

**FIELD HOCKEY ONTARIO
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2019**

FIELD HOCKEY ONTARIO
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INDEPENDENT AUDITOR'S REPORT

To the Members of Field Hockey Ontario

Opinion

We have audited the financial statements of Field Hockey Ontario (the "Organization"), which comprise the statement of position as at August 31, 2019, and the statement of operations, statement of changes in net assets and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements of the Organization are prepared, in all material respects, in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of the 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.

In preparing the financial statements, management is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report

that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

OAKVILLE, ONTARIO
November 9, 2019

A handwritten signature in black ink that reads "J. Zante CPA". The signature is written in a cursive, flowing style.

PROFESSIONAL CORPORATION
Licensed Public Accountant

FIELD HOCKEY ONTARIO
STATEMENT OF FINANCIAL POSITION
AUGUST 31, 2019

	2019
ASSETS	
CURRENT	
Cash (<i>Note 4</i>)	240,658
Restricted cash (<i>Note 5</i>)	60,000
Accounts receivables	25,416
Inventory	20,158
	<hr/>
	346,232
CAPITAL ASSETS (<i>Note 6</i>)	<hr/>
	7,402
	<hr/>
	353,634
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LIABILITIES	
CURRENT	
Accounts payable and accrued liabilities	11,451
NET ASSETS	
Invested in capital assets	7,402
Women's fund (<i>Note 7</i>)	60,000
Unrestricted	272,930
	<hr/>
	353,634
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FIELD HOCKEY ONTARIO
STATEMENT OF CHANGES IN NET ASSETS
YEAR ENDED AUGUST 31, 2019

	Invested in capital assets	Women's Fund	Unrestricted	Total
BALANCE, BEGINNING OF THE YEAR	9,253	60,000	267,710	336,963
Excess or deficiency of revenues over expenses	(1,851)	-	7,071	5,220
BALANCE, END OF YEAR	7,402	60,000	274,781	342,183

FIELD HOCKEY ONTARIO
STATEMENT OF OPERATIONS
YEAR ENDED AUGUST 31, 2019

	2019
REVENUE	
High Performance program fees	324,624
Government grants	69,457
Tournament fees	35,461
Membership fees	24,143
Ontario Summer Games fees	2,222
Clinic fees	1,149
Other	4,177
	<hr/>
	461,233
	<hr/>
EXPENSES	
High Performance program	300,762
General and administrative	105,145
Tournaments	46,677
Clinics	2,156
Ontario Summer Games	1,273
Amortization	1,851
	<hr/>
	456,013
	<hr/>
EXCESS OF REVENUES OVER EXPENSES	5,220
	<hr/>

FIELD HOCKEY ONTARIO
STATEMENT OF CASH FLOWS
YEAR ENDED AUGUST 31, 2019

	2019
CASH FLOWS FROM OPERATING ACTIVITIES	
Excess of revenues over expenses	5,220
Items not affecting cash:	
Amortization of capital assets	1,851
	<u>7,071</u>
Changes in non-cash working capital:	
Accounts receivable	23,971
Inventories	9,125
Accounts payable and accrued liabilities	(85,318)
	<u>(52,222)</u>
NET DECREASE IN CASH	(45,151)
Cash, beginning of year	345,809
	<u>300,658</u>
CASH CONSISTS OF:	
Cash	240,658
Restricted cash	60,000
	<u>300,658</u>

FIELD HOCKEY ONTARIO
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2019

1. PURPOSE OF THE ORGANIZATION

Field Hockey Ontario (the "Organization") is incorporated, without share capital, under the laws of Ontario and is a non-profit provincial sports organization that provides support services to members. The Organization provides sports clinics, tournaments, newsletters and resource materials, for men, women and junior field hockey activities.

As the Organization is a non-profit entity, it is exempt from income tax.

2. BASIS OF PRESENTATION

The financial statements have been prepared using Canadian accounting standards for not-for-profit organizations.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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 expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Amounts which have not been earned are recorded as deferred revenue.

League and tournament fees, membership fees, clinic fees and program fees are recognized in the period in which the services are provided, as evidenced by a fixed or determinable price and reasonably assured collectibility.

Government grants are recognized over the periods the grant funding is provided for.

Ontario Summer Games fees are recognized in the year the Ontario Summer Games takes place.

Inventory

Inventory consists of uniforms and other clothing to be provided to members and participants. Inventory is valued at the lower of cost and replacement cost.

FIELD HOCKEY ONTARIO
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2019

Capital assets

Purchased tangible capital assets are stated at cost less accumulated amortization. Contributed tangible capital assets are recorded at fair value at the date of contribution and are amortized, unless fair value is not determinable in which case contributed tangible capital assets are recorded at nominal value at the date of contribution. Amortization based on the estimated useful life of the asset is calculated as follows:

	Method	Rate
Equipment	Declining balance	20%

In the year of acquisition, the claim for amortization is reduced by one-half.

Financial instruments

The Organization's financial Instruments consist of cash, accounts receivable, and accounts payable and accrued liabilities. It is management's opinion that the Organization is not exposed to significant interest or currency risks arising from these financial instruments.

Financial instruments are recorded as fair value when acquired or issued. In subsequent periods, equities traded in an active market are reported at fair value, with any change in fair value reported in income. All other financial instruments are reported at cost or amortized cost less impairment. Transaction costs on the acquisition, sale or issue of financial instruments are expensed for those items measured at fair value and charged to the financial instrument for those measured at amortized cost.

Financial assets are tested for impairment when indicators of impairment exist. When a significant change in the expected timing or amount of the future cash flows of the financial asset is identified, the carrying amount of the financial asset is reduced and the amount of the write-down is recognized in net income. A previously recognized impairment loss may be reversed to the extent of the improvement, provided it is not greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously, and the amount of the reversal is recognized in net income.

Contributed services

Volunteers contribute many hours per year to assist the Organization in carrying out its activities. Due to the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

4. CASH

The Organization's bank accounts are held at two chartered bank. Interest is earned on various accounts at rates between 0.70% and 0.80%.

FIELD HOCKEY ONTARIO
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2019

5. RESTRICTED CASH

The restricted cash is an investment in a guaranteed investment certificate at 2.15% per annum maturing June 26, 2020. Interest income of \$nil has been recognized in the statement of operations. The Organization's restricted cash is the Women's Fund restricted assets.

6. CAPITAL ASSETS

	Cost	Accumulated Amortization	Net Book Value
Equipment	18,321	9,068	9,253
	18,321	9,068	9,253

7. WOMEN'S FUND

The Women's Fund will be administered by a sub committee of Field Hockey Ontario. The fund will be used to provide financial assistance to women for travel, tournament, equipment or other related costs.

8. FINANCIAL INSTRUMENTS

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Organization's financial instruments that are exposed to concentrations of credit risk relate primarily to its accounts receivable.

There have not been any changes in the risk from the prior year.

Liquidity risk

Liquidity risk is the risk that the Organization will encounter difficulty in meeting its obligations associated with financial liabilities. The Organization is exposed to this risk mainly in respect of its accounts payable.

The Organization's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient cash flows to fund its operations and to meet its liabilities when due, under both normal and stressed conditions.

There have not been any changes in the risk from the prior year.