

**FIELD HOCKEY CANADA**

**HOCKEY SUR GAZON CANADA**

FINANCIAL STATEMENTS

MARCH 31, 2012

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## INDEPENDENT AUDITORS' REPORT

To the Members,  
**Field Hockey Canada:**

We have audited the accompanying financial statements of Field Hockey Canada, which comprise the balance sheet as at March 31, 2012, and the statements of changes in net assets, revenue and expenditure and cash flows 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 generally accepted accounting principles, 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 auditor's 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.

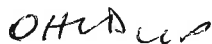
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

### **Basis for qualified opinion**

In common with similar organizations, the Association 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 the Association 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 at March 31, 2012, and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.



### **OUSELEY HANVEY CLIPSHAM DEEP LLP**

Licensed Public Accountants  
Ottawa, Ontario  
June 6, 2012

## FIELD HOCKEY CANADA

### BALANCE SHEET AS AT MARCH 31, 2012

|  | <u>2012</u>       | <u>2011</u>       |
|--|-------------------|-------------------|
| <b>ASSETS</b>  |                   |                   |
| <b>CURRENT</b>   |                   |                   |
| Cash   | \$ 93,034         | \$ 374,252        |
| Investments (note 4)                                     |                   |                   |
| Women's COC endowment fund                               | 120,210           | 109,664           |
| Men's COC endowment fund                                 | 201,303           | 208,596           |
| Accounts receivable                                      | 53,544            | 25,582            |
| Prepaid expenses   | 81,456            | 198,953           |
|  | <u>549,547</u>    | <u>917,047</u>    |
| <b>PROPERTY AND EQUIPMENT (note 5)</b>                   | <u>2,761</u>      | <u>3,346</u>      |
|  | <u>\$ 552,308</u> | <u>\$ 920,393</u> |
| <b>CURRENT LIABILITIES</b>                               |                   |                   |
| Accounts payable   | \$ 165,011        | \$ 310,392        |
| Deferred revenue   | 59,750            | 259,608           |
|  | <u>224,761</u>    | <u>570,000</u>    |
| <b>FUNDS</b>   |                   |                   |
| COC endowment funds                                      |                   |                   |
| Women's (note 6)   | 140,857           | 140,311           |
| Men's (note 7)   | 201,303           | 208,596           |
|  | <u>342,160</u>    | <u>348,907</u>    |
|  | <u>566,921</u>    | <u>918,907</u>    |
| <b>NET ASSETS</b>  |                   |                   |
| Internally restricted for international hosting purposes | 142,608           | 116,328           |
| Unrestricted   | (157,221)         | (114,842)         |
|  | <u>(14,613)</u>   | <u>1,486</u>      |
|  | <u>\$ 552,308</u> | <u>\$ 920,393</u> |

Approved on behalf of the Board:

Director

Director



## FIELD HOCKEY CANADA

### STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED MARCH 31, 2012

|   | <u>2012</u>         | <u>2011</u>         |
|---|---------------------|---------------------|
| <b>INTERNALLY RESTRICTED FOR INTERNATIONAL HOSTING PURPOSES</b>             |                     |                     |
| Balance - beginning of year   | \$ 116,328          | \$ 107,828          |
| Transfer from unrestricted  | <u>26,280</u>       | <u>8,500</u>        |
| Balance - end of year   | <u>\$ 142,608</u>   | <u>\$ 116,328</u>   |
| <b>UNRESTRICTED</b>   |                     |                     |
| Balance - beginning of year   | \$ (114,842)        | \$ (238,018)        |
| Net revenue (expenditure) for the year                                      | (16,099)            | 131,676             |
| Transfer from (to) internally restricted for international hosting purposes | <u>(26,280)</u>     | <u>(8,500)</u>      |
| Balance - end of year   | <u>\$ (157,221)</u> | <u>\$ (114,842)</u> |

## FIELD HOCKEY CANADA

### STATEMENT OF REVENUE AND EXPENDITURE FOR THE YEAR ENDED MARCH 31, 2012

|   | <u>2012</u>        | <u>2011</u>       |
|---|--------------------|-------------------|
| <b>REVENUE</b>                                |                    |                   |
| Contributions                                 |                    |                   |
| Sport Canada                                  | 78% \$ 2,101,000   | \$ 1,158,433      |
| Coaching Association of Canada                | 6,694              | 12,331            |
| Men's COC endowment fund                      | -                  | 8,000             |
| National team levies                          |                    |                   |
| Men's   | 55,376             | 7,434             |
| Women's                                       | 40,695             | 59,650            |
| Domestic program                              | 84,239             | 7,958             |
| Donations and fundraising                     | 22% 78,610         | 112,175           |
| Indoor program                                | -                  | 208,486           |
| Interest                                      | 2,602              | 845               |
| Junior development program                    | 163,041            | 64,518            |
| Membership fees                               | 161,845            | 151,379           |
| Other   | -                  | 337               |
| Sales   | 147                | 544               |
|   | <u>2,694,249</u>   | <u>1,792,090</u>  |
| <b>EXPENDITURE</b>                            |                    |                   |
| National team                                 |                    |                   |
| Men's   | 704,891            | 411,506           |
| Women's                                       | 570,453            | 282,539           |
| Administration                                | 86,329             | 73,830            |
| Communications                                | 8,058              | 2,413             |
| Cost of goods sold                            | -                  | 23,578            |
| Domestic programs                             | 117,267            | 122,276           |
| High performance strategy                     | 345,057            | -                 |
| Indoor program                                | 16,307             | 194,128           |
| International relations                       | 87,699             | 13,504            |
| Junior development                            | 431,956            | 140,808           |
| Marketing                                     | 41,804             | 10,349            |
| Meetings and Board                            | 66,716             | 17,199            |
| Membership expenses                           | 55,999             | 43,222            |
| Salaries                                      | 177,812            | 200,447           |
| Special programs                              | -                  | 124,615           |
|   | <u>2,710,348</u>   | <u>1,660,414</u>  |
| <b>NET REVENUE (EXPENDITURE) FOR THE YEAR</b> | <b>\$ (16,099)</b> | <b>\$ 131,676</b> |

## FIELD HOCKEY CANADA

### STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2012

|   | <u>2012</u>             | <u>2011</u>              |
|---|-------------------------|--------------------------|
| <b>OPERATING ACTIVITIES</b>                     |                         |                          |
| Net revenue (expenditure) for the year          | \$ (16,099)             | \$ 131,676               |
| Revenue (expenses) of funds                     | (2,747)                 | 19,011                   |
| Items not affecting cash                        |                         |                          |
| Amortization of property and equipment          | 1,355                   | 2,347                    |
| Contribution from Men's COC Endowment Fund      | (4,000)                 | (18,000)                 |
| Net change in non-cash working capital items    |                         |                          |
| Accounts receivable                             | (27,962)                | (1,241)                  |
| Inventory                                       | -                       | 22,181                   |
| Prepaid expenses                                | 117,497                 | (189,604)                |
| Accounts payable                                | (145,381)               | 89,536                   |
| Deferred revenue                                | (199,858)               | 205,022                  |
|   | <u>(277,195)</u>        | <u>260,928</u>           |
| <b>INVESTING ACTIVITIES</b>                     |                         |                          |
| Sale (purchase) of investments                  | (3,253)                 | (1,011)                  |
| Purchase of property and equipment              | (770)                   | -                        |
|   | <u>(4,023)</u>          | <u>(1,011)</u>           |
| <b>INCREASE (DECREASE) IN CASH FOR THE YEAR</b> | <b>(281,218)</b>        | <b>259,917</b>           |
| Cash - beginning of year                        | <u>374,252</u>          | <u>114,335</u>           |
| <b>CASH - END OF YEAR</b>                       | <b>\$ <u>93,034</u></b> | <b>\$ <u>374,252</u></b> |

# FIELD HOCKEY CANADA

NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2012

## 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 Canadian generally accepted accounting principles and include the following significant accounting policies:

### a) 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.

### b) Women's and Men's COC Endowment Funds

These funds were created by CWFHA and CFHA from money received from the Canadian Olympic Committee prior to incorporation 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.

### c) Internally restricted fund for international hosting

This fund was created to provide for the hosting of FIH international tournaments.

### d) Financial instruments

Investments are classified as held-for-trading financial instruments and are valued at fair value, with unrealized gains and losses being recorded in the respective COC Endowment Funds. Other financial instruments are measured at the initially recognized amount less appropriate allowances.

### e) Property and equipment

Property and equipment are recorded at cost less accumulated amortization. Amortization is provided on the straight line basis over two years.

### f) 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.

## FIELD HOCKEY CANADA

NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2012

### 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### h) 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 adjustments to prior years' contributions are requested, they would be recorded in the year in which Sport Canada requests the adjustments.

### 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 or credit risks arising from its financial instruments and the carrying amount of the financial instruments approximate their fair value.

### 4. INVESTMENTS

Women's COC endowment fund has all its money invested in a money market fund.

Men's COC endowment fund has \$130,780 invested in a bankers acceptance that earns interest at an annual rate of 0.95% and matures in April 2012, and \$70,523 in equities and income trusts.

### 5. PROPERTY AND EQUIPMENT

|           | <u>2012</u>      |                                     | <u>2011</u>     |                 |
|-----------|------------------|-------------------------------------|-----------------|-----------------|
|           | <u>Cost</u>      | <u>Accumulated<br/>amortization</u> | <u>Net</u>      | <u>Net</u>      |
| Computers | \$ 16,385        | \$ 14,326                           | \$ 2,059        | \$ 2,343        |
| Equipment | <u>7,020</u>     | <u>6,318</u>                        | <u>702</u>      | <u>1,003</u>    |
|           | <u>\$ 23,405</u> | <u>\$ 20,644</u>                    | <u>\$ 2,761</u> | <u>\$ 3,346</u> |

### 6. WOMEN'S COC ENDOWMENT FUND

|                             | <u>2012</u>       | <u>2011</u>       |
|-----------------------------|-------------------|-------------------|
| Balance - beginning of year | \$ 140,311        | \$ 139,913        |
| Gain on investments         | <u>546</u>        | <u>398</u>        |
| Balance - end of year       | <u>\$ 140,857</u> | <u>\$ 140,311</u> |



## FIELD HOCKEY CANADA

NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2012

### 7. MEN'S COC ENDOWMENT FUND

|   | <u>2012</u>       | <u>2011</u>       |
|---|-------------------|-------------------|
| Balance - beginning of year                         | \$ 208,596        | \$ 207,983        |
| Gain (loss) on investments                          | (3,293)           | 18,613            |
| Contribution to Junior National Development Program | -                 | (8,000)           |
| Contribution to other field hockey organizations    | <u>(4,000)</u>    | <u>(10,000)</u>   |
| Balance - end of year                               | <u>\$ 201,303</u> | <u>\$ 208,596</u> |

### 8. COMMITMENT

The organization has leased premises to August 31, 2013 at approximately \$38,000 per annum.

### 9. CAPITAL DISCLOSURE

The organization defines its capital as its net assets, which are not subject to external requirements. Management's objective, when managing capital, is to safeguard the organization's ability to continue as a going concern, so that it can continue to provide services in accordance with its mission.