



**FIELD HOCKEY
CANADA**

HOCKEY SUR GAZON CANADA

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

FOR THE YEAR ENDED MARCH 31, 2016

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, 2016, 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 in our audit is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Qualified Opinion

In common with many not-for-profit 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 donations and fundraising revenue, excess of revenue over expenditures 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 at March 31, 2016 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 17, 2016

FIELD HOCKEY CANADA
STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)
AS AT MARCH 31

	2016	2015
ASSETS		
Current		
Cash and cash equivalents (Note 4)	\$ 82,818	\$ 24,074
Investments		
Women's COC endowment fund (Note 6)	132,681	132,346
Men's COC endowment fund (Note 7)	202,523	213,275
Accounts receivable	167,421	111,059
Prepaid expenses	<u>98,197</u>	<u>105,965</u>
	683,640	586,719
Property and equipment (Note 5)	<u>34,302</u>	<u>30,736</u>
	<u>\$ 717,942</u>	<u>\$ 617,454</u>
LIABILITIES		
Current		
Accounts payable	\$ 294,083	\$ 179,855
Deferred revenue	<u>98,605</u>	<u>35,307</u>
	<u>392,688</u>	<u>215,162</u>
FUNDS		
COC endowment funds		
Women's (Note 6)	143,328	142,993
Men's (Note 7)	<u>202,523</u>	<u>213,275</u>
	<u>345,851</u>	<u>356,268</u>
	<u>738,539</u>	<u>571,430</u>
NET ASSETS (DEFICIENCY)		
Internally restricted for international hosting purposes	142,608	142,608
Unrestricted	<u>(163,205)</u>	<u>(96,584)</u>
	<u>(20,597)</u>	<u>46,024</u>
	<u>\$ 717,942</u>	<u>\$ 617,454</u>

Commitments (Note 8)

Approved and authorized by the Board:

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

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

	2016	2015
REVENUE		
Contributions		
Sport Canada	\$ 1,312,883	\$ 1,325,900
Canadian Olympic Committee	248,310	43,815
National team levies		
Men's	92,127	180,130
Women's	179,224	75,248
Domestic program	114,812	54,492
Donations and fundraising	45,190	50,466
Interest	4,314	1,263
Membership fees	163,631	185,045
Other	<u>1,165</u>	<u>20,355</u>
	<u>2,161,656</u>	<u>1,936,714</u>
EXPENDITURES		
National team		
Men's	587,926	479,906
Women's	781,191	795,488
Administration and facilitation	164,405	191,889
Administration salaries	295,448	256,785
Domestic programs	126,240	95,239
High performance strategy	-	3,296
Marketing	70,182	6,836
Meetings and Board	47,399	20,465
Membership expenses	64,568	73,981
Special programs	<u>90,918</u>	<u>8,049</u>
	<u>(2,228,277)</u>	<u>(1,931,934)</u>
EXCESS (DEFICIENCY)		
OF REVENUE OVER EXPENDITURES FOR THE YEAR	<u>\$ (66,621)</u>	<u>\$ 4,780</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

	2016	2015
OPERATING ACTIVITIES		
Excess (deficiency) of revenue over expenditures for the year	\$ (66,621)	\$ 4,780
Revenue (distribution) of restricted funds	(10,417)	(3,879)
Item not affecting cash		
Amortization of property and equipment	24,559	13,177
Net change in non-cash working capital items		
Accounts receivable	(56,362)	4,985
Prepaid expenses	7,768	(69,275)
Accounts payable	118,507	(31,472)
Deferred revenue	<u>63,298</u>	<u>16,392</u>
Net change from operating activities	<u>80,732</u>	<u>(65,291)</u>
INVESTING ACTIVITIES		
Disposition of investments	10,417	3,879
Purchase of property and equipment	<u>(32,405)</u>	<u>(25,514)</u>
Net change from investing activities	<u>(21,988)</u>	<u>(21,635)</u>
CHANGE IN CASH FOR THE YEAR	58,744	(86,927)
Cash and cash equivalents, beginning of year	<u>24,074</u>	<u>111,001</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 82,818</u>	<u>\$ 24,074</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

	2016	2015
INTERNALLY RESTRICTED FOR INTERNATIONAL HOSTING PURPOSES		
Balance, beginning of year	\$ 142,608	\$ 142,608
Transfer from unrestricted	-	-
Balance, end of year	\$ 142,608	\$ 142,608

UNRESTRICTED		
Balance, beginning of year	\$ (96,584)	\$ (101,364)
Excess (deficiency) of revenue over expenditures	(66,621)	4,780
Balance, end of year	\$ (163,205)	\$ (96,584)

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
(Expressed in Canadian Dollars)
MARCH 31, 2016

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 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. CASH AND CASH EQUIVALENTS

	2016	2015
Cash on deposit	\$ 82,818	\$ 55,860
Cheques issued and outstanding	-	(31,786)
	\$ 82,818	\$ 24,074

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

FIELD HOCKEY CANADA
NOTES TO THE FINANCIAL STATEMENTS
(Expressed in Canadian Dollars)
MARCH 31, 2016

5. PROPERTY AND EQUIPMENT

	2016			2015	
	Cost	Accumulated Amortization	Net	Net	
Computers	\$ 36,940	\$ 26,318	\$ 10,622	\$	15,458
Equipment	23,938	9,628	14,310		3,292
Leasehold improvements	<u>13,075</u>	<u>3,705</u>	<u>9,370</u>		<u>11,986</u>
Total	\$ 73,953	\$ 39,651	\$ 34,302	\$	30,736

Amortization of \$24,559 (2015 - \$13,177) is included in Administration expenditures.

As at March 31, 2016 computer additions of \$4,297 (2015 - \$8,577) were included in accounts payable and therefore are excluded from the purchase of property and equipment on the statement of cash flows.

6. WOMEN'S COC ENDOWMENT FUND

	2016		2015	
ASSETS				
Investment in Money Market funds	\$	132,681	\$	132,346
Interfund receivable		<u>10,647</u>		<u>10,647</u>
	\$	<u>143,328</u>	\$	<u>142,993</u>
FUND BALANCE				
Balance, beginning of the year	\$	142,993	\$	142,297
Investment income		<u>335</u>		<u>696</u>
Balance, end of year	\$	<u>143,328</u>	\$	<u>142,993</u>

7. MEN'S COC ENDOWMENT FUND

	2016		2015	
ASSETS				
Cash	\$	529	\$	848
Bankers Acceptance		170,974		175,872
Equities		<u>31,020</u>		<u>36,555</u>
	\$	<u>202,523</u>	\$	<u>213,275</u>

FIELD HOCKEY CANADA
NOTES TO THE FINANCIAL STATEMENTS
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MARCH 31, 2016

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

FUND BALANCE

Balance, beginning of the year	\$ 213,275	\$ 217,850
Investment income (loss)	4,721	5,364
Unrealized gain (loss) on investments	(5,473)	61
Distributions	<u>(10,000)</u>	<u>(10,000)</u>
Excess (deficiency) of revenue over distributions	<u>(10,752)</u>	<u>(4,575)</u>
Balance end of year	<u>\$ 202,523</u>	<u>\$ 213,275</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 five years under the remaining lease term are:

2017	\$ 39,849
2018	39,849
2019	39,849
2020	23,245