

Annual Report 2016/2017



SASKATCHEWAN CRAFT COUNCIL

813 Broadway Avenue | Saskatoon, SK S7N 1B5

Ph. 306.653.3616 | www.saskcraftcouncil.org

Vision

Excellence in Craft

Strategic Goals

The SCC fosters an environment where excellence in craft is nurtured, recognized and valued.

The SCC supports Saskatchewan craftspeople to flourish creatively and economically.

The SCC actively engages with Saskatchewan's Indigenous communities.

Reporting Period

April 1, 2016 to March 31, 2017

Directors

(As of the AGM, June 2016)

Chairperson

Cindy Hoppe
(ex officio of all committees)

Vice-Chairperson

Elisabeth Miller
(Governance Committee)

Secretary

Lori Steward
(Membership Committee)

Members at Large

Kristina Komendant
(Membership Committee)

David Freeman (Audit Committee, Canadian Crafts Federation Representative)

Laura Hosaluk
(Membership Committee)

Paul Lapointe
(Membership Committee)

Travis Wiebe
(Audit Committee)

Earl Eidem (Governance Committee, Audit Committee)

Vijay Kachru (resigned July 2016)

Credits

Front Cover (detail)

Title: Be Free – Live Outside the Lines
Artist: Elisabeth Miller

Inside Front Cover

Title: Covered jar with
balancing bandicoots
Artist: Jack Sures

Photography

Vivian Orr
(unless indicated)

Graphic Design

Vivian Orr
SCC Communications
& Publications
Coordinator



Highlights from the SCC Board of Directors

This has been a transformational year for board work. Carmen applied for a grant to cover work on governance and Jeremy Morgan helped us achieve our initial goals. Many hours of committee work, as well as board and staff input, have resulted in policies and a strategic plan incorporated into our board culture. We will free up board time to work on big ideas like the value of membership; legacy issues for artists; where marketing is going; a meaningful response to the Truth and Reconciliation Commission; engagement with the newcomer community; improving governance; fund raising; and the Artspace initiative, while still providing the oversight and accountability members and our funders need. We have moved to a board meeting every other month with committee work going on in the alternate months to help energize these initiatives.

You have a dedicated board who have worked very hard this past year to change gears and grapple with tough challenges. A particularly difficult decision was ending the Saskatchewan Handcraft Festival which had been the flagship of craft markets in the province for 40 years. It is hard to take a well beloved cornerstone and fashion it into something new, but it is the board's job. I would like to thank the board for asking hard questions and making thoughtful decisions that build on the foundation of past boards' work and look forward to new opportunities. Markets are changing and we must adapt to that change and give our members the tools they need to

respond. That may be helping them to organize a pop up event, market work on line, or enter our wholesale program. The partnership with Void Gallery to present Professional Practices for Artists has been well subscribed and puts the emphasis on overall excellence and successful practices.



Cindy Hoppe
SCC Board Chairperson

Our major funder, Creative Saskatchewan, recognized the innovative and excellent work our Craft Council has done and rewarded us by not slashing our budget drastically in these days of cutbacks. We have experienced a reduction in funds, but we will manage by tweaking some of our programs and working to increase our fundraising. Another significant funder for us is the City of Saskatoon, and they are dealing with budget challenges as well. We have to be prudent but that doesn't mean we shouldn't take advantage of new opportunities.

A new initiative this year, participating in the Saskatoon HomeStyles 2017 and working with an interior design firm, exposed craft to a different audience and made it an option

for an industry that was not aware of our existence. This was a great idea brought forward by members Sandi Ledingham and Jim Hodges and executed by our talented staff. Promoting your art in this way required a lot of thinking and managing on their feet.

Thank you to our members who give their time, and talents supporting our building, openings, gallery shows, boutique sales and good ideas. Our staff is always looking for a new way to promote our membership. We need your blogs, your studio news, a great commission or recognition from the wider world, anything that lifts craft into the public view. Please share your good news with us. Talk to our amazing staff who is there to make you more successful. We need material to help feed Facebook and other media platforms, so don't be shy; share, share, share. Take a Professional Practices Course. Participate, communicate and let us know what we are doing right and where we need to improve. If you have any thoughts on some of the big ideas the board is working on, please let us know what you think. If we provide value to your work or your appreciation of the craft sector in this province, consider a donation to help us with the flexibility of starting new initiatives or supporting the work we do to connect the public to the craft community of the province.

Here's to a vision of
Excellence in Craft.

Cindy Hoppe
SCC Board Chairperson

The Dreams are Large

I took a breath today. I was rushing, and I wanted to stop and look instead.

I see possibilities. Opportunities. Partnerships. It thrills me because I believe that this community is situated in a time and place that is transformative. I'm reminded of Chris Hadfield, up on the space station, playing his guitar, talking to students in Saskatchewan, connecting with me from a place that orbits the earth every 92 minutes. It blows my mind.

We're in a time, where the world is changing before our eyes, and we can seize it and take risks.

We're in a time where technology is confounding the definition of handmade. We're in a time where young artists are searching for communities that are responsive to their creative impulses. We're in a time where your creative spirit collides with your entrepreneurial enterprise so that you can live the life of an artist. As I write this I'm mesmerized by an impromptu live concert on Facebook from the Canada 3 Icebreaker expedition, celebrating Canada 150 and confronting reconciliation at the same time. How is this even possible?

The dreams are large.

The Board and Staff of the SCC recognize that we have a big role to play in responding to the Truth and Reconciliation's Call to Action. We have identified three strategic goals for the organization, and becoming responsive to and linking with Indigenous artists is one of them.

The SCC has joined forces with artSpace Inc and Dance Saskatchewan to demonstrate to the City of Saskatoon that a maker space, which co-exists with exhibition, boutique and performance spaces, is a viable and valuable endeavor.

We've partnered with Fresco Interiors Design Group and the Saskatoon & Region Home Builders' Association to introduce Fine Craft as an option for a wider audience of home owners. We administered a successful Emma Collaboration and auction. We joined forces with SaskGalleries to



Carmen Milenkovic
Photography: Ian Preston

present ArtNow. We've introduced online shopping as an option to purchase exhibition pieces. We're strengthening our presence at WinterGreen, the Toronto Gift Fair and the One of a Kind Show.

We are exploring ways to deliver our Professional Practices for

Artists programming across the province, onsite and online. We're working with Void Gallery to bring you meaningful and productive programs to strengthen your creative practice. We've held meetings with CARFAC Saskatchewan and the Saskatchewan Arts Board to ensure that our programs don't duplicate their initiatives, and to find ways to work together.

It's challenging. We've struggled with staffing this past year, juggling two extended sick leaves, a maternity leave, a retirement and the introduction of a new finance manager. Broadway Avenue was closed for four months and December was one of the coldest in history. We're struggling with how to support members who live outside of Saskatoon, and how we can deliver what you need from us.

It's challenging for you too. We know that. Your passion is fuelled by what you create and what you create energizes you. You have to protect that space. Many of you have been making art for 40 years or longer, while others are starting your careers. Each of you has different needs and desires. Success means different things to each of you, and so the SCC needs to devise support systems and programs that steer you down your path.

Your Board and Staff are up for the challenge. We've already embraced it. Help us support your success.

Carmen Milenkovic
Executive Director

Member Services

The coordination of Member Services was shared this year between Ferron Olynyk (on leave) and her replacement, Alexa Hainsworth, who began in September, just in time to help out with ArtNow and to lead WinterGreen.

Markets

Saskatchewan Handcraft Festival took place in July 2016. Even with additional promotion, including a targeted mail drop, attendance was lower than last year in both customers and vendors. The SCC Board conducted a review of the program and decided that the SHF was no longer viable.



Dawn M. Teasdale
Photography: Olivia Adams

The 41st WinterGreen Fine Craft Market was held at the Conexus Arts Centre in Regina.

According to our public survey we had 30% new attendees and 91% are interested in returning in 2017. We had seven new artists that joined the market this year. They were very happy with their sales over the weekend. Four of the seven artists took part in our Annual Jury Session in April. Overall marketers were happy with the steady flow of traffic. Many commented that they were able to

have good conversations with those who attended.

Affinity Credit Union sponsored WinterGreen, providing us with money to increase the promotion of the event. Attendees who showed their Affinity Credit Union card had free admission. 504 (up 39% from 2015) took advantage of the promotion.

Wholesale

Thanks to funding from Creative Saskatchewan, the SCC has been able to continue the Wholesale Program. We had six returning artists to the Toronto Gift Fair in early 2017. Our program provides strong support to artists who are learning the wholesale trade. Booth support is provided to artists who have graduated to experienced wholesale status. This year we had Presentex design the 10x20 foot booth. It allowed the diversity of the product to be better displayed, and provided easy access to the artists' samples. The program will continue in 2018.

One of a Kind Show

Organizational time was spent preparing two artists for the One of a Kind Show in April 2017.

HomeStyles

HomeStyles 2017 took place March 9th-12th at Prairie Land Park. The Saskatchewan Craft Council, Fresco Interiors Design Group and Region Home Builders' Association collaborated on living space designs for the Saskatoon HomeStyles Home Show 2017. Two booths were located on either side of the main stage. They both featured the work of Saskatchewan Fine Craft artists in the

presentation of a dining room and a solarium living space. Visitors had an opportunity to explore how Fine Craft fits into the home. Thirty-one SCC members took part in showcasing 93 works from a wide range of craft disciplines.

The SCC partnered with the Saskatchewan Arts Alliance to hold a VIP reception. This event invited artists of HomeStyles to discuss their art practice with Saskatoon design groups and Saskatchewan dignitaries.



HomeStyles Home Show
Photography: Kevin Hogarth

Annual Jury Sessions

The Annual Jury sessions were delayed until April 2017. With the renewed interest in HomeStyles, the sessions will probably be moved to April in 2018 as well.

The SCC is interested in improving our jury process by sourcing new jurors, revising any out of date craft criteria and providing informal critiques to emerging artists before they take part in markets.

Alexa Hainsworth
Member Services Coordinator

Exhibition Report

Decisions regarding exhibitions in the SCC Gallery are arrived at through the advice of the SCC Curatorial Committee. Terms on the committee are two years; this gives us the opportunity to encourage a broad range of voices to assist us in selecting diverse and exciting exhibitions. Louisa Ferguson, Cate Francis, Daryl Richardson and Rowan Pantel joined returning member, Carole Epp, and Maia and Stephanie at our November 2016 gallery proposals assessment meeting.

We chose seven new exhibitions:

- They include solo, 2-person, and group exhibitions; and
- They feature metalwork, glass, ceramic, mixed media, fibre, and printmaking.
- Two exhibitions are from out-of-province artists.

We are very grateful to the past members of this committee for sharing their time and expertise. Thanks to Megan Broner; M Craig Campbell; Zach Hauser; Miranda Jones; and Anita Rocamora.

2016-17 SCC Gallery

We opened with *Photographic Phantasmagoria*, an exhibition of traditional and contemporary photographic processes. Curated by SCC Exhibition Coordinator Leslie Potter, it featured a round table discussion on photographic processes and the tension between analog and digital technology. (Attendance 2,819)

Wearable Art 2 was curated by Leslie Potter and Maia Stark from the submissions to the Saskatchewan Wearable Art Gala

(SWAG). The award-winning pieces were displayed throughout the gallery and a performance art piece delighted artists and audience at the Opening Reception. (Attendance 2,467)



Paper Princess, Monique Martin and Janet Taylor
Photography supplied by artist

Royal Ceremonial Tapestry: Marapu Weavings from Sumba Island was exhibited in the spring, and featured excellent examples of textiles from Geoffrey Bendel's private collection of Marapu weavings from Indonesia. This popular exhibition also featured didactic panels with educational information about Sumba and Marapu culture. (Attendance 3,051)

Scavengers and Outcasts, an exhibition from Nova Scotia artists Debra Kuzyk and Ray Mackie, paired function and sculpture. This ceramic exhibition of thrown pots and sculpted lids of Canadian animals was enjoyed by

many people with high turnout at the reception. (Attendance 2,547) *EMMA Bound* coincided with the EMMA 2016 International Collaboration in August. This exhibition featured work created by participants in the collaboration and inspired by the phrase "Emma Bound." It was the final installation of staff member and Exhibition Coordinator Leslie Potter before his retirement. (Attendance 3,346)

Colour Outside the Lines was a group exhibition by the Saskatoon Glassworkers' Guild, curated by Stephanie Canning and Maia Stark. The Exhibition Coordinators also provided the guild with an informal critique as part of the curatorial process. This exhibition included a large group project focused on fusing concepts of graffiti with glass. (Attendance 4,148)



Cool Wind, Lee Brady
Photography supplied by artist

Continuous marked the SCC's 300th exhibition. Monique Martin displayed dozens of linocut printed panels installed in the space and included multi-sensory experiences of smell (beeswax) and sound (audio recordings of hives). The SCC hosted a large reception to celebrate the 300th exhibition as well as the artist's success. (Attendance 3,598)

Triadica was a group exhibition by artists, Jenny-Lyn Fife, Mary Lynn Podiluk, and Joan Thomson, featuring new contemporary jewellery. It drew attention to Art Jewellery and the contemporary work being done by jewellery artists in Saskatchewan. (Attendance 2,805)

Procession West opened the New Year, featuring an exhibition by two Albertan traditional photographers. Both artists focus on the North American landscape, photographing the diverse nature of the land with large format cameras. (Attendance 1,957)

All Beings Confluence marked a very different exhibition for the SCC – an interactive community project of panels organized by Martha Cole. The gallery space was filled with panels created by community participants (artists and non-artists). Viewers were encouraged to touch and walk through the pieces as they hung from the ceiling. (Attendance 2,732)

Special Projects

Emma International Collaboration Auction 2016

The Emma Auction was held at Holy Family Cathedral in Saskatoon. We were pleased with this location for its bright atmosphere, professional look, and high ceilings! The Emma Auction featured work made during the collaboration from local, national, and international artists. Some incredibly exciting pieces were sold, including the sculptural artwork made from the Victoria Bridge and worked on by dozens of artists.



All Beings Confluence, Saskatchewan Craft Council Gallery

Art Now 2016

The Art Now Saskatchewan Craft and Art Fair was designed by SaskGalleries to be a community focused event, with free admission and original works by Saskatchewan and Canadian artists and artisans. According to SaskGalleries' statistics, over 3,200 people attended Art Now in just three days. We showcased the work of 39 artists, all juried professional craftspeople with the SCC. Our Communications department worked hard to ensure we had material about each artist when we conversed with visitors in our booth.

Engagement and Sales

This year we continued to focus on recording and promoting the artists we are showing, using social media more effectively and showing 'behind the scenes' content, such as fast-motion videos of exhibition installations. Longer form video interviews with artists were created where relevant and when artists were available. We hosted tours of the exhibitions,

mostly through educational groups (high schools, university courses, ESL courses, elementary schools).

This past year we had \$44,916 in gross sales from our gallery exhibitions, a 17% increase over the year previous.

Saying Goodbye and Hello

In addition to our programming, our department underwent a few staff changes this year with Maia Stark taking over for Stephanie during her maternity leave and longtime Exhibitions Coordinator Leslie Potter retiring in the summer. Stephanie Canning and Maia Stark are now job sharing the Exhibitions and Education Coordinator position. Thank you to Les for all his years of service to the Saskatchewan Craft community.

We hope to continue to deliver excellent exhibition programming which is challenging and exciting to our membership and the Saskatchewan arts community!

**Stephanie Canning & Maia Stark
Exhibition & Education
Coordinators**

SCC Fine Craft Boutique Report

It has been quite the year of trials in the Boutique.

At the end of April and through September, Broadway Ave and adjacent side streets were closed for major water and sewer main replacement, road construction and paving. The neighbourhood needed the repairs as the pipes were installed over 50 years ago. Signs were posted city wide to advise drivers to avoid the Broadway area. Fences were put up blocking foot traffic. To reach a business just across the street one had to walk two or three blocks out of the way, maneuvering changing openings in fencing. In June and July large equipment dug up the street directly in front of the Craft Council. It was loud, it shook the building, pieces of Fine Craft had to be taken down from display risers and headaches were common.

Then came December – one of the coldest on record. The weather hit

the street hard. Broadway depends on foot traffic, and there was no one walking around. We suffered a 25% loss in sales during what is usually one of our busiest months.

I am happy to report that despite these challenges, the Boutique had another successful year. 1,707 Boutique pieces were sold during this period for a total of \$73,339 in gross sales, only 5% less than the previous year.

There were 26,644 visitors through the Gallery and Boutique, 274 more than the previous year, despite the 4 month street closure. Signatures in the guest book were from 28 Countries; 25 States in the USA; all 10 Canadian Provinces plus Nunavut, NWT and Yukon territories; as well as 125 distinct Saskatchewan communities. Visitors were delighted, pleasantly surprised and amazed by the pieces on display, stating out loud and in their guest book comments on the exceptional

talent of our member artists; the high quality of the pieces and the technical skill of our artists.

The SCC communication and publication team worked hard at promoting and raising awareness through integrated print and social media for Gallery exhibitions, the Boutique and our SCC artists. The window box display has proven to be a great promotional feature. Numerous purchases are made as a direct result of the beautiful Fine Craft pieces on display in the window. Our purchasers are return customers, those who purchase for corporate gifts, those who wish to take gifts out of country and those wishing to support local artists. Visitors find the Boutique to be a unique shopping experience.

The Boutique represents seventy five SCC Professional Fine Craft Artists, juried in twelve different medium – clay, fibre, glass, jewellery, metal, mixed media, photography, printmaking, seed beading, sculpture, visual art and wood.

Thanks to Lesley Sutherland and Dawn Rogal who filled in for me while I was off for a couple of months after Christmas.

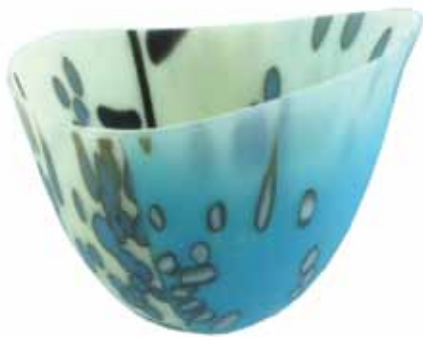
Thank you to all the Boutique artists and thank you to my fellow staff members for their assistance. We look forward to another successful year.

Donna Potter
Boutique & Administration
Coordinator





Daryl Richardson



Kimberley Dickinson



Mel Bolen

Canadian Crafts Federation

Last fall's CCF's conference focused on promoting craft, fostering relationships, networking, collaboration and national engagement. One of the outcomes was that Craft Year will be celebrated every five years. 2020 is the next time to shine a light on what we do and love.

The CCF has worked hard this past year:

- Day on the Hill – meeting with other arts groups to engage politicians in Ottawa;
- Working with the provincial craft councils and the territorial craft councils (PCC/TCC) to promote the changes to the Canada Council;
- Creation of an International Committee to represent Fine Craft outside of Canada's borders;
- Reaching out to new affiliate members to strengthen its presence across the country, but remaining a decentralized, collaborating federation of PCC/TCCs;
- Promoting Fine Craft across the country through Citizens of Craft and social media projects through programs like:
 - Studio Magazine – As part of your SCC membership, you receive two issues a year of the wonderful Studio Magazine, available to all PCC/TCC members through bulk purchases by the councils. The SCC supports this program on your behalf and welcomes your feedback on the magazine.
 - Citizens of Craft website – Juried members of the SCC can be profiled on the site, which can regionally direct collectors to your site when they are in the area.
 - Participation in national campaigns such as:
 - #finecraftfriday
 - #craftbt
 - #CraftTBT
 - #CoCMonday
 - #CitizensofCraft
 - #Craft150
 - The SCC shares the CCF eNewsletter in SaskCreate or you can subscribe to it directly through the CCF website.

The CCF says goodbye to three long-serving executive directors this year:

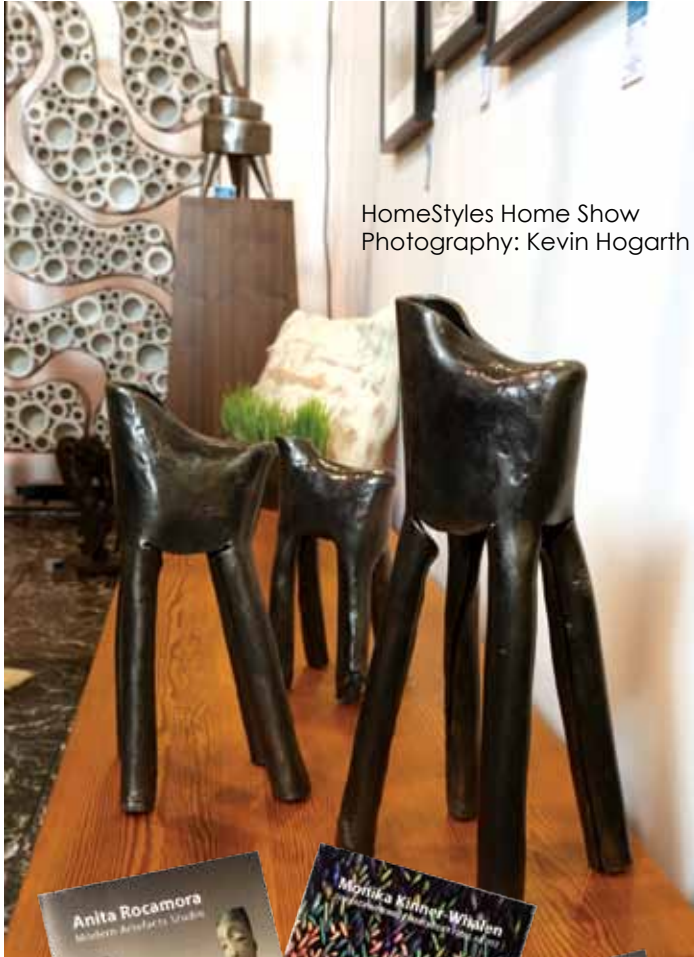
- Anne Manuel (Newfoundland) retired in December 2016;
- Emma Quin (Ontario) left the OCC to take over the reins at the Canadian Textile Museum; and
- Tom McFall (Alberta) will retire in June of this year.

All three have contributed greatly to the success of the CCF. Their wisdom will be missed.

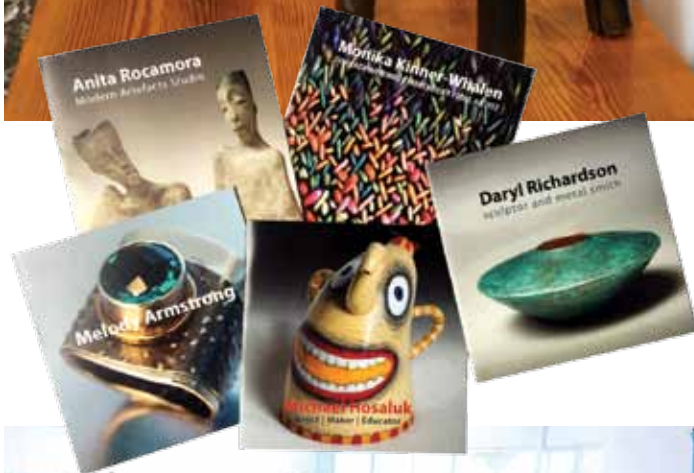
David Freeman

SCC Representative to the CCF Board

Accomplishments



HomeStyles Home Show
Photography: Kevin Hogarth



New Programs

- Worked with partners to launch ArtNow and HomeStyles 2017.
- Introduced our Professional Practices for Artists program. Ran nine programs serving 92 participants.

Revenue Generation

- Self-generated \$227,750 in gross revenues (grants excluded).
- Paid \$116,000 to artists in fees and sales.
- Launched our Online Store offering items from our gallery exhibitions through the platform.

Gallery Program

- Eight exhibitions at the SCC Gallery with 400 artists participating. Sold 94 pieces.
- 26,644 visitors to the gallery from 28 countries, including 25 US states, all provinces and territories and 125 communities in Saskatchewan.

Promotion

- Negotiated a series of programs to be produced through MaxTV Local.
- Posted 63 blogs, including book reviews, skill development, artists' interviews, curatorial statements, and big ideas.
- 2,186 likes on Facebook, an increase of 49% since April 1, 2016.
- 1,039 subscribers to Talking Craft, an increase of 65% year over year.
- Instagram followers grew from 781 at March 31, 2016 to 1,545 at March 31, 2017, a 98% increase!

Board and Staff

- Worked with Jeremy Morgan to review and update its policy manual and set strategic goals
- Contributed our observations and insight to TransformSK.
- We juggled, we high-fived, we ate pizza after late night installations, we celebrated your achievements, and we dreamed about the future.

middle: Gallery Representation Program
Samples of artists' mini-booklets

bottom: Emma International Collaboration Auction
Attendees bidding on silent auction items

Staff

Executive Director & Financial Management

- Carmen Milenkovic, Executive Director
- Lesley Sutherland, Accounting Coordinator (April – December, 2016)
- Margaret Phillips, Financial Manager (January 2017 –)

Boutique, Administration & Special Projects

- Donna Potter, Coordinator (April 2016 – January 2017; on leave January to March 2017)
- Lesley Sutherland (Leave Replacement & Special Projects, January 2017 –)
- Dawn Rogal (Leave Replacement, January – March 2017)
- Summer Student – Canada Summer Jobs Mackenzie Usher (June – August 2016)

Communications & Publications

- Vivian Orr, Coordinator
- Sydney Luther, Assistant

Exhibitions & Education

- Stephanie Canning, Co-Coordinator
- Maia Stark, Co-Coordinator (August 2016 – March 2017)
- Leslie Potter, Co-Coordinator (Retired August 2016)
- Kaitlyn Froleck, Gallery Assistant (Maternity Leave October 2016 –)
- Maureen Schimnowsky, Gallery Assistant (April – December 2016)
- Brianne Davis, Gallery Assistant (September 2016 –)
- Candace Chickowski, Gallery Assistant (November 2016-)
- Dawn Rogal, Gallery Assistant (September 2016-)
- Summer Student – Young Canada Works Zoé Fortier (May to August, 2016)

Member Services

- Ferron Olynyk, Coordinator (April – September 2016; On leave September –)
- Alexa Hainsworth, Coordinator (September 2016 –)
- Summer Student – Canada Summer Jobs Olivia Adams (May – August 2016)

Major Sponsors

creative
SASKATCHEWAN



Sponsors and Donors

(Apr 1, 2016-Mar 31, 2017)

\$2,500 - \$9,999

artsVest – Business for the Arts

Government of Canada, Young Canada Works

Government of Canada, Canada Summer Jobs

Arnfinn Prugger & Lindsay Embree (New Zealand Collaboration Bursary)

PotashCorp (New Zealand Collaboration Bursary)

SaskCulture (Culture Days)

Up to \$499

Don Bednar

LeeAnn Brown

Bonnie Conly

Cindy Hoppe

Heather Kleiner

Patrick & Linda Landine

Paige Mortensen

Rod Orr

Jenine Yuzik

Thank you to everyone who supports the work and programs of the Saskatchewan Craft Council. Please visit our website (saskcraftcouncil.org) to make a contribution. Donations over \$10.00 will be provided a charitable tax receipt.

SASKATCHEWAN CRAFT COUNCIL

Financial Statements

March 31, 2017

INDEPENDENT AUDITORS' REPORT

STATEMENT OF FINANCIAL POSITION

STATEMENT 1

STATEMENT OF REVENUE AND EXPENDITURES

STATEMENT 2

STATEMENT OF NET ASSETS

STATEMENT 3

STATEMENT OF CASH FLOWS

STATEMENT 4

NOTES TO THE FINANCIAL STATEMENTS



SASKATOON

CHARTERED
PROFESSIONAL
ACCOUNTANTS

MANAGEMENT
CONSULTANTS

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BSA, PAg, CPA, CGA

INDEPENDENT AUDITORS' REPORT

To the Members: Saskatchewan Craft Council

We have audited the statement of financial position of Saskatchewan Craft Council as at March 31, 2017 and the statements of revenue and expenditures, net assets and cash flows for the year then ended.

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.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian 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.

EPR SASKATOON

EPR Saskatoon CPA Prof. Corp.

An Independent Member Firm of EPR Canada Group Inc. with International Affiliations.



INDEPENDENT AUDITORS' REPORT (CONT'D)

Basis for Qualified Opinion

In common with many charitable and membership organizations, the Council derives part of its revenues from the general public in the form of various fund raising projects and donations which are not susceptible to complete audit verification. Accordingly, our verification of revenues from these sources was limited to the amounts recorded in the records of the Council, and we were not able to determine whether any adjustments might be necessary to donations and fund raising revenue, assets, liabilities and net assets.

Qualified Opinion

In our opinion, except for the effect of adjustments, if any, which we might have determined to be necessary had we been able to satisfy ourselves concerning fund raising and donations referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Council as at March 31, 2017 and the results of its operations and cash flow for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

EPR Saskatoon, CPA PC

**EPR SASKATOON, CPA PROF CORP
CHARTERED PROFESSIONAL ACCOUNTANTS**

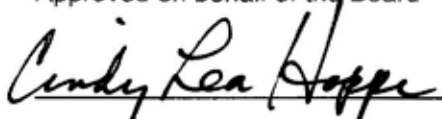
June 15, 2017
Saskatoon, Saskatchewan

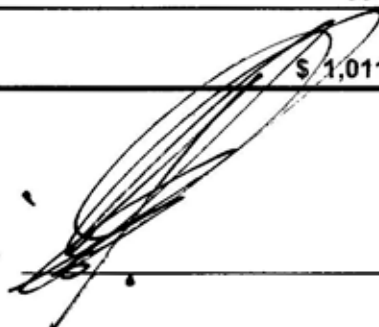
SASKATCHEWAN CRAFT COUNCIL
STATEMENT OF FINANCIAL POSITION
March 31, 2017

STATEMENT 1

	2017	2016
ASSETS		
Current		
Cash and bank	\$ -	\$ 108,760
Accounts receivable	2,206	3,337
Grants receivable	59,793	34,500
Government agencies recoverable	2,461	3,491
Inventory	8,172	11,374
Prepaid expenses	9,348	25,459
	81,980	186,921
Tangible capital assets - note 3	929,164	926,934
	\$ 1,011,144	\$ 1,113,855
LIABILITIES AND NET ASSETS		
Current liabilities		
Bank indebtedness - note 4	\$ 17,483	\$ -
Accounts payable and accrued liabilities	38,294	6,587
Gift certificates	1,820	190
Accrued wages and vacation payable	18,407	23,046
Deferred revenue - note 5	58,365	185,068
Current portion of long term debt	5,902	5,455
	140,271	220,346
Deferred capital contribution - note 6	114,302	115,457
Long-term debt - note 7	122,022	127,945
	376,595	463,748
Net Assets		
Unrestricted net assets	(242,731)	(221,523)
Net assets invested in capital assets	814,862	811,477
Internally restricted	52,265	50,000
Externally restricted	10,153	10,153
	634,549	650,107
	\$ 1,011,144	\$ 1,113,855

Approved on behalf of the Board

 Director

 Director

The accompanying notes are an integral part of these financial statements.

STATEMENT OF REVENUE AND EXPENDITURES
Year ended March 31, 2017

	2017	2016
Revenue		
Creative Saskatchewan	\$ 375,000	\$ 375,000
Restricted grants	158,743	78,976
Markets	48,996	61,118
Unrestricted grants	35,760	33,543
Gallery/Boutique commissions (net) - note 9	34,646	34,148
Membership fees	29,840	29,565
Exhibitions/Education	25,033	8,788
Donations	24,887	62,500
Rental income	13,564	12,104
Deferred capital contributions - note 6	1,155	1,166
Saskatchewan Arts Board	-	357
	747,624	697,265
Expenditures		
Salary Costs	423,183	372,060
Markets	156,835	137,953
Exhibitions/Education	85,949	80,871
Administration	64,986	67,562
Building	36,973	34,982
Amortization	10,602	9,702
	778,528	703,130
	(30,904)	(5,865)
Other revenue (expenditures)		
Insurance claim - note 10		
Revenue	27,010	3,337
Expenditures	(27,616)	-
	(606)	3,337
(Loss) before Emma International Collaboration	(31,510)	(2,528)
Emma International Collaboration		
Revenue	127,966	-
Expenditures	(112,014)	-
	15,952	-
Net expenditures over revenue for the period	\$ (15,558)	\$ (2,528)

The accompanying notes are an integral part of these financial statements.

STATEMENT OF NET ASSETS
Year ended March 31, 2017

	Capital Assets	Internally Restricted	Externally Restricted	Unrestricted	Total 2017	Total 2016
Balance, beginning of year	\$811,477	\$ 50,000	\$10,153	\$(221,523)	\$650,107	\$654,045
Net expenditures over revenues	-	-	-	(15,558)	(15,558)	(2,528)
Amortization	(10,602)	-	-	10,602	-	-
Purchase of capital assets	12,832	-	-	(12,832)	-	-
Direct contributions to funds	1,155	2,265	-	(3,420)	-	90
Steck fund expenditures	-	-	-	-	-	(1,500)
Balance, end of year	\$814,862	\$ 52,265	\$10,153	\$(242,731)	\$634,549	\$650,107

The accompanying notes are an integral part of these financial statements.

STATEMENT OF CASH FLOWS
 Year ended March 31, 2017

	2017	2016
Cash provided by (used in)		
Operations		
Loss from operations	\$ (15,558)	\$ (2,528)
Items not requiring an outlay of funds		
Amortization	10,602	9,702
	(4,956)	7,174
Changes in non-cash working capital		
Accounts receivable	1,131	11,359
Grants receivable	(25,293)	(34,500)
Inventory	3,202	3,220
Prepaid expenses	16,111	(21,283)
Accounts payable and accrued liabilities	31,707	(4,061)
Gift certificates	1,630	(1,520)
Accrued wages payable	(4,639)	7,073
Government agencies payable	1,030	(842)
Deferred revenue	(126,703)	69,100
Cash (used in) provided by operating activities	(106,780)	35,720
Financing		
Repayment of long term debt	(5,476)	(5,535)
Externally restricted net assets	-	(1,410)
Receivable on the sale of assets	-	11,618
Cash (used in) provided by financing activities	(5,476)	4,673
Investments		
Purchase of capital assets	(12,832)	(117,822)
Building construction in progress	-	12,158
Deferred capital contribution	(1,155)	115,456
Cash (used in) provided by investing activities	(13,987)	9,792
Increase (decrease) in cash	(126,243)	50,185
Cash, beginning of year	108,760	58,575
Cash (bank indebtedness), end of year	\$ (17,483)	\$ 108,760

The accompanying notes are an integral part of these financial statements.

SASKATCHEWAN CRAFT COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
March 31, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Measurement Uncertainty and the Use of Estimates

The preparation of the financial statements requires the Council to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditures during the year. Actual results could differ from these estimates.

Measurement uncertainty exists for deferred revenue of \$58,365 (2016-\$185,068) because the Council calculates its deferred revenue by adding in its revenue received or to be received for the grants which usually covers two fiscal periods and subtract the expenses coded specific to that grant.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in revenue in the periods in which they became known.

2. BUILDING CONSTRUCTION IN PROGRESS

Phase one of the project for the installation of the new heating and cooling system and window replacements had been substantially completed by the end of March 2017. The Council had budgeted the total cost of Phase one of the project to be \$110,000. The total cost at March 31, 2017 was \$117,320. The Council received a total of \$116,623 including in-kind donations at March 31, 2017 towards Phase one of the project. The Council still requires some minimal in-kind labour to complete phase one of the project which should be completed by the end of June. Upon completion the Council will receive from the City of Saskatoon the \$27,500 that has been granted for the project. The Council had budgeted the total cost to be \$60,000 for Phase two of the project. Phase two of the project is for the removal of the old boiler and to address some safety concerns with the building. Phase two will be completed as the funds become available. Phase two of the project is not critical if it is not completed. The Council expects to raise all the funds for Phase two through grants, in-kind donations, membership campaigns and corporate & community sponsorship. The Council has received \$4,555 from the total committed funds of \$12,145 as of March 31, 2017 towards Phase two of the project.

3. TANGIBLE CAPITAL ASSETS

	2017		2016	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Land	\$ 350,000	\$ -	\$ 350,000	\$ 350,000
Building	595,306	38,938	556,368	560,824
Computer equipment	60,695	58,649	2,046	2,538
Furniture, fixtures & equipment	93,293	81,471	11,821	10,451
Vehicle	12,363	9,866	2,497	3,121
Emma - Container	7,147	715	6,432	
	\$ 1,118,804	\$ 189,639	\$ 929,164	\$ 926,934
Tangible Capital Assets			\$ 929,164	\$ 926,934
Deferred capital contributions			(114,302)	(115,457)
Net assets invested in capital assets			\$ 814,862	\$ 811,477

SASKATCHEWAN CRAFT COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
March 31, 2017

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Net assets invested in capital assets	\$ 814,862	\$ 811,477

SASKATCHEWAN CRAFT COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
March 31, 2017

4. BANK INDEBTEDNESS

The Council has a \$50,000 line of credit at a rate of Prime + 2% (March 31, 2017 - 4.70%) that is secured by a mortgage on the Council's building. The line of credit was at a \$10,000 balance at March 31, 2017. The remaining balance is cheques outstanding in excess of funds on deposit. The book value net of the long term debt (Note 7) of the security pledged is \$778,444.

5. DEFERRED REVENUE

	2017	2016
Creative Saskatchewan	\$ 39,697	\$ 129,216
Building Fund - phase two	4,555	4,305
Membership fees	11,706	13,521
Other	2,230	2,314
Emma International Collaboration	177	35,712
	\$ 58,365	\$ 185,068

6. DEFERRED CAPITAL CONTRIBUTIONS

Deferred capital contributions represent the unamortized amount received for the purchase of capital assets. The amortization of capital contributions are recorded as revenue in the statement of revenue and expenditures, which offset the relative amortization expense for the period.

	2017	2016
Contributions	\$ 116,623	\$ 116,623
Amortization	(2,321)	(1,166)
	\$ 114,302	\$ 115,457

7. LONG-TERM DEBT

	2017	2016
4.95% bank loan due April 2022, at which time the Council will need to negotiate possible renewal terms with the bank, payable in installments of \$1,008 principal plus interest monthly, against which a general security agreement and a collateral mortgage on land and building with a net book value of \$906,368 has been pledged as collateral.	\$ 127,924	\$ 133,400
	127,924	133,400
Less current portion	5,902	5,455
	\$ 122,022	\$ 127,945

The total interest paid on the mortgage loan relating to the repayment of debt from SCC Enterprises for the year was \$7,351.

SASKATCHEWAN CRAFT COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
March 31, 2017

7. LONG-TERM DEBT CONT'D.

The estimated aggregate amount of principal payments required in each of the next five years on the above indebtedness, assuming the existing terms and conditions will continue through the maturity date, is as follows:

2018	\$	5,902
2019	\$	6,201
2020	\$	6,515
2021	\$	6,844
2022	\$	7,191

8. ECONOMIC DEPENDENCE

The Council is dependent for a significant proportion of its revenue on various annual grants and other contributions. The amount of these grants can vary widely from year to year depending on a number of different factors which may or may not be under the control of the Council. Other grants may be directed toward specific activities which would require additional expenditures and may not be available to cover other expenditures of the Council. Readers are cautioned that revenue sources from prior years may not be a good predictor of revenues for the current or future periods.

9. GALLERY/BOUTIQUE COMMISSIONS

	2017	2016
Revenues	\$ 123,624	\$ 159,283
Expenditures	88,978	125,135
Net revenue over expenditures	\$ 34,646	\$ 34,148

10. INSURANCE CLAIM

In January 2016, the Council had an ice dam on their roof of the building which resulting in flooding to the gallery. This resulted in the gallery being shut down for three weeks between January 2016 and March 2016. The Council received compensation for Loss of business income for \$3,337. The insurance company handled all the repair work required to the Council to restore the building to its original condition with a net cost of \$606.

11. COMPARATIVE FIGURES

Certain balances of the preceding period have been reclassified to conform with the current year's financial statement presentation specifically:

Loss of business income for \$3,337 has been transferred out of gallery/boutique commissions and show separate as insurance proceeds.

City of Saskatoon property tax grant of \$15,364 has been transferred out of restricted grants to unrestricted grants.



I am a
CITIZEN
of **CRAFT**

Maker: Mary Lynn Podiluk, Voices Broach
Photography: Alan Yuen