

# Annual Report

2010-2011



Canadian Conference of the Arts

## Canadian Conference of the Arts

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### Board of Governors

Amir Ali Alibhai (British Columbia)  
Liz Barron (Manitoba)  
Erika Beatty (Nova Scotia)  
Michel Beauchemin (Quebec)  
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Rudy Buttignol (British Columbia)  
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André Leclerc (Quebec)  
Tom McFall (Alberta)  
Arden Ryshpan (Ontario)  
Kathleen Sharpe (Ontario)  
Jason van Eyk (Ontario)

### Staff

**Alain Pineau**  
*National Director*

**Louise Rochon**  
*Board and Event Administrative Assistant*  
(Beginning in August 2010)

**Manon Charron**  
*Administrative Director*

**Annie Caporicci**  
*Executive Assistant - Finance, Administration and Membership Relations*

**Alessia Bongiovanni**  
*Project Development Coordinator*

**Jessica Litwin**  
*Senior Cultural Policy Advisor*

**Megan Forsythe**  
*Board and Event Administrative Assistant*  
(until July 2010)

The Canadian Conference of the Arts gratefully acknowledges the financial support of the following partners in 2010-2011:

#### Federal and Provincial Departments and Agencies



#### Foundations



#### Organizations

ACTRA  
ACTRA Performers' Rights Society  
Arcturus Realty Corporation  
Canadian Actors' Equity Association  
Canadian Artists and Producers Professional Relations Tribunal  
Canadian Commission for UNESCO  
Canadian Federation of Musicians  
Cirque du Soleil ®  
City of Ottawa  
Copibec  
Cultural Human Resources Council  
National Arts Centre

#### Individuals

Susan Annis ♦ Erika Beatty ♦ Dr. Thomas J. Condon  
Arthur Drache ♦ Michelle Drouin ♦ Alain Gourd  
Peter S. Grant ♦ Jocelyn Harvey  
George & Donna Haynal ♦ Kelly Hill ♦ John Hobday  
Peter & Bev Hyde ♦ Sharilyn Ingram ♦ Sharon Jeannotte  
Raymonde Jodoin ♦ Dr. Graham Kelsey  
Irene McCutcheon ♦ Jan Miller ♦ Esther S. Ondrack  
Alain Pineau ♦ Henry Purdy ♦ Arden Ryshpan  
Francine Schutzman ♦ Mabelle Shapira  
Kathleen Sharpe ♦ David P. Silcox ♦ Tardif - Hébert  
Doug & Susan Taylor ♦ Jason van Eyk

# About the CCA

The Canadian Conference of the Arts (CCA) is a not-for-profit, member-driven organization that represents the interests of over 400,000 artists, cultural workers and supporters from all disciplines of the nation's vast arts, culture and heritage community. As the leading voice of the cultural sector, the CCA is active on many fronts to advance the relevance of the arts in society, and continues to provide its membership with the tools, research and authority it needs to champion for the preservation and development of arts, culture and heritage in communities across the country.

## vision mission

The 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.

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.

# 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 third annual report as Chair of the Board of Governors of the CCA and I am glad to report that 2010-2011 marked a major turning point in the recent history of the organization.

The CCA has been able to maintain its status as a key, authoritative observer and analyst of all the developments at the federal level that affect our vast sector in one way or another. As our National Director will detail in his report, our stature has definitely grown within the ranks of our membership, if only because of the exceptional work of coordination and support we have played with regards to the complex and divisive issue of copyright renewal. Thanks to the work and nature of the CCA, 97 national, provincial and municipal cultural organizations have taken a common stance on the issue of modernizing our copyright law, which is one of the cornerstones of any serious digital strategy. By acting as a convener and a focal point, the CCA has helped formulate common positions that have resonated not only in Canada, but also in Washington and the European community.

Another major initiative has been the creation of the National Policy Advisory Committee and its two linguistic sub-committees, where representatives from all of our major organizational members have an opportunity to share information and provide advice on issues of common interest, including research. Through these sub-committees, we have been able to achieve what I deem to be a first, at least over the past decade, namely the formulation of a common cultural election platform. We have consolidated the CCA's role as a national forum where issues of common interest are identified, coordinated strategies are developed and scarce resources are pooled for the common good of the sector.

Last November, we celebrated our 65th anniversary with a very well attended and successful Gala dinner which also served as the kick off for the first large scale National Policy Conference since 2006. Centered on the role of artists and creators in the new digital economy, this conference gathered over 150 delegates from coast to coast.

We have also been very active on the policy front, appearing as a witness in front of several parliamentary committees and the CRTC on a variety of topics including the formulation of a national digital strategy, the establishment of multimedia community centres that can contribute to the development of Canada as a knowledge economy, and the issue of foreign ownership of Canadian telecom industries.

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, like the availability of timely and reliable cultural statistics. Because of the breadth of its membership and of the perspectives it takes on issues, the CCA feels that part of its unique mandate is to deal with such long-term policy issues.

All of this work has been done in what I can only describe as a challenging year for the CCA. The CCA has been able to not only erase the last traces of the deficit incurred in 2009, but also build a much needed operating reserve to help face the challenges ahead. We are proud of this achievement and also of the fact that we have been able to do this work 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, the Ontario Arts Council, the British Columbia Arts Council and the Cultural Human Resources Council, who have maintained their confidence and support throughout this period.

The challenges confronting the sector and the CCA itself remain real. With the government's plans to reduce the deficit, we must prepare for the potential obstacles that will face our organization and our members. We will have to work together closely to ensure that balancing the government's books is not done at the expense of much needed investments in arts and culture. As we discussed during November's National Policy Conference, artists and cultural creators must be part of a comprehensive national strategy for the digital society.

In 2005, the Board decided to refocus the organization's core mandate in order to demonstrate the added value it brings to the Canadian arts, culture and heritage sector. Over the past five years, the CCA has been rebuilding itself, gaining back the confidence of its public funders and membership, and demonstrating what it can accomplish with the proper resources. The time has now come to address what remains the main challenge after those years of solid work, namely the need for a new business model that will give the CCA the level of resources it needs in order to deliver efficiently on its very ambitious mandate. The new Board of the CCA has already spent the major part of the last two days discussing the strategic orientation of the organization. This work will continue throughout the coming months. At the core of our preoccupations, we will ensure the increased participation of our membership in the orientation of the CCA. In the fall, our National Director will tour the country to inform our members and stakeholders about this process, and will consult them on their expectations for the organization.

In closing, I would like to acknowledge those Board members whose mandates have come to an end: Rudy Buttignol from Vancouver; Liz Barron from Winnipeg, Rose Bellosillo from Toronto, Michel Beauchemin from Montreal and Tim Borlase from Moncton. I want to thank them all for the work, dedication and support they have given the CCA over their years of stewardship. I am confident that we can count on them again as we embark on this new crucial phase of our renewal. I also want to express special thanks to our long-standing Past President, Denise Roy, who is finally avoiding the title of Past President for life thanks to the return of our friend Robert Spickler as Past President. Denise has been on the CCA's Board since 2000. She has spanned all those years of transformation from the previous governance model, and has helped steer the organization through difficult years with her wisdom and experience. We are very grateful to her for her commitment and generosity.

Today marks the 66th anniversary of the CCA. This is a remarkable achievement in longevity. This organization has had a particularly glorious past linked to the development of cultural policies at the national level. Let us work together to make sure that this unique Canadian institution progresses in a fashion appropriate to its new environment, so that it can continue to serve the cultural commonwealth.



**Kathleen Sharpe**  
President of the Board of Governors, Canadian Conference of the Arts  
*Report to the Annual General Meeting, June 2011*

# National Director's Report

## Alain Pineau



Dear colleagues and friends,

As our President has already remarked, this has been a remarkable year of several noteworthy achievements.

### POLICY AND ADVOCACY

In the course of the past year 2010 - 2011, the CCA has published 34 bulletins, released its annual federal budget analysis from the perspective of arts and culture and issued a critical assessment of the Status of the Artist initiative on the 30th anniversary of the UNESCO Declaration on the same.

Additionally, the CCA participated in the Steering Committee for the CHRC's study on the impact of digital technologies on the various subsectors of the Canadian arts, culture and heritage community. We continued chairing Statistics Canada's National Advisory Committee on Culture Statistics and working with Heritage Canada's officials to improve the most basic tools required by the arts, culture and heritage sector to develop timely and reliable factual data on which to develop effective cultural policies.

We have appeared before various parliamentary committees, and the CRTC on issues like developing a national digital strategy; foreign ownership in telecommunications; Bill C-470 on transparency for charitable organizations; community television and English television group ownership licensing; and of course, on the Legislative Committee on Bill C-32, the Copyright Modernization Act.

The CCA's partnership with the University of Ottawa, first discussed in the previous fiscal year, was consolidated this year. In collaboration with the Centre for Governance, the School of Political Studies and the Centre for Continuous Education, a new series of public cultural forums entitled *Thinking Culture* was launched, presenting conferences and debates open to the public. In the first season, three forums took place, with two more planned before the summer. Attendance has ranged between 30 and 70 people.

With regard to copyright reform: the CCA updated the Backgrounder on Copyright, found on the website, including an analysis of all the main stakeholders' positions concerning Bill C-32. The CCA shepherded the writing and publication in both official languages of the Joint Statement of the Canadian Cultural Industries on Bill C-32, which was signed by 97 municipal, provincial and national cultural organizations.

During the federal election 2011, the CCA published an analysis of cultural funding under the 40th Parliament, a comparative analysis of the main parties' cultural platforms, a doorstep toolkit and the answers to the questions addressed to the parties. As well, it coordinated the establishment of a common cultural platform for the cultural sector, which was endorsed by 89 cultural organizations.

The creation of the National Policy Advisory Committee should be highlighted. This committee's mandate is to

advise the CCA Board and Secretariat on the policy priorities of the sector. As hoped, this is turning out to be a major component of the so-called conference model adopted by the CCA Board in 2002 as part of a change in the governance model.

I would like to thank the members of the November 2010 National Policy Conference Steering Committee, presided by Garry Neil and comprised of Michel Beauchemin, George Murray, Catherine Saxberg, Karen Ball, Thom Sparling, Rudy Buttignol, René Cormier and Kelly Hill.

### INTERNSHIPS

Our *Cultural Policy: Next Generation* internship program has two overlapping objectives: to contribute to the training of young people interested in cultural management and policy development and to supplement internal resources. These internships provide a unique experience for young adults under 30 years of age to work in a fully bilingual environment, totally focused on cultural policy issues in the nation's capital. All of our alumni of the past four years have either found employment in the sector or have gone back to more advanced studies.

The CCA hosted three interns over the past year:

- One intern came from Concordia University in the context of academic studies and assisted in the preparation of the National Policy Conference;
- A six-month paid research intern completed the work started two years ago of making an inventory of the 200 boxes of CCA documents sent to the National Archives when the office changed locations. Thanks to a grant from the Cultural Human Resources Council; and
- The CCA benefited from a full-year paid internship in communications, thanks to a grant from CHRC and from the Trillium Foundation. In April, we were able to hire that intern, Mathangi Raman, as Communications Officer.

The CCA also secured a generous grant from an anonymous corporate member that will help pay for this year's research internship starting in September.

### COMMUNICATIONS

Apart from the traditional bulletins, the CCA has developed its use of social media. CCA has almost 3,000 followers on Twitter and has created a Facebook page. Work has started on the overhauling of the CCA website as an integral part of developing a new business model. This site will be more interactive than our current site.

### DEVELOPMENT OF THE 2011-2014 STRATEGIC PLAN:

The year 2010-11 marked the end of CCA's first three-year Strategic Plan developed in 2008. Through the University of Ottawa's Executive MBA program, the CCA has been the object of a case study in the course on Strategic Marketing. This has led to the production of a provocative 2011-2014 Strategic Plan which has been discussed by the Board at the June 2011 meeting and which will be detailed into an action plan in the coming months.

In conclusion, I won't deny that the challenge ahead of the CCA is considerable yet I strongly believe that with your support and involvement, we are in a better position than we have been in in ten years to face a different future.



Alain Pineau  
National Director, Canadian Conference of the Arts

# 5

## Celebrating 65 Years



2010 marked the CCA's 65th anniversary. To commemorate this important milestone, on November 1st, 2010, a Gala celebration was held at the National Arts Centre in Ottawa. Over 120 of the CCA's friends, supporters and partners came together for a night of fun, food and reminiscing.

Hosted by the CCA's National Director, Alain Pineau, and the President of the Board of Governors, Kathleen Sharpe, the festive evening concluded with an animated keynote speech by renowned Canadian actor and director, Paul Gross. Gross' speech focused on the concept of the creative economy, a topic that tied in with the theme of the CCA's 2010 National Policy Conference which followed on November 2nd and 3rd.



### Recognizing Canada's Best and Brightest

The Gala also provided the perfect opportunity to present the CCA's Nationals Arts Awards, which acknowledge members of the cultural community who have made significant contributions to the spirit and vitality of the arts and culture in Canada.



Françoise Sullivan and Joyce Zemans were presented with the **Diplôme d'honneur** for 2009 and 2010 respectively. The award recognizes a sustained involvement in the cultural life of the country.

The **Keith Kelly Award for Cultural Leadership** was presented to Robert Jekyll and Maurice Forget for 2009 and 2010 respectively. Named after the CCA's former National Director, the award recognizes strong leadership in the arts community through advocacy work or the development of cultural policy.

The CCA congratulates these four remarkable individuals for their achievements.



CCA award winners from left to right: Françoise Sullivan, Joyce Zemans, Robert Jekyll and Maurice Forget

# Highlights from 2010-2011

## EVENTS

### National Policy Conference

The CCA held its 2010 National Policy Conference on November 2 and 3 at the National Arts Centre in Ottawa. Titled *Artists: Powering the Creative Economy?*, the conference examined the role of artists and creators within the context of an increasingly flexible, digitally-based, and mobile economic environment.

Over 150 individuals from the cultural, academic, business and government milieus came together to participate in a variety of panel discussions, debates, and independent breakout sessions. Overall, the two-day event proved to be an invaluable opportunity for the sector to exchange ideas and share lessons learned.

Jian Ghomeshi, host of *Q* on CBC; Gaétan Morency, Vice-President of Citizenship, *Cirque du Soleil*; Kevin Stolarick, Research Director, Martin Prosperity Institute; Tim Jones, President and CEO, Artscape; and acclaimed writer Sylvie Desrosiers were just some of the leading thinkers and cultural workers who played an important role in the conference, participating as panelists and offering delegates a wealth of knowledge and unique perspectives.

One of the most well received sessions from the conference was the Emerging Thinkers Speed Speaker Series. Four young leaders from the cultural sector - Kwende Kefentse, Janet Naclia, Devon Ostrom and Alex Rogalski – had the opportunity to share their future vision for the arts in Canada using a fast-paced presentation format similar to the popular online TED Talks. Another highlight was the screening of *THE NEW RAW*, a short documentary by Radio Canada that showcases how Inuit art has evolved to reflect social, economic, and technological changes.



*Jian Ghomeshi, Gaétan Morency, and Kevin Stolarick at the 2010 National Policy Conference*

In the end, the conference was a great success due to the diversity of voices that came together in discussion.

### Thinking Culture

In the fall of 2010, the CCA launched a policy forum series, *Thinking Culture*, in partnership with the University of Ottawa's Centre for Continuing Education, Centre on Governance, and School of Political Studies. The forums offer the general public learning opportunities about the current issues affecting the arts, culture and heritage sector in Canada and abroad. Leaders from the cultural field are invited to share their insights and research through presentations, debates, and collaborative dialogues.

Thus far, the CCA has hosted three forums:

#### **Of What Use is a National Gallery in Canada?** *September 23, 2010*

Marc Mayer, the director of the National Gallery of Canada, discussed the relevance of the gallery in light of emerging technologies and changing perspectives of art in society.

## Art, Science and Business – An interdisciplinary dialogue October 12, 2010

The Akademie Schloss Solitude, a unique German foundation that offers international residence fellowships in the arts, sciences, humanities and economics, was profiled by the institution's director, Jean-Baptist Joly.

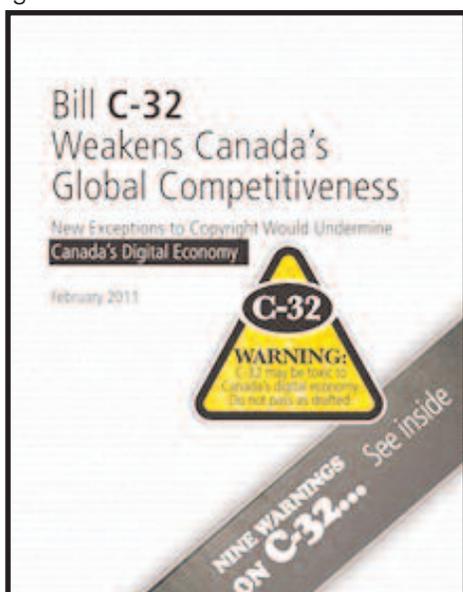
## C-32 – An Act to modernize or to expropriate copyright? January 25, 2011

A panel of experts engaged in a debate on Bill C-32, the government's proposed *Copyright Modernization Act*, focusing on the controversial education exceptions. Speakers included John Degen, Spencer Keys, Roanie Levy and J. Aidan O'Neill.

## ADVOCACY

### Copyright Joint Statement

In February 2011, an unprecedented coalition of arts and culture organizations from across the country came together to present a joint statement on Bill C-32, the federal government's proposed copyright reform legislation. The document was signed by 97 multi-disciplinary national, provincial, and municipal arts service organizations, with the CCA playing a pivotal role in coordinating the effort.



The joint statement drew attention to the fact that Bill C-32 undermined the rights of creators, producers, distributors and consumers of Canadian cultural content through the inclusion of several new exceptions. While the need for copyright reform is urgent, the joint statement urged Parliamentarians to reconsider Bill C-32 and make amendments to be fair to all parties.

## Interventions

Over the course of the year, the CCA participated in several consultations and interventions with government committees and regulatory bodies. Highlights include:

- *Presentation to the Standing Committee on Industry, Science and Technology on Foreign Ownership Regulations in Telecommunications* (April 1, 2010)
- *Presentation to the Standing Committee on Canadian Heritage on Emerging and Digital Media* (April 29, 2010)
- *Presentation to the CRTC regarding the Community Television Policy Framework* (May 4, 2010)
- *Brief submitted to the Department of Industry for the Digital Economy Consultation* (July 8, 2010)
- *Letter sent to the Hon. Tony Clement, Minister of Industry, regarding changes to the long-form census* (July 20, 2010)
- *Pre-budget brief submitted to the House of Commons Standing Committee on Finance for Budget 2011* (August 13, 2010)
- *Presentation to the Standing Committee on Finance regarding Bill C-470, An Act to amend the Income Tax Act* (December 6, 2010)
- *Presentation to the Legislative Committee on Bill C-32,*

*An Act to amend the Copyright Act*  
(February 1, 2011)

- *Brief submitted to the CRTC regarding Group-based licence renewals for English-language television groups* (February 9, 2011)

## RESEARCH AND ANALYSIS

### Status of the Artist in Canada

2010 marked the 30th anniversary of the UNESCO Recommendation concerning the Status of the Artist. In commemoration of this milestone, with support from the Canadian Artists and Producers Professional Relations Tribunal, the CCA published a research report entitled *Status of the Artist in Canada: An Update on the 30th Anniversary of the UNESCO Recommendation Concerning the Status of the Artist*. Authored by Garry Neil, the paper analyzes a category of legislation and other public policies directed at improving the economic and social status of professional artists. By exploring key issues such as taxation, social benefits, training and professional development, health and safety, the report outlines federal, provincial and international initiatives used to bolster the ability of the artistic workforce.

This report was published just prior to the CCA's National Policy Conference, *Artists: Powering the Creative Economy?*, and acted as an important source of inspiration to kick start conversation over the two-day event.

### Federal Budget Analysis

In mid-September, the CCA published its detailed analysis of the 2010 federal budget. Titled *In a Holding Pattern – For Now...*, the report examines federal funding to the Department of Canadian Heritage, cultural agencies and Crown Corporations; organizational and funding changes within the Department of Canadian Heritage; federal funding of key programs across the arts, culture and heritage industries; and other noteworthy developments affecting the sector. The analysis is widely sought after as an authoritative source of information on federal investments in culture and spending patterns.

## COMMUNICATION

### Bulletins

Over the course of the year, the CCA published 34 bulletins that were distributed directly to our members, stakeholders and supporters. As the CCA's primary source of communication, bulletins offer timely, accurate and thorough analysis on the most relevant issues affecting the cultural sector including copyright, federal funding, status of the artist and more. The bulletins are also widely available to the general public through the CCA's website.

### Social Media

The CCA has kept an active presence in the online community through platforms such as Twitter and Facebook. The CCA currently has 2937 followers on Twitter and 377 fans on Facebook. These social media tools have provided the CCA with the opportunity to connect with a broader network, share experiences with its members and stakeholders, and keep up to date on the latest developments in the cultural and policy sectors.

 [Twitter.com/CanadianArts](https://twitter.com/CanadianArts)

 [Facebook.com/CanArts](https://facebook.com/CanArts)

# Financial Statements



Chartered Accountants

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June 9, 2011

## INDEPENDENT AUDITORS' REPORT

To the Members of Canadian Conference of the Arts:

We have audited the accompanying financial statements of Canadian Conference of the Arts, which comprises the statement of financial position as of March 31, 2011 and the statements of operations and changes in net assets and cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of

expressing an opinion of the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit report.

### **Basis for Qualified Opinion**

In common with many not-for-profit organizations, the Organization derives revenue from donations, the complexity of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to amounts recorded in the records of the Organization and we were not able to determine whether any adjustments might be necessary to revenue from donations, deficiency of revenues over expenses, assets or surplus.

### **Qualified Opinion**

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion, the financial statements present fairly, in all material respects, the financial position of Canadian Conference of the Arts as at March 31, 2011 and its financial performance and cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.



HENDRY WARREN LLP  
Chartered Accountants  
Licensed Public Accountants  
Ottawa, Ontario

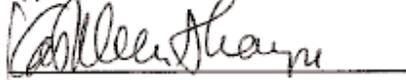
## CANADIAN CONFERENCE OF THE ARTS

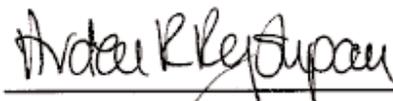
## Statement of Financial Position

March 31, 2011, with comparative figures for 2010

	2011	2010
<b>Assets</b>		
<b>Current assets</b>		
Cash	\$ 18,106	\$ -
Short-term investments	50,000	-
Accounts receivable	56,091	44,149
Prepaid expenses	15,587	15,587
	<u>139,784</u>	<u>59,736</u>
Capital assets (Note 5)	4,491	11,266
Endowment funds (Note 6)	155,578	155,578
	<u>\$ 299,853</u>	<u>\$ 226,580</u>
<b>Liabilities and Net assets</b>		
<b>Current liabilities</b>		
Bank indebtedness	\$ -	\$ 51,895
Accounts payable and accrued charges	9,397	11,818
Deferred contributions	15,000	-
Current portion of capital lease obligations	3,300	5,831
	<u>27,697</u>	<u>69,544</u>
Capital lease obligations (Note 7)	-	3,300
Endowment funds held in trust	155,578	155,578
	<u>183,275</u>	<u>228,422</u>
Commitments (Note 8)		
<b>Net assets</b>		
Invested in capital assets	4,491	11,266
Unrestricted	52,087	(13,108)
Internally restricted working capital reserve	60,000	-
	<u>116,578</u>	<u>(1,842)</u>
	<u>\$ 299,853</u>	<u>\$ 226,580</u>

Approved on behalf of the Board of Governors:


  
Governor


  
Governor

See accompanying financial statements

## CANADIAN CONFERENCE OF THE ARTS

### Statement of Operations

Year ended March 31, 2011, with comparative figures for 2010

	2011		2010	
	Budget (unaudited)	Actual	Actual	Actual
<b>Revenue</b>				
Earned revenue (Schedule A)	\$ 107,350	\$ 104,763	\$ 99,058	
Contributions (Schedule B)	644,457	573,919	495,002	
	751,807	678,682	594,060	
<b>Expenses</b>				
Administration (Schedule C)	115,000	117,414	135,118	
Ongoing activities (Schedule C)	185,770	17,110	47,281	
Personnel (Schedule C)	334,185	368,949	357,963	
Special programs (Schedule C)	57,537	56,789	10,018	
	692,492	560,262	550,380	
<b>Excess of revenue over expenses</b>	<b>\$ 59,315</b>	<b>\$ 118,420</b>	<b>\$ 43,680</b>	

### Statement of Changes in Net Assets

Year ended March 31, 2011, with comparative figures for 2010

	Invested in Capital assets	Unrestricted	Working Capital	2011 Total	2010 Total
Balance, beginning of year	\$ 11,266	\$ (13,108)	\$ -	\$ (1,842)	\$ (45,522)
Excess of revenue over expenses	-	118,420	-	118,420	43,680
Additions to capital assets	626	(626)	-	-	-
Amortization	(7,401)	7,401	-	-	-
Fund transfer of internally restricted working capital reserve	-	(60,000)	60,000	-	-
<b>Balance, end of year</b>	<b>\$ 4,491</b>	<b>\$ 52,087</b>	<b>60,000</b>	<b>\$ 116,578</b>	<b>\$ (1,842)</b>

See accompanying financial statements

## CANADIAN CONFERENCE OF THE ARTS

## Cash Flow Statement

Year ended March 31, 2011, with comparative figures for 2010

	2011	2010
<b>Operating activities</b>		
Net income	\$ 118,420	\$ 43,680
Item not affecting cash		
Amortization	7,401	7,136
Changes in working capital balances (Note 10)	637	13,787
<b>Cash provided by operating activities</b>	<b>126,458</b>	<b>64,603</b>
<b>Investing activities</b>		
Purchase of property, plant and equipment	(626)	(961)
Purchase of short-term investments	(50,000)	-
<b>Cash used in investing activities</b>	<b>(50,626)</b>	<b>(961)</b>
<b>Financing activities</b>		
Decrease in capital lease obligation	(5,831)	(4,917)
<b>Cash used in financing activities</b>	<b>(5,831)</b>	<b>(4,917)</b>
Increase in cash	70,001	58,725
Bank indebtedness, beginning of year	(51,895)	(110,620)
<b>Cash (bank indebtedness), end of year</b>	<b>\$ 18,106</b>	<b>\$ (51,895)</b>
<b>Cash (bank indebtedness) consist of:</b>		
Cash	\$ 18,106	\$ (13,895)
Line of credit	-	(38,000)
	<b>\$ 18,106</b>	<b>\$ (51,895)</b>

See accompanying financial statements

## CANADIAN CONFERENCE OF THE ARTS

### Notes to the Financial Statements

March 31, 2011, with comparative figures for 2010

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#### 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:

##### 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.

##### Financial instruments

CCA's financial instruments consist of cash, short-term investments, accounts receivable, 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.

##### Short-term investments

Short-term investments in guaranteed investment certificates are stated at cost, which approximates market value.

## CANADIAN CONFERENCE OF THE ARTS

## Notes to the Financial Statements

March 31, 2011, with comparative figures for 2010

**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.

**5. Capital assets**

	2011		2010	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Computer equipment	\$ 54,796	\$ 53,620	\$ 1,176	\$ 1,322
Equipment under capital lease	19,887	16,572	3,315	9,944
Office furniture and fixtures	7,615	7,615	-	-
	\$ 82,298	\$ 77,807	\$ 4,491	\$ 11,266

## CANADIAN CONFERENCE OF THE ARTS

## Notes to the Financial Statements

March 31, 2011, with comparative figures for 2010

### 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, 2011 was \$172,096.

During the year, the Canadian Conference of the Arts received \$9,378 in investment income as determined by the board of directors of the Foundation. This income has been designated to fund the Chalmer's conference.

b) The Canadian Conference of the Arts holds an endowment fund with a market value of \$157,493 at March 31, 2011. The interest paid annually is for use in operations.

### 7. Capital lease obligations

	2011	2010
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	\$ 3,300	\$ 9,131
Less amounts due within one year	3,300	5,831
	\$ -	\$ 3,300

### 8. Commitments

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

	Equipment	Premises	Total
2012	\$ 5,664	\$ 53,458	\$ 59,122
2013	1,888	55,118	57,006
2014	-	55,809	55,809
2015	-	23,254	23,254
	\$ 7,552	\$ 187,639	\$ 195,191

## CANADIAN CONFERENCE OF THE ARTS

## Notes to the Financial Statements

March 31, 2011, with comparative figures for 2010

**9. Credit facility**

At March 31, 2011, 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 2.0%. Bank indebtedness is secured by a general security agreement representing a first charge on all of the Organization's assets.

	2011	2010
Draws against line of credit	\$ -	\$ (38,000)
Bank balances and cash on hand, net of outstanding items	18,106	(13,895)
	\$ 18,106	\$ (51,895)

**10. Changes in working capital balances**

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

	2011	2010
Accounts receivable	\$ (11,942)	\$ 6,005
Accounts payable and accrued charges	(2,421)	7,782
Deferred contribution	15,000	-
	\$ 637	\$ 13,787

CANADIAN CONFERENCE OF THE ARTS  
Schedule of Earned Revenue

Schedule A

Year ended March 31, 2011, with comparative figures for 2010

	2011	2010
<b>Earned revenue</b>		
Administration fees	\$ 10,000	\$ 10,375
Membership fees	64,336	88,395
Publication sales	(16)	288
Registration fees	30,443	-
	<b>\$ 104,763</b>	<b>\$ 99,058</b>

CANADIAN CONFERENCE OF THE ARTS  
Schedule of Contributions

## Schedule B

Year ended March 31, 2011, with comparative figures for 2010

	2011	2010
Federal Government		
Department of Canadian Heritage	\$ 405,000	\$ 390,000
Provincial and Municipal Governments		
British Columbia	3,100	2,300
Ontario Arts Council	14,250	15,000
Ontario Trillium Foundation	55,000	61,400
Organizations and Other		
National Policy Conference	46,500	-
Donations	2,500	4,428
Internship program	15,856	6,305
Other	31,713	15,569
	<b>\$ 573,919</b>	<b>\$ 495,002</b>

## CANADIAN CONFERENCE OF THE ARTS

## Schedule C

## Schedule of Administration, Ongoing Activities, Personnel, and Special Programs Expenses

Year ended March 31, 2011, with comparative figures for 2010

	2011	2010
<b>Administration</b>		
Amortization	\$ 7,401	\$ 7,136
Furniture and equipment	28,241	35,675
Library	284	583
Other	11,601	15,871
Professional fees	10,042	14,135
Stationery and supplies	4,328	3,944
Tenancy	54,394	55,736
Interest on equipment under capital lease	1,123	2,038
	<b>\$ 117,414</b>	<b>\$ 135,118</b>
<b>Ongoing activities</b>		
Awards	\$ 545	\$ -
Board meetings	7,042	11,098
Committee meetings	419	2,125
Communications	2,131	2,134
Membership	1,694	23,912
Travel and hospitality	4,797	2,587
Symposium	332	5,304
Newsletter and annual report	150	121
	<b>\$ 17,110</b>	<b>\$ 47,281</b>
<b>Personnel</b>		
Salaries	\$ 329,441	\$ 321,503
Benefits	39,508	36,460
	<b>\$ 368,949</b>	<b>\$ 357,963</b>
<b>Special programs/National Policy Conference</b>	<b>\$ 56,789</b>	<b>\$ 10,018</b>



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