

Celebrating **35 Years** in the Making

ALBERTA CRAFT COUNCIL

2015 ANNUAL REPORT



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Annual General Meeting of the Alberta Craft Council

June 20, 2015
Alberta Craft Council
Edmonton, Alberta

Call to Order - 1:00 pm

1. Welcome
2. Confirmation of Quorum
3. Approval of Agenda
4. Approval of 2014 AGM Minutes
5. Presentation:
 - a) Introduction of Current Board and Staff
6. Items for information:
 - a) Chair's Report
 - b) Executive Director's Report
 - c) Financial Report
7. Items for Action:
 - a) Approval of Financial Report and Financial Statements
 - b) Approval to reappoint Doyle & Co. as auditors for the coming year
 - c) Election of Directors (no nominations accepted from the floor)
 - d) New Business - discussion and questions from the floor
8. Adjournment



On the cover:

Lacuna #3 by Natali Rodrigues (Calgary)
from the ACC Feature Gallery exhibition *Continuum*

Photo: Ward Bastian

2014 Annual General Meeting of the Alberta Craft Council

Saturday, June 14, 2014 at 1:00pm
Alberta Craft Council Feature Gallery
10186 - 106 Street, Edmonton, AB

DIRECTORS PRESENT:

Tara Owen, Chair
Dawn Detarando, Vice-Chair
Patricia Hartnagel, Treasurer
Kari Woo, Director
Kai Scholefield, Director
Jennifer Salahub, Director
Meghan Wagg, Director
Brenda Malkinson, Director
Jenna Stanton, Director

STAFF PRESENT:

Tom McFall, Nancy St. Hilaire, Joanne Hamel,
Linda Frena, Jessica Telford

1. **Welcome:** Tara Owen called the Annual General Meeting to order.
2. **Confirmation of Quorum:** Tara Owen confirmed the quorum.
3. **Approval of Agenda:** Motion by Simon Wroot to approve the agenda. Seconded by Jenna Stanton. Passed.
4. **Approval of 2013 AGM Minutes:** Motion by Kai Scholefield to approve the minutes. Seconded by Kari Woo. Passed.
5. **Presentation:**
 - a) **Introduction of Current Board and Staff:** Tara Owen introduced the board and Tom McFall introduced the staff.

6. Items for information:

- a) **Chair's Report:** Tara Owen reviewed some of the achievements of the ACC as printed in the Annual Report. She reported that it is incredibly satisfying that the ACC has been able to meet and in almost every way surpass its responsibility as a Public Service Organization. She reported on behalf of the board that the ACC appreciates its members and always look forward to celebrating our achievements and plans for the future. She thanked all those present for joining the ACC today.
- b) **Executive Director's Report:** Tom McFall reported on the highlights of the ACC over the past year. The sales of member's work was a record of just over \$400,000 and over \$4 million in total for the current location. He announced that the ACC will have a new location in Calgary by the spring of 2016 at the King Edward Arts Hub. The ACC will also be moving into the new Arts Quarters in Edmonton in about 4 years. He announced that the current board and the current staff are the best that they have ever had.
- c) **Financial Report:** Patricia Hartnagel read the financial report as recorded in the Annual Report. She wanted to acknowledge the outstanding staff and that because of them, it is a very successful organization. This has also been recognized by the Edmonton Arts Council in response to the ACC's grant application. They stated that the ACC's application was incredibly well done and noted how effective the ACC has been in promoting fine craft. They also highlighted that the ACC has been doing an outstanding job of fiscal management. She extended kudos to Tom and the staff. There were no questions. Tom reported that the overall budget was about \$760,000.



When I Bethink Me... by Matt Gould (Red Deer)
from the ACC Discovery Gallery exhibition
Totems Of The Masculine

7. Items for Action:

a) **Approval of Financial Report and Financial Statements:** Motion Brenda Malkinson to approve the financial report and statements. It was seconded by Dawn Detarando. Passed.

b) **Approval to reappoint Doyle & Co. as auditors for the coming year:** Motion by Jennifer Salahub to reappointed Doyle & Co. as auditor for the coming year. Seconded by Jenna Stanton. Passed.

c) **Election of Directors:** There were no nominations. Therefore directors up for election are to be considered re-elected by acclamation. Motion by Simon Wroot to accept the new board, seconded by Ellie Shuster. Passed.

d) **New Business - discussion and questions from the floor:** Tara Owen asked if there was any discussion or questions. Jennifer Salahub suggested that there be some discussion about fundraising for the 2nd location in Calgary. The ACC has maxed out its available operating grants from its funders. There was a general discussion about fundraising.

Adjournment: Jennifer Salahub moved to adjourn at 2:15 pm.

Chair's Report

The Annual Report is an opportunity for the Chair to report to members about the range and variety of ACC activities. As always, this past year was a full and productive one, and I am pleased to be able to provide an edited list of highlights. Using our 2013-2016 Strategic Plan as an outline, here are some of our accomplishments and achievements:

Goal #1 - The ACC Promotes its Members, the Organization and the Fine Craft Sector.

- 17 ACC exhibitions presented the work of more than 200 members and other craft Artists
- ACC quarterly magazine is the last provincial craft magazine in Canada
- monthly retail spotlights featured new work by individual member artists
- ACC sales of members' work increased and set a new annual record
- website, e-news and social media exposure all increased

Goal #2 - The ACC Facilitates Career Development in the Craft Sector.

- ACC's Advisory Committee continued to engage new and current members on a wide range of professional development ideas
- career networking continued with members and organizations such as ACAD, Series, various guilds, member galleries, Canadian Crafts Federation and other craft councils
- ACC continued support of ACAD on the launch of the MFA Craft program
- referrals of members to media, potential

customers, corporate orders, teaching opportunities and other leads expanded.

Goal #3 - The ACC Advocates for Craft Provincially, Nationally and Internationally.

- ACC participated in research and advocacy work with 30+ other arts and culture organizations
- continued activity with the Canadian Crafts Federation, board, committees and projects
- board and staff activity with both King Edward Arts Hub in Calgary and Artists Quarters in Edmonton
- expanded contact with South Korean craft organizations.

Goal #4 - The ACC Engages its Committed, Broad-based Membership.

- membership is distributed throughout the province and beyond (ACC board members also represent most of the province - Medicine Hat, Calgary, Canmore, Red Deer, Edmonton, and Fort McMurray)
- e-news, Facebook, Twitter, Instagram, Youtube and Pinterest use by members increased
- increased awareness and recruiting activity with ACAD and introduction of new "young" artists
- cross-promotions with galleries, shows and fairs, Series, ACAD, and various single media organizations and guilds
- ACC member tent-card service was expanded by members in various market settings.

REPORTS

Goal #5 - The ACC Partners and Fosters Partnerships to Stimulate Fine Craft Activity.

- hosted Craft Year 2015 activities and Canadian Crafts Federation staff
- joined and found funding for, with Craft Ontario and other craft councils, a new national craft branding program
- continued involvement in Edmonton Arts Habitat and Artists Urban Village on the Artists Quarters
- expanded involvement in c-SPACE King Edward Arts Hub
- co-marketing projects with ACAD, Series, Medalta, Art Market, and an array of other craft settings and events
- provided promotional services for individual members, organizations, sales, schools, member galleries, etc.

Goal #6 - The ACC Fulfills its Mandate.

- the 2014-15 budget created a small surplus.
- reserve funds were maintained
- all of ACC's funders were satisfied
- ACC maintains a stable and productive board and staff, with the required number of board meetings, and a current strategic plan
- ACC board members, staff and volunteers continue to be committed and productive
- Board, staff and members continue to work toward to new ACC locations in Calgary and then Edmonton. ACC will be an anchor organization in both projects.



Cinnamon Rust Turquoise Maroon Squares Bowl
by Connie Pike (High River) from the ACC
Feature Gallery exhibition *Furnish*

In conclusion, I am happy to be able to outline so many successes to our members. The Alberta Craft Council is a vibrant and extremely functional organization, thanks to the huge amount of dedication from our staff and members. We are leaders within the craft sector, and within the larger art community in Canada. Thank you to all of those involved with the ACC for your support.

A handwritten signature in black ink, appearing to read 'Tara Owen'. The signature is fluid and cursive, written on a light-colored background.

Tara Owen
ACC Board Chair

Annual Highlights

2014-15 was a typical year for the most of the Alberta Craft Council's on-going activity. Gallery traffic was consistent, as were members' use of services. Sales of members' work increased to a record at \$423,550. Funding remained stable and work toward new facilities in both Calgary and Edmonton proceeded.

ACC's website and social media exposure expanded. For example, the Youtube channel on the ACC website features over 75 videos about ACC members. And, ACC has started reaching a new nation-wide audience through participation in Craft Year 2015 and Citizens of Craft social media campaigns.

Craft Year 2015 was one of ACC's additional projects for 2014-15. Several hundred events and projects are occurring right across Canada for this special year. ACC participated in the national organizing committee and hosted and supervised 2 contract staff for the Canadian Crafts Federation to work on CY15.

ACC was also active in conceiving, funding and guiding the Citizens of Craft Campaign. Coordinated nationally by Craft Ontario, and with more than \$400,000 from multiple funders and in-kind contributors, the project is a multi-year project to re-brand craft as a citizen movement supporting the idea of original, local and other craft values.

ACC has also been working on a next Korean project. A group of Hanji (mulberry paper)

artists from Wonju (Edmonton's twin city) will visit Alberta in the summer of 2015. This is a follow-up to the ACC Pulp Pages Pages exhibition and member tour to Wonju in 2013. This is ACC's fifth major Korean project, the attraction being the high level of regard and support for crafts as national arts forms in Korea.

Alberta Craft magazine has a circulation of about 1200. The ACC website attracts an average of 3000 unique visits per month. This peaked in November with 13,500 page views. The ACC weekly e-news has 507 subscribers and the "What's In" monthly e-news to visitors and customers has 739 subscribers. ACC's Twitter service had about 850 followers. ACC's Facebook presence has 1370 "likes". And ACC's newest social media activity, Instagram, currently has 375 followers.

The current membership is about 420 individuals, approximately 80% of whom self-identify as professional craft artists.

The board was full, with 12 members, all active and committed. They met 6 times during the year in person or by conference call, and otherwise communicated several times monthly with the Executive Director and other staff and amongst themselves.

Board member Mary-Beth Laviolette continued her work, on behalf of ACC, on the editorial committee of Studio Magazine. Board member Kai Scholefield continued as the ACC's board member of the Canadian Crafts Federation. He will become secretary of the CCF board in 2015. Board member Jennifer Salahub continued her liaison work with ACAD and the new MFA Craft program.

REPORTS

Other board members participated on behalf of ACC in other projects such as Calgary Arts Development's arts plan and Edmonton Arts Council's New Pathways arts management seminars.

The key highlights for 2014-15 included:

- 18 exhibitions in Edmonton
- an exhibition at Series Summer School in Red Deer
- mini exhibitions at the Edmonton International Airport and Calgary +15 vitrines
- Increased sale of members work and increased overall quality of work for sale
- advisory committee and other career development services, including the addition of about 15 new retailing members
- quarterly magazine, invitations, website, online exhibitions, weekly member e-news, monthly "What's In" visitor/customer e-news, and other increased social media activity
- steady media attention to ACC, member artists, and the fine craft scene
- networking and projects with a wide range of local, provincial, national and international craft, arts and culture organizations
- research and advocacy work with Canadian Crafts Federation, other craft councils and planning for "Craft Year 2015"
- increased provincial advocacy work with other Provincial Arts Service Organizations and Cultural Industry Associations through APAC - Alberta Partnership for Arts and Culture

Exhibitions

Alberta Craft Council continued to produce one of the most extensive and comprehensive series of craft exhibitions in Canada. Most of these included openings, group tours, special



Carousel (detail) by Crys Harse (Calgary) from the ACC Discovery Gallery exhibition Coming Up Next

articles or other media coverage, web content, publications, and/or media events such as TV demonstrations. ACC organized 4 Feature Gallery exhibitions which were large survey shows, and 12 Discovery Gallery exhibitions which presented new work, new members and celebrated special achievements. These are included on an accompanying list of 2014-15 exhibitions. They are also well-documented in the quarterly Alberta Craft magazines and on the ACC website.

Attendance at the ACC gallery in Edmonton was in the 25,000 to 30,000 range. (Some years, attendance is much higher due to additional or touring exhibitions in Alberta, or elsewhere in Canada or in Korea.)

Retail Marketing

The Alberta Craft Council’s shop promoted work by 131 members and sold a new record of \$423,550. This brought the total sales for 15 years at the current Edmonton location to over \$4.6 million. The retail services and advisory committee deliberately encourages members to push boundaries for originality, quality, marketability and professionalism, eventually generating higher prices and better public acceptance for professional craft. Other on-going marketing activities include print and on-line advertising, mini-maps; direct and assisted sales to corporations, governments, MLAs and others; and special projects such as Artist Spotlight exhibitions. Of particular note was an ACC organized project which led to 4 new commissions (worth about \$100,000) for the new PCL head office building.

Support and Development

Alberta Craft Council also provides a range of services to members and member organizations, including:

- Alberta Craft Magazine published quarterly and distributed to 1200 members, subscribers, and public settings such as libraries
- an extensive website with news, exhibitions, gallery shop artist portfolios, calls for entry, links
- weekly member e-news with 25 to 40 news items, announcements, calls, kudos, links, etc.
- monthly “What’s In” e-news for visitors and customers
- expanding activity with Facebook, Twitter, YouTube, Instagram and other social media
- exposure and promotional opportunities for member studios and galleries through the Alberta Craft Magazine, catalogues and

online exhibitions, website, media contact and advertising through outlets such as Where, Galleries West, CKUA, Edmonton Folk Music Festival program, Studio Magazine, etc.

- extensive media contact work for both ACC and member projects with newspapers, TV, radio, magazine and book publishers, websites, blogs, links, etc.
- several hundred ACC listings in print and electronic events calendars
- referrals for teaching opportunities, commercial galleries, private commissions, public art competitions, international projects, etc.
- annual awards including media coverage and a recipient exhibition
- projects with other craft councils and links to culture, business and tourism agencies
- research and advocacy projects with arts, culture, non-profit and business groups
- information projects such as lectures and conference presentations, student tours, etc.
- extensive networking on a variety of issues and projects, with provincial and national arts, culture and tourism organizations and government agencies such as Stats Canada



Stacked Potluck Series by Jenna Stanton (Medicine Hat) from the ACC Feature Gallery exhibition *15 on 35*

Networking

Alberta Craft Council does periodic or on-going work with the following:

- Canadian Crafts Federation and provincial craft councils and territorial craft organizations
- other Provincial Arts Service Organizations and Cultural Industry Associations, through APAC – Alberta Partnership for Arts and Culture
- various projects of the Edmonton Arts Council and Calgary Arts Development
- the advisory committee for MacEwan University Cultural Management Program
- The Works Art & Design Festival
- U of A MBA program
- Edmonton Artists Urban Village (board position)
- Arts Habitat Society (board position)
- Artists Quarters project team
- Calgary Arts Development (C-space, and King Edward School project)
- ACAD on the development of the MFA Craft program
- Craft Year 2015 planning team
- Citizens of Craft project advisory group
- Studio magazine editorial group
- Cahiers métiers d'art - Craft Journal editorial committee
- Canadian Conference of the Arts board
- Provincial and Territorial Advisory Committee or Cultural Human Resources Council
- Informal mentoring to the new Lunenburg Schools of the Arts
- On-going cross-promotions with organizations such as Medalta, Series, ACAD, Art Market, New Craft Coalition, and others.

ACC Facilities

The ACC extended its current Edmonton facility lease for another 5 years. This is anticipated to run until the new ACC gallery in the Artists Quarters project is occupancy-ready in about 4 to 5 years.

Arts Habitat and Artists Urban Village continue to work with partner organizations such as Rapid Fire Theatre, Mile Zero Dance and Alberta Craft Council on the Artists Quarters, a \$35 million project which will create about five floors of new space for arts organizations as well as ten floors of live-work spaces for professional artists and culture workers.

In Calgary, ACC (previously selected and announced as one of eight anchor organizations) worked on concepts and details, budgeting and strategies for the new ACC Gallery in c-Space's King Edward Arts Hub. This will be a 1700 to 1800 sq. ft. exhibition and retail gallery space in the restored heritage school which will open in 2016 as a \$30+ million major arts incubator.

Feature Gallery

April 5 - July 5, 2014

Furnish - Contemporary hand-crafted home furnishings and accessories.
(21 artists & 74 pieces)

July 12 - September 27, 2014

Continuum - ACC members explore the creative exchange of teaching and learning.
(35 artists & 91 pieces)

October 4 - December 24, 2014

Well In Hand: fine craft of horse & rider - An exhibition of creative and accomplished craft objects - usable, wearable, ceremonial, visual, historical - that reflect any aspect of the human-equine relationship.
(12 artists & 61 pieces)

January 17 - March 28, 2015

15 on 35 - In celebration of the Alberta Craft Council's 35th Anniversary, fifteen members reflect on how the ACC has enriched their careers.
(15 artists & 40 pieces)



Blossom Tables by Mike Lam (Edmonton) from the ACC Feature Gallery exhibition *Furnish*

EXHIBITIONS

Discovery Gallery

May 10 - June 14, 2014

Coming Up Next - An exhibition of contemporary fine craft by emerging artists. (10 artists & 44 pieces)

June 19 - July 26, 2014

Waiting For The Man - A textile installation exploring disillusionment and conflicted desire by Calgary artist, Irene Rasetti. (1 artists & 10 pieces)

Feeling Whispers - Using glass, video and mixed media Calgary artist Robyn Weatherley addresses ideas of the human perceptual experience of spatial memories and remnants. (1 artists & 4 pieces)

August 2 - September 6, 2014

Matt Gould: Totems Of Masculine - Male personages in leather, wool, wood and steel by Red Deer artist Matt Gould. (1 artists & 15 pieces)

September 13 - October 18, 2014

Frntiers: Casting the Future - An exhibition of new work in concrete by Edmonton artist Matt Heide. (1 artists & 11 pieces)

Bubble Invasion - An exploration of the relation of space by Ontario glass artist Jie Yang. (1 artists & 22 pieces)

October 25 - November 29, 2014

Caffeine - Robin DuPont and Sara Pike, two BC potters, create pottery related to the theme of 'caffeine' and the rituals associated around it. (2 artists & 77 pieces)

21 Konstruktions: cross stitch - An ancient, internal language explored by Edmonton fibre artist, Brenda Raynard. (1 artists & 21 pieces)

January 10 - February 14, 2015

The Recipients - an exhibition celebrating the 2014 recipients of the 2014 Alberta Craft Awards. (3 artists & 15 pieces)

February 21 - April 4, 2015

The Anatomy of My Heart - Transformation through personal narrative by jewellery and metal artist, Kari Woo (Canmore). (1 artists & 12 pieces)

Earth Rhythms - exploring the movements and rhythms of the earth as elicited in clay by Ed Bamiling's (Banff). (1 artists & 15 pieces)

Travelling Exhibitions



July 15 - August 15, 2014

Potworks - features creative tableware and ceramic work related to cooking, dining and celebration. Over 100 pieces are fetured by 32 Alberta potters from centre pieces to full place-settings, tangines to chicken roasters, casseroles and so much more.

Destination: Red Deer College during 2014 Series and Summer Scapes Programs, Red Deer, AB

ACC @ the YEG

The Alberta Craft Council has two mini exhibition spaces in the new Rotational Art Program at the Edmonton International Airport. Passengers waiting for their flights to departure is delighted by a selection of blown glass **Vortex Vases** by Jeff Holmwood and **Streamed** by Darren Petersen.

June, 2014 - December, 2014

Jeff Holmwood

July, 2014 - January, 2015

Darren Petersen

Vortex Vase by Jeff Holmwood (Crawford Bay, BC)

EXHIBITIONS

Alberta Craft Council + 15 Window (Calgary)

exhibitions display exciting new work for two month periods by ACC members, partner organizations and cross-promote arts events in Calgary. The window is located in the busy + 15 pedway system with a diverse range of Calgarians walking through daily.

May 3 - June 30, 2014

A Selection of Fibre Art by Matt Gould
Matt Gould is a multi-faceted award-winning artist whose career spans over thirty years and has incorporated painting, drawing, singing, acting, writing, stage directing, design and fibre art.

July 4 - August 31, 2014

Frontiers & Rabbitery by Matt Heide & Lisa McGrath
Frontiers is a preview of concrete artist Matt Heide's upcoming ACC Discovery Gallery solo exhibition *Frontiers: Casting the Future*. Rabbitery showcases Lisa McGrath's most recent ceramic work.



September 5 - November 10, 2014

New Craft Coalition Presents

NCC's mission and primary action is 'Bringing a Carefully Curated Collection of Art, Craft + Design to the People!'. Artists: Simon Wroot, Kari Woo, Laura Sharp, Eveline Kolijn, Natalie Gerber, Juliana Rempel, Rebecca Cleaver

November 17 - January 10, 2015

Future Man: Histories by Kai Scholefield
examines our origin story. Dinosaurs are fantastical creatures from a far away time, and a part of human culture as a reference to an earth distant and other.

January 15 - March 14, 2015

Konstruktions - A language of thought in cross-stitch by Brenda Raynard

March 19 - May 9, 2015

Laura Mclvor & Susan Kristoferson

Susan Kristoferson specializes in surface design processes on paper such as shibori, especially itajime and paste painted papers. Silver jewellery designer Laura Mclvor found inspiration in the sights and sounds of the circus to create a cornucopia of whimsical, wearable art.

Fleeting Thoughts by Susan Kristoferson (Calgary)
from the ACC +15 Window exhibition

Alberta Craft Council Directors

Tara Owen	Chair, Metal Jewellery, Calgary
Dawn Detarando	Vice-Chair, Clay, Red Deer
Patti Hartnagel	Treasurer, Clay, Edmonton
Victor Steel	Teacher, Fort McMurray
Kari Woo	Metal Jewellery, Canmore
Mary-Beth Laviolette	Curator and Writer, Canmore
Kai Georg Scholefield	Hot Glass, Calgary
Meghan Wagg	Metal Jewellery, Edmonton
Jennifer Salahub	Craft Historian (ACAD), Calgary
Brenda Malkinson	Glass, Edmonton
Jenna Stanton	Clay, Medicine Hat
Matt Gould	Fibre, Red Deer

Alberta Craft Council Council Staff

Tom McFall	Executive Director
Nancy St. Hilaire	Administrative Manager/Magazine Editor
Joanne Hamel	Exhibition Coordinator
Jessica Telford	Membership/Exhibition Team
Linda Frena	Retail Gallery Coordinator
Ruta Nichol	Communications/Exhibition Team
Pat Aslund	Part-time Gallery Shop Staff
JoAnna Lange	Part-time Gallery Shop Staff

Executive Director **Tom McFall** serves on local, national and international boards or committees, including:

Committees and teams of the Canadian Crafts Federation

Canadian Conference of the Arts - board

Arts Habitat Society, Edmonton - board

Artists Urban Village (PAL affiliate), Edmonton - board

MacEwan University, Arts and Cultural Management Program - advisory committee

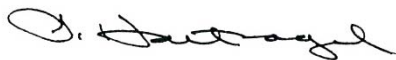
Financial Report

The financial position of the Alberta Craft Council continues to be very solid. The operating budget for 2014-15 was set at \$790,000. The year ended with a surplus of \$17,997 which was mainly due to the record Gallery Shop Sales of \$423,550. There was also a \$9,000 increase in donations due to the Square Foot Campaign.

This brings the overall reserves and surplus to \$271,536. Of this the ACC Board has designated \$100,000 as an internally restricted Capital Fund, which has been invested in GICs. The Council also has an internally restricted reserve fund of \$80,000 for 3 months of core administrative and operating costs, which is invested in GICs. This reserve fund is a requirement of the Alberta Foundation for the Arts.

\$5,758 is allocated to capital assets such as computers, furniture and equipment that will be amortized over their useful life. The remaining unrestricted funds of \$85,778 are used for operation cash flow.

Respectfully submitted



Patricia Hartnagel
Treasurer



Owl Time is Now by Shona Rae (Calgary) from the ACC Discovery Gallery exhibition *Recipients*

**Alberta Craft Council
Financial Statements
March 31, 2015**

FINANCIAL STATEMENTS

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DOYLE & COMPANY CHARTERED ACCOUNTANTS

Allan J. Grykuliak, C.A.*
Scott T. Mockford, C.A.*

* Operates as a Professional Corporation

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INDEPENDENT AUDITOR'S REPORT

To the Members of Alberta Craft Council

We have audited the accompanying financial statements of Alberta Craft Council, which comprise the Statement of Financial Position as at March 31, 2015 and the Statements of Operations, Change in Net Financial Assets and the Statement of Cash Flows 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 accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparations and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

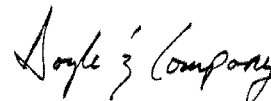
Basis for Qualified Opinion

In common with many charitable organizations, Alberta Craft Council derives revenue from donations 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 records of the organization and we were not able to determine whether any adjustments might be necessary to donation revenue, excess of revenues over expenses, current assets and net assets.

Qualified Opinion

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, these financial statements present fairly, in all material respects, the financial position of the Alberta Craft Council as at March 31, 2015, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Edmonton, Alberta
June 20, 2015



Chartered Accountants

FINANCIAL STATEMENTS

Alberta Craft Council Statement of Financial Position As at March 31, 2015

	2015	2014
	\$	\$
Current Assets		
Cash	101,376	89,116
Investments (Note 2)	192,848	189,815
Restricted funds (Note 3)	64,508	16,418
Accounts receivable	3,475	1,632
GST receivable	441	426
Inventory	16,854	16,024
Prepaid expenses	27,367	20,456
	406,869	333,887
Capital Assets (Note 4)	5,745	6,154
	412,614	340,041
Liabilities		
Accounts payable (Note 5)	76,570	70,084
Deferred revenue (Note 6)	64,508	16,418
	141,078	86,502
Net Assets		
Unrestricted	85,778	67,385
Internally restricted (Note 1a)		
Core administrative and operating cost fund	80,000	80,000
Capital fund	100,000	100,000
Invested in capital assets	5,758	6,154
	271,536	253,539
	412,614	340,041

Approved by the Board of Directors:

 Chair

 Treasurer

Alberta Craft Council
Statement of Change in Net Assets
For the year ended March 31, 2015

	2015	2014
	\$	\$
<u>Unrestricted</u>		
Balance, beginning of year	67,385	27,101
Excess (Deficiency) of revenue over expenditures	17,997	9,778
Transfer from (to) invested in capital assets	396	506
Transfer from (to) internally restricted - capital fund	-	30,000
Balance, end of year	85,778	67,385
<u>Internally Restricted - Core Administrative and Operating Cost Fund</u>		
Balance, beginning of year	80,000	80,000
Transfer from unrestricted	-	-
Balance, end of year	80,000	80,000
<u>Internally Restricted - Capital Fund</u>		
Balance, beginning of year	100,000	130,000
Transfer from (to) unrestricted	-	(30,000)
Balance, end of year	100,000	100,000
<u>Invested in Capital Assets</u>		
Balance, beginning of year	6,154	6,659
Capital asset additions	2,035	1,807
Amortization	(2,431)	(2,312)
Balance, end of year	5,758	6,154

FINANCIAL STATEMENTS

Alberta Craft Council
Statement of Operations
For the year ended March 31, 2015

	2015	2014
	\$	\$
Revenue		
Alberta Foundation for the Arts	200,000	193,200
Casino revenue	83,272	-
Donations and fundraisers	26,608	15,890
Grants	88,200	87,945
Interest	3,033	2,585
Magazine advertising	2,048	2,500
Membership fees	21,717	21,221
Other revenue	4,037	1,006
Retail sales	423,550	400,665
Special projects	20,088	30,013
Revenue deferred from previous period	16,418	48,709
Revenue deferred to subsequent period	(64,508)	(16,418)
	824,463	787,316
Expenditures		
Member services and marketing expenditures (Schedule 1)	334,379	276,504
Gallery expenditures (Schedule 2)	86,142	115,044
Retail expenditures (Schedule 3)	385,945	385,990
	806,466	777,538
Excess (Deficiency) of Revenue over Expenditures	17,997	9,778

Alberta Craft Council
Statement of Cash Flows
For the year ended March 31, 2015

	2015	2014
	\$	\$
Operating Activities		
Cash received from funding agencies and other sources	870,710	762,974
Cash paid to suppliers and employees	(805,290)	(779,278)
	65,420	(16,304)
Investing Activities		
(Increase) Decrease in investments	(3,033)	27,749
Capital asset purchases	(2,037)	(1,807)
	(5,070)	25,942
Increase (Decrease) in Cash During the Year	60,350	9,638
CASH - Beginning of year	105,534	95,896
CASH - End of year	165,884	105,534
Cash is comprised of;		
Cash	101,376	89,116
Restricted cash (Note 3)	64,508	16,418
	165,884	105,534

FINANCIAL STATEMENTS

Alberta Craft Council Notes to the Financial Statements March 31, 2015

Purpose of the Organization

Alberta Craft Council is incorporated without share capital under the Societies Act of the Province of Alberta, is a registered Canadian charity and, as such, is exempt from income taxes under the Income Tax Act (Canada). Alberta Craft Council's mission is to promote, develop and advocate for fine craft in Alberta.

1. Significant Accounting Policies

These financial statements have been prepared in accordance with Canadian Accounting Standards for Not-for-Profit Organizations ("Part III") of the CPA Canada Handbook - Accounting. Significant accounting policies are described below:

(a) Fund Accounting

The internally restricted operating fund has been established by the Alberta Craft Council board to cover the core operating and administrative costs of the organization. The board has set aside \$80,000 as a reserve to cover approximately three months of operating expenses as required by the Alberta Foundation for the Arts.

The board has also set aside \$100,000 (2014 - \$100,000) as a capital fund.

(b) Amortization

Capital assets are recorded at cost and amortized annually with a corresponding reduction in Equity in Capital Assets. Assets are amortized over their expected useful life using the declining balance method at the following annual rates, except in the year of acquisition when one-half the normal rate is applied. No amortization is recorded in the year of disposal.

Computer Hardware	45%
Furniture and Equipment	20%
Software	100%

(c) Inventory

Purchased inventory is recorded at the lower of wholesale cost and net realizable value.

Donated inventory, where an official receipt has been issued, are recorded at retail value.

(d) Revenue Recognition

Alberta Craft Council 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.

The retail sales revenue is recognized when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Alberta Craft Council
Notes to the Financial Statements
March 31, 2015

1. Significant Accounting Policies - (continued)

(d) Revenue Recognition -continued

Donation revenue is recognized when received.

The portion of membership fees collected in a current year that provide members benefits in the following year(s) are deferred and recognized as revenue in the year the benefits are received.

(e) Financial Instruments

The financial instruments of Alberta Craft Council consist of cash, investments, restricted funds, accounts receivable and accounts payable. The fair value of these financial instruments approximates their carrying values, unless otherwise noted.

Credit Risk

Credit risk is the risk that one party to a financial asset will cause a financial loss for Alberta Craft Council by failing to discharge an obligation. The credit risk is mainly related to trade accounts receivable. Credit is provided to clients in the normal course of operations and the accounts receivables are assessed by Alberta Craft Council and they record any amounts that are not collectible in the allowance for doubtful accounts.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rate. Alberta Craft Council is exposed to interest rate risk on bank account balances and any of its fixed and/or floating interest rate financial instruments.

Liquidity Risk

Liquidity risk is the risk that Alberta Craft Council will encounter difficulty in meeting its obligations associated with financial liabilities. Alberta Craft Council manages its liquidity risk by monitoring its operating requirements and cash forecasts to ensure it has sufficient funds to fulfill its financial obligations.

(f) Measurement Uncertainty

The preparation of financial statements in conformity with Canadian Accounting Standards for Not-for-Profit Organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(g) Donated Services

The Alberta Craft Council benefits greatly from donated services in the form of volunteer work for various activities. The value of donated services is not recognized in the financial statements because of the difficulty of measurement.

FINANCIAL STATEMENTS

Alberta Craft Council Notes to the Financial Statements March 31, 2015

2. Investments

Investments represent Guaranteed Investment Certificates with a range of maturity dates from May 11, 2015 to May 15, 2017 and interest rates of 1.45% to 1.65%.

3. Restricted Funds

	2015	2014
	\$	\$
Casino bank account	64,508	16,418

These funds can only be used for purposes approved by the Alberta Gaming and Liquor Commission, an agent of the Government of Alberta.

4. Capital Assets

	2015			2014
	Cost	Accumulated	Net Book	Net Book
	\$	Amortization	Value	Value
	\$	\$	\$	\$
Computer hardware	13,948	11,718	2,230	1,935
Computer software	2,283	2,283	-	-
Furniture and equipment	12,586	9,071	3,515	4,219
	28,817	23,072	5,745	6,154

5. Accounts Payable

	2015	2014
	\$	\$
Trade	11,792	10,557
Commissions	15,010	19,286
Vacation	13,942	8,124
Accrued Liabilities		
Advertisements	-	238
Membership Fees	10,860	11,050
Retail - Credit Notes and Gift Certificates	22,661	20,435
Retail - Layaway deposits	2,305	394
	76,570	70,084

Alberta Craft Council
Notes to the Financial Statements
March 31, 2015

6. Deferred Revenue

The following externally restricted funds have been deferred and will be recognized as revenue in the year which the related expenses are incurred.

	2015	2014
	\$	\$
Casino Funds	64,508	16,418

7. Lease Commitment

The current premise lease expires May 31, 2015 and management has entered into a new operating lease for the premise for a term of five (5) years from June 1, 2015 to May 31, 2020. The organization is committed to annual future minimum lease payments under the lease as follows:

	\$
2016	51,666
2017	52,000
2018	53,667
2019	55,667
2020 and after	65,333
	278,333

FINANCIAL STATEMENTS

Alberta Craft Council
Schedule 1 - Member Services and Marketing Expenditures
For the Year Ended March 31, 2015

	2015	2014
	\$	\$
Expenditures		
Advertising and promotion	5,202	882
Amortization	904	616
Awards	3,277	-
Bank charges and interest	2,050	2,767
Consulting	2,255	-
Fundraising expenses	3,548	2,366
Furniture and equipment	4,581	3,331
Insurance	2,649	2,443
Magazine	27,404	25,962
Maintenance and improvements	182	420
Membership fees and dues	2,134	2,403
Office supplies, courier, postage	6,709	6,839
Other expenses	1,568	1,294
Professional fees	5,900	6,244
Rent	10,241	9,304
Special projects	29,679	-
Telephone	4,611	4,559
Travel and meetings	5,406	8,072
Utilities	2,313	2,349
Wages and employee benefits	212,621	195,870
Website	1,145	783
	334,379	276,504

Alberta Craft Council
Schedule 2 - Gallery Expenditures
For the Year Ended March 31, 2015

	2015	2014
	\$	\$
Expenditures		
Advertising and promotion	4,087	10,154
Amortization	789	1,066
Furniture and equipment	1,002	829
Insurance	1,499	1,631
Maintenance and improvements	2,845	4,882
Office supplies, courier, postage	1,663	2,310
Shrinkage (damaged and stolen)	-	166
Rent	23,041	23,456
Special projects	-	21,902
Telephone	1,776	1,763
Travel and meetings	883	1,576
Utilities	3,252	3,701
Wages and employee benefits	45,305	41,442
Website	-	166
	86,142	115,044

FINANCIAL STATEMENTS

Alberta Craft Council
Schedule 3 - Retail Expenditures
For the Year Ended March 31, 2015

	2015	2014
	\$	\$
Expenditures		
Advertising and promotion	7,258	8,963
Amortization	738	630
Bank charges	8,040	6,253
Commissions to consignors	258,666	247,470
Cost of goods sold	1,952	1,822
Furniture and equipment	1,120	2,944
Insurance	2,997	2,587
Maintenance and improvements	1,878	2,074
Membership fees and dues	218	1,234
Office supplies, courier, postage	2,240	1,797
Other expenses	745	891
Packaging	2,481	4,460
Rent	17,921	17,609
Shrinkage (damaged and stolen)	784	1,263
Telephone	1,776	1,769
Utilities	2,473	2,828
Wages and employee benefits	74,658	81,396
	385,945	385,990

Alberta Craft Council
Schedule 4 - Building Operations and Maintenance
For the Year Ended March 31, 2015

	2015	2014
	\$	\$
Expenditures		
Administrative Personnel (25%)	18,847	18,166
Cleaning services	756	792
Insurance	5,995	5,511
Maintenance interior	2,765	1,934
Maintenance exterior	935	4,646
Rent	51,202	50,369
Security	2,106	2,027
Utilities	8,038	8,879
	90,644	92,324

This schedule has been compiled by management of Alberta Craft Council from some of the expenditures recorded in Schedules 1-3 inclusive. This schedule is presented for the purposes of providing information for the Community Investment Program Arts and Museum Building Operating Grant. This schedule was not specifically audited but was subject to the auditing procedures applied to the audit of the financial statements taken as a whole.

THANKS TO OUR SUPPORTERS:



**Government
of Alberta ■**

Did You Know ?

- Alberta Craft Council continues to organize more exhibitions than any other craft council in Canada
- ACC is the largest craft council in western Canada
- ACC is still the second largest public gallery in Edmonton (after the Art Gallery of Alberta)
- The ACC is the only Canadian craft council to still produce a full-colour magazine
- The ACC was founded in 1979 and over 35 years the Council's operating budget has grown from \$7,000 to almost \$800,000.
- During 2014-15, ACC continued working relationships, through exhibitions, sales, services, media contact, referrals, promotions, advice, advocacy, networking, etc. with about 3/4 of its approximately 450 members



Ink Necklace by Andrea Blais (Calgary) from the ACC Discovery Gallery *Recipients*