



SASKATCHEWAN CRAFT COUNCIL

Annual Report April 1, 2019 — March 31, 2020



Land Acknowledgement

The Saskatchewan Craft Council acknowledges that the land on which we gather is Treaty Six Territory, the traditional territory of numerous First Nations, including Plains and Woods Cree, Dene, Nakota, Saulteaux, and Anishinaabe, and the homeland of the Métis Nation. As we are all Treaty people, acknowledging traditional territory and this relationship is one of many steps we can take to recognize the land's history, to pay respect to the Indigenous peoples whose practices and spiritualities continue to develop, grow and contribute to this land.

Mission

The Saskatchewan Craft Council invites and connects the world to experience excellence in Saskatchewan craft.

Strategic Goals

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

ENGAGEMENT: The SCC supports Saskatchewan craftspeople to flourish creatively and economically.

DIVERSITY: The SCC actively engages with and builds programming to reflect Saskatchewan's Indigenous, newcomer and diverse communities.

COMMUNICATION: The SCC communicates a strong brand that clearly identifies it as the trusted source that invites and connects the world to experience excellence in Saskatchewan craft.

CAPACITY: The SCC has the organizational capacity to deliver innovative and quality needs-based programming.

SCC Board of Directors, as of March 31, 2020

Cindy Hoppe, Biggar;
Chairperson (exp 2021)
(ex officio all committees)

Jason Peters, Vanscoy;
Vice-Chairperson (exp 2021)
(Executive, Governance, Audit)

Lori Steward, Saskatoon; (exp 2022)
(Executive, Governance)

David Freeman, Tugaskie;
Chairperson, Audit Committee
(exp 2020)
(Executive, Audit, Canadian Crafts
Federation Representative)

Members at Large

Elisabeth Miller, Saskatoon;
Membership (exp 2020)

Terry Ekvall, Regina;
Membership (exp 2022)

Earl Eidem, Saskatoon;
Governance, Audit, Building Advisor
(exp 2020)

Brenda Wolf, Regina;
Membership (exp 2022)

Appointed by the Board in July 2019
as Members at Large

Andrew Wiebe, Swift Current;
Audit (exp 2021)

Lenneke Verweij, Saskatoon;
Membership (exp 2021)

Credits

- Front, inside front and back cover
Artist: John Peet
Title: Forgotten
Photographer: Grant Kernan
- Graphic design: Vivian Orr
SCC Communications and Publications Coordinator
- Photography: Vivian Orr
(unless otherwise indicated)



Artist: Jeffrey Taylor
Title: Antler Vase #2
Photographer: Grant Kernan



Highlights from the Board of Directors

Greetings Saskatchewan Craft Council Members

Another very eventful year in the 45 years of our existence has been completed. I would like to thank our hard working, creative staff for their problem solving, event creating, service for members, communication, corporate history, future focus and dedication. When you are an arts organization, your financial resources are constrained even in the best of times, but your people are a resource that cannot be measured by yardsticks or price tags — especially the strange new times that we found ourselves in at the end of our 2019/2020 year. Our building was effectively closed in the middle of March. We had been experiencing increases in sales and viewers up until then, and although we may be open in limited ways in the future, it will take a long time until we are back to some semblance of normal.

4TH ANNUAL
ART•NOW
SASKATCHEWAN FINE ART FAIR

SEPT 20-22, 2019
THE SOUNDSTAGE
REGINA

FREE ADMISSION

creative
SASKATCHEWAN
SASK•GALLERIES

GET THE
UNEXPECTED

WWW.ARTNOW.CA

Another sector to thank is our volunteer base. Events are not accomplished by staff power alone. Art Now 2019 was held in Regina and without members helping to set up and take down, as well as troubleshooting throughout the event, it would not have been the success it was. Our heritage building in Saskatoon is always presenting us with new challenges as we try to increase our ability to respond to a digital marketplace and increase



online sales for our members and exhibitors through the Boutique and Gallery. Who knew that a vault converted into a preparatory and packing area would not support a postage meter as WIFI cannot penetrate safe walls? Many thanks to the people that rise to help when we need assistance with the building.

A very important sector to thank is our funding partners. *Creative Saskatchewan* has been a generous and flexible funder, helping us build success for our members and ultimately raising awareness of craft in the province. *The City of Saskatoon* has been a creative colleague in the art installation we are proud to host on the north wall of our building, and provides direct and indirect financial support to our public gallery. Donors, patrons and collaborators have enabled us to upgrade our online store, create more economic opportunities for our members, support our organization, and carry on important programs, such as *Dimension 2019*.

This year saw the beginning of a new relationship with an important creative partner, *Emma International Collaboration Inc (EICI)*. The SCC was informed in the previous fiscal year of *EICI*'s intention to become a separate entity. The growth of the organization over many years of successful partnership with the SCC



Emma International
Collaboration
Photographer:
Gary Robbins

has enabled them to step out on their own. The SCC board and *EICI* have come to an agreement over how to separate and move forward in fiscal year 2020 – 21. We will support and promote our respective organizations and continue to provide the educational, creative and collaborative opportunities that have nurtured artisans in our province in the past, present and future. At the time I write this, *EICI* is still waiting to make an announcement on their project this summer. We wish them continued success and hope that COVID-19 will not derail their intentions.

I want to thank board member David Freeman for stepping up to help this organization meet our commitment to *Emma International Collaboration Inc.* He offered bridge funding to allow a full payout that will be folded into our mortgage renewal in April, 2022. As chair of the audit committee, David made the offer and then recused himself from all discussion around the decision. In consultation with our bank and auditors, accepting his offer saved us \$10,000 in fees to open our mortgage early. Particular attention was paid to our capacity to manage another \$200 a month in our mortgage payment. The board will be looking at all avenues to reduce our debt going forward and increase our revenues from

donations, sales and memberships to support this. Thank goodness for the foresight of former board members who orchestrated the purchase of the SCC building. The appreciation of the building values over time has helped us manage financial difficulties throughout the years, and is doing so again.

The year also celebrated *Dimensions 2019*, where 35 artists were chosen and fêted from a pool of 135 entrants with 213 works. We moved the awards presentation to the Broadway Theatre where we bestowed honorary memberships to Pat Adams and Winston Quan. The celebration continued at the SCC Gallery amidst the work which brought us together.

I wish to thank our board members for their contributions. We are intentionally reaching out to Regina

and are pleased to have new board members from there. We are searching for more meaningful programming and events that we can develop. We very much appreciate the response from various guild members in Regina who met with us during Art Now. Thank you to Earl Eidem and Elisabeth Miller, whose terms on the board are now complete, for their years of work on behalf of our members. Their contributions at the board table and as volunteer experts will be missed.

Lastly, thank you to our membership who is experiencing much hardship in the real world with what COVID-19 has laid on us all. Our Executive Director, Carmen Milenkovic, has spent countless hours in meetings since it broke, advocating nationally, provincially, and locally to navigate the new wrinkles in support programs, the implications of policies that are flying from government tables daily, and the trickle down effects that end up in our own organization. Please let us know what kind of support we can be to you. Those of you, who are able, please put us on your charitable giving list. All of us are navigating uncertain times with no GPS available. As we try to be safe in our workplace and programming, things will be very different and our organization will have to change with it. I thank you all for your kindness and generosity. It is a privilege to be your chair.

Cindy Hoppe
Board Chairperson



Dimensions 2019

Executive Director Report

Refreshing our identity and goals

The board and staff worked with a consultant to revisit our purpose and align our goals with our new mission (see inside front cover). The work to define the outcomes and indicators for each of the goals will continue into the next programming year, although it has been delayed given the impact of the pandemic.

Indigenization of the SCC

Our work on the Indigenization of the SCC is only beginning. We have joined the Saskatoon Anti-Racism Network and are seeking new partnerships to move us forward in our responsibility. Our ability to make our organization a place where Indigenous artists feel welcome and at home is slowly evolving. All of our programs and processes are under review to ensure that the Saskatchewan Craft Council embraces diversity. This is a priority for the Board and the staff as we find ways and partnerships to be more inclusive and relevant.

Grants and Fundraising

We are grateful for the operational funding from Creative Saskatchewan and the City of Saskatoon. Creative Saskatchewan also provided programming grants to assist us with: Professional Practices, Art Now, WinterGreen promotion, retail marketing beyond Saskatchewan, our wholesale program, *Dimensions*, and to renovate our online store. Through the Canada-Saskatchewan Job Grants program, we were able to upgrade Sydney's skills in social media processes and analysis. *Dimensions* was also supported by generous donations from Cogent Accounting, and numerous guilds and individuals. Through their generosity we celebrated the province's fine craft culture and awarded \$12,500 in cash prizes. We also received two grants from Young Canada Works to hire two summer students.



Left: Winston Quan
Right: Pat Adams
Photographer:
Kevin Hogarth

Growing businesses

Through our Professional Practices program and our consultation initiatives, we have formed and advanced many partnerships to help members grow their business and enhance their skills. We are taking active roles in the Saskatchewan Trade Export Program (STEP), Women Entrepreneurs of Saskatchewan (WESK), the Saskatoon and Region Chamber of Commerce and Square One. These organizations provide programs and services to help small businesses, and provide valuable training and consultations to help our staff serve members better.

We also work on the inter/national stage through our partnerships within the Canadian Crafts Federation (CCF). Craft Alliance Atlantic is a leader in the country in understanding and navigating the international market. They also generously include us in their initiatives and knowledge. Alexa was able to join a fact-finding mission to the UK to investigate possibilities of showcasing Saskatchewan craft in London. We are key participants on the digital strategy, inter/national, and Citizen of Crafts committees of the CCF. Through Creative Saskatchewan, we hosted a reception and meal with Rachael Brown from Scotland CanDo, and attended her keynote address at the Creative Cities conference which was held in Saskatoon.

Celebrating artistic and communal contributions

2019 – 2020 was a year to celebrate long term contributions and emerging talent. During the *Dimensions* Gala, we bestowed honorary memberships upon Pat Adams and Winston Quan to thank them for their efforts and leadership in this organization. These craft artists not only have a long history of creating outstanding work but also contributed to the success of the SCC. Thank you Winston and Pat, and thanks to Paul Lapointe who presented the awards.

Martha Cole, another SCC member, was awarded the Lifetime Achievement Award, and SCC member, Mary Lynn Podiluk, received the Emerging Artist Award, at the Saskatchewan Arts Awards.

Craft Year 2020 and hosting Ten Digit Technology: Understanding virtual and material realities

As part of our national organization's efforts to highlight craft, we joined with our sister councils from across the country to celebrate Craft Year 2020. The first three months were dedicated to re-establishing the Citizens of Craft website, and preparing to brand all 2020 programming as a Craft Year 2020 project. The culmination of that activity to the end of March was the CCF conference. The conference focused on the work the CCF is doing through its digital strategy fund grant. As an active participant in that strategy, it was wonderful to partake in the discussion and

provide ideas on fostering new audiences and emerging artists within the digital realm. We worked with the University of Saskatchewan Art Galleries, Sâkêwêwak Artist Collective and the CCF to bring the craft community together to explore digital presentation and processes. The SCC Gallery was the locale for a conference reception and artist talk with Regina-based artist Melanie Monique Rose. We left the conference full of inspiration and new ideas on how to improve and expand our programming.

And then it happened ...

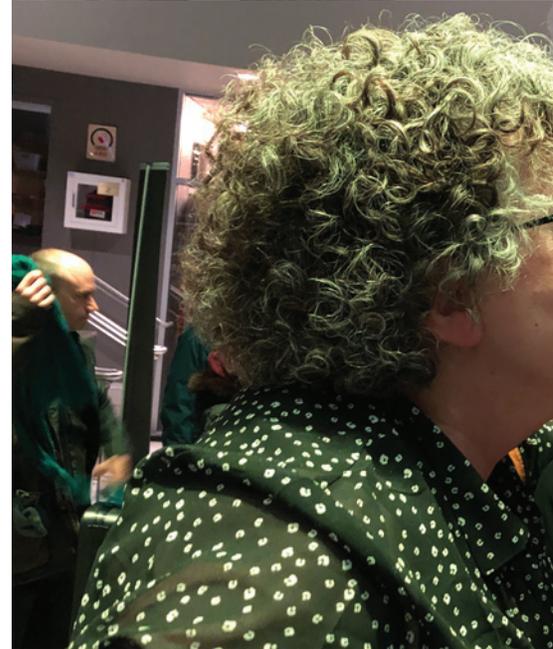
Our fiscal and programming year ended with a resounding crash: COVID-19 was declared a world-wide pandemic. The SCC went from the "high" of hosting the national CCF conference, to a resounding low when on March 16 we closed our doors to the public,

and reduced our on-site staff. This happened during show change week, when the celebrated work of Melanie Monique Rose came off our walls, and Nik Semenoff's *Alchemy* was to be installed. Given that the gallery and boutique were no longer open and that we had numerous staff members out of the office due to health and COVID-19 precautions, we ended the year with the installation not completed, and the desire to extend *Alchemy*. We managed a first extension into June, as the exhibition which was to follow was not available due to current circumstances. We've been inventing and managing ever since, attending more Zoom meetings than is healthy and forging our way through the great unknowns.

Carmen Milkenkovic
Executive Director

Morley Maier's works were highlighted at the CCF conference — held up as an example of excellence in craft.

A conference attendee said she had learnt the basics of basket making. That knowledge informed her appreciation of Maier's skills and spurred her to purchase one of his baskets.



Left: Martha Cole
Right: Vivian Orr





Left: Carmen Milenkovic
Right: Mary Lynn Podiluk
Back: Stephanie Canning



Exhibitions & Education Coordinators Report

Dimensions 2019

The Exhibitions team launched the year with *Dimensions 2019*, our biannual celebration of fine craft. There were 219 entries from 135 artists — out of that number 93 were SCC members, and 40 were emerging artists. The jurors were Felicia Gay (Saskatoon based curator) and Kye-Yeon Son (Halifax based metalsmith). For the first time, we live-streamed the jurors' critique so that members outside of Saskatoon could listen to the presentation and ask questions. We are grateful to Market Mall for their flexibility and assistance. Without a location and storage space we would not be able to run this program in such a short time span. The *Dimensions Awards Gala* took place at the Broadway Theatre in Saskatoon followed by a reception at the SCC. Thank you to the award sponsors. The first stop of the travelling exhibition was the Lloydminster Cultural and Science Centre.

Curatorial Committee

The SCC Curatorial Committee is an advisory committee to the Exhibitions and Education Coordinators. Members have a two year term, which can be renewed once. This year's committee included: Louisa Ferguson, Cate

Francis, Joseph Anderson and Paula Cooley. Their voices and expertise were invaluable not only when discussing applications, but regarding questions of representation and encouraging artists at all levels.

This year there were 36 applications, twice as many as we have ever had in one year! The applicants included: 16 from Saskatchewan; 20 from out-of-province; 17 self-declared emerging artists; one self-declared Indigenous artist; one self-declared Canadian newcomer artist; and 12 current SCC members. Twenty-six were for solo exhibitions; four were two-person exhibitions; and six were group exhibitions (three artists or more). The media included: ceramics; sculpture; textiles; furniture; visual art; mixed craft media; printmaking; and a curatorial project. The selected exhibitions included three Saskatchewan exhibitions and two out of province exhibitions. The efforts we have made in the last year to streamline applications helped us manage this larger number. In general, the SCC has seen an increase in attendance and interest in the SCC Gallery. Thank you to the craftspeople who exhibit with us! We feel incredibly privileged to work with you.



Artist: Kimberley Dickinson
Title: First Bloom
Photographer: Kevin Hogarth



Dimensions 2019
Reception

Staffing

Amidst these exciting and inspiring events, we also balanced significant staffing changes as Stephanie Canning commenced her maternity leave. We welcomed new Exhibitions and Education Coordinator, Leah Moxley Teigrob, as well as new Gallery Assistants Jean Price and Alix Gowan, saying goodbye to Gallery Assistant Emily Kohlert, as she continues to focus on her design practice.

Exhibition schedule

April 2019 to March 2020

March 9 — April 27, 2019

The Narrative Dish II

Artists: Carole Epp, Japneet Kaur, Shaun Mallonga, Marney McDiarmid, Lindsay Montgomery, and Brenda Watt

Attendees: exhibition 2,986;
panel discussion 56

A group exhibition of contemporary ceramic work from six Canadian artists presented a variety of styles and strategies using narrative on clay. The objects explored humor, poetry, environmental decay, and concern about our present cultural and political state.

May 4 — July 6, 2019

Dimensions 2019

Artists: John Peet, Mary Lynn Podiluk, Keith Morton, Laura Kinzel, Alison Phillips, Anita Rocamora, Evan Quick, Louisa Ferguson, Robert Spark, Zane Wilcox, Grant Irons and Miranda Jones, Toby Cote, Michael

Hosaluk, Ron Cooley, Jaynie Himsl, Lorraine Sutter, Melody Armstrong, James Cathcart, Cecilia J Cote, Kimberley Dickinson, Carol Ewles, Jenny-Lyn Fife, Gary Greer, Zach Hauser, June Jacobs, Sandra Ledingham, Jim Logan, Deborah Potter, JoAnne Sauder, Carrie Smith, Jeff Stewart, Donna Stockdale, Jeffrey Taylor, and Deb Vereschagin

Attendees: exhibition 5,017;
awards ceremony 173; opening
reception 187

The 35 pieces in *Dimensions 2019* were selected from 219 entries submitted by 135 Saskatchewan artists. The exhibition was juried by Felicia Gay (Saskatoon) and Kye-Yeon Son (Halifax). The prestigious Award for the Outstanding Entry, was presented to John Peet for his piece "Forgotten."

July 13 — September 7, 2019

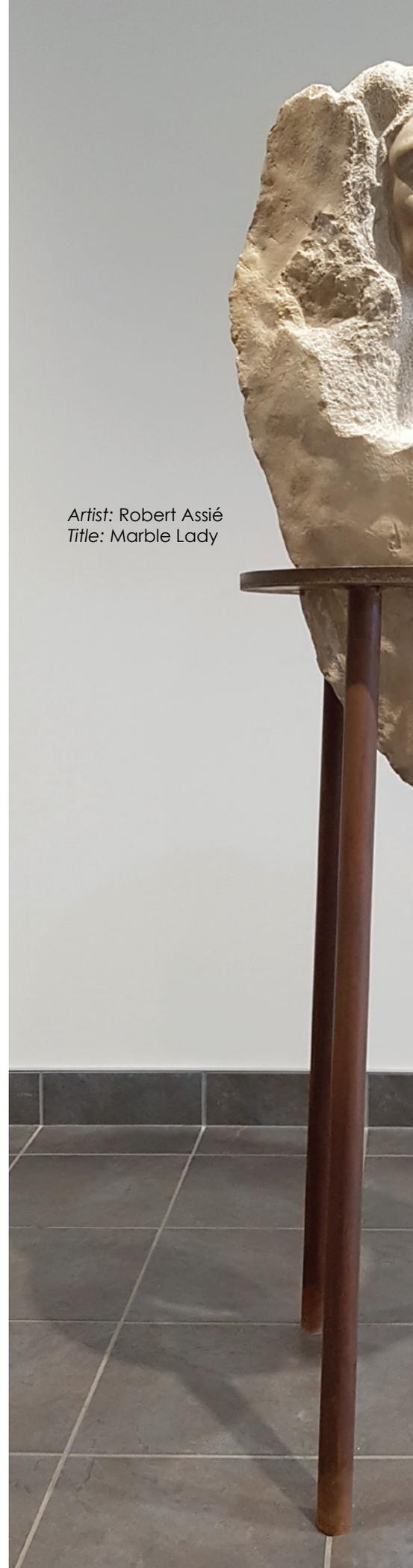
Other Artifacts

Artists: Michael Flaherty, Susan Furneaux, and Philippa Jones

Attendees: 4,525

Three Newfoundland artists created mythical worlds with fine craft techniques and materials for this enchanting exhibition. The show consisted of handmade dolls inspired by natural history, folklore, and the Newfoundland landscape; ceramics pieces, integrating geometric historical ceramic decoration with the functional element of the bicycle; and pen and ink, which explored constructed realities and active myth making.

Artist: Robert Assié
Title: Marble Lady





September 14 — November 16, 2019
Aggregate

Artist: Darren Emenau

Attendees: exhibition 4,351;
reception and artist talk 31

The work in this solo exhibition was inspired by the east coast landscape. This maritime artist uses locally dug clay. His unconventional clay and glaze experiments and contemporary forms decorated the gallery with their remarkable saturated colour and lush textural surfaces.

November 23, 2019 —
January 4, 2020
Stone Notes

Artist: Robert Assié

Attendees: exhibition 3,503;
reception 62; school tour 15

Assié's large-scale carved works used material acquired as a significant and important part of his process. Procuring local Saskatchewan field "marble" requires, as Assié describes it: "... [an] in-depth understanding of stone, specific knowledge of local stones, as well as community help to locate and move the monoliths." Assié's commitment to obtaining local stone rather than ordering quarried stone created a meaningful dialogue between artist and material.

January 11 — March 14, 2020
The Flower People

Artist: Melanie Monique Rose

Attendees: exhibition 3,309; artist talk & reception 66; artist talk & reception for the Canadian Crafts Federation conference 63

Sponsor: Sâkêwêwak
Artist Collective

Fiber and visual artist Melanie Monique Rose from Regina and Treaty 4 Territory presented *The Flower People*, based on an ongoing theme for Rose. It was derived from "The Flower Beadwork People," a name given to the Métis who are well known for their floral beadwork. The artist used felting techniques on collected vintage blankets to create a canvas: exploring her Métis identity alongside her Ukrainian heritage. These works explored personal acts of Indigenous survival and solidarity, which made her look critically at how she tells her story as an active Indigenous presence and contemporary artist in the world today.

**Maia Stark, Stephanie Canning,
and Leah Moxley Teigrob**
Exhibitions and Education
Coordinators

Artist: Melanie Monique Rose
Title: Coalesce



Member Services Report

This has been a fantastic year for new and returning programs for the member services area. We are assessing our members' needs and working with them individually to assist them professionally.

SCC annual jury sessions

The sessions took place April 27 and 28 in Regina and Saskatoon. 18 successful jury applicants and 16 jurors took part in this year's sessions. Successful juried applicants now qualify to take part in future WinterGreen markets and SCC programming such as Art Now and may apply to be represented in the SCC Boutique. Participating in jurying is a positive experience whether artists are or are not accepted. The process includes honest and helpful feedback on work that is sometimes made in isolation. The SCC loves to see the participants enjoying the process, getting to know the faces behind the work, and making long lasting connections with one another in the arts community.

Art Now Fine Art Fair

2,500 visitors attended the 4th annual Art Now Fine Art Fair, organized by Sask Galleries, and held September 19 – 22, in Regina at the Soundstage. Twelve exhibiting galleries from three provinces came together in one location to show their selection of quality fine craft and fine art throughout the weekend. The Saskatchewan Craft Council's display was beautifully

curated, and stood out at as having the largest range of works and the most artists shown in one booth. Our sales increased by 36% over the previous year. We showcased 190 works from 51 artists and sold 70 pieces. It was a resounding success.

Reagan Lowe was the Saskatchewan Craft Council's Artist in Residence, creating a beautiful star blanket over three days. Visitors watched her process and asked her questions while she pieced and sewed the blanket to completion. Dale Lowe gave an artist talk in our booth. The 20 artist talk attendees were very enthusiastic about Dale Lowe's work and asked many thoughtful questions.

Nuit Blanche

Nuit Blanche took place September 30 from 7pm – 1am. Monique Martin's *Umbra, Penumbra and Antumbra* was selected as the installation in the SCC back lot. It was a display of architectural maquettes of iconic Saskatoon buildings. Martin and her students from Georges Vanier Catholic Fine Arts School created an art happening. Using flashlights, visitors cast light onto the maquettes to create moving shadows on the adjacent walls all along the back alley and throughout our parking lot. The public could let go and play. Some students performed multiple acrobatic dance numbers to keep the energy up. The installation was a mazelike mini-Saskatoon, glowing

with colorful neon paint and activated by the attendees with their flashlights moving through the installation.

Blacksmith Jim Gerlinsky demonstrated fire forging techniques by making small metal leaves. Over the course of the evening he gave these away to the public who watched the process start to finish. It was a big hit and very educational. The flame and sound of the hammer striking hot metal attracted big crowds of people who were keen to watch the entire process.

Aggregate (see the Exhibitions report) was featured in the gallery and was enjoyed by all ages during Nuit Blanche. Total attendance throughout our gallery and back yard installation was approximately 2,090, which was 200 more attendees than the previous year.

WinterGreen Fine Craft Market

WinterGreen 2019 was held at the Conexus Arts Centre in Regina November 8, 9, and 10. 3,222 people attended, up 15% over the previous year. Total sales by 70 marketers were \$155,700, up 8.79%.

This was the 9th year for the emerging artist program and we were happy to have had seven emerging artists and six new professional artists join WinterGreen Market this year. They enjoyed the market and were very happy with their sales over the weekend.



Nuit Blanche
Artist: Monique Martin and
students of Georges Vanier
Catholic Fine Arts School



Salon des métiers d'art du Québec

"My first time at WinterGreen was great. I made some sales, learned so much on how I could improve said sales as well as my booth design and lighting. You guys are awesome, and did such a good job organizing and coordinating with everyone. Looking forward to more workshops and going through the jury process in April. The best part about WinterGreen for me was how supportive everyone was. It really was like a big family, offering insight, encouraging each other, and really eroding the idea of any competition between vendors. The SCC does an amazing job of organizing, advertising and simply making sure all of their craftspeople have the resources and support they need to be successful."

SCC member,
emerging artist

Salon des métiers d'art du Québec (SMAQ)

The Salon took place December 6 –16, 2019, in Montreal. It is the largest craft fair in Canada. This was the second time the Saskatchewan Craft Council attended this fine craft market thanks to the support of Creative Saskatchewan. Sales increased by 17% over the previous year. SMAQ was a fantastic venue to showcase the talent of three Saskatchewan Craft Council professional craftspeople: Sherri Hrycay, Sova Design Millinery; Kathleen O'Grady, grady bleu; and Mary Lynn Podiluk, Art Jeweller and Goldsmith. Through this program they promoted their businesses to a Quebec audience.

Wholesale program

The focus of our Wholesale Program is the Toronto Gift Fair (TGF). TGF enables retail outlets from across the country to meet suppliers of wholesale products. The artists we took to TGF were from Parsons Dietrich Pottery (Moose Jaw), Joan's Beeswax Candles (Hague), and Smiling Cow Studio (Maple Creek). Total sales were over \$12,000.

Collect educational mission

The SCC was given the opportunity to send a representative to Collect Craft Fair in London, UK on February 26, 2020. Organized by Craft Alliance Atlantic, Alexa Hainsworth, fellow Canadian Crafts Federation Council representatives, and makers/artists attended Collect 2020 to determine if Canadian craft artists should exhibit at Collect in 2022. Collect has over 200 galleries and exhibitors that showcase fine craft exclusively. 13,000 visitors attend Collect UK from around the world to purchase fine craft. Collect showcases a breadth of exceptional work from ceramics, glass, metal, wood and textiles to makers working in non-traditional materials with experimental techniques. The Saskatchewan Craft Council has a long and inspiring history with enormously talented makers who would make an impactful addition to Collect. The SCC is eager to partner with Craft Alliance Atlantic to put forward our professional makers at a Canadian pavilion and gain international clientele and recognition for Canadian craft and SCC artists.

And then COVID-19 hit ... and all plans changed.

Alexa Hainsworth
Member Services Coordinator

Fine Craft Boutique Report

Successful boutique expansion

In July 2019 we had the wonderful opportunity to expand our sales space for eight months. The exhibitions that we featured didn't need the full gallery, and so we added 150 sq ft of additional display space. It is our policy not to supplant the exhibition space with the boutique except in the case where a smaller space enhances the exhibition. As a result, boutique artists' work was more visible from the gallery entrance and customers delighted in the spacious and relaxing shopping experience. Our months of expansion included both the summer tourist season as well as our increasingly busy holiday season.

Increased artist representation

Staff have worked hard to increase the number of artists represented in the boutique this year. Boutique staff Lesley Sutherland and Kaitlyn Frolek worked closely with member services coordinator Alexa Hainsworth who keeps staff alerted to new juried members and those

interested in becoming boutique artists. Craft media represented in the boutique include: fibre, clay, basketry, glass, jewellery, metal, sculpture, mixed media, photography, printmaking, seed beading, wood, and visual art.

Sales

Before COVID-19 hit us in mid-March and completely shut us down, we were on track for a slight increase in our gross sales through the boutique. Instead, we saw a slight decline (4%) year over year.

Customers

Our boutique is gaining a stronger reputation as a source for one of a kind gifts and collector pieces. This is partly due to our ability to offer more craft to the public during our expansion and the growth in the number of returning customers who share a deep appreciation for good quality, highly skilled craft that is locally made.

Lesley Sutherland

Boutique and Administration
Coordinator

**Artists
represented
in the SCC
Boutique: 98**
A 20%
increase from
2018 — 2019



Artist: Mary Lynn Podiluk
Title: Lingula



Canadian Crafts Federation Report

David Freeman has been our representative to the CCF Board for many years. He sits on the executive, governance, nominations, advocacy and community outreach committees.

The highlight of the past year was the creation of a series of Citizens of Craft podcasts in alliance with the provincial craft councils. These featured interviews of different artists, usually two per episode, addressing various themes and approaches to craft. Find them here at: citizensofcraft.ca/podcast. Saskatchewan artists Monika Kinner (Season 1) and Carole Epp (Season 2) are interviewees.

Ownership of Citizens of Craft has been transferred from Craft Ontario to the CCF; this decision allows all CCF partners to use the program and platform as a national tool to develop membership and audiences. Craft Year 2020 began in January to shine a light on craft across the country and to grow the Citizens of Craft campaign. The initiative was interrupted when the pandemic was declared in March.

The digital strategy project, funded through the Canada Council for the Arts, had its first public airing at the conference held in Saskatoon in early March. The timing for this conference was unwittingly astute.

It was held March 4 – 8 right before the COVID-19 outbreak that forced countless people to go digital to communicate. We were lucky to host participants from across the country, and engage in important and scintillating discussion.

A lot of work has been done by Maegen Black, Director of the CCF, to have craft redefined through the North American Industrial Classification System. This classification system is used to analyse the economic impact of craft. Right now craft is defined as part of many different kinds of industries so measurement of our economic impact is difficult to ascertain. The work done through Maegen's efforts is to streamline how craft is defined in the classification system so that meaningful data can be gathered on its economic impact.

This is David's last year as Saskatchewan's representative to the CCF. He will be taking on the role of Vice-President on the CCF board. "It has been rewarding and I would recommend it as a way to learn about craft in our country." Cindy Hoppe will be the new representative beginning in September.

Thank you for your interest and support over the years, David.

THE 14th NATIONAL CCF/CFMA CONFERENCE
TEN DIGIT TECHNOLOGY
UNDERSTANDING VIRTUAL & MATERIAL REALITIES

FEATURED SPEAKERS

MICHAEL PETERSON
CAROLE EPP
STEPHEN HURLEY
RAPHAEL VAN LIEROP
AND MANY MORE...

COME JOIN US ON MARCH 7th AT THE REMAI MODERN

Presentations and panels on Building Digital Communities, Digital Fluency and Influence, Mindfulness, Craft & Health, and more!

New approaches, research and projects on the material and digital realities in craft will be explored. Attendees will leave feeling informed with an improved digital understanding, empowered to build their audience by increasing their reach, and inspired to advance maker culture for the urban, rural and online communities of craft.

canadiancraftsfederation.ca/conference @CCF/CFMA

University of Regina, Saskatchewan Craft Council, K/S, REMAI MODERN, and other partners.

Professional Practices Report

In the third year of the Professional Practices program, we placed an increased emphasis on reaching members outside of Saskatoon and Regina and building supportive communities for our craft artists, as well as continuing the evolution of our programming in response to the needs of our members. While we offered some course-based programming as we had in our first two years, we focused on longer-term individual and group meetings to provide more dynamic and accessible support.

We launched the pilot for a five-month training program that would meet every two weeks; initial interest was so great that we had to form two groups, each with 10 to 15 participants from across Saskatchewan with remote course access provided via Zoom video conference. Called *Tackling the Tough Questions*, the program is responsive to participants, bringing in industry experts to cover topics that those in the program identified as being the most impactful. These included:

- [Kevin Hogarth](#) (Hogarth Photography) discussing how to photograph your work;
- [Carole Epp](#) (Musing About Mud) discussing strategies and pricing for market sales;
- [Maia Stark](#) (SCC Exhibitions and Education Coordinator) and [Linda Stark](#) (Art Placement) discussing strategies for approaching art galleries;
- [Brandon Webber](#) (Waxwane) discussing marketing and branding;
- [Depesh Parmar](#) (Ideas Inc) discussing business strategy;
- [Shenuka Wickramasinghe](#) and [Jenelyn Ong](#), advisors from Square One, discussing the different forms a business can take (corporation, partnership,

sole proprietorship) and the services their business support program offers; and

- [Michael Peterson](#) (Professional Practices Coordinator) discussing grant writing and artist documents, such as CVs, artist statements, and biographies.

The feedback we have received on *Tackling the Tough Questions* has been positive, with participants saying that it has helped them both to better see their art practice as a business and to have greater confidence when approaching art galleries for shows or applying for grants.

In addition to this program, we have increased the number of one-on-one consultations we provide. These allow us to focus in on the individual needs of our members, to work with those in smaller communities where group sessions would not be feasible, and to provide continued support when our members are approaching a new market, writing a grant, or developing a new product line.

It has been exciting to see the support of the program contribute to successes for so many of our participants, including numerous Creative Saskatchewan grants. To highlight two major wins:

- [Mary Lynn Podiluk](#) was the 2019 recipient of the Saskatchewan

"I want to thank you guys for all that you do! I am learning so much from Michael in the Professional Practices course, and I am just so thankful for the many opportunities that you make us aware of! I am so grateful for the SCC team!"

Professional Practices Participant

Arts Board's RBC Emerging Artist Award;

- [Amanda Nogier](#), *Béton Brut*, was selected as Fashion Designer of the Year by *Western Living Magazine* for her line of concrete jewellery.



Artist:
Amanda Nogier
Photographer:
Carey Shaw

At the request of those in the program, we will be continuing our *Tackling the Tough Questions* programming in 2020, providing an ongoing community of support while also opening space for new participants. We will also be offering a course on writing a business plan, as an increasing number of our members are identifying this as the necessary next step for them to grow their craft businesses. Lastly, we will continue to provide one-on-one consultations at any time throughout the year to offer immediate and individualized support for Saskatchewan Craft Council members.

Michael Peterson
Professional Practices Coordinator

At a Glance

Supporting creativity and economic success

- 24,344 people came to our exhibitions from 18 countries, including 15 US states, 11 Canadian provinces and territories and 84 Saskatchewan communities.
- The SCC Gallery featured six exhibitions with artists from Saskatoon, Regina, Grasswood, Meacham, Weyburn, Prince Albert, Yorkton, La Ronge, Duval, Meadow Lake, Newfoundland, Ontario, British Columbia, and New Brunswick.
- The SCC generated \$232,424 in gross revenues. This does not include grants.
- \$132,775 was paid to artists in commission payments, fees, prize money plus underwriting participation in many of our programs.
- The SCC participated in Nuit Blanche, Culture Days, the CCF 10 Digit Technology Conference, CCF Digital Strategy Committee, CCF Citizens of Craft, and Craft Year 2020.
- The number of artists participating in our boutique grew from 75 to 95. While sales were sluggish in the summer months, we were on track to surpass the previous year's sales when the pandemic was declared.
- Professional Practices and one-on-one consultations continued to inspire and develop business skills in our members.

Facebook — shifting to a younger, more international audience

- Total Facebook page followers as of March 31, 2020 – 3,610, which was a 10% increase over the previous year



- Engagement is primarily by women (72%)
- The largest demographic is women 17 – 34 (17%), with women 55 – 64 a close second at 15%; in the previous year women 55 – 64 were the largest demographic at 25%
- We are seeing progress in moving the audience to a younger consumer.
- Canadians remain the largest reach at 7,925 or 65% of the audience, followed by the US, Japan, UK and Australia.

Instagram

- Craft works well on Instagram given the emphasis on photography.
- Total followers as of March 31, 2020 – 3,083, a 33% increase over the previous year.
- 31% are between the ages of 25 – 34; 30% between 35 – 44.
- 79% of our followers are female.

Social media advertising

- We are still learning about online advertising. In the past year we spent \$1,830 on campaigns generating 375,244 impressions with a reach to 129,149 people.
- Art Now was our most successful campaign. We spent \$90 between Facebook and Instagram and reached 10,000 people, almost entirely women. Most of them were with the 35 – 44 age brackets, with 25 – 34 as the next viewership.
- A \$300 WinterGreen campaign was viewed by 36,680 people with the largest group women aged 25 – 34. This translated into higher attendance and sales at the event.
- Our Call for SCC Gallery Exhibitions saw a new record of 36 applicants, which can be attributed to the online ad campaign. The total spent was \$300. We targeted 83% of the budget on Instagram (reach of 33,448) with the remainder on Facebook (reach 9,344).

Website — time for a face lift

- This year saw a decrease in visits to our website. Developed in 2013, the website needs a refresh. With assistance from Creative Saskatchewan we will be working on renovating our online shop, and refreshing the look and feel of the site.
- We had 34,102 users visit our site during the year. 18.41% were from Saskatoon, 15.93% from Regina and most of the remainder from Calgary, Toronto, Chicago, Vancouver, Edmonton, Montreal and Winnipeg.
- October saw a lot of activity. We showcased a considerable amount of information targeted at many different types of traffic: jury sessions, WinterGreen, and direct links to our social media pages.

- November was even busier. WinterGreen continued to draw a crowd – 6,551 new viewers. The week of WinterGreen drew the highest traffic of the year with over 200 visitors each day between the ages of 25 – 44.

SaskCreate

- SaskCreate is our primary biweekly communication vehicle with our members.
- It has 357 subscribers, a 10% increase over the previous year.
- 82% of our readers are highly engaged, 10% are moderately engaged and 7% are rarely engaged.

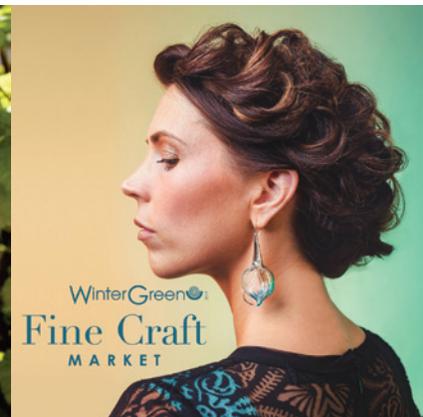
Talking Craft

- Talking Craft is our biweekly communication with our customers and supporters.

- It has over 1,500 subscribers, on par with the previous year.
- 45% of our readers are highly engaged, 13% are moderately engaged and 41% are rarely engaged.
- We are hoping that our online shop changes will help boost the Talking Craft readership in the coming year.

Blog Posts

- There were 20 blog posts by members and staff on topics including: The Anti-Aesthetic of Ruth Cuthand, CollaborationNZ 2019, Martha Cole's Lifetime Achievement Acceptance Speech, A Prairie Craft Coincidence, and The Politics of Craft.



SCC Staff

Executive Director and Financial Management

- Carmen Milenkovic, Executive Director
- Turkington Business Services (Hannah Lander)

Boutique, Administration and Special Projects

- Lesley Sutherland, Coordinator (Job share)
- Kaitlyn Frolek, Coordinator (Job Share)

Communications and Publications

- Vivian Orr, Coordinator
- Sydney Luther, Assistant (On leave August – September, 2019; On leave (February 2020 –)
- Rebecca Vereschagin, Summer Student, Young Canada Works, Government of Canada (June – August 2019)

Exhibitions and Education

- Stephanie Canning, Coordinator, Job share (On leave mid March 2020 –)
- Maia Stark, Coordinator (Job share)
- Leah Moxley Teigrob, Interim Coordinator (Leave replacement), (Job share) (February 2020 –); Gallery Assistant (March 1, 2019 – March 15, 2020)
- Emily Kohlert, Gallery Assistant (April 2019 – March 2020)
- Jean Price, Gallery Assistant (March 2020 –)
- Alix Gowan, Gallery Assistant (March 2020 –)

Member Services

- Alexa Hainsworth, Coordinator
- Kennedy Adams, Summer Student, Young Canada Works, Government of Canada (June – August 2019)

Contracted Services:

Michael Peterson:
Professional Practices Coordination

Turkington Business Services (Hannah Lander):
Bookkeeping Services

Paul Daniel Siemens:
Building Maintenance and Cleaning Services

Maia Stark:
Building Cleaning Services

Sponsors and Donors

(April 1, 2019 to March 31, 2020)

Major Sponsors

Creative Saskatchewan
City of Saskatoon

Program Sponsors

Young Canada Works,
Government of Canada
Canada Saskatchewan Job Grant
SaskCulture, Culture Days

Dimensions 2019 Sponsors

Cogent Chartered Professionals
Diana Milenkovic and Frank Hart
Saskatchewan Arts Board
Artisans' Craft Market Co-operative
Cecilia J. Cote
Marigold Crib

Handmade House
Donna Potter
Saskatchewan Weavers and Spinners Guild
Saskatchewan Woodworkers Guild
Saskatoon Glassworkers Guild
Saskatoon Quilters Guild
T & T Pottery Supply Ltd
Western Canadian Blacksmiths Guild

Donors

Leeann Brown
Earl and Betts Eidem
Cindy Hoppe
Heather Kleiner
Justine Lustig
Carol Lynn Nagle

Thank you to everyone who supports the work and programs of the Saskatchewan Craft Council. Your financial support helps us to achieve our goal.

Financial Statements

Saskatchewan Craft Council

March 31, 2020

Contents

	Page
Independent Auditor's Report	1 - 2
Statement of Financial Position	3
Statement of Operations	4
Statement of Changes in Net Assets	5
Statement of Cash Flows	6
Notes to the Financial Statements	7 - 13

Independent Auditor's Report

Grant Thornton LLP
Unit #4
130 Robin Crescent
Saskatoon, SK
S7L 6M7

T +1 306 934 3944
www.GrantThornton.ca

To the Members of
Saskatchewan Craft Council

Opinion

We have audited the financial statements of Saskatchewan Craft Council, which comprise the statement of financial position as at March 31, 2020, and the statements of operations, changes in equity, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the council as at March 31, 2020, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the council 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 these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

We draw attention to Note 9 to the financial statements, which explains that certain comparative information presented for the year ended March 31, 2019 has been restated. The financial statements of Saskatchewan Craft Council for the year ended March 31, 2019, were audited by Cogent Chartered Professional Accountants LLP who expressed a qualified opinion on those statements on May 30, 2019 for reasons described in the Basic for Qualified Opinion section. Our opinion is not modified in respect of this matter. The partners and staff of Cogent Chartered Professional Accountants LLP joined Grant Thornton LLP on November 1, 2019.

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 council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Council or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the council's financial reporting

Independent Auditor's Report (continued)

process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. 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 Council'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 Council'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 Council 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.

Saskatoon, Canada
October 31, 2020

Grant Thornton LLP

Chartered Professional Accountants

Saskatchewan Craft Council

Statement of Financial Position

March 31

2020

2019

Assets

Current

Accounts receivable	\$ 71	\$ 1,005
Grants receivable	52,079	63,015
Goods and services tax receivable	1,240	-
Inventory	2,555	2,718
Prepaid expenses	<u>6,326</u>	<u>12,337</u>
	62,271	79,075
Tangible capital assets (Note 4)	<u>912,041</u>	<u>930,164</u>
	<u>\$ 974,312</u>	<u>\$ 1,009,239</u>

Liabilities

Current

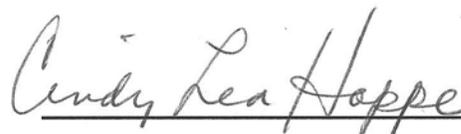
Bank indebtedness (Note 5)	\$ 74,435	\$ 74,256
Accounts payable and accrued liabilities	27,924	24,486
Accrued wages and vacation payable	16,256	24,888
Gift certificate	831	1,251
Deferred revenue (Note 10)	23,688	38,517
Lease security deposit	1,244	1,244
Goods and services tax payable	-	3,292
Due to Emma International Collaboration Inc. (note 7)	46,915	-
Current portion of long-term debt (Note 6)	<u>6,844</u>	<u>6,515</u>
	198,137	174,449
Long-term debt (Note 6)	102,479	109,305
Related party loan (Note 7)	20,000	-
Deferred capital contribution (Note 8)	<u>125,716</u>	<u>126,985</u>
	<u>446,332</u>	<u>410,739</u>

Net Assets

Unrestricted	520,827	548,245
Internally restricted	-	41,602
Externally restricted	<u>7,153</u>	<u>8,653</u>
	527,980	598,500
	<u>\$ 974,312</u>	<u>\$ 1,009,239</u>

On behalf of the board


Member



Member

Saskatchewan Craft Council Statement of Operations

Year ended March 31	Unrestricted 2020	Externally restricted 2020	March 31 2020	March 31 2019 Restated - See Note 9
Revenue				
Creative Saskatchewan	\$ 380,000	\$ -	\$ 380,000	\$ 380,000
Restricted grants	168,108	-	168,108	125,629
Unrestricted grants	26,500	-	26,500	41,013
Donations	16,018	-	16,018	12,086
Markets	42,453	-	42,453	37,289
Rental income	17,974	-	17,974	13,443
Exhibitions/Education	5,752	-	5,752	10,324
Gallery/Boutique commissions	95,542	-	95,542	107,411
Membership fees	27,878	-	27,878	25,863
Amortization of deferred capital contribution	1,270	-	1,270	1,283
	<u>781,495</u>	<u>-</u>	<u>781,495</u>	<u>754,341</u>
Expenses				
Amortization	8,692	-	8,692	10,702
Administration	66,023	-	66,023	65,833
Building	52,862	-	52,862	53,171
Exhibitions/Education	68,448	-	68,448	30,193
Gallery/Boutiques costs	54,662	-	54,662	60,235
Markets	125,144	1,500	126,644	122,890
Salaries and related benefits	394,916	-	394,916	408,421
	<u>770,747</u>	<u>1,500</u>	<u>772,247</u>	<u>751,445</u>
Excess of revenues over expenses before other income (expenses)	<u>10,748</u>	<u>(1,500)</u>	<u>9,248</u>	<u>2,896</u>
Other income/(expenses)				
Gain (loss) on transfer to capital assets to Emma International	(12,853)	-	(12,853)	-
Emma revenues	-	-	-	127,647
Transfer to Emma International Collaboration Inc.	(66,915)	-	(66,915)	-
Emma expenses	-	-	-	(138,310)
	<u>(79,768)</u>	<u>-</u>	<u>(79,768)</u>	<u>(10,663)</u>
Deficiency of revenue over expenses	<u>\$ (69,020)</u>	<u>\$ (1,500)</u>	<u>\$ (70,520)</u>	<u>\$ (7,767)</u>

See accompanying note to the financial statements.

Saskatchewan Craft Council Statement of Changes in Net Assets

Year ended March 31	Unrestricted 2020	Internally restricted 2020	Externally restricted 2020	March 31 2020	March 31 2019 Restated - See Note 9
Retained earnings, beginning of year	\$ 548,246	\$ 41,602	\$ 8,653	\$ 598,500	\$ 606,270
Income (loss)	(69,020)	-	(1,500)	(70,520)	(7,770)
Settlement fund (Note 7)	<u>41,602</u>	<u>(41,602)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Retained earnings, ending of year	<u>\$ 520,828</u>	<u>\$ -</u>	<u>\$ 7,153</u>	<u>\$ 527,980</u>	<u>\$ 598,500</u>

Saskatchewan Craft Council

Statement of Cash Flows

Year ended March 31

2020

2019
Restated -
See Note 9

Increase (decrease) in bank indebtedness

Operating

Deficiency of revenues over expenses	\$ (70,520)	\$ (7,770)
Items not affecting cash		
Amortization	8,692	10,702
Amortization of deferred capital contribution	(1,270)	(1,283)
Loss on sale of tangible capital assets	12,853	-
	<u>(50,245)</u>	<u>1,649</u>
Change in non-cash working capital items		
Accounts receivable	934	23,840
Grants receivable	10,936	(20,969)
Goods and services tax	(4,532)	4,472
Inventory	163	792
Prepaid expenses	6,011	7,471
Accounts payable and accrued liabilities	3,441	(15,339)
Accrued wages and vacation payable	(8,632)	(429)
Gift certificate	(420)	(374)
Deferred revenue	(14,829)	(57,265)
Lease security deposit	-	1,244
	<u>(57,173)</u>	<u>(54,908)</u>

Financing

Due to Emma	46,915	-
Repayment of long-term debt	(6,497)	(6,199)
Proceeds of related party loan	20,000	-
	<u>60,418</u>	<u>(6,199)</u>

Investing

Purchase of tangible capital assets	(3,424)	(9,575)
Proceeds on disposal of tangible capital assets	-	100
	<u>(3,424)</u>	<u>(9,475)</u>

Increase in bank indebtedness

(179) (70,582)

Bank indebtedness

Beginning of year	<u>(74,256)</u>	<u>(3,674)</u>
End of year	<u>\$ (74,435)</u>	<u>\$ (74,256)</u>

Saskatchewan Craft Council

Notes to the Financial Statements

March 31, 2020

1. Nature of operations

Saskatchewan Craft Council ("the Council") was incorporated under the Saskatchewan Non-Profit Corporations Act on January 16, 1976. The mission of the Council is to foster an environment where excellence in craft is nurtured, recognized and valued, and where Saskatchewan crafts people flourish creatively and economically. The Council is a Registered Charity and as such is exempt from payment of income tax under Section 149(1) of the Income Tax Act.

2. Change in accounting policies

Section 4433: Tangible Capital Assets Held by Not for Profit Organizations

Effective April 1, 2019, the Council adopted Section 4433 – Tangible Capital Assets Held by Not for Profit Organizations. Section 4433 replaced Section 4431 Tangible Capital Assets Held by Not for Profit Organizations and requires the application of Part II of the CPA Handbook – ASPE Section 3061 Property, Plant and Equipment and ASPE Section 3110 Asset Retirement Obligations for tangible capital assets held by NPOs, and provides guidance on contributed assets and write-downs of tangible capital assets. As a result of adopting Section 4433 tangible capital assets are written down to fair value or replacement cost to reflect partial impairments when conditions indicate that the assets no longer contribute to an organization's ability to provide goods and services, or that the value of future economic benefits or service potential associated with the tangible capital assets are less than their net carrying amounts. This section was adopted prospectively. The Council determined that the adoption of this section had no impact on the March 31, 2020 financial statements.

3. Significant accounting policies

The Council's financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations.

Saskatchewan Craft Council

Notes to the Financial Statements

March 31, 2020

3. Significant accounting policies (continued)

Financial instruments

The Council considers any contract creating a financial asset, liability or equity instrument as a financial instrument, except in certain limited circumstances. A financial asset or liability is recognized when the Council becomes party to contractual provisions of the instrument. It is management's opinion that the Council is not exposed to significant credit or liquidity risk arising from the financial instruments except as disclosed in Note 10.

Measurement

The Council's financial instruments are measured at fair value when issued or acquired. For financial instruments subsequently measured at cost or amortized cost, fair value is adjusted by the amount of the related financing fees and transactions costs. Transaction costs and financing fees relating to financial instruments that are measured subsequently at fair value are recognized in operations in the year in which they are incurred.

Financial assets or liabilities obtained in related party transactions are measured in accordance with the accounting policy for related party transactions except for those transactions that are with a person or entity whose sole relationship with the Council is in the capacity of management in which case they are accounted for in accordance with financial instruments.

At each reporting date, the Council measures its financial assets and liabilities at cost or amortized cost (less impairment in the case of financial assets). The financial instruments measured at amortized cost are receivables, bank indebtedness, accounts payable and accrued liabilities.

Impairment

Financial assets measured at cost are tested for impairment when there are indicators of impairment. Previously recognized impairment losses are reversed to the extent of the improvement provided the asset is not carried at an amount, at the date of the reversal, greater than the amount that would have been the carrying amount had no impairment loss been recognized previously. The amounts of any write-downs or reversals are recognized in the statement of operations.

Tangible capital assets

Tangible capital assets are recorded at cost. The Council provides for amortization using the declining balance method at rates designed to amortize the cost of the tangible capital assets over their estimated useful lives. The annual amortization rates are as follows:

Buildings	1%
Computer equipment	30%
Equipment	20%
Emma - container	10%
Vehicles	20%

Saskatchewan Craft Council

Notes to the Financial Statements

March 31, 2020

3. Significant accounting policies (continued)

Deferred capital contributions

Contributions restricted for the acquisition of capital assets are recorded as deferred capital contributions when the amount is invested in tangible capital assets and are amortized to revenue on the same basis as the related tangible capital assets are amortized to expense.

Impairment of tangible capital assets

The Council tests tangible capital assets, or groups of tangible capital assets, for impairment whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. An impairment loss is recognized when the carrying amount of the tangible capital asset or group of tangible capital assets exceeds the asset's fair value or replacement cost.

Revenue recognition

Saskatchewan Craft Council follows the restricted fund method of accounting for contributions. Restricted contributions are recognized as revenue when received or receivable in the appropriate restricted fund. Restricted contributions for which there is no corresponding restricted fund are accounted for using the deferral method and recognized as revenue in the administration fund when the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Revenue from fees, contracts, and sales of publications is recognized when the services are provided or the goods are sold.

Rental income, donations are recognized as revenue when they become receivable or received.

Membership fees are recognized as revenue in the fiscal period to which they relate.

Contributed services

A substantial number of board members contribute a significant amount of their time to the Council throughout the year to assist the Council in carrying out its activities. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

Measurement uncertainty

Management reviews the carrying amounts of items in the financial statements at each reporting date to assess the need for revision or any possibility of impairment. Many items in the preparation of these financial statements require management's best estimate. Management determines these estimates based on assumptions that reflect the most probable set of economic conditions and planned courses of action.

These estimates are reviewed periodically and adjustments are made to net revenue as appropriate in the year they become known. For the current fiscal year, item subject to significant management estimates are useful lives of tangible capital assets and related amortization expense.

Saskatchewan Craft Council

Notes to the Financial Statements

March 31, 2020

3. Significant accounting policies (continued)

Externally restricted net assets

The Council has received funds that are to be used specifically for education, career development and rewarding people dedicated to the arts and crafts. The Steck Fund makes up the externally restricted net assets.

Inventory

Inventory consists of Korean art held for sale at the end of the year and is valued at cost. Inventory on hand uses a first-in, first-out basis.

4. Tangible capital assets

			<u>2020</u>	<u>2019</u>
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Land	\$ 350,000	\$ -	\$ 350,000	\$ 350,000
Buildings	604,922	55,692	549,230	553,672
Computer equipment	62,366	60,655	1,711	1,521
Equipment	95,366	85,544	9,822	10,520
Emma - container	-	-	-	12,853
Vehicles	12,363	11,085	1,278	1,598
	<u>\$ 1,125,017</u>	<u>\$ 212,976</u>	<u>\$ 912,041</u>	<u>\$ 930,164</u>

5. Bank indebtedness

The Council has a \$50,000 line of credit at a rate of Prime + 2% (March 31, 2020 - 5.95%) that is secured by a mortgage on the Council's building. The line of credit was at the \$50,000 limit at the year end. The remaining balance consists of an overdraft of \$15,691 and cheques outstanding.

Saskatchewan Craft Council

Notes to the Financial Statements

March 31, 2020

6. Long-term debt	<u>2020</u>	<u>2019</u>
4.95% bank loan due April 2022, payable in installments of \$1,008 monthly, against which a general security agreement and a collateral mortgage on land and building with a net book value of \$899,230 has been pledged as collateral.	\$ 109,323	\$ 115,820
Less current portion	<u>6,844</u>	<u>6,515</u>
Due beyond one year	\$ 102,479	\$ 109,305
Estimated principal repayments are as follows:		
2021	\$ 6,844	
2022	7,190	
2023	<u>95,289</u>	
	\$ 109,323	

7. Due to Emma International Collaboration Inc. and related party loan

During the previous fiscal year Emma International Collaboration Inc. ("Emma") established its own not-for-profit organization. During the current fiscal year the Council and Emma drafted an agreement to transfer \$66,915 cash and certain tangible capital assets including the Emma container to Emma. As of this date the agreement has not been signed but the financial terms are deemed to be substantially correct. During the year, the Council advanced \$20,000 to Emma, with the remaining \$46,915 being set up as a payable, due upon signing the legal agreement. At the beginning of the current fiscal year the Council had set aside \$41,602 as internally restricted net assets for Emma. The \$25,313 difference between that amount and the cash settlement results in a net reduction in the Council's unrestricted net assets.

To finance the transfer of cash to Emma, the Council has entered into a loan agreement with a related party to borrow up to \$67,000. This loan bears interest at a rate of 4.41% which will accrue until the due date of the loan which is April 2022. It is the intention of the Council to payout this amount by adding it to the mortgage when it comes up for renewal in April 2022. As of this date \$20,000 has been advanced on this loan. The remainder will be advanced upon signing the legal agreement with Emma.

Saskatchewan Craft Council

Notes to the Financial Statements

March 31, 2020

8. Deferred capital contribution

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 expenses, which offset the relative amortization expense for the period.

	<u>2020</u>	<u>2019</u>
Balance, beginning of year	\$ 126,985	\$ 128,268
Less amounts amortized to revenue	<u>(1,269)</u>	<u>(1,283)</u>
	<u>\$ 125,716</u>	<u>\$ 126,985</u>

9. Prior period adjustment

During 2020 it was determined that in the prior year additional restricted fund expenses was not recorded in the statement of operations. Previously, these amounts were adjusted directly to the statement of change in net assets. As part of the completion of the 2020 financial statements, the 2019 figures were corrected to report these amount on the statement of operations. Overall, the correction of these items had no impact on the 2019 ending net assets of the Council. As a result, the following financial statement items have been adjusted as follows:

March 31, 2019	<u>Previously reported</u>	<u>Adjustments</u>	<u>Restated</u>
Statement of Operations			
Emma expenses	\$ (127,647)	\$ (10,663)	\$ (138,310)
Deficiency of revenues over expenses	2,893	(10,663)	(7,770)
Statement of Cash Flows			
Deficiency of revenues over expenses	\$ 2,893	\$ (10,663)	\$ (7,770)
Externally restricted net assets	(10,663)	10,663	-
Increase in bank indebtedness	(70,582)	-	(70,582)

10. Deferred revenue

	<u>2020</u>	<u>2019</u>
Creative Saskatchewan	\$ -	\$ 24,411
Membership fees	13,488	13,806
Other	<u>10,200</u>	<u>300</u>
	<u>\$ 23,688</u>	<u>\$ 38,517</u>

Saskatchewan Craft Council

Notes to the Financial Statements

March 31, 2020

11. Financial instruments

The Council is exposed to various risks through its financial instruments. The following analysis provides a measure of the Council's risk exposures and concentrations at March 31, 2020.

Liquidity risk

The Council's liquidity risk represents the risk that the Council could encounter difficulty in meeting obligations associated with its financial liabilities. The Council is, therefore, exposed to liquidity risk with respect to its payables and accruals.

12. Economic dependence

The Council receives a significant portion of their grants from Creative Saskatchewan. The Council's ongoing operations are dependent on continuing funding from it.

13. Comparative figures

Some of the comparative figures may have been reclassified to conform to the current year's presentation.

14. Subsequent event

Since December 31, 2019, the spread of COVID-19 has severely impacted many local economies around the globe. In many countries, including Canada, businesses are being forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Global stock markets have also experienced great volatility and a significant weakening. Governments and central banks have responded with monetary and fiscal interventions to stabilize economic conditions. Impact to the Council at this time may include the decrease of the various grants, donations and membership fees for the upcoming year.

During this time, the Council has experienced a negative impact on art sales and memberships, but there has been no interruption to government funding. As per direction of the Province, the Council suspended in-person services and staff worked remotely for the month of March to May. Effective June 1, the Council opened its doors to the public with reduced hours. There have been increases in staffing to ensure proper sanitization protocols for the staff and customers. The Council has incurred costs related to technology, PPE, and building alterations to ensure compliance with government conditions in the workplace during the COVID-19 pandemic. In addition, the Council has taken advantage of the Canada Emergency Wage Subsidy and the Canada Emergency Business Account offered by the federal government. The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government and central bank responses, remain unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences or their impact on the financial position and results of the Council for future periods. However, if measures related to the pandemic were to limit the Council's fundraising activities over the longer term, this could result in layoffs and significantly impact the Council's ability to provide administrative and operational support to its government-funded programs.



SASKATCHEWAN CRAFT COUNCIL

813 Broadway Avenue, Saskatoon, SK S7N 1B5

306.653.3616

saskcraftcouncil@sasktel.net

saskcraftcouncil.org

Follow us on social media

