

**FIELD HOCKEY ONTARIO
FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2021**

**FIELD HOCKEY ONTARIO
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YEAR ENDED AUGUST 31, 2021**

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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 financial position as at August 31, 2021, and the statements of revenues and expenditures, changes in net assets and 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 present fairly, in all material respects, the financial position of the Organization as at August 31, 2021, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

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 ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical 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 and fair presentation of the financial statements in accordance with ASNPO, 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.

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Independent Auditor's Report to the Members of Field Hockey Ontario *(continued)*

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 Organization'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 Organization'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 Organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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
October 21, 2021

A handwritten signature in cursive script that reads "Ignite CPA". The signature is written in black ink and is positioned to the right of the date and location information.

PROFESSIONAL CORPORATION
Chartered Professional Accountants
Authorized to practise public accounting by
the Chartered Professional Accountants of Ontario

FIELD HOCKEY ONTARIO
STATEMENT OF FINANCIAL POSITION
AUGUST 31, 2021

	2021	2020 <i>Restated</i>
ASSETS		
CURRENT		
Cash	\$ 62,059	\$ 137,657
Restricted cash	61,000	61,294
Accounts receivable	12,345	9,501
Inventory	21,786	21,786
	157,190	230,238
CAPITAL ASSETS <i>(Note 6)</i>	34,737	5,922
	\$ 191,927	\$ 236,160
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 44,904	\$ 10,199
LONG TERM DEBT <i>(Note 7)</i>	40,000	40,000
	84,904	50,199
NET ASSETS		
Invested in capital assets	34,737	5,922
Women's fund	60,000	60,000
Unrestricted	12,286	120,039
	107,023	185,961
	\$ 191,927	\$ 236,160

ON BEHALF OF THE BOARD

_____ *Director*

_____ *Director*

See notes to financial statements

FIELD HOCKEY ONTARIO
STATEMENT OF REVENUES AND EXPENDITURES
YEAR ENDED AUGUST 31, 2021

	2021	2020 <i>Restated</i>
REVENUES		
Government grants	\$ 127,033	\$ 125,396
High Performance program fees	72,441	56,173
Ontario Summer Games fees	-	22,424
Membership fees	14,064	12,350
Clinic fees	-	5,957
Tournament fees	-	4,500
Other	4,222	3,863
	<u>217,760</u>	<u>230,663</u>
EXPENSES		
General and administrative	168,991	181,512
High Performance program	136,359	141,605
Interest and bank charges	-	1
Ontario Winter Games	-	25,335
Tournaments	-	14,148
Ontario Summer Games	164	-
Amortization	11,184	1,481
	<u>316,698</u>	<u>364,082</u>
DEFICIENCY OF REVENUES OVER EXPENSES FROM OPERATIONS	(98,938)	(133,419)
OTHER INCOME	20,000	-
DEFICIENCY OF REVENUES OVER EXPENSES	\$ (78,938)	\$ (133,419)

See notes to financial statements

FIELD HOCKEY ONTARIO
STATEMENT OF CHANGES IN NET ASSETS
YEAR ENDED AUGUST 31, 2021

	Invested in capital assets	Women's Fund	Unrestricted	2021	2020
NET ASSETS -					
BEGINNING OF					
YEAR					
As previously reported	\$ 5,922	\$ 60,000	\$ 120,039	\$ 185,961	\$ 342,183
Prior period restatement	-	-	-	-	(22,804)
As restated	5,922	60,000	120,039	185,961	319,379
DEFICIENCY OF					
REVENUES OVER					
EXPENSES	28,815	-	(107,753)	(78,938)	(133,418)
NET ASSETS - END OF					
YEAR					
	\$ 34,737	\$ 60,000	\$ 12,286	\$ 107,023	\$ 185,961

See notes to financial statements

FIELD HOCKEY ONTARIO
STATEMENT OF CASH FLOWS
YEAR ENDED AUGUST 31, 2021

	2021	2020 <i>Restated</i>
OPERATING ACTIVITIES		
Deficiency of revenues over expenses	\$ (78,938)	\$ (133,419)
Item not affecting cash:		
Amortization of capital assets	11,184	1,481
	<u>(67,754)</u>	<u>(131,938)</u>
Changes in non-cash working capital:		
Accounts receivable	(2,844)	15,915
Inventory	-	(1,628)
Accounts payable and accrued liabilities	34,706	(24,056)
	<u>31,862</u>	<u>(9,769)</u>
Cash flow used by operating activities	<u>(35,892)</u>	<u>(141,707)</u>
INVESTING ACTIVITY		
Purchase of capital assets	<u>(40,000)</u>	-
FINANCING ACTIVITY		
Proceeds from long term financing	-	40,000
DECREASE IN CASH FLOW	(75,892)	(101,707)
Cash - beginning of year	<u>198,951</u>	<u>300,658</u>
CASH - END OF YEAR	\$ 123,059	\$ 198,951
CASH CONSISTS OF:		
Cash	\$ 62,059	\$ 137,657
Restricted cash	<u>61,000</u>	<u>61,294</u>
	\$ 123,059	\$ 198,951

See notes to financial statements

FIELD HOCKEY ONTARIO
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2021

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.

2. BASIS OF PRESENTATION

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO).

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 and Ontario Winter Games fees recognized in the year the Ontario Summer Games and Ontario Winter Games takes place, respectively.

Inventory

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

Capital assets

Purchased tangible capital assets are stated at cost less accumulated amortization. Contributed tangible 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:

Equipment	20% declining balance method
Uniforms	4 years straight-line method

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

Callable debt

The Organization's demand loans are classified as current liabilities because the lender has the right to demand repayment within one year.

FIELD HOCKEY ONTARIO
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2021

4. CASH

The Organization's bank accounts are held at two chartered banks. Interest is earned on various accounts at rates between 0.20% and 0.245% (2020: 0.25% and 0.30%).

5. RESTRICTED CASH

The restricted cash is an investment in a guaranteed investment certificate at 0.60% (2020: 1.20%) per annum maturing July 15, 2022. Interest income of \$nil (2020: \$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	2021 Net book value	2020 Net book value
Equipment	\$ 18,321	\$ 13,584	\$ 4,737	\$ 5,922
Uniforms	40,000	10,000	30,000	-
	\$ 58,321	\$ 23,584	\$ 34,737	\$ 5,922

7. LONG TERM DEBT

Canada Emergency Business Account bearing interest at 0.00% per annum, with no set repayment terms during the initial term expiring December 31, 2022. Effective January 1, 2023 the loan will bear interest at 5.00% per annum with monthly interest only payments commencing January 31, 2023. If a minimum of 75% of the principal balance is repaid prior to December 31, 2022, remaining principal will be forgiven by the financial institution, otherwise the balance is due in full on, or before, the expiration of the extended term date on December 31, 2025.

Amounts payable within one year

	2021	2020
	\$ 40,000	\$ 40,000
	-	-
	\$ 40,000	\$ 40,000

Principal repayment terms are approximately:

2026	\$ 40,000
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8. WOMEN'S FUND

The Women's Fund will be administrated 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.

FIELD HOCKEY ONTARIO
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2021

9. FINANCIAL INSTRUMENTS

The Organization is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Organization's risk exposure and concentration as of August 31, 2021.

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.