

2004 – 2005
Annual Report



**CANADIAN CONFERENCE
OF THE ARTS**

**CONFÉRENCE CANADIENNE
DES ARTS**

2004
+
2005

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2004 - 2005
Annual Report

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Canadian Conference of the Arts

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Past President Report

Denise Roy

I am convinced more than ever of the necessity for a broad based democratic and national organization to make the case for Canadian culture.

- hosting From Act to Action, our annual policy conference, focusing on the issue of the Status of the Artist;
- improving our website, as well as membership recruitment and communications;
- launching the new Arts and Learning initiative;
- finishing the year with a surplus;
- extending the human resource capacity of the organization through a new Director of Communications position and additional policy analysis capacity.

All of this has been achieved in a political landscape that is unstable and precarious to say the least.

At this time last year, we welcomed Jean Malavoy as our new National Director. We would like to extend our sincerest thanks to Jean for the energy and passion that he devoted over the year to the organization. We were saddened by the departure of long term staff member – the remarkable Philippa Borgal – her policy analysis and organizational skills served us exceptionally well for many years. Thanks also to Kevin Desjardins in Communications and Jennifer Heale from the International Network on Cultural Diversity (INCD), both of whom left to pursue other opportunities. Several staff members joined the secretariat this year including, policy intern Erika Adams, and Kate McManus and Laura Coletta in Communications. We are also appreciative to the other stalwarts in the office - James, Jessica, Manon, Annie and Julie – who cheerfully keep the secretariat running day in and day out. Finally, we would like to recognize two long-term contributors to the CCA – Annalee Adair, whose leadership and vision has guided ArtsSmarts and was instrumental in the establishment of the Arts and Learning project.

Another year has passed and once again it's time not only to cast a backwards glance, but also to gaze into the crystal ball of the future.

As always, the Canadian Conference of the Arts (CCA) can boast about a long list of accomplishments during the past twelve months. These include:

- leading advocacy efforts around the federal election;
- lobbying for the renewal of the Tomorrow Starts Today funding;

Secondly, appreciation goes out to Garry Neil, currently the INCD coordinator, who has used his considerable expertise to assist the CCA on a host of complex issues such as taxation and status of the artist.

We also owe a debt of gratitude to retiring board members Trudy Schroeder, Marie Cadieux, William Lau, Patrick Close, Arthur Drache and Peter Gardner (who incidentally loves us so much he's agreed to stay on as treasurer). These people are among the most passionate and committed board members we have ever known.

This report marks the 60th anniversary of the CCA, as well as the end of my tenure as its President. Having had an insider's view of the CCA for the past five years, I am convinced more than ever of the necessity for a broad based democratic and national organization to make the case for Canadian culture. In my view, the greatest strength of the CCA has always been its ability to speak with one voice on behalf of hundreds of thousands of people involved in the cultural sector. We cannot compromise our ability to provide leadership – but this will always involve a delicate balance between responsiveness and proactivity. With the active engagement of all its members, the CCA will emerge as a bolder, self-assertive and a more essential catalyst for the arts than was envisioned sixty years ago.

In closing, I will borrow the words of one of our most eloquent authors to remind us that artists are at the core of why the CCA exists:

The great role of the artist is to add an eighth day to creation, to render the impossible possible...A few little words, four musical notes, just 26 letters in the alphabet –with these tiny tools, art recreates the universe and penetrates the heart of humanity... the responsibility of the visionary, of the artist, is to create a society in which all people can be at home.

ANTONINE MAILLET

It has been an honour to serve you.

The greatest strength of the CCA has always been its ability to speak with one voice on behalf of hundreds of thousands of people involved in the cultural sector.

National Director's Report

Jean Malavoy

The year's greatest concern was also its greatest victory. I am talking of course of the Tomorrow Starts Today funding initiative. The renewal of the program, for five years (2005-2010) and to the tune of \$860 million, represents an immense victory for the Canadian Conference of the Arts (CCA) on several levels. To achieve this extraordinary result, announced in the February 2005 federal budget, the cultural sector chose to speak with one voice, one approach, and one breath. Such coherence had not been witnessed in years. In this respect, the CCA played a major leadership and unifying role. This long-term commitment also represents the most important investment made by the Canadian government in Canada's culture. We only hope that this precedent will be followed by other good news; a substantial increase in the Canada Council's overall budget. Finally, this also symbolizes a personal success for the Minister of Canadian Heritage, Ms. Liza Frulla, who has always put the artist at the centre of discussions where culture is concerned. Financial stability for the cultural sector has always been the CCA's priority, as without financial stability, nothing else is possible.

In 2004-2005, the CCA fought to protect artistic freedom of expression, threatened by Bill C-2, an Act to amend the Criminal Code (protection of children and other vulnerable persons) and the Canada Evidence Act, which proposed a vague and subjective concept of "legitimate purpose". The CCA maintains the need to uphold the defense based on artistic merit, which protects art and artists.

Our efforts this year also focused on the issue of the Status of the Artist, an issue we deemed so important that we made it the title subject of our National Policy Conference "From Act to Action: Moving Forward on the Status of the Artist". This meeting of major stakeholders of the cultural sector was held in Regina, Saskatchewan, November 19 and 20, 2004. The message that emerged from the conference was apparent: artists warrant better treatment. It is time for the Canadian government to advocate for artists' social recognition by implementing the following: fair tax treatment; income averaging for all self-employed workers including artists; tax deduction of copyright income, as is the case in Quebec; and access to Employment Insurance for artists and their families.

This year, the CCA has asked that the Canadian Heritage and Industry Canada articulate a clear position that protects Canadian ownership of cultural industries including cable and telecommunication companies. Our culture is not for sale! Marcel Duchamp said that there are two types of creators: those who do and those who watch. It is crucial that what we see belongs to us and reflects who we are.

In 2005, the CCA turns 60. We are like an oak tree, solidly rooted in the ground. For 60 years, we have been raising awareness around the issue of culture. The CCA's influence can be seen in many of Canada's main cultural achievements. This is the spirit of the CCA: 250,000 militants with the sole purpose of making people realize their inner greatness.

ArtsSmarts Report

Annalee Adair

[Since] its first year...
ArtsSmarts [has]
stressed the phrase
“breaking down
walls” – the walls
between schools and
communities, the
education sector
and the cultural
sectors, artists, and
teachers, arts
organizations and
community
foundations...

SILVER DONALD CAMERON,
THE ARTSMARTS STORY

The J. W. McConnell Family Foundation’s decision to re-invest over \$3 million this past year has enabled the ArtsSmarts program to expand its focus and increase its contribution to building capacity in arts and learning in Canada. By investing strategically in multi-level partnerships within all levels of government, ArtsSmarts has enabled more artists to work with more teachers; more school boards to work with community and arts organizations; and has also sparked Ministries of Culture to work with Ministries of Education and provincial arts councils.

In the last year, over 400 artists such as Lennie Gallant, Connie Kaldor, Andy Jones, Adesola Akinleye, Michel Sereda and others worked with nearly 1,400 educators to enable 28,000 students to actively participate in the arts while learning core curricula.

As an investor and catalyst for the arts, ArtsSmarts has built a solid foundation of shared values and goals among its 16 lead partners across the country and developed a diverse partnership network. ArtsSmarts partners have experience and expertise in the fields of arts, education and community. They have created the necessary infrastructure to build capacity in their own communities and share this with other communities interested in the program. Some examples include:

- After witnessing the impact of the ArtsSmarts program in francophone schools in Moncton, New Brunswick this past fall, the PEI Ministry of Education launched ArtsSmarts PEI, a provincial partnership consortium that includes: Ministries of Education/Community and Cultural Affairs, PEI Arts Council, University of PEI (Faculty of Education), PEI Crafts Council and Confederation Centre.
- New Ontario Partner, Durham District School Board, formed a partnership with Ontario College of Art, Durham West Arts Centre, and the University of Ontario’s Institute of Technology (Faculty of Education).

- An ArtsSmarts partner since 1998, The Saskatoon Foundation helped develop ArtsSmarts Saskatchewan, a province-wide initiative led by the Saskatchewan Arts Board and including Sask Culture and Saskatchewan Learning. ArtsSmarts Saskatchewan required all project applicants to include a tri-partner involvement: community, school, arts organizations/artists.
- ArtsSmarts Manitoba, a provincial partnership involving Manitoba Education, Citizenship and Youth; Manitoba Culture, Heritage and Tourism – Arts Branch; and Manitoba Arts Council, has just completed their first year.

Ici par les arts, an arts organization in the Laurentians, is the network's newest partner, slated to begin its program in September. ArtsSmarts is the cultural component of this multi-million dollar, 3-year initiative, taking place in all five of the Laurentians municipalities. Over 15 other local and provincial partners are working with *Ici par les arts* to reduce the drop-out rate in schools in the Laurentians.

While partners have been encouraged to diversify their funding sources and take on more responsibility to develop and sustain programs in their communities, the ArtsSmarts National Office has focused its efforts on assisting partners with sustainability strategies. Some of these include: introducing new partnership models, developing new approaches, and securing new investors. This past year has seen significant funding contributions from new investors from various sectors including: community, corporate, foundations, schools, school boards, and public funders, including Ministries of Education and Culture, Provincial Arts Councils and other government departments. New investments now account for 51.7% of the total program funding, a marked increase from 15.8% in 2003-2004.

Respecting this diversity of approach, unique to each partner location and supporting a common vision for collaboration, has been and will continue to be the defining success of ArtsSmarts in the future.

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arts while learning
core curricula.

INCD Report

Garry Neil
Albanela Pérez-Suárez

INCD has played a positive and important role in the international campaign to develop a convention on cultural diversity.

The International Network for Cultural Diversity (INCD) has evolved rapidly since its founding meeting in Santorini, Greece in 2000. Its international presence is well-established and it is well-respected. It has a broad based and active steering committee; two offices in Africa; a soon-to-be-launched office in Brussels; and recent positive achievements in the United States, Asia and Brazil.

Work with the United Nations Educational, Scientific and Cultural Organization (UNESCO)

During the year, INCD spent a great deal of its time, attention and resources working to promote the negotiation of a timely and effective convention on cultural diversity. INCD held several meetings with senior UNESCO officials in March 2004, and again in May to discuss the proposed *Convention on the protection of the diversity of cultural contents and artistic expressions*.

Annual Meeting, Shanghai, China

In October 2004, the recently-elected and expanded steering committee and international observers met for four days to discuss and refine its campaign to promote the development of cultural capacity in countries that lack the economic resources to bring their music, stories and other cultural expressions to global audiences.

Work in Africa

In March/April 2004, a week-long training session on cultural advocacy for representatives from eight Southern African countries generated new national networks and helped to build awareness of the challenges of globalization for culture and the implications for Africa of the global cultural diversity movement.

INCD established two secretariats in Africa, with an office in the Central/West Africa area in the city of Dakar, and the other in the South African Region, working from an office in Durban.

In June 2004, INCD members in Cameroon launched CREATE (Collective Resources for the Arts and Talent Enrichment) as a vehicle to promote the arts and culture; monitor the impact of globalization and the internet on the arts and culture; and act as the INCD branch in that country. In February, CREATE sponsored a meeting of key cultural players in Kenya to discuss these issues.

United States

In March 2004, representatives of key US cultural groups met at the Writers Guild of America East for a first discussion of culture and trade issues from the INCD point of view. They launched plans for a larger meeting entitled *Globalization, Cultural Diversity, and UNESCO: Imperatives for US Arts and Cultural Practitioners and Organizations* held in Washington in January 2005. This activity has begun to build support for the Convention in the US, a key strategy.

The Netherlands

Steering Committee members Korkor Amarteifio and Verena Weidemann, along with Garry Neil, traveled to Amsterdam and The Hague at the invitation of Dutch INCD members. This resulted in a decision by a number of groups to launch a national campaign to support the Convention.

Sao Paulo, Brazil

In July 2004, the INCD organized a seminar at the first ever World Culture Forum on cultural diversity issues.

World Social Forum

In January 2005, Brazil's Institute for Cultural Diversity and INCD collaborated to program a seminar series at the World Social Forum.

Building links with indigenous peoples

At the World Culture Forum in Brazil, Jennifer Heale spoke at the indigenous people's caucus to introduce the INCD and its work and to discuss how to work together to address the challenges that globalization presents to their arts and culture. At the Washington meeting, speakers from the Cherokee Nation discussed the challenges facing that nation and the limitations of the proposed UNESCO Convention. The Center for Cultural Research, Networking and Development (CIEDC), INCD's collaborator in Mexico, has been working actively with Mayan communities on these issues.

Dissemination of Information and Developing Consensus

A partnership between the INCD, the Campaign for Rights in the Information Society (CRIS) and the Free Press Network, has resulted in the development of a website devoted exclusively to information and research on the impact of globalization and trade agreements on cultural and media policies. See www.mediatrademonitor.org.

May 16, 2005

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, 2005 and the statement of operations and changes in net assets for the year then ended. These financial statements are the responsibility of the 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, the 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 the 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 the CCA as at March 31, 2005 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

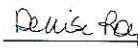
OTTAWA, ONTARIO

Statement of Financial Position

March 31, 2005, with comparative figures for 2004

	2005	2004
Assets		
Current assets		
Cash	\$ 164,661	\$ 73,517
Short-term investments	122,966	501,342
Accounts receivable	448,174	208,100
Prepaid expenses	12,781	9,549
	748,582	792,508
Capital assets (Note 3)	22,515	16,003
Endowment funds (Note 4)	234,500	79,275
	\$ 1,005,597	\$ 887,786
Liabilities and Net assets		
Current liabilities		
Accounts payable and accrued charges	\$ 68,805	\$ 114,915
Due to ArtsSmarts Partners (Note 5)	167,560	104,200
Deferred revenue	272,754	272,482
Deferred revenue - INCD	199,494	130,123
	708,613	621,720
Endowment funds held in trust	234,500	234,500
	943,113	856,220
Commitments (Note 6)		
Net assets		
Invested in capital assets	22,515	16,003
Unrestricted	(20,031)	15,563
Internally restricted working capital reserve	60,000	-
	62,484	31,566
	\$ 1,005,597	\$ 887,786

Approved on behalf of the Board of Governors:


Governor


Governor

Statement of Operations

Year ended March 31, 2005, with comparative figures for 2004

	2005 Budget (unaudited)	2005 Actual	2004 Actual
Revenue			
Earned revenue	\$ 162,324	\$ 201,669	\$ 175,368
Contributions	1,755,781	1,553,840	1,363,219
	1,918,105	1,755,509	1,538,587
Expenses			
Personnel	358,787	332,241	338,653
Administration	186,714	179,863	174,178
Ongoing activities	165,893	192,445	106,582
Special programs	1,206,711	1,020,042	907,629
	1,918,105	1,724,591	1,527,042
Excess of revenue over expenses	-	30,918	11,545
Net assets, beginning of year	31,566	31,566	20,021
Net assets, end of year	\$ 31,566	\$ 62,484	\$ 31,566

See accompanying notes to the financial statements.

Statement of Changes in Net Assets

Year ended March 31, 2005, with comparative figures for 2004

	Invested in Capital assets	Unrestricted	Internally Restricted Working Capital Reserve	2005 Total	2004 Total
Balance, beginning of year	\$ 16,003	\$ 15,563	\$ -	\$ 31,566	\$ 20,021
Excess of revenue over expenses	(10,534)	41,452	-	30,918	11,545
Appropriation to working capital reserve	-	(60,000)	60,000	-	-
Additions to capital assets	17,046	(17,046)	-	-	-
Balance, end of year	\$ 22,515	\$ (20,031)	\$ 60,000	\$ 62,484	\$ 31,566

See accompanying notes to the financial statements.

Notes to the Financial Statements

March 31, 2005, with comparative figures for 2004

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:

Recording of revenue and expenses

Revenue and expenses are recorded on the accrual basis. Contract revenues are recorded using the percentage-of-completion method.

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, 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 are stated at cost, which approximates market value.

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

	Cost	Accumulated Amortization	2005 Net Book Value	2004 Net Book Value
Computer equipment	\$ 52,168	\$ 29,849	\$ 22,319	\$ 15,187
Office furniture and fixtures	7,615	7,419	196	816
	\$ 59,783	\$ 37,268	\$ 22,515	\$ 16,003

4 Endowment fund

The Canadian Conference of the Arts has established the Canadian Conference of the Arts, Arts Endowment Fund under the terms of the Arts Endowment Fund (AEF) Program. The AEF is a program of the Government of Ontario and is administered by the Ontario Arts Council Foundation. The total funds held by the Ontario Arts Council Foundation in Trust for the Canadian Conference of the Arts amounts to \$79,275. The Canadian Conference of the Arts holds an additional \$155,225 in guaranteed investment certificates, for a total of \$234,500. Each year, the Canadian Conference of the Arts is entitled to receive the investment income earned by the Endowment Fund which is used to fund the Chalmers Conference.

5 Due to ArtsSmarts Partners

CCA received the sum of \$879,950 from the J.W. McConnell Family Foundation and \$37,500 from the Ontario Ministry of Culture to pay to the ArtsSmarts' partners; all but \$167,560 has been disbursed. Because these funds are expected to flow through CCA, they are recorded as a liability on the balance sheet until all funds have been disbursed out to the partners.

	2005	2004
Total received in the year	\$ 917,450	\$ 977,850
ArtStarts in Schools Society	50,000	100,000
ArtsSmarts Manitoba	80,000	30,000
ArtsSmarts Prince Edward Island	50,000	-
ArtsSmarts Saskatchewan	110,000	-
Calgary Arts Partners in Education Society	43,250	86,500
Community Foundation of Ottawa	-	(1,700)
Community Foundation of Portage and District Inc.	30,450	87,000
Durham District School Board	75,000	-
Fondation communautaire du Grand Québec	52,800	88,000
Multicultural Arts for Schools and Communities	62,500	79,200
Newfoundland Arts Council	54,600	109,200
Nova Scotia College of Art & Design	24,490	83,300
Riverside School Board	88,000	88,000
The Saskatoon Foundation	45,000	90,000
Université de Moncton	88,000	52,800
Total paid in the year	854,090	892,300
Amount not yet disbursed to partners	63,360	85,550
Balance carried forward from the prior fiscal year	104,200	18,650
Balance carried forward to the next fiscal year	\$ 167,560	\$ 104,200

6 Commitments

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

	Equipment	Premises	Total
2006	\$ 23,434	\$ 36,254	\$ 59,688
2007	-	15,106	15,106
	\$ 23,434	\$ 51,360	\$ 74,794

7 Cash flow statement

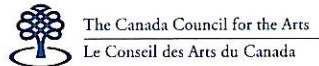
A cash flow statement has not been included as it would not provide any additional meaningful information.

8 Comparative figures

Certain of the prior year figures have been reclassified to conform with the current year's financial statement presentation.

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

Gouvernement of British Columbia
Human Resources Development Canada
Government of Nova Scotia
Ontario Ministry of Culture
Saskatchewan Federation of Labour
Government of Alberta
Government of Saskatchewan
National Arts Centre



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Foundations

The J.W. McConnell Family Foundation
Community Foundation of Ottawa
Laidlaw Foundation
Trillium Foundation
The Samuel and Saidye Bronfman Foundation
The Ford Foundation
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Individuals

David Angell
Brian Anthony
Danielle April
Lori Baxter
Ellen Busby
Marie Cadieux
Richard Carver
Dr. Thomas J. Condon
Michelle d'Auray
Jennifer Dickson
Peter Gardner
Helga-Liz Haberfellner-Doc
Peter Hyde
Janet Irwin
Connie John
Brent R. Laycock
Norma Lock
Jean Malavoy
Rose Eleanor Milne
Garry Neil
Mariko Obokata
Bernard Ostry
Frank W. Peers
Timothy Porteous

Corporations and Organizations

Cultural Human Resources Council
Canadian Artists and Producers Professional Relations Tribunal
Cultural Careers Council Ontario
Saskatchewan Native Theatre Company Inc.
Canadian Centre for Philanthropy (Imagine Canada)

Bernard A. Poulin
Henry Purdy
Alan Rix
Trudy Schroeder
Francine Schutzman
Machelle Shapira
Karl Siegler
Chuck Sutyla
Bruce Tawse
R.H. Thomson
Sandra Tulloch