precisely.

II. Procedures:

- A. Accounting Estimates involve management's judgment of expected future benefits and obligations relating to assets and liabilities (and associated expense and income) based on information that best reflects the conditions and circumstances that exist at the reporting date. By its nature, estimates are subjective and may require frequent revisions in future.
- B. Estimates must be revised when new information becomes available which indicates a change in circumstances upon which the estimates were formed.
- C. Changes in Accounting Estimates must be accounted for prospectively in the financial statements, i.e. the effects of the change must be incorporated in the accounting period in which the estimates are revised. Therefore, carrying amounts of assets and liabilities and any associated expense and gains are adjusted in the period of change in estimate.

Approved by: \_\_\_\_\_

President/CEO

Date

3-17-21