
FIELD HOCKEY ONTARIO
FINANCIAL STATEMENTS
AUGUST 31, 2023

INDEX

- Pages 1-2. Independent Auditor's Report**
- 3. Statement of Financial Position**
 - 4. Statement of Changes in Net Assets**
 - 5. Statement of Operations**
 - 6. Statement of Cash Flows**
- 7-11. Notes to Financial Statements**

INDEPENDENT AUDITOR'S REPORT

To the Members
Field Hockey Ontario
BURLINGTON
Ontario

Opinion

We have audited the accompanying financial statements of Field Hockey Ontario which comprise the statement of financial position as at August 31, 2023 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 present fairly, in all material respects, the financial position of the entity as at August 31, 2023 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.

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 entity 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 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.

In preparing the financial statements, management is responsible for assessing the entity'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 entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the entity'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.

- 1 -

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 entity'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 entity'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 entity 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.



NORTON McMULLEN LLP

Chartered Professional Accountants, Licensed Public Accountants

MARKHAM, Canada

February 7, 2025

FIELD HOCKEY ONTARIO

STATEMENT OF FINANCIAL POSITION

| As at August 31, | 2023 | 2022 |
|--------------------------------|-------------------|----------------------|
| | | Restated (Note 9) |
| ASSETS | | |
| Current | | |
| Cash | \$ 112,039 | \$ 32,211 |
| Restricted investment (Note 2) | - | 60,600 |
| HST refundable | 2,177 | 1,052 |
| Source deductions refundable | 2,978 | - |
| Prepaid expenses | <u>8,001</u> | <u>8,794</u> |
| | \$ 125,195 | \$ 102,657 |
| Capital Assets (Note 3) | <u>20,753</u> | <u>33,442</u> |
| | <u>\$ 145,948</u> | <u>\$ 136,099</u> |

LIABILITIES

| | | |
|--|-------------------|-------------------|
| Current | | |
| Accounts payable and accrued liabilities | \$ 99,960 | \$ 121,100 |
| Deferred contributions (Note 4) | - | 27,192 |
| Source deductions payable | - | 7,022 |
| CEBA loan (Note 5) | <u>40,000</u> | <u>-</u> |
| | \$ 139,960 | \$ 155,314 |
| CEBA Loan (Note 5) | <u>-</u> | <u>40,000</u> |
| | <u>\$ 139,960</u> | <u>\$ 195,314</u> |

NET ASSETS

| | | |
|---|-------------------|-------------------|
| Invested in capital assets - unrestricted | \$ 20,753 | \$ 33,442 |
| Women's fund - internally restricted | - | 60,000 |
| Unrestricted | <u>(14,765)</u> | <u>(152,657)</u> |
| | \$ 5,988 | \$ (59,215) |
| | <u>\$ 145,948</u> | <u>\$ 136,099</u> |

Approved by the Board:

_____ Director

_____ Director

See accompanying notes

- 3 -

FIELD HOCKEY ONTARIO

STATEMENT OF CHANGES IN NET ASSETS

For the year ended August 31,

2023

2022

| | Invested in Capital Assets | Women's Fund | Unrestricted | Total | Total Restated (Note 9) |
|--|----------------------------------|-----------------|--------------------|-----------------|-------------------------------|
| BALANCE - Beginning | \$ 33,442 | \$ 60,000 | \$ (152,657) | \$ (59,215) | \$ 80,500 |
| Excess (deficiency) of revenues over expenses | (12,689) | - | 77,892 | 65,203 | (139,715) |
| Transfers (Note 6) | - | (60,000) | 60,000 | - | - |
| BALANCE - Ending | <u>\$ 20,753</u> | <u>\$ -</u> | <u>\$ (14,765)</u> | <u>\$ 5,988</u> | <u>\$ (59,215)</u> |

See accompanying notes

- 4 -

FIELD HOCKEY ONTARIO

STATEMENT OF OPERATIONS

| For the year ended August 31, | 2023 | 2022 |
|--|-------------------|----------------------|
| | | Restated (Note 9) |
| REVENUES | | |
| Government grants | \$ 122,862 | \$ 194,520 |
| Quest for Gold | 109,187 | 109,187 |
| High performance program | 94,592 | 133,889 |
| Membership fees | 34,598 | 31,722 |
| Community funding | 18,137 | 152,225 |
| Other | 1,503 | 11,278 |
| Program fees | 1,378 | 56,129 |
| Government assistance (Note 7) | - | 7,048 |
| | <u>\$ 382,257</u> | <u>\$ 695,998</u> |
| EXPENSES | | |
| General and administrative | \$ 116,009 | \$ 253,435 |
| Quest for Gold expenses | 109,187 | 129,018 |
| High performance program | 45,259 | 180,714 |
| Community funding expenses | 18,137 | 152,225 |
| Program expenses | 17,266 | 110,321 |
| Amortization | 11,196 | 10,000 |
| | <u>\$ 317,054</u> | <u>\$ 835,713</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES | <u>\$ 65,203</u> | <u>\$ (139,715)</u> |

See accompanying notes

- 5 -

FIELD HOCKEY ONTARIO

STATEMENT OF CASH FLOWS

| For the year ended August 31, | 2023 | 2022 |
|--|-------------------|----------------------|
| | | Restated (Note 9) |
| CASH AND CASH EQUIVALENTS WERE PROVIDED BY (USED IN): | | |
| OPERATING ACTIVITIES | | |
| Excess (deficiency) of revenues over expenses | \$ 65,203 | \$ (158,339) |
| Items not affecting cash: | | |
| Amortization | <u>12,689</u> | <u>11,494</u> |
| | \$ 77,892 | \$ (146,845) |
| Net change in non-cash working capital balances: | | |
| Accounts receivable | - | 12,345 |
| HST refundable | (1,125) | 6,116 |
| Prepaid expenses | 793 | (8,794) |
| Accounts payable and accrued liabilities | (21,140) | 73,434 |
| Deferred contributions | (27,192) | 45,816 |
| Source deductions payable/refundable | <u>(10,000)</u> | <u>2,616</u> |
| | \$ 19,228 | \$ (15,312) |
| INVESTING ACTIVITIES | | |
| Purchase of capital assets | <u>-</u> | <u>(14,936)</u> |
| INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | \$ 19,228 | \$ (30,248) |
| CASH AND CASH EQUIVALENTS - Beginning | <u>92,811</u> | <u>123,059</u> |
| CASH AND CASH EQUIVALENTS - Ending | <u>\$ 112,039</u> | <u>\$ 92,811</u> |
| SUPPLEMENTARY CASH FLOW INFORMATION | | |
| Cash and cash equivalents are allocated as follows: | | |
| Cash - unrestricted | \$ 112,039 | \$ 32,211 |
| Internally restricted investment | <u>-</u> | <u>60,600</u> |
| | <u>\$ 112,039</u> | <u>\$ 92,811</u> |

FIELD HOCKEY ONTARIO

NOTES TO FINANCIAL STATEMENTS

AUGUST 31, 2023

NATURE OF OPERATIONS

Field Hockey Ontario (the "Organization") is a not-for-profit, largely volunteer-run organization. It is the provincial sport organization (PSO) that leads, grows and promotes field hockey and indoor hockey in Ontario by engaging Clubs, developing qualified coaches and officials, and supporting athletes at all development stages.

1. SIGNIFICANT ACCOUNTING POLICIES

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

a) **Use of Estimates**

The preparation of financial statements requires management to make estimates and assumptions based on currently available information. Such estimates and assumptions affect the reported amounts of assets and liabilities as at the date of the financial statements and the reported amounts of revenues and expenses during the year. Actual results could differ from the estimates used. Significant estimates include the estimated useful life of capital assets.

b) **Cash and Cash Equivalents**

Cash and cash equivalents consists of balances held in the Organization's bank accounts and guaranteed investment certificates.

c) **Capital Assets**

Capital assets are recorded at cost. Amortization is being provided over the estimated useful life of the assets on a straight-line basis or declining balance basis using the following annual rates:

| | <u>Rate</u> |
|-----------|-----------------------|
| Equipment | 20% declining balance |
| Uniforms | 4 years straight-line |

d) **Impairment of Capital Assets**

When a tangible capital asset no longer contributes to an organization's ability to provide goods and services, or the value of future economic benefits or service potential associated with the tangible capital asset is less than its carrying amount, the net carrying amount of the tangible capital asset is written down to the asset's fair value or replacement cost.

FIELD HOCKEY ONTARIO
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2023

1. **SIGNIFICANT ACCOUNTING POLICIES** - Continued

e) **Net Assets**

Net assets are allocated as follows:

Unrestricted net assets represent the resources available for general operations. Net assets invested in capital assets represents net accumulated capital assets used in general operations. Net assets allocated to the Women's Fund are internally restricted for the purpose of supporting female field hockey coaches, players, and officials. The balance of the Women's Fund was closed into unrestricted net assets during the year.

f) **Revenue Recognition**

The Organization follows the deferral method of accounting for contributions which includes various government, agency, corporate funding, and member contributions. Unspent 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. Funding received and restricted for specific projects, programs and events is recognized when the project, program or event takes place or when the corresponding expenditures are incurred. Government assistance is recognized when received or receivable and collection is reasonably assured and when any condition as to its use have been met. All other fees are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

g) **Financial Instruments**

Measurement of Financial Instruments

The Organization initially measures its financial assets and liabilities originated or exchanged in arms length transactions at fair value and subsequently measures all its financial assets and liabilities at amortized cost.

Financial assets subsequently measured at amortized cost include cash and accounts receivable. Financial liabilities subsequently measured at amortized cost include accounts payable and accrued liabilities and the CEBA loan. The Organization has no financial assets measured at fair value and has not elected to carry any financial asset or liability at fair value.

Impairment

Financial assets measured at amortized cost are tested for impairment when events or circumstances indicate possible impairment. Write-downs, if any, are recognized in the excess (deficiency) of revenues over expenses and may be subsequently reversed to the extent that the net effect after reversal is the same as if there had been no write-down. There are no impairment indicators in the current year.

FIELD HOCKEY ONTARIO
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2023

2. RESTRICTED INVESTMENT

In the prior year, the internally restricted investment consisted of a guaranteed investment certificate which bore interest at 4.5% for one year, and matured July 21, 2023. It was held in support of the Women's Fund allocation of net assets.

3. CAPITAL ASSETS

Capital assets consist of the following:

| | 2023 | | | 2022 |
|-----------|------------------|--------------------------|------------------|------------------|
| | Cost | Accumulated Amortization | Net Book Value | Net Book Value |
| Equipment | \$ 14,935 | \$ 4,182 | \$ 10,753 | \$ 13,442 |
| Uniforms | <u>40,000</u> | <u>30,000</u> | <u>10,000</u> | <u>20,000</u> |
| | <u>\$ 54,935</u> | <u>\$ 34,182</u> | <u>\$ 20,753</u> | <u>\$ 33,442</u> |

4. DEFERRED CONTRIBUTIONS

The change in deferred contributions is as follows:

| | 2023 | 2022 |
|--|-------------|------------------|
| BALANCE - Beginning | \$ 27,192 | \$ - |
| Less: Amounts recognized in the year | | |
| Community funding | (18,137) | - |
| Membership fees | (6,555) | - |
| Other grants | (2,500) | - |
| Add: Amounts received to be recognized in the following year | | |
| Community funding | - | 18,137 |
| Membership fees | - | 6,555 |
| Other grants | - | 2,500 |
| BALANCE - Ending | <u>\$ -</u> | <u>\$ 27,192</u> |

5. CANADA EMERGENCY BUSINESS ACCOUNT

The Organization received \$60,000 under the Canada Emergency Business Account (CEBA) loan program as part of the federal government's COVID-19 relief plan. The loan is non-interest bearing and due January 18, 2024. If \$40,000 is repaid by the due date, the remaining \$20,000 will be forgiven. The forgivable portion was recognized as revenue in 2021.

FIELD HOCKEY ONTARIO
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2023

6. TRANSFERS

The Organization transferred \$Nil (2022 - \$14,936) from unrestricted net assets to net assets invested in capital assets representing the total amount of capital assets purchased during the year. The Organization transferred \$60,000 (2022 - \$Nil) from the Women's Fund to unrestricted net assets.

7. GOVERNMENT ASSISTANCE

Government assistance includes \$Nil (2022 - \$7,048) in subsidies related to the federal government's COVID-19 relief programs.

8. FINANCIAL INSTRUMENTS

Risks and Concentrations

The Organization is exposed to various risks through its financial instruments. The following analysis provides a summary of the Organization's exposure to and concentrations of risk at August 31, 2023:

a) **Credit Risk**

Credit risk is the risk that one party to a financial instrument will cause financial loss for the other party by failing to discharge an obligation. The Organization is not currently exposed to significant credit risk.

b) **Liquidity Risk**

Liquidity risk is the risk that the Organization will encounter difficulty in meeting obligations associated with financial liabilities. The Organization is exposed to this risk mainly with respect to its accounts payable and accrued liabilities and CEBA loan. The Organization manages this risk by managing its working capital and by generating sufficient cash flow from operations. There has been no change in the assessment of liquidity risk from the previous year.

c) **Market Risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk, and price risk. The Organization is not exposed to significant market risk.

FIELD HOCKEY ONTARIO
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2023

9. PRIOR PERIOD ADJUSTMENT

During the year, the Organization discovered that deferred revenue had been overstated in the prior year. In order to correct this error, 2022's balances required adjustments to decrease deferred revenue by \$18,624, and increase revenue by \$18,624, thereby increasing net assets by \$18,624.

Impact on Net Assets as at September 1, 2022

| | |
|---|--------------------|
| BALANCE - as originally stated | \$ (77,839) |
| Increase in net assets - due to increase in revenue | <u>18,624</u> |
| BALANCE - restated | <u>\$ (59,215)</u> |

10. COMPARATIVE FIGURES

Certain of the comparative figures have been restated in order to conform with the presentation adopted in the current year.