

July 8, 2013

Field Hockey Canada
240 - 1101 Prince of Wales Drive
Ottawa, Ontario
K2C 3W7

Attention: Karen O'Neill

Dear Karen:

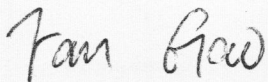
We enclose herewith the following:

- one original copy of the March 31, 2013 financial statements which can be used to duplicate as many copies as are required.

Should you require any additional information or explanation please do not hesitate to contact the undersigned at your convenience.

Yours truly,

OUSELEY HANVEY CLIPSHAM DEEP LLP



Per: Roger S. Ouseley



May 10, 2013

Audit Findings Letter

The Board of Directors
Field Hockey Canada
240 - 1101 Prince of Wales Drive
Ottawa, Ontario
K2C 3W7

Dear Board Members:

We have been engaged to audit the financial statements of your organization as of March 31, 2013 and for the period then ended. Canadian generally accepted standards for audit engagements require that we communicate any significant findings to you in relation to our audit.

Evaluation of Internal Controls

Audits include a review of internal control relevant to the entity's preparation 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.

Nevertheless, during the course of our audit, we encountered the following specific internal control matters that we wish to bring to your attention:

In last year's Audit Findings Letter we brought to your attention various internal control matters that required attention. During the year progress was made towards resolving these matters, however, we wish to disclose these matters once again to encourage further work to provide a complete resolution:

The Men and Women's Endowment Fund investment accounts can be accessed with authorization from the respective team's coaches and managers without management's knowledge. We suggest management be made aware of any activities in these accounts prior to them taking place.

Membership database does not reconcile to membership revenue. We understand that a national database is currently being developed in order to record accurate membership statistics to allow for better internal management decisions.

We understand that regular collection procedures have been established to ensure that assessed levies to all programs are collected on a timely manner. We suggest that management reviews these procedures and accounts receivable listing on a timely basis.

In addition, as with any small office, the opportunity for proper internal control is limited, however, we suggest that the Board and management periodically review all controls they have in place to safeguard the organization's assets and financial reporting process.

Significant Accounting Policies

Management is responsible for the appropriate selection and application of accounting policies. Our role is to review their appropriateness and application as part of our audit. The accounting policies used by your organization are described in the notes to the financial statements.

There were no new accounting policies adopted or changes to the application of accounting policies of the organization during the year *except that the organization adopted the requirements of the Canadian Institute of Chartered Accountants Handbook – Accounting, electing to adopt the new accounting framework: Canadian Accounting standards for not-for-profit organizations. The effect of this adoption is described in the notes to the financial statements.*

Significant Unusual Transactions

There were no unusual transactions identified during the audit.

Accounting Estimates

Management is responsible for the accounting estimates included in financial statements. Estimates and the related judgments and assumptions are based on management's knowledge of the business and past experience about current and future events.

Our responsibility as auditors is to obtain sufficient appropriate evidence to provide reasonable assurance that management's accounting estimates are reasonable within the context of the financial statements as a whole. An audit includes performing appropriate procedures to verify the:

- Calculation of accounting estimates;
- Analyzing of key factors such as underlying management assumptions; and
- Materiality of estimates individually and in the aggregate in relation to the financial statements as a whole.

Disagreements with Management

We are required to communicate any disagreements with management, whether or not resolved, about matters that are individually or in aggregate significant to your organization's financial statements or auditor's report. Disagreements may arise over:

- Selection or application of accounting principles;
- Assumptions and related judgments for accounting estimates;

Disagreements with Management

We are required to communicate any disagreements with management, whether or not resolved, about matters that are individually or in aggregate significant to your organization's financial statements or auditor's report. Disagreements may arise over:

- Selection or application of accounting principles;
- Assumptions and related judgments for accounting estimates;
- Financial statement disclosures;
- Scope of the audit; or
- Wording of the auditor's report.

We are pleased to inform you that we had no disagreements with management during the course of our audit.

Issues Discussed

The auditor generally discusses, among other matters, the application of accounting principles and auditing standards, and fees, etc. with management during the initial or recurring appointment of the auditor during the normal course of business. There were no major issues discussed during our audit with regards to our retention that were not in the normal course of business.

Difficulties Encountered During the Audit

We encountered no significant difficulties during our audit that should be brought to the attention of the Board.

We shall be pleased to discuss further with you and at your convenience any matters mentioned above.

This communication is prepared solely for the information of the Board and is not intended for any other purpose. We accept no responsibility to a third party who uses this communication.

Yours truly,

OUSELEY HANVEY CLIPSHAM DEEP LLP

Fan Gao

Per: Roger S. Ouseley

FIELD HOCKEY CANADA

HOCKEY SUR GAZON CANADA

FINANCIAL STATEMENTS

MARCH 31, 2013

INDEPENDENT AUDITORS' REPORT

To the Members,
Field Hockey Canada:

We have audited the accompanying financial statements of Field Hockey Canada, which comprise the balance sheets as at March 31, 2013 and March 31, 2012, and the statements of changes in net assets, revenue and expenditure and cash flows for the years 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 audits. We conducted our audits 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, 2013 and March 31, 2012, and the results of its operations and its cash flows for the years then ended in accordance with Canadian accounting standards for not-for-profit organizations.

OHCD LLP

OUSELEY HANVEY CLIPSHAM DEEP LLP

Licensed Public Accountants
Ottawa, Ontario
June 19, 2013

FIELD HOCKEY CANADA

BALANCE SHEET AS AT MARCH 31, 2013

	<u>2013</u>	<u>2012</u>
ASSETS		
CURRENT		
Cash	\$ 28,273	\$ 93,034
Investments (note 4)		
Women's COC endowment fund	130,910	120,210
Men's COC endowment fund	211,461	201,303
Accounts receivable	209,323	53,544
Prepaid expenses	68,542	81,456
	<u>648,509</u>	<u>549,547</u>
PROPERTY AND EQUIPMENT (note 5)	<u>2,728</u>	<u>2,761</u>
	<u>\$ 651,237</u>	<u>\$ 552,308</u>
CURRENT LIABILITIES		
Accounts payable	\$ 228,554	\$ 165,011
Deferred revenue	62,714	59,750
	<u>291,268</u>	<u>224,761</u>
FUNDS		
COC endowment funds		
Women's (note 6)	141,557	140,857
Men's (note 7)	211,461	201,303
	<u>353,018</u>	<u>342,160</u>
	<u>644,286</u>	<u>566,921</u>
NET ASSETS		
Internally restricted for international hosting purposes	142,608	142,608
Unrestricted	(135,657)	(157,221)
	<u>6,951</u>	<u>(14,613)</u>
	<u>\$ 651,237</u>	<u>\$ 552,308</u>

Approved on behalf of the Board:

Director

Director

FIELD HOCKEY CANADA

STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED MARCH 31, 2013

	<u>2013</u>	<u>2012</u>
INTERNALLY RESTRICTED FOR INTERNATIONAL HOSTING PURPOSES		
Balance - beginning of year	\$ 142,608	\$ 116,328
Transfer from unrestricted	<u>-</u>	<u>26,280</u>
Balance - end of year	<u>\$ 142,608</u>	<u>\$ 142,608</u>
 UNRESTRICTED		
Balance - beginning of year	\$ (157,221)	\$ (114,842)
Net revenue (expenditure) for the year	21,564	(16,099)
Transfer from (to) internally restricted for international hosting purposes	<u>-</u>	<u>(26,280)</u>
Balance - end of year	<u>\$ (135,657)</u>	<u>\$ (157,221)</u>

FIELD HOCKEY CANADA

STATEMENT OF REVENUE AND EXPENDITURE FOR THE YEAR ENDED MARCH 31, 2013

	<u>2013</u>	<u>2012</u>
REVENUE		
Contributions		
Sport Canada	\$ 2,037,940	\$ 2,101,000
Coaching Association of Canada	-	6,694
National team levies		
Men's	43,216	55,376
Women's	25,477	40,695
CAIP fees	7,928	-
Domestic program	15,644	84,239
Donations and fundraising	16,708	78,610
Interest	1,088	2,602
Junior development program	182,638	163,041
Membership fees	170,228	161,845
Other	63,251	-
Sales	-	147
	<u>2,564,118</u>	<u>2,694,249</u>
EXPENDITURE		
National team		
Men's	498,720	704,891
Women's	332,984	570,453
Administration	174,188	86,329
Administration salaries	139,689	177,812
Communications	-	8,058
Domestic programs	117,909	117,267
High performance strategy	412,202	345,057
Indoor program	-	16,307
International relations	-	87,699
Junior development	639,193	431,956
Marketing	97,242	41,804
Meetings and Board	39,185	66,716
Membership expenses	88,703	55,999
Special programs	2,539	-
	<u>2,542,554</u>	<u>2,710,348</u>
NET REVENUE (EXPENDITURE) FOR THE YEAR	<u>\$ 21,564</u>	<u>\$ (16,099)</u>

FIELD HOCKEY CANADA

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2013

	<u>2013</u>	<u>2012</u>
OPERATING ACTIVITIES		
Net revenue (expenditure) for the year	\$ 21,564	\$ (16,099)
Revenue (expenses) of funds	10,858	(6,747)
Items not affecting cash		
Amortization of property and equipment	1,832	1,355
Net change in non-cash working capital items		
Accounts receivable	(155,779)	(27,962)
Prepaid expenses	12,914	117,497
Accounts payable	63,543	(145,381)
Deferred revenue	2,964	(199,858)
	<u>(42,104)</u>	<u>(277,195)</u>
INVESTING ACTIVITIES		
Sale (purchase) of investments	(20,858)	(3,253)
Purchase of property and equipment	<u>(1,799)</u>	<u>(770)</u>
	<u>(22,657)</u>	<u>(4,023)</u>
INCREASE (DECREASE) IN CASH FOR THE YEAR	(64,761)	(281,218)
Cash - beginning of year	<u>93,034</u>	<u>374,252</u>
CASH - END OF YEAR	\$ <u>28,273</u>	\$ <u>93,034</u>

FIELD HOCKEY CANADA

NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2013

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 accounting standards for not-for-profit organizations (see note 8) 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 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.

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, 2013

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

g) 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, credit, liquidity or market 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 \$156,231 invested in a bankers acceptance that earns interest at an annual rate of 1% and matures in April 2013, and \$55,230 in equities.

5. PROPERTY AND EQUIPMENT

			2013	2012
	Cost	Accumulated amortization	Net	Net
Computers	\$ 15,614	\$ 14,906	\$ 708	\$ 2,059
Equipment	8,819	6,799	2,020	702
	<u>\$ 24,433</u>	<u>\$ 21,705</u>	<u>\$ 2,728</u>	<u>\$ 2,761</u>

6. WOMEN'S COC ENDOWMENT FUND

	2013	2012
Balance - beginning of year	\$ 140,857	\$ 140,311
Gain on investments	700	546
Balance - end of year	<u>\$ 141,557</u>	<u>\$ 140,857</u>



FIELD HOCKEY CANADA

NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2013

7. MEN'S COC ENDOWMENT FUND

	<u>2013</u>	<u>2012</u>
Balance - beginning of year	\$ 201,303	\$ 208,596
Gain (loss) on investments	10,158	(3,293)
Contribution to other field hockey organizations	<u>-</u>	<u>(4,000)</u>
Balance - end of year	<u>\$ 211,461</u>	<u>\$ 201,303</u>

8. ADOPTION OF ACCOUNTING STANDARDS FOR NOT-FOR-PROFIT ORGANIZATIONS

Effective April 1, 2012 the organization adopted the requirements of the Canadian Institute of Chartered Accountants (CICA) Handbook - Accounting, electing to adopt the new accounting framework: Canadian accounting standards for not-for-profit organizations (ASNFPPO). These are the organization's first financial statements prepared in accordance with ASNFPPO which has been applied retrospectively. The significant accounting policies in note 2 have been applied in preparing these financial statements for the year ended March 31, 2013 and the comparative information presented in these financial statements for the year ended March 31, 2012 and in the preparation of the opening balance sheet as at April 1, 2011 (the organization's date of transition).

The organization issued financial statements for the year ended March 31, 2012 using generally accepted accounting principles prescribed by CICA Handbook - Accounting V. The adoption of ASNFPPO had no impact on the previously reported assets, liabilities and net assets of the organization, and accordingly; no adjustments have been recorded in the comparative balance sheet and statements of changes in net assets, revenue and expenditure and cash flows; and the opening balance sheet has not been presented.