



Canadian Conference of the Arts



09/10
Annual Report

Canadian Conference of the Arts

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Board of Governors

Amir Ali Alibhai (*British Columbia*)
Liz Barron (*Manitoba*)
Erika Beatty (*Nova Scotia*)
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Staff

Alain Pineau
National Director

Megan Forsythe
Board and Event Administrative Assistant
(beginning in June 2009)

Manon Charron
Administrative Director

Annie Caporicci
Executive Assistant - Finance, Administration and Membership Relations

Alessia Bongiovanni
Project Development Coordinator

Jessica Litwin
Cultural Policy Advisor

Keith Kelly
Senior Policy Advisor
(until June 2009)

Nicole Nantel
Executive Assistant
(until June 2009)

The Canadian Conference of the Arts gratefully acknowledges the financial support of the following partners in 2009-2010:

Federal and Provincial Departments and Agencies:



Foundations:



Organizations:

Cultural Human Resources Council

Individuals:

Brian Anthony	Irene McCutcheon
Pat Martin Bates	Garry Neil
Michel Blondeau	Esther S. Ondrack
Tim Borlase	André J. Paquette
Debra Chandler	Alain Pineau
René Cormier	Henry Purdy
Arthur Drache	Denise Roy
Sibyl Frei	Francine Schutzman
Mary Gavan	Machelle Shapira
Barbara Goddard	Kathleen Sharpe
John Hobday	David P. Silcox
Peter Hyde	Robert Spickler
Raymonde Jodoin	Tardif-Hébert
Brent Laycock	John M. Trotz
Norma Lock	Marla Waltman Daschko

mission

The Canadian Conference of the Arts (CCA) is the national forum for the arts and cultural community in Canada. We provide research, analysis and consultations on public policies affecting the arts and Canadian cultural institutions and industries. The CCA fosters informed public debate on policy issues and seeks to advance the cultural rights of Canadians.

vision

Our vision is that the arts and its contribution to Canadian identity, the economy, education and quality of life be recognized and supported by all levels of government, the private sector and the general public.

1 president's report / kathleen sharpe



Dear members and friends of the Canadian Conference of the Arts,

Dear colleagues of the Board of Governors,

This is my second annual report as the Chair of the Board of Governors of the CCA,

and I am glad to report that 2009-2010 was an overall positive year of transition during which the oldest arts organization in the Canadian arts, culture and heritage sector made some important steps on the road to its rebuilding and repositioning.

The CCA has been able to maintain its status as a key, authoritative observer and analyst of all the goings-on at the federal level that affect our vast sector in one way or another. Our status has definitely grown with Parliamentarians and regulators, the result of several presentations over the past four years. For example, I am proud to report that the CCA was the first group invited by the newly formed all-party arts caucus to give an overview of the cultural sector and the main issues it faces. Our National Director was also invited to make a presentation to the caucuses of the Liberal Party and the Bloc Québécois on current policy issues.

We have been very active on the policy front, appearing as a witness in front of several parliamentary committees and the CRTC. This year, the CCA also made presentations in various parts of the country. Our National

Director participated in panels in Saskatchewan, Ontario, Quebec and Newfoundland. Thanks in part to the support of the Trillium Foundation, he also presented the new Cultural Policy 101 Workshop in several communities in Ontario.

Throughout the year, the CCA has pursued work on long-term issues that are very important for the future vitality of arts and culture in our society. It is well known that important issues are rarely urgent. Given their limited resources and the immediate challenges they face on an on-going basis, arts service organizations and their members rarely have the time or energy to engage in long-term and fundamental issues, often only tangential to their immediate preoccupations. Because of the breadth of its membership and of the perspectives it takes on issues, the CCA considers as part of its unique mandate a commitment to dealing with such long-term policy issues.

Last year, the board decided that one of the organization's priorities would be what we like to call the quest for cultural statistics. We are happy to work in close cooperation with the Department of Canadian Heritage, Statistics Canada and the Cultural Human Resources Council on this important and multi-year project. This work will result in providing the cultural sector with the kind of relevant and timely data it needs to plan its future and make its case with decision-makers in both the public and private sectors.

In 2008, in the wake of a federal election where culture played an unusual and critical role, our National Director asked our members and

stakeholders in 14 communities what could be done collectively to better position arts and culture in Canadian society. Among the several suggestions received, one was mentioned most frequently: ensure that arts education is present in all sorts of ways in our school systems. Accordingly, the CCA has welcomed the invitation of the Canadian Arts and Learning Network to work in close cooperation to ensure that the benefits of the arts and arts education in particular, are known and appreciated by the population at large and by decision-makers at all levels of government.

And it is because we see the long-term social and cultural advantages of creating truly community based multi-media centres across the country that the CCA supports and promotes the project recently presented by the Canadian Association of Community Television Users and Services (CACTUS) to the CRTC.

All of this work has been done in what I can only describe as a challenging year for the CCA. The CCA started the year with a deficit incurred the previous year, not because of bad management, but because it had been deemed essential to take on a number of initiatives in keeping with our strategic plan. Unfortunately, and against reasonable expectations, supporting revenue for those initiatives did not materialize in 2008-2009.

Thanks to the considerable efforts of the staff, we are happy to report that we have all but erased this deficit and are able to start the current fiscal year from a much better position. We are proud of this achievement and the fact that we have accomplished this in what remains a difficult time for membership retention and recruitment. At this point, I would like to express our warmest thanks to our main funders, the Department of Canadian Heritage, the Trillium Foundation and the Ontario Arts Council, who have maintained their confidence and support throughout this period. We also thank the Royal Bank which helped us get through a short-term cash flow crisis at the end of the fiscal year.

However, as our National Director will report later on, our financial success has come with a price. Given less money and the additional workload on everyone in the secretariat, some activities have suffered, like our communications with stakeholders and our research projects.

Some important initiatives, like the convening of the strategic coordination committee subsequent to the March 2009 Chalmers Conference in Ottawa, required a lot of time and energy between March and October. Then it lost momentum, due also in part to the loss of urgency of an impending federal election. But I can assure you that this initiative has not been abandoned. It will be part of major developments in the coming months, including the way the CCA involves its membership in the running of its activities.

The challenges confronting the sector remain real. We must prepare for the potential impacts on our members as the government plans to reduce its deficit. We will have to work closely together to ensure that balancing the government's books is not done at the expense of much needed investments to arts and culture. Artists and cultural creators must be part of a comprehensive national strategy for the digital society, which is by the way, the theme of our November National Policy Conference.

Looking forward, we are embarking on a thorough review of the CCA's strategic plan. The core of our preoccupations will be ensuring an increased participation of our membership in the orientation of the CCA, a topic which our National Director will touch upon in his own report. This process will take place as we prepare for the election of the next CCA Board. The vote will take place in February 2011 and we are currently refreshing our list of potential candidates. I would invite all members to please contact our National Director regarding any candidate you think would be a good fit for the CCA Board and would assist in its development.

In closing, I would like to acknowledge three past board members who, for a combination of personal and professional reasons, decided to step down from the board of the CCA during the year. René Cormier, Susan Kennard and Philip Szporer all made an important contribution to the CCA during their term in office and they continue to be supporters of its actions and objectives. I would also like to welcome four new members to the board – Erika Beatty, CEO of Symphony Nova Scotia; Amir Ali Alibhai, Executive Director of the Alliance for Arts and Culture; Luc Fortin, President of the *Guilde des musiciens et musiciennes du Québec*; and Tom McFall, Executive Director of the Alberta Crafts Council. I also want to thank the other board

members: Rose Bellosillo, Jason van Eyk, Arden Ryshpan, André Leclerc and Michel Beauchemin. I will take this opportunity to thank Michel Beauchemin for accepting the position of Vice- President following René Cormier's resignation.

2010 marks the 65th anniversary of the CCA. This is a remarkable achievement in longevity, and this organization has a glorious past linked to the development of cultural policies at the national level. We will duly celebrate this anniversary next November, as a prelude to our National Policy Conference. However, having been around for a long time is not enough! This organization still has a unique role to play in the current environment and you can count on all of us at the board and the secretariat to ensure that it does.



Kathleen Sharpe
President of the Board of Governors
Canadian Conference of the Arts

**Report to the Annual General Meeting of Members
June 2010**

national director's

report / alain pineau

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Dear colleagues and friends,

As our President notes in her report, this past year marked an important step in the repositioning of the CCA. Throughout the year, we were able to align our activities with the priorities

outlined in our strategic plan.

We published and sent out 30 bulletins covering a variety of topics to approximately 1,000 members and stakeholders. This marks a substantial reduction from the previous year which was affected by a federal election in which the arts and culture sector played a prominent role. The limited number of bulletins also reflects the lack of cultural policy development in a minority government and a Parliament dominated by partisan battles.

We published our annual analysis of the federal budget from the arts, culture and heritage perspective, a document highly used and regarded by many individuals in our sector and beyond. In terms of communications, thanks to the young members of our secretariat, the CCA now has its own Facebook page and a Twitter account which has close to 1,200 followers, including Heritage Minister James Moore.

This past year, the CCA intervened in a number of public forums and consultations. Through these interventions, in close coordination with our members, we were able to represent the

overall interests of our entire sector, as was the case with our annual pre-budget submission. In other cases, we intervened on issues of principle such as the abolition of programs that support specialized music.

In our 2010 pre-budget submission, we urged the government to leave with the Canada Council, the CBC, Telefilm and the National Film Board the five per cent of their budget targeted by the strategic review imposed by the Treasury Board. We were therefore delighted to see in the March federal budget that this had been the government's decision. We also welcome the new social benefits policies for self-employed Canadians, many of whom have been traditionally found in our ranks. This is something for which the CCA and its members have been advocating for a long time. While the new programs do not answer all that is required to provide fair treatment for this important component of the Canadian workforce, we see them as steps in the right direction.

We have been active on a number of files which affect individual artists and arts organizations, whether concerning the importance for the government to invest in development and experimentation in the arts as in other sectors of the Canadian economy or the importance of including cultural preoccupations in the development of a much needed national strategy for the digital economy. We have also seized every opportunity to underline the crucial importance of bringing appropriate amendments to the Copyright Act so that our artists, creators, cultural institutions and industries, and all

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Canadians take full advantage of the new technologies while ensuring that creators of content are fairly compensated for their work. We continue to support the extension of the private copying levy to new forms of support and object to this being described as a tax on consumers. In its current form, Bill C-32, the review of the Copyright Act, shows clearly that much pressure needs to be put on the government and on Parliamentarians in general to ensure that artists and creators receive fair compensation for their work.

The audio-visual industry in general and broadcasting in particular play an important role in the ecology of Canada's cultural sector. This sector receives the most support from the government, either through direct subsidies or through regulatory and fiscal measures. This explains why the CCA intervened in front of the CRTC on numerous occasions, most notably during the fee for carriage (or value for signal) dispute which pitted broadcasters against satellite and cable companies. From the beginning, we supported the broadcasters' campaign, rejecting the pleas of cable and satellite distributors to stop what they characterized as the "TV Tax". With some success, we also urged the CRTC to regulate private English broadcasters, as they spend ten times more money on American programming than they do on the production of Canadian drama programming.

In accordance with the views and positions we adopted over the past four years, on every possible occasion, we repeated our belief that owners of new distribution models such as the Internet and Wi-Fi must contribute financially to the production of Canadian programming, much like traditional broadcasters, cable companies and satellite operators. Such a system would result in greater investment in the sector and benefit many components within the sector at large.

We continued to work closely with the Department of Canadian Heritage and Statistics Canada to better develop cultural statistics. We also renewed our relationship with the Canadian Network for Arts and Learning. I am now on the organization's Board of Directors and am a member of its management committee. I also co-chair the policy and community involvement committees.

On another front, we continued our work to increase awareness on cultural policy issues. Thanks to the generous support of the Trillium Foundation, the CCA was able to offer for free

across five communities in Ontario the Cultural Policy 101 Workshop developed in 2008. Titled The Politics of Art and the Art of Politics, these sessions brought together more than 375 participants from across Peterborough, Kingston, Waterloo, Sault-Ste-Marie and Sudbury. In collaboration with the Saskatchewan Arts Alliance and the Newfoundland and Labrador Association of Cultural Industries, the workshop was also presented in Regina and St. John's.

Building on the relationship we have developed with the University of Ottawa, we have created an exciting new project titled Thinking Culture. In partnership with the Centre for Continuing Education, the Centre on Governance and the School of Political Studies at the university, the CCA will offer an annual series of forums dedicated to cultural policy issues. This series, which will begin on September 23 with Marc Mayer, the new Director of the National Gallery, will offer at least five forums in the first year and will be made available throughout the country through webcasts. This new initiative will further establish the CCA as a leading forum for thoughtful debate and analysis of arts and culture.

And finally, with the support of a distinguished national steering committee chaired by Garry Neil, we have been working very hard on planning the next National Policy Conference whose theme is Artists: Powering the Creative Economy? The conference will take place on November 2 and 3 at the National Arts Centre in Ottawa and will be preceded on the evening of November 1 by a Gala celebrating the 65th anniversary of the CCA, during which we will present the CCA awards.

All of this was accomplished despite self-imposed budgetary restrictions to erase the deficit from last year. To cut costs, we moved to a smaller and more affordable office space. But other measures had some adverse effects on the secretariat. We did not have the support of a Senior Policy Advisor, we were unable to fill the communications position and certain members of the secretariat saw their work week reduced to three or four days a week. These drastic measures had a negative impact, most unfortunately at a time when we were trying to embark on many of our plans and priorities.

As our President noted, we have every intention to reestablish the strategic coordination committee formed after the Chalmers Conference in March 2009 and give it a new status and function. Additionally, in

September, we will launch the much anticipated Provincial Forum. One of the strategic characteristics of the CCA is that it is a network of networks. That being the case, the CCA must connect effectively with its internal networks along with other organizations outside of the arts, culture and heritage sector. A lack of resources and an increased workload meant that our research projects were overlooked in favour of daily activities, a fact which we should soon be able to fix. On a positive note, thanks to the support of the Trillium Foundation and of the Cultural Human Resources Council, we were able to pursue our internship program both this year and last year. We now have two interns, one in communications and the other in research. The internship program provides young and talented individuals with an opportunity to gain experience in cultural policy development. The program also provides the CCA with the additional resources and assistance it needs.

In terms of organizational development, we developed a strategic plan and tools for membership retention and recruitment in addition to a strategic communications plan, both of which will be implemented this year.

In 2005, the Board of Governors of the CCA decided to refocus the organization on its core mandate and to rebuild it in keeping with the vision and broad priorities identified through the collective reflection leading to the 2003-08 strategic plan.

Five years later, the CCA has managed not only to survive several challenges and two near-death experiences, but to improve its ability to move forward in its repositioning. It has largely rebuilt its credibility with its main funders, with political personnels and the press, and to a large extent, with its membership, a vital condition for its very existence.

I must open a parenthesis here to acknowledge that much remains to be done in communicating what added value the CCA brings to a sector where, at all levels of government, arts service organizations have multiplied, each addressing the specific needs and interests of the various disciplines, cultural institutions and industries. The CCA knows what its unique mandate is, it has a clear vision of where it wants to go and an increasing focused idea of how to get there. But we know that a pre-condition of the CCA realizing its overarching goals means securing the full involvement and backing of its membership. This reality will be at the core of the revision of

our strategic plan and of some substantial initiatives which will be announced in the coming months as to how the CCA is run.

There is no doubt that the coming yeas will be full of challenges, both for the CCA and for its members. I remain optimistic however that the progress made so far will continue and that we will reestablish this venerable organization to the unique position it occupies in the arts, culture and heritage community.



Alain Pineau
National Director
Canadian Conference of the Arts

**Report to the Annual General Meeting of Members
June 2010**

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financial

statements



Chartered Accountants

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May 5, 2010

AUDITORS' REPORT

To the Members of
Canadian Conference of the Arts:

We have examined the statement of financial position of Canadian Conference of the Arts (CCA) as at March 31, 2010 and the statements of operations and changes in net assets and cash flow for the year then ended. These financial statements are the responsibility of CCA's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as explained in the following paragraph, we conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In common with many charitable organizations, CCA derives donation revenue from numerous individuals and corporations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly our verification of these revenues was limited to the amounts recorded in the accounts of CCA and we were not able to determine whether any adjustments might be necessary to revenue, excess of revenue over expenditures, assets and surplus.

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 regarding the completeness of revenue as described in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of CCA as at March 31, 2010 and the results of its operations and changes in net assets for the year then ended in accordance with Canadian generally accepted accounting principles.

A handwritten signature in black ink that reads "Hendry Warren LLP".

HENDRY WARREN LLP
Chartered Accountants
Licensed Public Accountants
Ottawa, Ontario

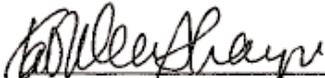
CANADIAN CONFERENCE OF THE ARTS

Statement of Financial Position

March 31, 2010 with comparative figures for 2009

	2010	2009
Assets		
Current assets		
Accounts receivable	\$ 44,149	\$ 50,154
Prepaid expenses	15,587	15,587
	59,736	65,741
Capital assets (Note 5)	11,266	17,441
Endowment funds (Note 6)	155,578	155,578
	\$ 226,580	\$ 238,760
Liabilities and Deficit		
Current liabilities		
Bank indebtedness (Note 7)	\$ 51,895	\$ 110,620
Accounts payable and accrued charges	11,818	4,036
Current portion of capital lease obligations	5,831	4,917
	69,544	119,573
Capital lease obligations (Note 8)	3,300	9,131
Endowment funds held in trust	155,578	155,578
	228,422	284,282
Commitments (Note 9)		
Deficit		
Invested in capital assets	11,266	17,441
Unrestricted	(13,108)	(62,963)
	(1,842)	(45,522)
	\$ 226,580	\$ 238,760

Approved on behalf of the Board of Governors:


Governor


Governor

See accompanying financial statements

CANADIAN CONFERENCE OF THE ARTS

Statement of Operations

March 31, 2010 with comparative figures for 2009

	2010	2010	2009	
	Budget (unaudited)	Actual	Actual	
Revenue				
Earned revenue (Schedule A)	\$ 109,700	\$ 99,058	\$ 124,467	
Contributions (Schedule B)	538,900	495,002	459,941	
	648,600	594,060	584,408	
Expenses				
Administration (Schedule C)	192,759	135,118	140,021	
Ongoing activities (Schedule C)	55,000	47,281	52,712	
Personnel (Schedule C)	343,380	357,963	397,084	
Special programs (Schedule C)	5,000	10,018	47,980	
	596,139	550,380	637,797	
Excess (deficiency) of revenue over expenses	\$ 52,461	\$ 43,680	\$ (53,389)	

Statement of Changes in Net Assets

Year ended March 31, 2010, with comparative figures for 2009

	Invested in Capital assets	Unrestricted	2010 Total	2009 Total
Balance, beginning of year	\$ 17,441	\$ (62,963)	\$ (45,522)	\$ 7,867
Excess (deficiency) of revenue over expenses	-	43,680	43,680	(53,389)
Additions to capital assets	961	(961)	-	-
Amortization	(7,136)	7,136	-	-
Balance, end of year	\$ 11,266	\$ (13,108)	\$ (1,842)	\$ (45,522)

See accompanying financial statements

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CANADIAN CONFERENCE OF THE ARTS

Cash Flow Statement

March 31, 2010 with comparative figures for 2009

	2010	2009
Operating activities		
Net income (loss)	\$ 43,680	\$ (53,389)
Item not affecting cash		
Amortization	7,136	3,488
Changes in working capital balances (Note 10)	13,787	(19,429)
Cash provided by (used in) operating activities	64,603	(69,330)
Investing activities		
Purchase of property, plant and equipment	(961)	(20,929)
Cash used in investing activities	(961)	(20,929)
Financing activities		
(Decrease) increase in capital lease obligation	(4,917)	14,048
Cash (used in) provided by financing activities	(4,917)	14,048
Increase (decrease) in cash	58,725	(76,211)
Bank indebtedness, beginning of year	(110,620)	(34,409)
Bank indebtedness, end of year	\$ (51,895)	\$ (110,620)
Bank indebtedness consist of:		
Cash	\$ (13,895)	\$ (19,620)
Line of credit	(38,000)	(91,000)
	\$ (51,895)	\$ (110,620)

CANADIAN CONFERENCE OF THE ARTS

Notes to the Financial Statements

March 31, 2010 with comparative figures for 2009

1. Purpose of the organization

The Canadian Conference of the Arts (CCA) is a not-for-profit national arts service organization incorporated under federal law (charitable registration number 11883 0371 RR 0001). The major role of CCA is to encourage the federal, provincial and municipal governments, as well as the corporate and private sector, to develop policies which will ensure the continued growth of the arts and cultural industries in Canada.

2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles and reflect the following policies:

Adoption of new accounting standard

On April 1, 2009, the CCA adopted the Canadian Institute of Chartered Accountants Handbook Section 1535, Capital Disclosures, which specifies disclosure to be provided about (i) an entity's objectives, policies, procedures and processes for managing capital, (ii) quantitative data about what the entity regards as capital, (iii) whether the entity has complied with any capital requirements and (iv) the consequences of non-compliance if any. Adoption of this recommendation had no effect on the financial statements for the year ended March 31, 2010, except for additional note disclosure in Note 3.

Revenue recognition

The CCA follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Cash donations are recorded upon receipt. Donations of goods and services are recorded at fair market value when received to the extent that they would have been purchased if not donated.

Use of estimates

The preparation of these financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the amounts of revenues and expenses during the period. In the opinion of management, these financial statements reflect all adjustments necessary to present fairly the results of the periods presented. Actual results could differ from these reported estimates.

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CANADIAN CONFERENCE OF THE ARTS

Notes to the Financial Statements

March 31, 2010 with comparative figures for 2009

Financial instruments

CCA's financial instruments consist of accounts receivable, bank indebtedness, accounts payable and accrued charges, capital lease obligations, and endowment funds.

Endowment funds are classified as available-for-sale and are measured at the fair market value at the end of each fiscal period.

The carrying value of other financial instruments approximates fair value due to the short maturities or the terms of the conditions attached to these instruments. It is management's opinion that CCA is not exposed to significant interest, currency or credit risks arising from these financial instruments.

Capital assets

Capital assets are recorded at cost and are amortized over their estimated useful lives at the following annual rates and methods:

Asset	Basis	Rate
Computer equipment	Straight-line	3 years
Equipment under capital lease	Straight-line	3 years
Office furniture and fixtures	Straight-line	5 years

One-half of the annual amount is claimed in the year of acquisition.

3. Capital disclosures

The Canadian Conference of the Arts considers capital as the sum of its net assets. The Organization manages capital through a formal and approved budgetary process and obtains capital mainly by way of seeking to obtain government and municipal grants, as well as donations and sponsorships from various contributors.

The Organization's main capital management objectives are to safeguard the Organization's ability to continue as a going concern, comply with its stated objectives and to meet its financial obligations.

The Organization evaluates its capital management strategy and objectives annually. The Organization is not subject to any externally imposed capital requirements.

4. Economic dependence

The Organization receives a substantial portion of its operating funds from the Government of Canada and is economically dependent on its continuing support of the organization's mission.

CANADIAN CONFERENCE OF THE ARTS

Notes to the Financial Statements

March 31, 2010 with comparative figures for 2009

5. Capital assets

			2010	2009
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Computer equipment	\$ 54,170	\$ 52,848	\$ 1,322	\$ 868
Equipment under capital lease	19,887	9,943	9,944	16,573
Office furniture and fixtures	7,615	7,615	-	-
	\$ 81,672	\$ 70,406	\$ 11,266	\$ 17,441

6. Endowment funds

- a) The Canadian Conference of the Arts established the Canadian Conference of the Arts - Arts Endowment Fund (the Fund) at the Ontario Arts Foundation (the Foundation) under the terms of the Arts Endowment Fund (AEF) Program. AEF was a program of the Government of Ontario through the Ministry of Culture and is administered by the Ontario Arts Foundation.

The Fund is held in perpetuity for the Canadian Conference of the Arts and investment income is received for use in operations. The market value of the Fund as at March 31, 2010 was \$164,751.

- b) The Canadian Conference of the Arts holds an endowment fund with a market value of \$155,578 at March 31, 2010. The interest paid annually is for use in operations.

7. Bank indebtedness

At March 31, 2010, available short-term bank credit facilities consisted of an operating line of credit with Royal Bank of Canada (RBC) in the amount of \$50,000, bearing interest at RBC bank prime plus 1.55%. Bank indebtedness is secured by a general security agreement representing a first charge on all of the organization's assets.

	2010	2009
Draws against line of credit	\$ (38,000)	\$ (91,000)
Bank balances and cash on hand, net of outstanding items	(13,895)	(19,620)
	\$ (51,895)	\$ (110,620)

CANADIAN CONFERENCE OF THE ARTS

Notes to the Financial Statements

March 31, 2010 with comparative figures for 2009

8. Capital lease obligations

	2010	2009
National Leasing capital lease, at an implicit interest rate of 17.2%, secured by a charge on specific equipment, repayable in monthly instalments of \$580, due September 2011	\$ 9,131	\$ 14,048
Less amounts due within one year	5,831	4,917
	\$ 3,300	\$ 9,131

Principal repayments required in the next two years are as follows:

2011	\$ 5,831
2012	3,300
	\$ 9,131

CANADIAN CONFERENCE OF THE ARTS

Notes to the Financial Statements

March 31, 2010 with comparative figures for 2009

9. Commitments

CCA has lease obligations for the rental of office equipment and office premises, with payments as follows for the next five years:

	Equipment	Premises	Total
2011	\$ 6,683	\$ 52,489	\$ 59,172
2012	5,664	53,458	59,122
2013	1,888	55,118	57,006
2014	-	55,809	55,809
2015	-	23,254	23,254
	\$ 14,235	\$ 240,128	\$ 254,363

10. Changes in working capital balances

Changes in working capital balances have provided (used) cash as follows:

	2010	2009
Accounts receivable	\$ 6,005	\$ (1,438)
Prepaid expenses	-	(8,378)
Accounts payable and accrued charges	7,782	(3,154)
Deferred revenue	-	(6,459)
	\$ 13,787	\$ (19,429)

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CANADIAN CONFERENCE OF THE ARTS

Schedule A

Schedule of Earned Revenue

March 31, 2010 with comparative figures for 2009

	2010	2009
Earned revenue		
Administration fees	\$ 10,375	\$ 13,625
Membership fees	88,395	101,910
Publication sales	288	1,604
Registration fees	-	7,328
	\$ 99,058	\$ 124,467

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CANADIAN CONFERENCE OF THE ARTS

Schedule B

Schedule of Contributions

March 31, 2010 with comparative figures for 2009

	2010	2009
Federal Government		
Department of Canadian Heritage	\$ 390,000	\$ 390,000
Provincial and Municipal Governments		
British Columbia	2,300	9,700
Ontario Arts Council	15,000	15,000
Ontario Trillium Foundation	61,400	-
Organizations and Other		
Donations	4,428	5,156
Other	21,874	40,085
	\$ 495,002	\$ 459,941

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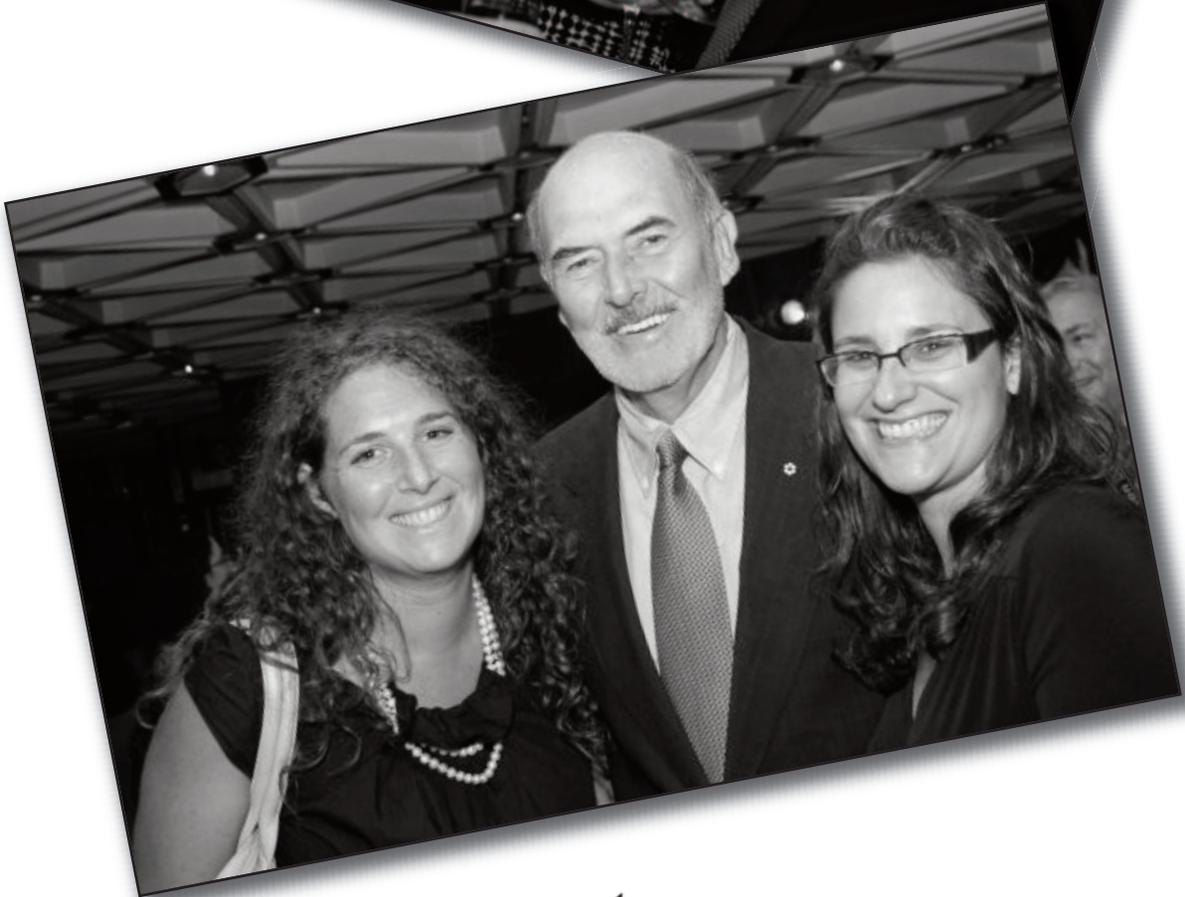
Schedule C

Schedule of Personnel, Administration, Ongoing Activities, and Special Program Expenses

March 31, 2010 with comparative figures for 2009

	2010	2009
Personnel		
Salaries	\$ 321,503	\$ 364,220
Benefits	36,460	32,864
	\$ 357,963	\$ 397,084
Administration		
Amortization	\$ 7,136	\$ 3,488
Furniture and equipment	35,675	25,573
Library	583	284
Other	15,871	12,420
Professional fees	14,135	11,497
Stationery and supplies	3,944	4,676
Tenancy	55,736	80,714
Interest on equipment under capital lease	2,038	1,369
	\$ 135,118	\$ 140,021
Ongoing activities		
Awards	\$ -	\$ 934
Board meetings	11,098	37,666
Committee meetings	2,125	3,191
Communications	2,134	3,974
Membership	23,912	1,575
Travel and hospitality	2,587	177
Symposium	5,304	4,470
Newsletter and annual report	121	725
	\$ 47,281	\$ 52,712
Special programs	\$ 10,018	\$ 47,980

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