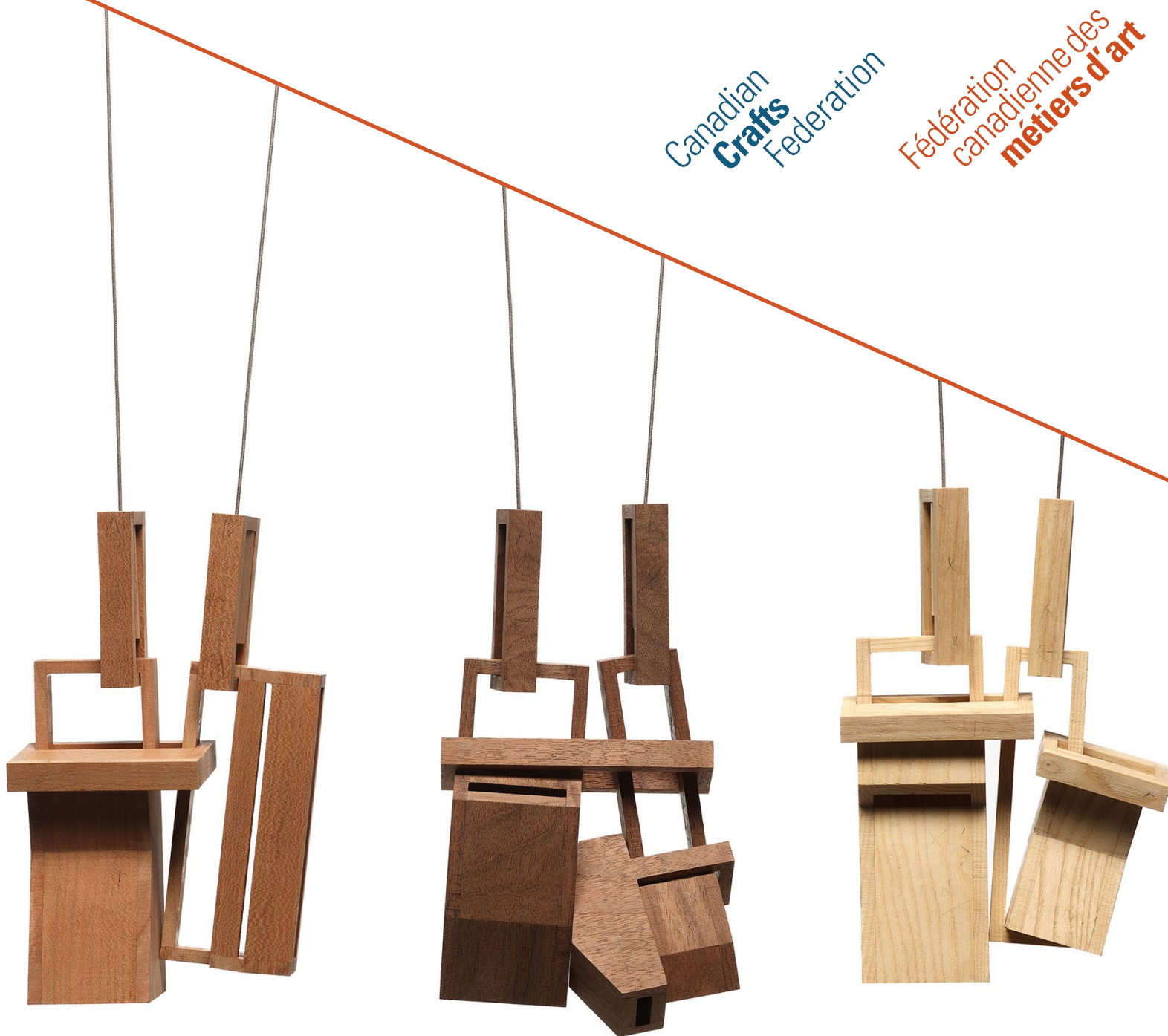


Canadian
Crafts
Federation

Fédération
canadienne des
métiers d'art



2020/2021

Annual Report



Erin Berry

President's Message:

It is my honour to have led an incredible group of people, at the Canadian Crafts Federation / Fédération Canadienne des Métiers d'Art, during the past year. What a journey it has been, in an organization that does so much on a daily basis for all those who work in the Canadian craft sector.

Like everyone, the CCF / FCMA was deeply affected by the COVID global pandemic. Our 2020 to 2021 fiscal year began with lockdowns and quickly evolved into re-evaluating priorities, and very suddenly adapting to digital channels much more quickly than one would have thought possible. We adapted, but without ever stopping the work – to advocate, connect, and amplify the voices of craftspeople. Let's be honest, it was a hard year.

Thankfully, the CCF / FCMA has staff and volunteers who are passionate and dedicated. This year, although our resolve was tested, we worked through tough decisions and sought to figure out the next number one priority, then the next. Even during times of abnormally high stress and unknowns, we not only survived, we actually managed to find some huge successes along the way. I am immensely proud of how the CCF / FCMA team managed through unprecedented challenges. We have finished out the fiscal year in a stable and positive position, with a sigh of relief, and new perspectives and goals in mind. Of course, we're not through the turmoil yet, but having been tested, we know that we're stronger together and needed more than ever.

During this year, we brought many people together in our Board to Board, and Peer to Peer, Development Sessions. We became more closely involved with the World Craft Council on the international stage and negotiated a major marketing opportunity for our members. But arguably some of our greatest achievements this year involved tirelessly meeting with numerous acronym-ed government departments and NGOs to request clarity and recommend changes around income support and eligibility. The CCF / FCMA was instrumental in ensuring that those working in the arts, those in the gig economy, and those that felt forgotten, were heard, counted, and represented. In this past year, our small but mighty group of dedicated advocates came together with a retinue of similar-minded partners, in order to elicit major positive changes for artists and the entire arts and culture scene across Canada. We made this happen because it needed to get done, using sheer force of will, and a lot of virtual meetings.

Digging in and doing what we do best got us through. We're resilient and enduring. And now, a resounding thank-you – to our members, our incomparable staff, our Board, our committee members, and our partners throughout the year – thank you for your hard work and support, as we navigated an unforgettable year. I'm looking forward to what comes next.

Tara Owen

CCF/FCMA President (2019-20)



John Peet

Treasure's Message:

The 2020-2021 fiscal year was one of great uncertainty. Yet with careful management, the CCF/FCMA was able to end the year on a positive financial note. This was in no small part thanks to the support of our primary funders, the Canada Council for the Arts, who ensured that core funding was stable, and who provided emergency support to help many artists and organizations like ours, manage an extremely difficult and unpredictable year.

The first year of a new four year operational funding cycle, 2019-2020 began with a planned, previous year-end deficit of \$8,319.00. Our original plans for the year shifted significantly as the pandemic went on, resulting in reduced revenues and expenses, particularly in relation to our annual conference - which was cancelled - and the postponement of projects as advocacy took centre stage.

The in-kind contributions dipped considerably, impacted by the cancellation of programs and projects which would typically involve partners, sponsors and donors from across Canada. Even so, \$87,106 were recorded in this fiscal, down by an understandable 40%. Despite this reduction, we are thankful to the many partners who continued - and in some cases even ramped up their engagement with the CCF/FCMA on important, urgent work this year.

I would like to thank the members of our esteemed Finance Committee, all of whom are experienced and thoughtful in their work on behalf of the organization. Thank you as well to the Executive Committee, our bookkeeper, Pauline Chapman, and our auditors at Teed, Saunders, Doyle & Co. for their continued support.

Sincerely,

Marc Douesnard

CCF/FCMA Treasurer



Lou Lynn

Director's Message:

I am not going to sugarcoat it. The 2020-2021 year was hard. It was frightening, and it was exhausting. Days, weeks, and months went by where no one knew what was going to happen next - all plans went out the window, and all bets were off. The CCF/FCMA, like everyone, everywhere, had to adapt.

The sense of upheaval was very real: our office closed, our conference was postponed, postponed again, and then cancelled outright, and our massive, year-long Craft Year 2020 festival was quite frankly, reduced to shreds. What a cruel twist of fate to have a national celebration of craft events align in step with a global lockdown.

All that said, I am a metalsmith at heart, so I cannot help but seek out the silver linings. The necessary shifts required to function in this new reality pushed us to re-evaluate what we were doing and how we were doing it. It helped us to focus our approach and our actions on what could do the most good, for the most people.

Throughout the year, the pressure was on - because no matter how many blows our organization faced... craftspeople were counting on us. They needed information, guidance, support, and the knowledge that someone was out there, fighting for them. In this role, the CCF/FCMA would shine.

I am extremely thankful for the work of Victoria Hutt and Phil Lizotte, as well as our newest team members, Heather Steinhagen, and Lauren Polchies, who began their positions at the height of a global pandemic, but never let it stop them from bringing their A-game.

And to the many, many members of this national network who came together to support one another, to brainstorm, and to offer a word of encouragement in dark times - thank you. To the board members, committee members, affiliate representatives, educators, retail workers, craft artists and especially the staff of the provincial and territorial craft councils - thank you for helping to keep this community strong.

At the end of the year, and through to this day, I cannot say we've overcome all the challenges 2020 tossed our way, as this pandemic is not over yet. But after multiple waves, it sure feels good to hit a bit of steady water and to see that we are still afloat. I, for one, am excited to row forward!

In Solidarity,
Maegen Black
Director, CCF/FCMA

Strategic Plan:

Mission Statement:

Create Connections and Champion Craft

Vision Statement:

We envision a Canadian culture which embraces and values the artistic, economic, contemporary, historical and social significance of craft.

Unite

Encourage connection and exchange among the national craft network.

Support

Strengthen and empower the craft sector.

Inspire

Raise the profile of Canadian contemporary fine craft nationally and internationally.

Mandate:

As a Federation of organizations, the CCF/FCMA works with the Provincial and Territorial Craft Councils and affiliate organizations to unite, enrich, empower and celebrate the professional contemporary craft sector through collaborative action, networking, and community development.

Approach:

- We unite Canadian professional craft organizations in order to learn, share, collaborate, and strengthen the sector.
- We create and deliver programming and research that informs, engages, empowers, and celebrates the professional craft sector.
- We identify and act on craft based projects and collaborations that have regional, national, and international impact.
- We actively pursue and develop meaningful relationships with organizations, institutions, and government agencies that are committed to the advancement of the craft sector.
- We advocate for craft from a national perspective.



Donna Stockdale

Major Projects:

Craft Year 2020:

Set to be the third festival of its kind, Craft Year 2020 started out great! Events were planned from coast to coast by our regional partners and independent craft organizations throughout the year. With a brand new online hub as part of our [Citizensofcraft.ca](https://citizensofcraft.ca) website, Craft Year 2020 was set to celebrate exhibitions, book launches, markets, all the event-based celebrations that could be imagined. Once the pandemic took hold, hundreds of these events were cancelled, closed, or postponed, and the enthusiasm for celebrations waned significantly.

For our last Craft Year event in 2015, over 800 events took place. Though many programs adapted to online formats, the number of registered events plummeted to just 117. Though we know there were many more craft-based activities that took place either locally or virtually, the pandemic made recruitment to the official Craft Year 2020 system difficult, as celebrations of anything were not the priority in a year dedicated to meeting the base needs of all citizens.

Though this was a difficult failure to face, as we had hoped to record well over 1000 events for Craft Year 2020, it was an inescapable reality, and one which we felt was appropriate, as our energy and focus was truly required elsewhere.

New Online Material:

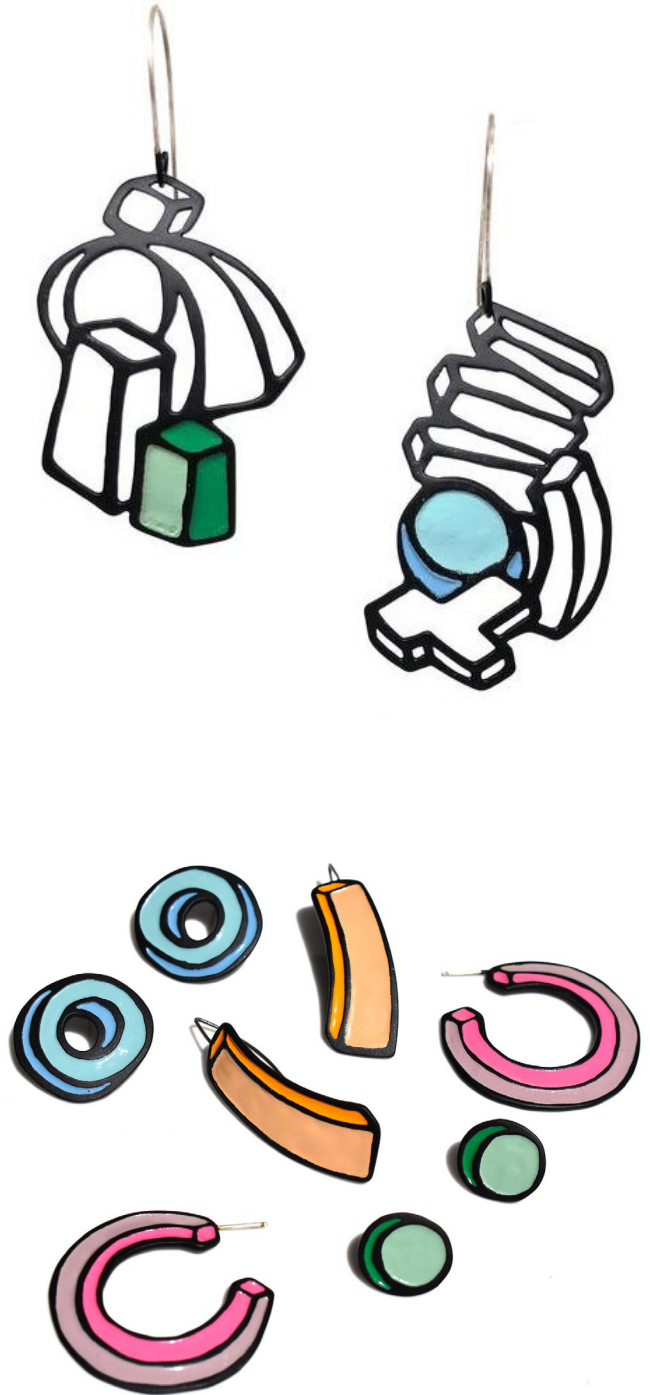
In response to the restrictions placed on this project, we took the time to review how Craft Year could adapt - and how we could re-envision a more accessible, relevant event for the future. We worked hard to update our Craft Year event listings to function more smoothly for virtual events, and reorganized/relaunched an updated information architecture for the Citizensofcraft.ca website at large.

To reach a broader audience, we took the extra steps to share CCF/FCMA content by editing and releasing videos from the previous years' conference, sharing five lectures from our 10 Digit Technology Conference in Saskatoon during March 2020, free to the public. These 5 videos have over 800 views collectively, bringing insights on the cutting edge of craft and digital practice to the forefront.

The CCF/FCMA team also created a series of social-media based mini-lessons, helping craft artists to evaluate, review, and upgrade their online sales activity. Titled #craftrealtalk, this series of four Instagram stories shared information about identifying and targeting your audience, increasing your online following, optimizing hashtags, and optimizing your online profile.

With the reduced activity of Craft Year 2020, it was more important than ever to find a way to celebrate craft artists during this difficult time. Our social media campaign, #facesofcraft, continued throughout the year, garnering the most response of any of our campaigns in the CCF/FCMA's history on social media. This project was adapted into an electronic book, set for release in 2021, to celebrate the work of these - and all - craft artists, proving that the purpose and passion for craft prevails.

With the massive shift from in-person to online sales of craft, the CCF/FCMA built a new partnership with the online retailer, Simons. Their Fabrique 1840 division, which focuses on Canadian designed and made goods, had worked closely with the Conseil des métiers d'art du Quebec to adapt their historic holiday sale to an online platform. The success of this pilot project led to the proposal of a national version, set to launch in October 2021. Extensive preliminary work was conducted during the 2020-2021 fiscal year, including partnership development, funding agreements, a memorandum of understanding and a project implementation plan.



Amanda Bergman



Staff Adjustments & Development:

The structure of the CCF/FCMA staff shifted in the Fall of 2020, when our Digital Content Developer, Phil Lizotte, left the organization for a new position. Adapting this position into two part-time roles, we hired two talented emerging Indigenous artists: Lauren Polchies as our Digital Content Developer (focused on graphic design) and Heather Steinhagen as our Craft Content Developer (focused on content creation and communications). Paired with long-standing Director Maegen Black, and Project Coordinator, Victoria Hutt, this new team has been extremely effective despite the many challenges this unusual year brought about.

With the closure of our shared office space in June of 2021, the CCF/FCMA team shifted to a fully virtual office format, downsizing our office furniture, equipment and storage, and shifting our public office space into a small, Fredericton-based headquarters in the home of our Director, Maegen Black. This transition was not easy, but we have found our footing and we are extremely grateful to all our staff for making this adjustment, as well as to our friends and colleagues at Craft

NB, who hosted us for many years prior to this closure. We expect that home-based offices for all CCF/FCMA staff will be the ongoing norm into the foreseeable future.

Throughout the year there was a lot of learning on the fly - but there was also a lot of pointed, committed, and effective professional development undertaken. The CCF/FCMA staff signed on to the Cultural Pluralism in the Arts Movement Ontario's Pluralism and Organizational Change program (CPAMO POC). This multi-year transformational program brings together leaders and staff members from cultural organizations to implement more inclusive policies and systems, adapting programs beyond theory into practice. The end goal is to reduce systemic barriers to participation and leadership by Indigenous, racialized and other historically marginalized artists and communities. The CCF/FCMA is a committed partner in this program, and will continue to participate in the learning sessions, program development, and implementation over the course of the next fiscal year.



Gale Steck

Cancellations, Closures & Creative Alternatives:

Unfortunately, the realities of the global pandemic meant that portions of our implementation plan were specifically cancelled or put on indefinite hold, including our national conference (originally set for the fall of 2020 in Newfoundland), and Canadian participation in the UK Craft Council's international "Collect" art fair, France's "Revelations Biennale" and the American based "SOFA Chicago" - which we had hoped and planned to partner with our colleagues at Craft Alliance Atlantic on. Two further Canadian events which the CCF/FCMA had plans to participate in (Crafted Vancouver and the Canada Wide Science Fair in Edmonton) were also cancelled.

While the international events were cancelled outright, our national conference was adapted to a virtual event, with the Craft@theEdge digital talks held over the course of two days in October 2020. The scope of the event was downsized,

with tours, exhibitions and workshops cancelled, but we moved forward with many of the planned lectures and panel discussions online. Attendees reported feeling invigorated and inspired, emotions that were hard to come by at the time, and therefore precious. The CCF/FCMA thanks the hardworking team at the Craft Council of Newfoundland and Labrador for hosting and promoting these sessions, which have been viewed more than 1500 times online.

Three projects remain on the docket, albeit greatly delayed, including our Citizens of Craft podcast (season three) and the expansion of our Citizens of Craft website to include a virtual exhibition. We delayed these productions until the research component of our 10 Digit Technologies Digital Strategies program has wrapped, as these projects will be deeply influenced by our findings.



**TEN DIGIT
TECHNOLOGY**

10 Digit Technology

Though the pandemic stalled the advancement of the 10 Digit Technology project, it did not cancel this work completely. Fortunately, the timing of the global lockdown worked to our advantage, as we were just about to launch the research phase of our project. With the ability to pause and restructure our research, the content and outcome were far more relevant to our new, collective reality. Questions regarding artist challenges and needs, as well as consumer trends, were held while the world shifted. Originally planned to be a series of in-person focus groups, we adapted our approach to a series of digital focus groups and online surveys. This shift actually allowed us to speak to more people, and gather a broader set of responses than we would have been able to do in person, while the shift in timing allowed us to ask pre-covid and post-covid questions, capturing the change in buying attitudes and makers' needs. The public release of this research is set for the Summer of 2021, and the learnings will impact the next phase of the project greatly.



Marissa Saneholtz



**WORLD CRAFTS COUNCIL
NORTH AMERICA**

New International Connections

The CCF/FCMA is proud to have taken on a new leadership role in the international world of craft. As of December 5th, 2020, for the first time in history, Canada became the leading country of the World Crafts Council North America (WCCNA), one of five regional organizations representing the World Crafts Council International (WCC). On this date, CCF/FCMA Executive Director, Maegen Black, moved from the Vice President to the President position, with Bernard Burton from Craft Alliance Atlantic as the new Vice-President of WCCNA. The CCF/FCMA would like to thank Dr. Andrew Wang for his service as President over the past four years, and for his ongoing support as Past-President.

The CCF/FCMA created a new visual brand for WCCNA with English, French and Spanish translations. We also launched a new WCCNA website (wccnorth.com) with fresh and relevant content.

This new leadership role has directly resulted in increased dialogue and exchange with our North American and International colleagues. A memorandum of understanding was drafted, reviewed and signed between the CCF/FCMA and the American Craft Council, confirming our shared commitment to growing and expanding the WCCNA through a primarily virtual focus. This is the first time in well over a decade that these two organizations have a shared, committed partnership, with a vision to expand this connection to our colleagues in Mexico and beyond.



Kaley Flowers

Increased & Expanded Advocacy

Of all the changes faced this year, none was greater than the extreme and urgent need for advocacy on behalf of craft artists, organizations, and the sector at large. Though the work was difficult, the CCF/FCMA met this challenge head-on, collaborating at a local, regional, national and international level to gather information, share ideas, provide guidance and support, and push for federal action to support our sector in a time of great need.

On a personal level, we connected with members from across the country, hosting open-discussion sessions with board members, craft retail workers, craft educators, and the Executive Directors of the provincial and territorial craft councils. These Peer to Peer sessions allowed us to share urgent information, to brainstorm solutions, and quite honestly, speak openly about the challenges and struggles being faced on a daily basis. These meetings were informative and cathartic for our members, ensuring they knew that the national organization dedicated to craft was fighting for them, and that we were in this fight together.

The CCF/FCMA's work went far beyond moral support. We shared information about relief programs for individuals and organizations alike,

and we fought together alongside our partners in the culture and gig economy sectors to ensure emergency support from the federal government was available to craft artists and organizations. We created a new, comprehensive document to explain the complex realities of careers in the arts, titled "Making a Living as a Craft Artist". This partnership between the CCF/FCMA and the Saskatchewan Craft Council led to a further expansion of the document, launching a wider "visual arts" document in partnership with CARFAC National and the Integrated Media Arts Alliance, amending our original craft-focused version into a document that covered income generation across multiple visual arts disciplines. This document was shared with government representatives as part of our collective campaign to expand the Canada Emergency Response Benefit (CERB) to craft artists. This campaign was successful, resulting in a policy change to the program, allowing recipients to access these emergency funds even if they still made up to \$1000/month. This change was essential to ensure those craft artists could still keep their businesses open, selling small amounts of work, receiving payment for work previously completed, or continuing to conduct business, albeit greatly reduced by the impact of the pandemic, without being excluded from ongoing CERB support.



Cindy Hoppe

For example, this meant that an artist who sold a piece from their online shop or hosted an online workshop for a handful of students would no longer be penalized for continuing their business at a reduced rate. This saved countless craft businesses from closing up shop completely during the pandemic. When the CERB “repayment request” letters were circulated in January 2021, the CCF/FCMA was there - sharing petitions and letter-writing campaigns alongside our partners at CARFAC National and the Canadian Federation of Independent Businesses to stop the change in policy around gross/net income. This campaign was a success - leading to a public acknowledgement of error and a confirmation that applicants who applied with good faith were no longer required to repay these funds.

We also expanded our internal information collection practices, widening the scope of our annual members’ survey and partnering with Craft Alliance Atlantic to collect stats on the pandemic’s impact on the craft sector at large. These actions culminated in the release of the Craft Sector Impact brief, which confirmed more than \$14 million in sales of Canadian Craft through the Craft Councils during 2019 alone, as well as an expected \$56 million in lost revenue for the craft sector at large - from Atlantic Canada alone - for 2020. These numbers were staggering and will be updated in our 2021 reports to follow the impact of the pandemic on our sector.

The CCF/FCMA expanded our advocacy activity, increasing our engagement with the Canadian Arts Coalition, the Visual Arts Alliance, and starting a new partnership as contributors to the Coalition of the Hardest Hit - an organization focused on increasing federal support for the

culture and tourism industry. These partnerships saw national surveys developed and reviewed, collective recommendations written, and submissions sent to the Federal Standing Committee on Finance. It was our collective goal to identify policies and funding that could be adapted or created in order to support the arts and culture sector at large - including craft. Countless meetings were held with representatives from Canadian Heritage and the Canada Council for the Arts, as emergency funding and adapted programs came to fruition. This information was shared far and wide with our members, and the CCF/FCMA consulted with many artists and organizations who had questions about their eligibility as well as the impact on their taxes.

Advocacy continued as our main focus, with two further documents in development throughout the year: our ongoing work toward a position paper on the definition of professional craft, and the development of an updated document on the issue of cultural appropriation. These documents were in a final phase at the end of this fiscal year, and are expected to be released in the 2021-2022 fiscal year.

The CCF/FCMA also continued our participation in the Cultural Statistics Strategy Consortium, as a consultant to the craft sector, providing insight and support for the Canadian Heritage and Statistics Canada teams as they reviewed their processes and adapted the approach to data release timelines. The intention is to release culture sector information for the GDP and jobs on a quarterly basis, rather than every four years.

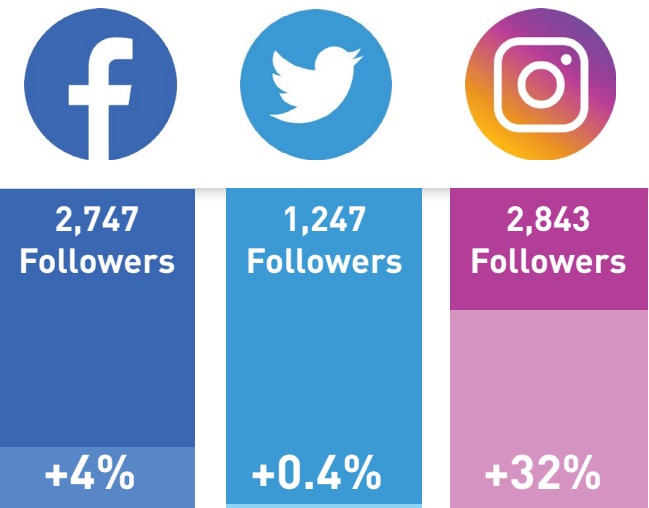
Online Presence:

The CCF/FCMA has long been an organization with a virtual presence. The vast majority of our board, committee, and project partner meetings were already being held via Zoom, and our staff was already deeply invested in the Slack virtual workspace system. Our biweekly e-newsletter and blog became that much more important as a means to get up to date and clear information to our membership. In the analytics of our online activity, you can see the huge increase in visits to our website, as well as ongoing growth in our subscribers and followers online. This directly reflects the decrease in engagement in our more celebratory online resources, and the increased need for our more informative sector-based resources as our membership (and the general public) sought more information about the craft sector throughout the year.

Analytics:

Social Media:

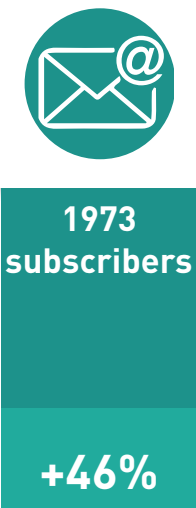
2020 - 2021



Since 2019-2020

E-Newsletter

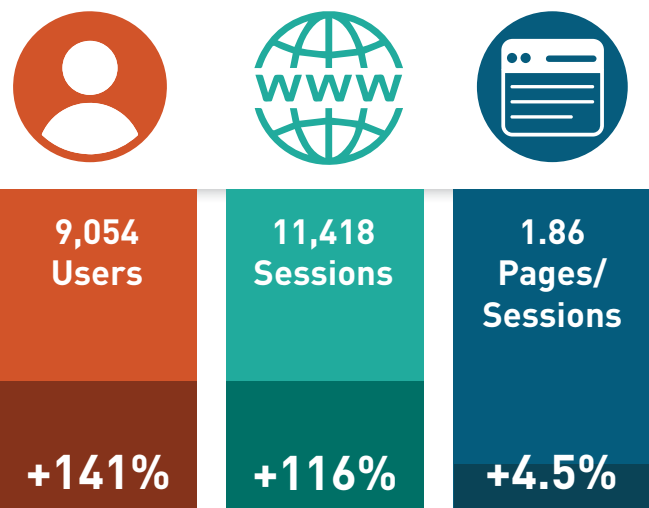
2020 - 2021



Since 2019-2020

Website: Canadiancraftsfederation.ca

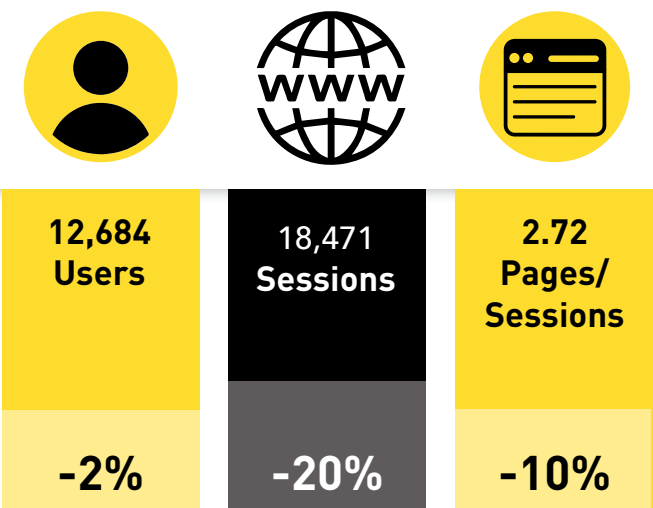
2020 - 2021



Since 2019-2020

Website: Citizensofcraft.ca

2020 - 2021



Since 2019-2020

Thank you:

In the context of this difficult year, our appreciation cannot be overstated. Our funders went above and beyond to ensure that operational and emergency grants flowed smoothly. Our members leaned on one another, helping to guide national action - while navigating unprecedented change at the local level as well. Our board and committee members continued to support the work of the organization even as priorities shifted and activities changed. Most importantly, we thank the craft artists across Canada who asked important questions, who shared their struggles openly and honestly, and who have continued to persevere. In a time of such great isolation, we never felt alone. For all this and so much more, we thank you.

Specifically, we recognize the contributions of our funders: the Canada Council for the Arts, the Department of Canadian Heritage, and the Province of New Brunswick. As well as the many members of the Canadian Crafts Federation:



Craft Council Members :

Yukon Arts Society
Craft Council of British Columbia
Alberta Craft Council
Saskatchewan Craft Council
Craft Council of NWT
Manitoba Craft Council
Craft Ontario
Conseil des Métiers d'art du Québec
Craft NB
PEI Crafts Council
Craft Nova Scotia
Craft Council of Newfoundland & Labrador

Affiliate Members :

Canadian Clay and Glass Gallery
NWT Arts
Craft Alliance / Métiers d'arts
Lunenburg School of the Arts
Arts Section at the Department of Tourism & Culture, Government of Yukon
Alberta University of the Arts
Cape Breton Centre for Craft
New Brunswick College of Craft & Design
Crafted Vancouver
La Maison des Métiers d'art de Québec
Le Musée des maîtres et artisans du Québec
Saint John Arts Centre

Contact:

Executive Committee Members :

President: Tara Owen,
taraowen@shaw.ca

1st Vice President: David Freeman,
timelessgtrs@sasktel.net

2nd Vice President: Bernard Burton,
bernard@craftalliance.ca

Treasurer: Marc Douesnard,
marc@gmft.net

Secretary: Kathleen Morris,
Kmorris@faculty.ocadu.ca

Past President: Kim Bent,
kimbent@nb.sympatico.ca

Staff Members :

Director: Maegen Black,
maegen@canadiancraftsfederation.ca

Project Coordinator: Victoria Hutt,
projects@canadiancraftsfederation.ca

Craft Content Developer: Heather Steinhagen,
content@canadiancraftsfederation.ca

Digital Content Developer: Lauren Polchies,
design@canadiancraftsfederation.ca

All CCF/FCMA staff are currently operating remotely, from home offices based in Fredericton, Florenceville-Bristol, and Woodstock, New Brunswick as well as Airdrie, Alberta.

Mailing Address: PO Box 1231, Fredericton, New Brunswick, E3B 5C8
Phone Number: (506) 462-9560
Email: info@canadiancraftsfederation.ca
Website: www.canadiancraftsfederation.ca
Charitable Number: 106844996 RC 0001

Board Members :

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Vancouver, BC / rainejmckay@craftcouncilbc.ca

Director, Alberta: Kari Woo
Canmore, BC / kari@kariwoo.com

Director, Saskatchewan: Cindy Hoppe
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Director, Manitoba: Adriana Alacron
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Director, Ontario: Stuart Reid
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Director, Northwest Territories: Rosalind Mercredi
Yellowknife, NT / northsoulglass@gmail.com

Director, Yukon: Leighanne Chalykoff
Whitehorse, YT / lchalykoff@gmail.com

Director, Nunavut: currently vacant

CANADIAN CRAFTS FEDERATION
Financial Statements
Year Ended March 31, 2020

CANADIAN CRAFTS FEDERATION

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Year Ended March 31, 2020

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| Statement of Revenues and Expenditures | 5 |
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INDEPENDENT AUDITOR'S REPORT

To the Members of Canadian Crafts Federation

Opinion

We have audited the financial statements of Canadian Crafts Federation (the Federation), which comprise the statement of financial position as at March 31, 2020, and the statements of changes in net assets, revenues and expenditures and cash flow 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 Federation as at March 31, 2020, and the results of its operations and its cash flow 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 Federation in accordance with the 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 those 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 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 Federation's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Federation or to cease operations, or has no realistic alternative but to do so.

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

(continues)

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 Federation'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 Federation'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 Federation 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.

Teed Saunders Doyle

Fredericton, New Brunswick
August 5, 2020

CHARTERED PROFESSIONAL ACCOUNTANTS


CANADIAN CRAFTS FEDERATION

Statement of Financial Position

March 31, 2020

| | 2020 | 2019 |
|--|-------------------|------------------|
| ASSETS | | |
| CURRENT | | |
| Cash and cash equivalents <i>(Note 6)</i> | \$ 313,619 | \$ 77,646 |
| Accounts receivable | 15,322 | 3,554 |
| Prepaid expenses | 415 | 415 |
| | <u>\$ 329,356</u> | <u>\$ 81,615</u> |
| LIABILITIES AND NET ASSETS | | |
| CURRENT | | |
| Accounts payable | \$ 51,205 | \$ 8,273 |
| Government remittances payable | 4,492 | 1,878 |
| Deferred revenue <i>(Note 8)</i> | 212,014 | 1,500 |
| | <u>267,711</u> | <u>11,651</u> |
| NET ASSETS | | |
| General fund | 36,333 | 44,652 |
| Internally restricted fund <i>(Note 7)</i> | 25,312 | 25,312 |
| | <u>61,645</u> | <u>69,964</u> |
| | <u>\$ 329,356</u> | <u>\$ 81,615</u> |

ON BEHALF OF THE BOARD



Director
CCF/FCMA Treasurer, Glenn Piwowar



Director
CCF/FCMA President, Kim Bent

CANADIAN CRAFTS FEDERATION

Statement of Changes in Net Assets

Year Ended March 31, 2020

| | General Fund | Internally Restricted Fund | 2020 | 2019 |
|---|-----------------|----------------------------------|-----------|-----------|
| NET ASSETS - BEGINNING OF YEAR | \$ 44,652 | \$ 25,312 | \$ 69,964 | \$ 43,656 |
| EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES | (8,319) | - | (8,319) | 26,308 |
| NET ASSETS - END OF YEAR | \$ 36,333 | \$ 25,312 | \$ 61,645 | \$ 69,964 |

CANADIAN CRAFTS FEDERATION
Statement of Revenues and Expenditures
Year Ended March 31, 2020

| | 2020 | 2019 |
|---|-------------------|------------------|
| REVENUE | | |
| Conference and symposium | \$ 4,260 | \$ 14,763 |
| Consultant | - | 1,004 |
| Contributed services (Notes 3, 11) | 147,148 | 174,509 |
| Donations | 1,999 | 1,027 |
| Grants (Note 9) | 213,815 | 132,855 |
| Membership fees (Note 10) | 13,710 | 15,255 |
| | <u>380,932</u> | <u>339,413</u> |
| EXPENSES | | |
| Administrative travel | 14,630 | 2,891 |
| Bad debts | - | 2,685 |
| Conference and symposium | 52,394 | 48,899 |
| Consulting fees | 65,649 | - |
| Contributed services (Notes 3, 11) | 147,148 | 174,509 |
| Financial services | 6,840 | 5,778 |
| Insurance | 1,106 | 1,406 |
| Interest and bank charges | 197 | 824 |
| Marketing and promotion | 390 | 1,593 |
| Membership dues | 2,000 | 500 |
| Office supplies | 1,750 | 5,077 |
| Professional development | 195 | - |
| Rent | 2,569 | 2,691 |
| Staff salary and benefits | 100,262 | 75,846 |
| Telephone | 1,445 | 1,250 |
| Translation | 7,576 | 6,240 |
| Website | 3,146 | 4,474 |
| | <u>407,297</u> | <u>334,663</u> |
| EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES FROM OPERATIONS | <u>(26,365)</u> | 4,750 |
| OTHER INCOME | | |
| Interest revenue | 2,346 | 687 |
| Members Project Contributions | 5,967 | 13,470 |
| Sponsors | 9,733 | 7,401 |
| | <u>18,046</u> | <u>21,558</u> |
| EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES | <u>\$ (8,319)</u> | <u>\$ 26,308</u> |

CANADIAN CRAFTS FEDERATION

Statement of Cash Flow Year Ended March 31, 2020

| | 2020 | 2019 |
|--|-------------------|------------------|
| OPERATING ACTIVITIES | | |
| Excess (deficiency) of revenue over expenses | \$ (8,319) | \$ 26,308 |
| Changes in non-cash working capital: | | |
| Accounts receivable | (11,768) | 5,676 |
| Accounts payable | 42,932 | 3,840 |
| Deferred revenue | 210,514 | (6,245) |
| Government remittances payable | 2,614 | (2,438) |
| | <u>244,292</u> | <u>833</u> |
| INCREASE IN CASH | 235,973 | 27,141 |
| CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR | <u>77,646</u> | <u>50,505</u> |
| CASH AND CASH EQUIVALENTS - END OF YEAR (Note 6) | <u>\$ 313,619</u> | <u>\$ 77,646</u> |

CANADIAN CRAFTS FEDERATION

Notes to Financial Statements

Year Ended March 31, 2020

1. NATURE OF OPERATIONS

The Canadian Crafts Federation was incorporated without share capital under the Canada Corporations Act to work with the Provincial and Territorial Crafts Councils and affiliate organizations to unite, enrich, empower, and celebrate the professional contemporary craft sector through collaborative action, networking, and community development.

As a not-for-profit organization, the Canadian Crafts Federation is tax exempt under the provisions of the Income Tax Act as a registered charity.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

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

Cash and cash equivalents

The organization considers cash on hand, short-term deposits and balances with banks, net of overdrafts as cash or cash equivalents.

Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

Property and equipment

Property and equipment are expensed in the year they are acquired, resulting in no property and equipment presented on the statement of financial position and no amortization charges against the operations.

Use of estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Significant estimates include allowances for doubtful accounts. Actual results could differ from these estimates.

(continues)

CANADIAN CRAFTS FEDERATION

Notes to Financial Statements

Year Ended March 31, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Revenue recognition

The organization follows the deferral method of accounting for contributions and government grants. Restricted contributions are recognized as revenue in the year in which the related expenses are recognized.

Grants and donations are recorded when received or receivable if related to the current year. Deferred grants are those which pertain to the following year, but were received in the current year.

Other revenue including conferences and membership fees is recognized on the accrual basis of accounting as earned.

3. CONTRIBUTED SERVICES

The organization would not be able to carry out its activities without the services of the many volunteers who contribute a considerable number of hours. The value of these services has been recognized in these financial statements at fair market value.

4. 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 federation's risk exposure and concentration as of March 31, 2020.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The federation is exposed to this risk mainly in respect of its receipt of funds from its various sources and accounts payable.

5. CAPITAL MANAGEMENT

The organization defines its capital as the amounts included in Net Assets. Its objective when managing capital is to safeguard its ability to sustain itself as a going concern so that it can continue to provide benefits and services to stakeholders.

Management and the Board of Directors considers fundraising campaigns, government grants and sale of services to ensure that sufficient funds will be available to meet the organization's short and long-term objectives.

The organization monitors its financial performance against an annual budget. Surpluses from operational activities are accumulated in Net Assets.

6. CASH AND CASH EQUIVALENTS

| | 2020 | 2019 |
|--------------|-------------------|------------------|
| Cash | \$ 20,643 | \$ 11,993 |
| Term Deposit | 292,976 | 65,653 |
| | <u>\$ 313,619</u> | <u>\$ 77,646</u> |

CANADIAN CRAFTS FEDERATION**Notes to Financial Statements****Year Ended March 31, 2020****7. INTERNALLY RESTRICTED FUNDS**

The Board of Directors have set aside a portion of Net Assets for specific purposes.

| | 2020 | 2019 |
|------------------------|------------------|------------------|
| Operating fund reserve | \$ 25,062 | \$ 25,062 |
| Awards reserve | 250 | 250 |
| | <u>\$ 25,312</u> | <u>\$ 25,312</u> |

8. DEFERRED REVENUE

| | 2020 | 2019 |
|---|-------------------|-----------------|
| Canadian Council of the Arts - CCF Podcast | \$ - | \$ 1,000 |
| Canadian Council of the Arts - Digital Fund A | 196,340 | - |
| Canadian Council of the Arts - Digital Fund B | 6,674 | - |
| Jean Chalmers Grant | 9,000 | - |
| Membership 19/20 | - | 500 |
| | <u>\$ 212,014</u> | <u>\$ 1,500</u> |

9. GRANTS

| | 2020 | 2019 |
|--|-------------------|-------------------|
| Canadian Council for the Arts | | |
| Operating Grant | \$ 98,000 | \$ 107,245 |
| Project Grants | 94,486 | - |
| Service Canada- Summer Student | 4,109 | 3,990 |
| Province of NB - Workforce Expansion Program | 17,220 | 11,620 |
| Craft Council Provincial Grant | - | 10,000 |
| | <u>\$ 213,815</u> | <u>\$ 132,855</u> |

CANADIAN CRAFTS FEDERATION**Notes to Financial Statements****Year Ended March 31, 2020****10. MEMBERSHIP REVENUE**

| | 2020 | 2019 |
|-------------------------|------------------|------------------|
| Alberta | \$ 1,040 | \$ 1,100 |
| British Columbia | 960 | 980 |
| Manitoba | 905 | 905 |
| New Brunswick | 815 | 815 |
| Newfoundland & Labrador | 850 | 870 |
| Nova Scotia | 880 | 880 |
| Nunavut | - | 790 |
| Ontario | 1,555 | 1,490 |
| Prince Edward Island | 850 | 850 |
| Quebec | 1,535 | 1,445 |
| Saskatchewan | 990 | 1,050 |
| Yukon | 830 | 825 |
| Affiliate | 2,500 | 3,255 |
| | \$ 13,710 | \$ 15,255 |

CANADIAN CRAFTS FEDERATION

Notes to Financial Statements

Year Ended March 31, 2020

11. CONTRIBUTED SERVICES

| | 2020 | 2019 |
|-------------------------|-------------------|-------------------|
| Alberta | \$ 16,300 | \$ 18,065 |
| British Columbia | 2,430 | 6,560 |
| Manitoba | 5,108 | 6,416 |
| New Brunswick | 8,593 | 9,924 |
| Newfoundland & Labrador | 6,485 | 18,750 |
| Northwest Territories | 6,040 | 1,780 |
| Nova Scotia | 10,415 | 58,938 |
| Nunavut | - | 40 |
| Ontario | 12,945 | 23,756 |
| Prince Edward Island | 2,530 | 7,500 |
| Quebec | 21,033 | 5,027 |
| Saskatchewan | 45,464 | 9,893 |
| Yukon | 9,805 | 7,860 |
| | <u>\$ 147,148</u> | <u>\$ 174,509</u> |

12. SUBSEQUENT EVENTS

During the year, on March 11, 2020, the World Health Organization characterized the outbreak of a strain of the novel coronavirus ("COVID-19") as a pandemic which has resulted in a series of public health and emergency measures that have been put in place to combat the spread of the virus. The duration and impact of COVID-19 is unknown at this time and it is not possible to reliably estimate the impact that the length and severity of these developments will have on the financial assets and condition of the company in future periods.