



**FIELD HOCKEY  
CANADA**

**HOCKEY SUR GAZON CANADA**

**FINANCIAL STATEMENTS  
(Expressed in Canadian Dollars)**

**FOR THE YEAR ENDED MARCH 31, 2017**

## INDEPENDENT AUDITORS' REPORT

To the Members of  
Field Hockey Canada

We have audited the accompanying financial statements of Field Hockey Canada, which comprise the statements of financial position as at March 31, 2017, and the statements of revenue and expenditures, cash flows and changes in net assets for the year then ended, and a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

### *Basis for Qualified Opinion*

In common with similar organizations, Field Hockey Canada derives revenue from donations and fundraising, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of this revenue was limited to the amounts recorded in the records of Field Hockey Canada and we were not able to determine whether any adjustments might be necessary to revenue, net revenue (expenditure) for the year, assets and net assets.



***Qualified Opinion***

In our opinion, except for the possible effects of the matter described in the basis for qualified opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Field Hockey Canada as a March 31, 2017 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

**“DAVIDSON & COMPANY LLP”**

Vancouver, Canada

Chartered Professional Accountants

June 30, 2017



**FIELD HOCKEY CANADA**  
**STATEMENTS OF REVENUE AND EXPENDITURES**  
(Expressed in Canadian Dollars)  
**FOR THE YEARS ENDED MARCH 31**

	2017	2016
<b>REVENUE</b>		
Contributions		
Sport Canada	\$ 1,072,500	\$ 1,312,883
Canadian Olympic Committee	70,000	248,310
National team levies		
Men's	160,109	92,127
Women's	120,240	179,224
Domestic program	172,397	114,812
Donations and fundraising	177,357	45,190
Interest	500	4,314
Membership fees	199,741	163,631
Other	<u>2,771</u>	<u>1,165</u>
	<u>1,975,615</u>	<u>2,161,656</u>
<b>EXPENDITURES</b>		
National team		
Men's	636,522	587,926
Women's	682,866	781,191
Administration and facilitation	103,683	164,405
Administration salaries	265,648	295,448
Domestic programs	74,908	126,240
Marketing	25,715	70,182
Meetings and Board	13,847	47,399
Membership expenses	67,239	64,568
Special programs	<u>107,210</u>	<u>90,918</u>
	<u>(1,977,638)</u>	<u>(2,228,277)</u>
<b>EXCESS OF EXPENDITURES OVER REVENUE FOR THE YEAR</b>	<u>\$ (2,023)</u>	<u>\$ (66,621)</u>

The accompanying notes are an integral part of these financial statements.

**FIELD HOCKEY CANADA**  
**STATEMENTS OF CASH FLOWS**  
(Expressed in Canadian Dollars)  
**FOR YEARS ENDED MARCH 31**

	2017	2016
<b>OPERATING ACTIVITIES</b>		
Excess expenditures over revenues for the year	\$ (2,023)	\$ (66,621)
Revenue (distribution) of restricted funds	6,895	(10,417)
Items not affecting cash		
Amortization of property and equipment	19,051	24,559
Unrealized (gain) loss on endowment fund investments	(4,770)	5,473
Net change in non-cash working capital items		
Accounts receivable	(20,871)	(56,362)
Prepaid expenses	(34,033)	7,768
Accounts payable	(73,639)	118,507
Deferred revenue	<u>(73,955)</u>	<u>63,298</u>
Net change from operating activities	<u>(183,345)</u>	<u>86,205</u>
<b>INVESTING ACTIVITIES</b>		
Disposition of investments	(2,125)	4,944
Purchase of property and equipment	<u>(4,297)</u>	<u>(32,405)</u>
Net change from investing activities	<u>(6,422)</u>	<u>(27,461)</u>
<b>CHANGE IN CASH FOR THE YEAR</b>	(189,767)	58,744
<b>Cash and cash equivalents, beginning of year</b>	<u>82,818</u>	<u>24,074</u>
<b>CASH END OF YEAR</b>	<u>\$ (106,949)</u>	<u>\$ 82,818</u>

The accompanying notes are an integral part of these financial statements.

**FIELD HOCKEY CANADA**  
**STATEMENTS OF CHANGES IN NET ASSETS**  
 (Expressed in Canadian Dollars)  
**FOR YEARS ENDED MARCH 31**

	2017	2016
<b>INTERNALLY RESTRICTED FOR INTERNATIONAL HOSTING PURPOSES</b>		
Balance, beginning of year	\$ 142,608	\$ 142,608
Transfer from unrestricted Fund	<u>-</u>	<u>-</u>
Balance, end of year	<u>\$ 142,608</u>	<u>\$ 142,608</u>
<b>UNRESTRICTED</b>		
Balance, beginning of year	\$ (163,205)	\$ (96,584)
Excess of expenditures over revenue	<u>(2,023)</u>	<u>(66,621)</u>
Balance, end of year	<u>\$ (165,228)</u>	<u>\$ (163,205)</u>

The accompanying notes are an integral part of these financial statements.

**1. PURPOSE OF THE ORGANIZATION**

The Organization, in collaboration with its members, provincial organizations, strategic partners, national and international sport communities, provides opportunities for all people to experience the pleasures, challenges and achievements of field hockey.

The Organization is incorporated under the Canada Corporations Act as a not-for-profit organization and is a Registered Canadian Amateur Athletic Association under the Income Tax Act.

**2. SIGNIFICANT ACCOUNTING POLICIES**

These financial statements have been prepared in accordance with the Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

**Estimates and assumptions**

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditure during the reporting period. Actual results may differ from those estimates.

Examples of significant estimates include:

- a) the collectability of receivables from athletes;
- b) the timing and recognition of revenue;
- c) estimated useful life of property and equipment; and
- d) asset impairment tests.

**Women's and Men's COC Endowment Funds**

These funds were created by Canadian Women's Field Hockey Association and Canadian Field Hockey Association from money received from the Canadian Olympic Committee ("COC") prior to formation of the Organization. The funds are controlled by their own trustees and provide contributions to the Organization for women's and men's high performance initiatives.

**Internally restricted fund for international hosting**

This fund was created to provide for the hosting of International Hockey Federation ("FIH") international tournaments.

**Financial instruments**

Investments in equity instruments quoted in an active market are initially recognized at fair value and are subsequently measured at the year-end fair value. Other financial instruments are initially recognized at fair value and are subsequently measured at cost, amortized cost or cost less appropriate allowances for impairment.

**Property and equipment**

Property and equipment are recorded at cost less accumulated amortization. Amortization is provided on the straight line basis at the following annual rates:

Computers	2 years
Equipment	2 years
Leasehold improvements	Remaining term of lease



**FIELD HOCKEY CANADA**  
NOTES TO THE FINANCIAL STATEMENTS  
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MARCH 31, 2017

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**2. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)**

**Revenue recognition**

The Organization follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenditure is incurred. Unrestricted contributions are recognized as revenue when they are received or become receivable. Membership fees are recognized as revenue over the period to which they relate.

The Organization receives donations of goods and services from time to time. If the value of these donations is known, their fair value is recognized in the financial statements. The value of the time and expertise donated by many volunteers has not been reflected in these financial statements.

**Sport Canada Contributions**

Contributions received from Sport Canada are subject to specific terms and conditions regarding the expenditure of the funds. The Organization's records are subject to audit by Sport Canada to identify instances, if any, in which amounts charged against contributions have not complied with the agreed terms and conditions and which, therefore, would be refundable to Sport Canada. In the event that adjustment to prior years' contributions is requested, they would be recorded in the year Sport Canada requests the adjustments.

Sport Canada works to advance sport within the context of the Government of Canada's priorities. Payments are subject to the appropriation of funds by Parliament and to the maintenance of current and forecasted program budget levels. Continued funding by Sport Canada is critical to the organization's ongoing ability to meet its objectives.

**3. FINANCIAL INSTRUMENTS**

Financial instruments of the Organization consist of cash, investments, accounts receivable, bank overdraft and accounts payable.

Unless otherwise noted, it is management's opinion that the Organization is not exposed to significant interest rate, currency, credit, liquidity or market risks arising from its financial instruments and the carrying amount of the financial instruments approximate their fair value.

**4. BANK INDEBTEDNESS**

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	2017	2016
Cash on deposit	\$ -	\$ 82,818
Bank indebtedness	(106,949)	-
	\$ (106,949)	\$ 82,818

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The Organization is utilizing a line of credit of \$120,000 which is secured by a general security agreement over the assets of the Organization.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**5. PROPERTY AND EQUIPMENT**

	2017			2016	
	Cost	Accumulated Amortization	Net	Net	
Computers	\$ 36,940	\$ 34,076	\$ 2,863	\$ 10,622	
Equipment	23,938	18,306	5,632	14,310	
Leasehold improvements	<u>13,075</u>	<u>6,320</u>	<u>6,756</u>	<u>9,370</u>	
<b>Total</b>	<b>\$ 73,953</b>	<b>\$ 58,702</b>	<b>\$ 15,251</b>	<b>\$ 34,302</b>	

Amortization of \$19,051 (2016 - \$24,559) is included in Administration expenditures.

As at March 31, 2017 computer additions of \$0 (2016 - \$4,297) were included in accounts payable and therefore are included in the purchase of property and equipment on the statement of cash flows, in the year in which the payment occurred.

**6. WOMEN'S COC ENDOWMENT FUND**

	2017	2016
<b>ASSETS</b>		
Investment in Money Market funds	\$ 133,019	\$ 132,681
Interfund receivable	<u>10,647</u>	<u>10,647</u>
	<b>\$ 143,666</b>	<b>\$ 143,328</b>
<b>FUND BALANCE</b>		
Balance, beginning of the year	\$ 143,328	\$ 142,993
Investment income	<u>338</u>	<u>335</u>
Balance, end of year	<b>\$ 143,666</b>	<b>\$ 143,328</b>

**7. MEN'S COC ENDOWMENT FUND**

	2017	2016
<b>ASSETS</b>		
Cash	\$ 440	\$ 529
Bankers Acceptance	172,880	170,974
Equities	<u>35,760</u>	<u>31,020</u>
	<b>\$ 209,080</b>	<b>\$ 202,523</b>

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**7. MEN'S COC ENDOWMENT FUND (cont'd...)**

	2017	2016
<b>FUND BALANCE</b>		
Balance, beginning of the year	\$ 202,523	\$ 213,275
Investment income (loss)	4,787	4,721
Unrealized gain (loss) on investments	4,770	(5,473)
Distributions	<u>(3,000)</u>	<u>(10,000)</u>
Excess (deficiency) of revenue over distributions	<u>(6,557)</u>	<u>(10,752)</u>
Balance end of year	<u>\$ 209,080</u>	<u>\$ 202,523</u>

**8. COMMITMENTS**

The organization has an obligation under the terms of an operating lease agreement in place until October 2019 for office premises. The minimum annual payments for the next three years under the remaining lease term are:

2018	\$	39,849
2019		39,849
2020		23,245