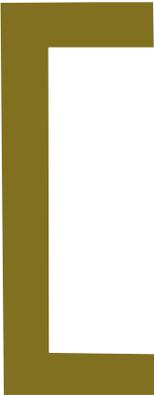




Canadian Conference of the Arts



Annual Report
2006-2007



Canadian Conference of the Arts
804-130 Albert Street
Ottawa, Ontario, K1P 5G4
T: 613.238.3561 F: 613.238.4849
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Board of Governors:

Lori Baxter - British Columbia
Rose Bellosillo - Ontario
Michel Blondeau - Ontario
Tim Borlase - New-Brunswick
René Cormier - New-Brunswick
Bastien Gilbert - Quebec
Louise Poulin - Quebec
Sheila Roberts - Saskatchewan
Kathleen Sharpe - Ontario
Karl H. Siegler - British Columbia
Robert Spickler - Quebec
Philip Szporer - Quebec
Jason van Eyk - Ontario

Ex-officio:

Denise Roy - Alberta
Peter Gardner - Newfoundland and Labrador
Peter Hyde - Ontario

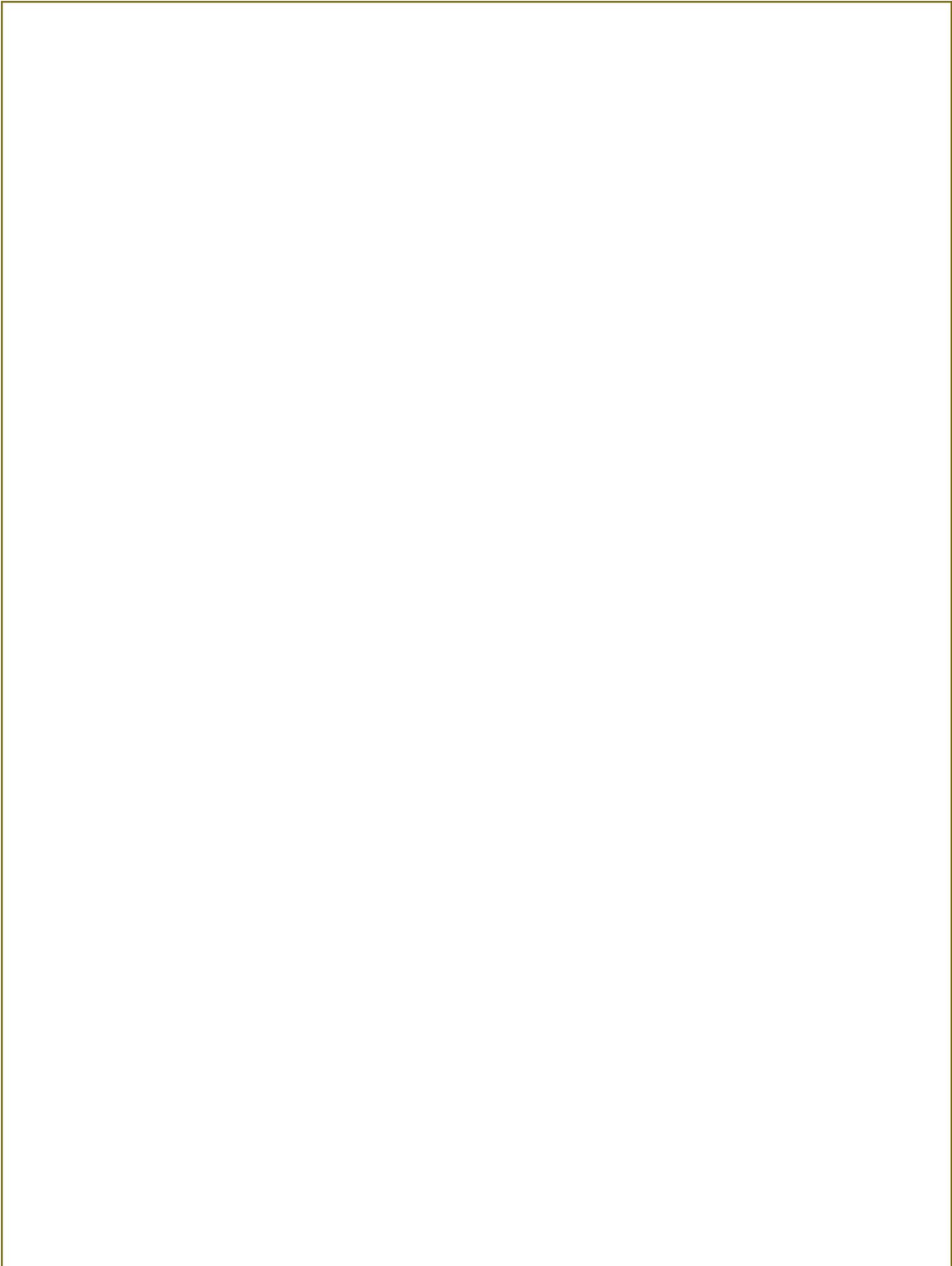
Observer:

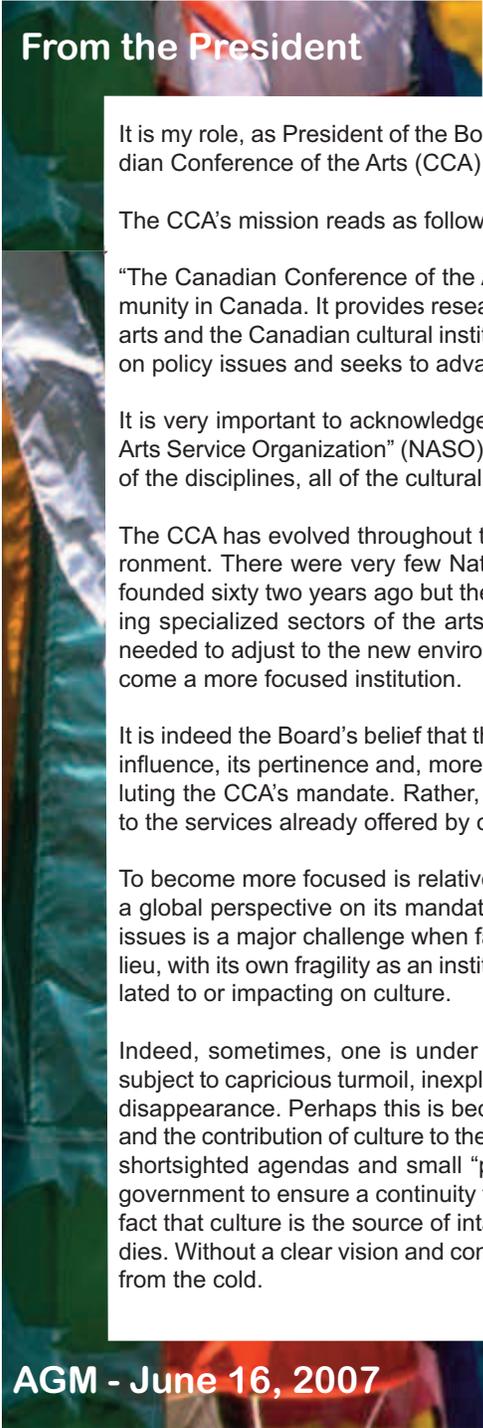
Susan Annis - Ontario

Secretariat:

Alain Pineau - National Director
Julie Cayouette - Executive Assistant
Paul Galipeau - Communications Agent
Manon Charron - Finance Director
Annie Caporicci - Administrative Assistant, Finance and Membership
James Missen - Cultural Policy Advisor
Keith Kelly - Senior Policy Advisor

Translation and graphic design: Line Dezainde





From the President

It is my role, as President of the Board, to present to the members the state of affairs of the Canadian Conference of the Arts (CCA) and the major issues at stake.

The CCA's mission reads as follows:

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

It is very important to acknowledge the fact that the CCA is not and cannot be a super "National Arts Service Organization" (NASO) encompassing all of the issues, all of the legitimate causes, all of the disciplines, all of the cultural institutions and artist in the cultural sector.

The CCA has evolved throughout the years and adapted to the new ecology of the cultural environment. There were very few National Arts Service Organizations (NASO) when the CCA was founded sixty two years ago but there are now many which exist for very specific purposes, serving specialized sectors of the arts and culture community with expertise. This is why the CCA needed to adjust to the new environment and this is why over the past several months, it has become a more focused institution.

It is indeed the Board's belief that the more focused the CCA is, the more relevant its outreach, its influence, its pertinence and, moreover, its services. To try to be too encompassing would risk diluting the CCA's mandate. Rather, the CCA must re-centre its services on those complementary to the services already offered by other organizations.

To become more focused is relatively easy to articulate with words. But for the CCA, maintaining a global perspective on its mandate and contributing to an informed policy debate on all cultural issues is a major challenge when faced on a day to day basis with the uncertainty of a fragile milieu, with its own fragility as an institution and with the inconsistencies of governmental policies related to or impacting on culture.

Indeed, sometimes, one is under the impression that at the federal level, cultural policies are subject to capricious turmoil, inexplicable fluctuations and variable waves of interest or mysterious disappearance. Perhaps this is because of a lack of a clear and sound national vision on the role and the contribution of culture to the Canadian social fabric. More often, unfortunately, it seems that shortsighted agendas and small "p" political "ad-hocracy" make it difficult, if not impossible, for government to ensure a continuity through time for cultural development or even to recognize the fact that culture is the source of intangible values of creativity without which a nation freezes and dies. Without a clear vision and continuity within cultural development, a country is destined to die from the cold.

AGM - June 16, 2007



Throughout 2006, the CCA has reviewed its financial structure and consequently, revisited its membership fees. The CCA had not reviewed its membership fees in many years. While most of the NASO's relative contribution of membership to the revenue budget represents 15%-20% of their revenues, CCA's membership fees revenue was at only 7%.

Governance is another important issue for the CCA. Members will remember that in 2001, the Board and membership went through an extensive review of the governance structure and the process to choose Board members. In its wisdom, the General Assembly at that time resolved that, in order for the CCA to remain as flexible as possible, the governance structure should be revised every 3 years.

Because of the many turnovers at the directorship of the CCA between 2003 and 2005, this review was initiated only in 2006. The ad-hoc Governance Committee has recommended a number of adjustments which will require the approval by all members at a special General Assembly to be convened prior to the election of the new Board next year.

In closing, let me personally extend my gratitude to all the CCA Board members and members of the staff. Their dedication and generous contribution to the CCA over the past year has been exceptional. I also want to thank all those who have taken the time today to come to this AGM. Your presence is witness to the interest you have in the CCA and its work and I want to express the Board of Governors' appreciation of that fact.

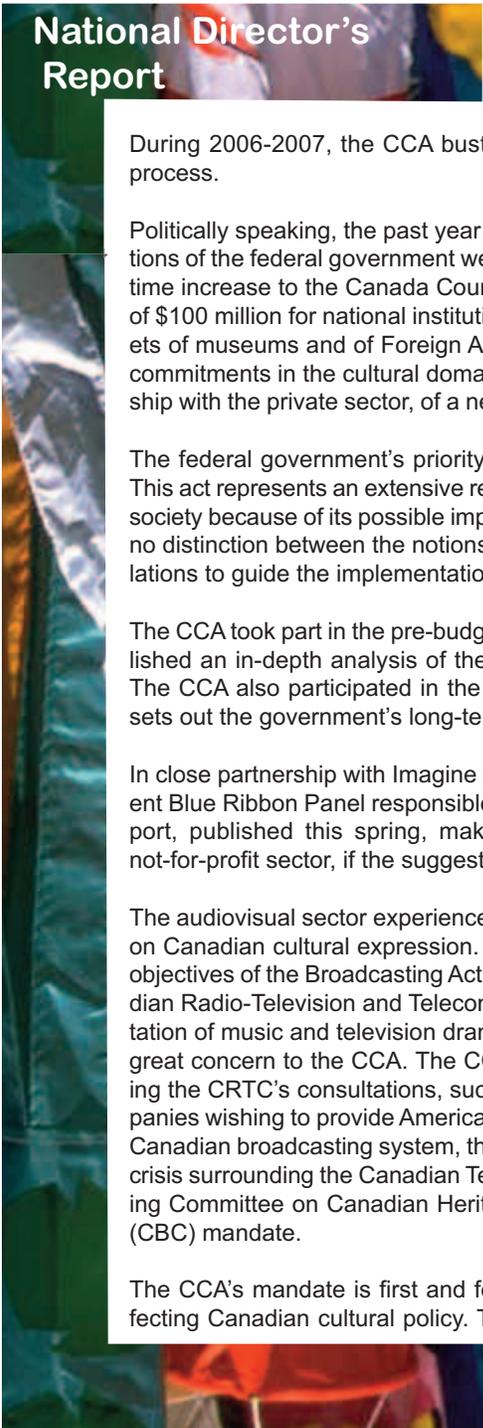
To conclude, there is a fundamental question we as Board members, you as members and the CCA itself by the very nature of its existence, keep asking: can a country like ours, can its evolution, its development, its aspiration, its contribution to the concert of nations, can this be achieved without the myths, the legends, the utopia and the creativity of a nation?

The CCA's role is barely the shade of an answer to this question that we must all keep asking to our leaders and to our fellow Canadians, but I can tell you that without myths, legends and the utopias created by its artists, a country is indeed without meaning or signification and bound to disappear as a distinct entity.

Robert Spickler
President



Robert Spickler



National Director's Report

During 2006-2007, the CCA bustled with activity, and went through an extensive consolidation process.

Politically speaking, the past year was not very reassuring for the cultural sector, as the true intentions of the federal government were not made clear. Positive actions, such as the \$50 million one-time increase to the Canada Council for the Arts budget, spread over two years, and the injection of \$100 million for national institutions' infrastructures, were counterbalanced by a cut to the budgets of museums and of Foreign Affairs and International Trade Canada. There were no long term commitments in the cultural domain. A single political initiative stands out: the creation, in partnership with the private sector, of a new Canadian Museum for Human Rights, to be built in Manitoba.

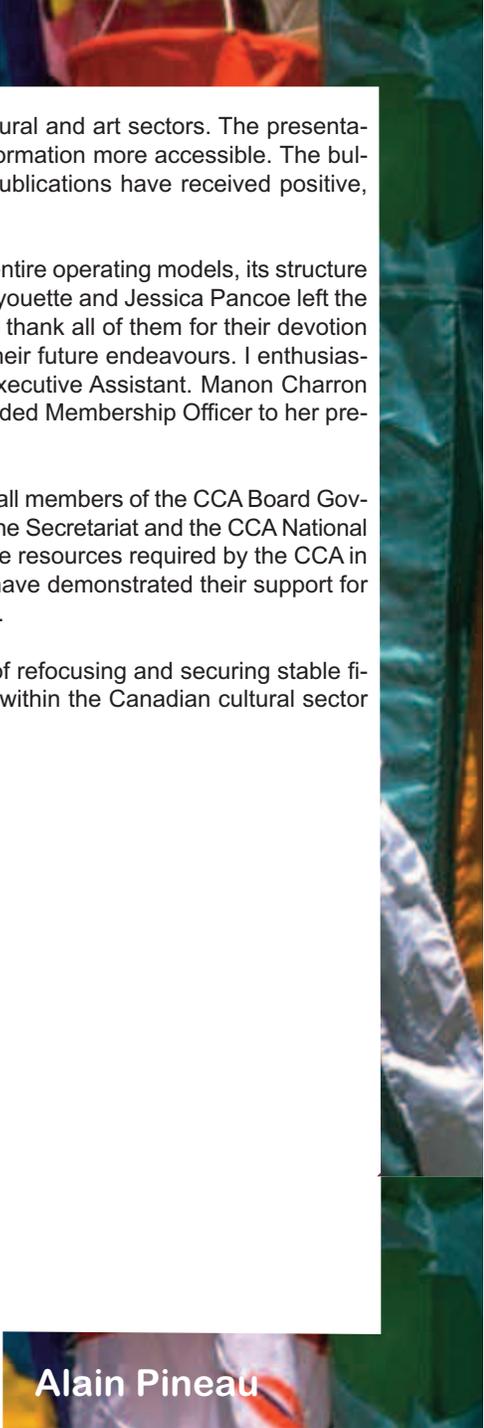
The federal government's priority is the speedy adoption of the new Federal Accountability Act. This act represents an extensive revision of current legislation. It is causing apprehension within civil society because of its possible implications for the quality of public debate, given that the Act makes no distinction between the notions of lobbying and advocacy. We are still waiting for precise regulations to guide the implementation of the new legislation.

The CCA took part in the pre-budget consultations of the Standing Committee on Finance and published an in-depth analysis of the federal budget and the 2006-2007 Supplementary Estimates. The CCA also participated in the Finance Minister's consultations on Advantage Canada, which sets out the government's long-term financial management plan.

In close partnership with Imagine Canada, the CCA also contributed its expertise to the Independent Blue Ribbon Panel responsible for examining grant and contribution programs. The panel's report, published this spring, makes many suggestions and represents clear progress for the not-for-profit sector, if the suggestions are put into action.

The audiovisual sector experienced the most activity in 2006-2007, which may have a major effect on Canadian cultural expression. Given the high stakes related to decisions affecting the cultural objectives of the Broadcasting Act (1991), the CCA intervened in several dossiers before the Canadian Radio-Television and Telecommunications Commission (CRTC). The production and presentation of music and television drama, and the impact of new media have been, without a doubt, of great concern to the CCA. The CCA intervened, in person and in writing, on several matters during the CRTC's consultations, such as commercial radio policy, the request from distribution companies wishing to provide American satellite music services, the impact of new technologies on the Canadian broadcasting system, the framework of Canadian conventional television, and finally, the crisis surrounding the Canadian Television Fund (CTF). The CCA also intervened during the Standing Committee on Canadian Heritage's examination of the Canadian Broadcasting Corporation's (CBC) mandate.

The CCA's mandate is first and foremost to produce timely and accurate analysis of matters affecting Canadian cultural policy. The CCA has prioritized external communications, with the pro-



duction of nearly fifty bulletins addressing key issues in the cultural and art sectors. The presentation of the bulletins has been improved, in an effort to make information more accessible. The bulletins now integrate hyperlinks and are available online. Our publications have received positive, often unsolicited feedback.

Regarding in-house matters, the CCA's secretariat reviewed its entire operating models, its structure and its job descriptions. There were changes in staff as Julie Cayouette and Jessica Pancoe left the CCA in order to pursue other interests. I take this opportunity to thank all of them for their devotion towards the CCA and I want to wish them great success in all their future endeavours. I enthusiastically welcome their replacements: Alessia Bongiovanni, my Executive Assistant. Manon Charron was promoted to Administrative Director and Annie Caporicci added Membership Officer to her previous responsibilities.

I wish to give a heartfelt thank you to the CCA's President and to all members of the CCA Board Governors, who have guided us and who have generously assisted the Secretariat and the CCA National Director. Special thanks to our volunteers, who have supplied the resources required by the CCA in order to fulfill its mandate. Finally, I would like to thank all who have demonstrated their support for the CCA by renewing their membership or by making donations.

The coming year will mark a crucial moment in the CCA's task of refocusing and securing stable financing of its activities, in order to carry out its unique mission within the Canadian cultural sector and society in general.

Alain Pineau
National Director

Alain Pineau

A young boy with short brown hair is sitting in a theater, eating popcorn from a blue and white striped bag. He is looking towards the camera with a slight smile. The background is dark with some colorful lights, suggesting a movie theater setting. The text is overlaid on the image.

**Culture is what you remember
when you have forgotten
everything else.**

**- Édouard Herriot, quoting
an ancient Japanese
saying**

Auditors Report

HENDRY WARREN LLP
Chartered Accountants

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May 11, 2007

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 as at March 31, 2007 and the statement of operations and changes in net assets 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 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, 2007 and the results of its operations and changes in net assets for the year then ended in accordance with Canadian generally accepted accounting principles.



HENDRY WARREN LLP
Chartered Accountants
Licensed Public Accountants
Ottawa, Ontario

Partners: Ian W. Hendry, CA, CFP Daniel B. Warren, CA, TEP Marie Fraser, CA, CFP Nancy Nichols, CA

CANADIAN CONFERENCE OF THE ARTS

Statement of Financial Position

March 31, 2007, with comparative figures for 2006

	2007	2006
Assets		
Current assets		
Cash	\$ -	\$ 137,356
Short-term investments	24,000	23,042
Accounts receivable	41,419	95,417
Prepaid expenses	4,459	4,459
	69,878	260,274
Capital assets (Note 3)	2,840	11,104
Endowment funds (Note 4)	155,578	155,578
	\$ 228,296	\$ 426,956
Liabilities and Deficit		
Current liabilities		
Bank indebtedness	\$ 45,217	\$ -
Accounts payable and accrued charges	5,975	54,236
Due to ArtsSmarts Partners	-	58,000
Deferred revenue (Schedule A)	39,112	211,327
	90,304	323,563
Endowment funds held in trust	155,578	155,578
	245,882	479,141
Commitments (Note 5)		
Deficit		
Invested in capital assets	2,840	11,104
Unrestricted	(80,426)	(123,289)
Internally restricted working capital reserve	60,000	60,000
	(17,586)	(52,185)
	\$ 228,296	\$ 426,956

Approved on behalf of the Board of Governors:

Governor

Governor

CANADIAN CONFERENCE OF THE ARTS

Statement of Operations

Year ended March 31, 2007, with comparative figures for 2006

	2007	2007	2006
	Budget (unaudited)	Actual	Actual
Revenue			
Earned revenue (Schedule B)	\$ 140,400	\$ 123,441	\$ 188,354
Contributions (Schedule C)	2,186,404	756,302	1,975,038
	2,326,804	879,743	2,163,392
Expenses			
Personnel (Schedule D)	415,258	334,742	385,789
Administration (Schedule D)	214,500	145,895	193,402
Ongoing activities (Schedule D)	116,000	49,332	113,611
Special programs (Schedule E)	1,569,653	315,175	1,585,259
	2,315,411	845,144	2,278,061
Excess (deficiency) of revenue over expenses	11,393	34,599	(114,669)
(Deficit) surplus, beginning of year	(52,185)	(52,185)	62,484
Deficit, end of year	\$ (40,792)	\$ (17,586)	\$ (52,185)

Statement of Changes in Net Assets

Year ended March 31, 2007, with comparative figures for 2006

	Invested in Capital assets	Unrestricted	Internally Restricted Working Capital Reserve	2007 Total	2006 Total
Balance, beginning of year	\$ 11,104	\$ (123,289)	\$ 60,000	\$ (52,185)	\$ 62,484
Excess (deficiency) of revenue over expenses	(8,264)	42,863	-	34,599	(114,669)
Balance, end of year	\$ 2,840	\$ (80,426)	\$ 60,000	\$ (17,586)	\$ (52,185)

CANADIAN CONFERENCE OF THE ARTS

Notes to the Financial Statements

March 31, 2007, with comparative figures for 2006

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 bank indebtedness, short-term investments, accounts receivable, accounts payable and accrued charges, deferred revenue and endowment funds. 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, 2007, with comparative figures for 2006

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
Office furniture and equipment	Straight-line	5 years

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

3. Capital assets

	2007		2006	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Computer equipment	\$ 52,167	\$ 49,327	\$ 2,840	\$ 11,104
Office furniture and fixtures	7,615	7,615	-	-
	\$ 59,782	\$ 56,942	\$ 2,840	\$ 11,104

4. 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, 2007 was \$180,282.

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 \$155,578 at March 31, 2007. The interest paid annually is designated to fund the Chalmer's conference.

CANADIAN CONFERENCE OF THE ARTS

Notes to the Financial Statements

March 31, 2007, with comparative figures for 2006

5. 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
2008	\$ 20,329	\$ 74,595	\$ 94,924
2009	16,317	74,595	90,912
2010	16,317	24,865	41,182
2011	1,360	-	1,360
	<hr/>	<hr/>	<hr/>
	\$ 54,323	\$ 174,055	\$ 228,378

6. Cash flow statement

A cash flow statement has not been included as it would not provide any additional meaningful information.

CANADIAN CONFERENCE OF THE ARTS

Schedule A

Schedule of Deferred Revenue

Year ended March 31, 2007, with comparative figures for 2006

	2007	2006
ArtsSmarts		
Anonymous	\$ -	\$ 4,000
ArtsSmarts Handbook Sales	-	559
J.W. McConnell Family Foundation	-	114,082
Chalmers Conferences		
Investment income		
Ontario Arts Council Foundation	8,992	-
RBC Dominion Securities Inc.	6,946	-
Database		
Trillium Foundation	-	45,943
Arts & Learning		
Province of Ontario	1,743	1,743
Province of Ontario - Minister of Finance	1,747	1,747
Department of Canadian Heritage	6,024	6,024
Annual Policy Conference		
Excess revenue from 2006 conference assigned to 2008	13,660	16,761
Arts Coalition	-	20,468
	\$ 39,112	\$ 211,327

CANADIAN CONFERENCE OF THE ARTS
Schedule of Earned Revenue

Schedule B

Year ended March 31, 2007, with comparative figures for 2006

	2007	2006
Earned revenue		
Administration fees	\$ 54,408	\$ 78,374
Interest	228	17,771
Membership fees	66,906	60,480
Publication sales	1,899	2,021
Registration fees	-	29,708
	\$ 123,441	\$ 188,354

CANADIAN CONFERENCE OF THE ARTS

Schedule C

Schedule of Contributions

Year ended March 31, 2007, with comparative figures for 2006

	2007	2006
Federal Government		
Department of Canadian Heritage	\$ 390,000	\$ 490,000
Department of Canadian Heritage - Projects	-	29,506
Canada Council for the Arts	-	15,000
Cultural Human Resources Council	-	2,500
Provincial and Municipal Governments		
British Columbia	4,410	4,410
Alberta Community Development	-	18,905
Ontario	-	10,993
Ontario Arts Council	10,270	24,490
	404,680	595,804
Organizations and Other		
J.W. McConnell Family Foundation		
ArtsSmarts	148,593	1,050,520
INAC - ArtsSmarts	19,483	41,000
Anonymous contribution - ArtsSmarts	44,000	122,850
Imagine Canada	25,929	23,257
Trillium Foundation	65,943	27,166
Others	47,674	114,441
	351,622	1,379,234
	\$ 756,302	\$ 1,975,038

CANADIAN CONFERENCE OF THE ARTS
 Schedule of Personnel, Administration and Ongoing Activities Expenses

Schedule D

Year ended March 31, 2007, with comparative figures for 2006

	2007	2006
Personnel		
Salaries	\$ 311,318	\$ 339,157
Benefits	23,424	46,632
	\$ 334,742	\$ 385,789
Administration		
Amortization	\$ 8,263	\$ 11,411
Furniture and equipment	34,694	43,476
Library	866	2,969
Other	11,674	25,329
Professional fees	11,733	26,474
Stationery and supplies	5,414	12,669
Tenancy	73,251	71,074
	\$ 145,895	\$ 193,402
Ongoing activities		
Awards	\$ 1,069	\$ 1,192
Board meetings	35,993	67,001
Committee meetings	2,175	6,729
Communications	3,584	9,437
Travel and hospitality	3,029	12,728
Arts	-	415
Newsletter and annual report	3,482	16,109
	\$ 49,332	\$ 113,611

CANADIAN CONFERENCE OF THE ARTS

Schedule E

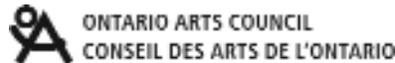
Schedule of Special Programs Expenses

Year ended March 31, 2007, with comparative figures for 2006

	2007	2006
Special Programs		
ArtsSmarts	\$ 189,494	\$ 1,224,644
International Network for Cultural Diversity	11,826	-
Policy Development		
CRTC	9,636	3,225
Censorship	702	409
Employer/Self-Employed Status	202	3,258
Federal Cultural Policy	6,887	6,673
Federal Elections	-	4,078
General policy	4,154	25,741
Policy Soundings	3,882	9,298
Statistics	234	581
Taxation	47	4,420
Policy consultations		
Laidlaw Cultural Policy Intern	-	1,784
National Policy Conference	-	37,535
Chalmers Conference	-	42,187
Other projects		
60th Anniversary	-	19,603
Arts & Learning	-	48,474
Arts Coalition	25,994	102,681
Awareness Campaign	-	764
Trillium	61,179	34,241
Other	938	15,663
	\$ 315,175	\$ 1,585,259

The CCA gratefully acknowledges the financial support of the following federal and provincial departments and agencies:

- Department of Canadian Heritage
- Ontario Arts Council
- Government of British Columbia



The CCA would also like to extend a special thank you to the following generous supporters in 2006-2007

Foundations:

The Ontario Arts Council Foundation

Individuals:

Alain Pineau, Alexandra Truscott, Ann Loretto Beninger, Annie Caporicci, Anonymous, April Britski, Arthur Drache, Barbara Godard, Brian Anthony, CARFAC, Charlotte Glencross, Claude Schryer, Cyril Simard, David Angell, David Boothroyd, David P. Silcox, David Silcoz, Denise Roy, Ellen Busby, Ellie O'Day, Esther S. Ondrack, Francine Shutzman, Frank W. Peers, Garry Neil, Gilles Savary, Harald Bohne, H el ene Corbeil, Henry Purdy, Imy Nemenoff-Gellert, Irene McCutcheon, James Missen, Jan Miller, Jane Condon, Jason Van Eyk, Jennifer Dickson, Jim Biros, Jocelyn Harvey, John & Barbara Poole, John M. Trotz, Joyce Zemans, Karl Seigler, Kay Kanbayashi, Kealy Wilkinson, Kevin Desjardins, Lisa Schincariol, Lori Baxter, Louise Pujo, Lucie Marchand, Mabelle Shapira, Marie Cadieux, Mariko Obokata, Marla Waltman Daschko, Mary Elizabeth Luka, Michel Blondeau, Monica Auer, Monica Gattinger, Myrna Kostash, Nicole Charbonneau, Norma Lock, PACT, Pam Whitty, Pat Bradley, Pat Martin Bates, Penny Ericson, R.H. Thomson, Ren e Cormier, Robert Spickler, Rose Eleanor Milne, Sandra Tulloch, Sherri Helwig, Sibyl Frei, Susan Annis, Tardif-H ebert, Tim Borlase, Timothy Porteous.

Remembering

Celia Franca (1921-2007) Dipl�me d'honneur recipient (1986)	John E. Poole (1916-2007) Dipl�me d'honneur recipient (2004)
Mavor Moore (1919 – 2006) Dipl�me d'honneur recipient (1985)	Bluma Appel (1921-2007) Dipl�me d'honneur recipient (2006)