

**The Center for Knit and Crochet, Inc.**

STATEMENTS OF FINANCIAL POSITION

December 31, 2019 and 2018

|  | <u>2019</u>                | <u>2018</u>                |
|--|----------------------------|----------------------------|
| <b><u>Assets</u></b>                     |                            |                            |
| Cash and Cash Equivalents - Unrestricted | \$21,506                   | \$19,992                   |
| Prepaid Expenses                         | <u>604</u>                 | <u>1,396</u>               |
| <b>Total Current Assets</b>              | <b>\$22,110</b>            | <b>\$21,389</b>            |
| <br><b>TOTAL ASSETS</b>                  | <br><b><u>\$22,110</u></b> | <br><b><u>\$21,389</u></b> |
| <b><u>Liabilities and Equity</u></b>     |                            |                            |
| Accounts Payable                         | <u>\$ 267</u>              | <u>\$ 891</u>              |
| Total Current Liabilities                | 267                        | 891                        |
| <br><b>Total Liabilities</b>             | <br><b>\$ 267</b>          | <br><b>\$ 891</b>          |
| <b><u>Equity</u></b>                     |                            |                            |
| Net Assets - Unrestricted                | \$20,498                   | \$25,300                   |
| Operations Excess/(Deficit)              | <u>1,345</u>               | <u>(4,802)</u>             |
| <b>Total Equity</b>                      | <b>\$21,843</b>            | <b>\$20,498</b>            |
| <br><b>Total Liabilities and Equity</b>  | <br><b><u>\$22,110</u></b> | <br><b><u>\$21,389</u></b> |

STATEMENTS OF CASH FLOW

2019 and 2018

|   | <u>2019</u>            | <u>2018</u>            |
|---|------------------------|------------------------|
| <b>OPERATING ACTIVITIES</b>                             |                        |                        |
| <b>Net Income</b>                                       | <b>\$ 1,345</b>        | <b>\$(4,802)</b>       |
| <br>Prepaid Expenses                                    | <br>792                | <br>1,402              |
| Accounts Payable  | <u>(623)</u>           | <u>891</u>             |
| <b>Total Adjustments to reconcile Net Income to Net</b> | <b>\$ 169</b>          | <b>\$ 2,293</b>        |
| <br>Net cash provided by operating activities           | <br><b>\$ 1,514</b>    | <br><b>\$(2,509)</b>   |
| <br>Cash at beginning of period                         | <br>19,992             | <br>22,501             |
| <b>Cash at end of period</b>                            | <b><u>\$21,506</u></b> | <b><u>\$19,992</u></b> |

**The Center for Knit and Crochet, Inc.**

STATEMENTS OF ACTIVITIES

2019 and 2018

|   | <u>2019</u>            | <u>2018</u>              |
|---|------------------------|--------------------------|
| <b><u>Operating Revenues</u></b>  |                        |                          |
| Donations and Gifts   | \$11,298               | \$15,663                 |
| Membership Dues   | 840                    | 870                      |
| Grant Income  | 5,000                  | 5,000                    |
| Interest Earned   | <u>8</u>               | <u>8</u>                 |
| <b>Total Income</b>   | <b><u>\$17,146</u></b> | <b><u>\$21,541</u></b>   |
| <b><u>Operating Expenses</u></b>  |                        |                          |
| <b><u>Program Expenses</u></b>  |                        |                          |
| Digital Collections Resource costs:   |                        |                          |
| Website maintenance   | \$ 108                 | \$ 1,093                 |
| Website programming   | 1,385                  | 1,675                    |
| Public Education - In-person  | 7,435                  | 5,678                    |
| Public Education - Social Media   | 727                    | 1,109                    |
| Public Education - Other  | 627                    | 9,827                    |
| Membership development and cultivation  | <u>1,807</u>           | <u>2,434</u>             |
| Total Program Expenses  | \$12,089               | \$21,816                 |
| <b><u>Supporting Activities</u></b>   |                        |                          |
| <b><u>Management and Administration</u></b>                                       |                        |                          |
| Office Expenses   | 199                    | 110                      |
| Board of Director Costs   | 2,299                  | 3,158                    |
| <b><u>Fundraising</u></b>   |                        |                          |
| Professional consulting   | 750                    | 750                      |
| Fundraising - miscellaneous   | 464                    | 509                      |
| Total Supporting Activities Expenses  | <u>\$ 3,712</u>        | <u>\$ 4,527</u>          |
| <b>Total Operating Expenses</b>   | <b><u>\$15,801</u></b> | <b><u>\$26,343</u></b>   |
| <b>Excess (deficit) of operating revenues and support over operating expenses</b> | <b><u>\$ 1,345</u></b> | <b><u>\$ (4,802)</u></b> |

# **The Center for Knit and Crochet, Inc.**

## **NOTES TO FINANCIAL STATEMENTS**

December 31, 2019

### **Nature of Organization**

The Center for Knit and Crochet, Inc. (CKC) was incorporated in Wisconsin in December 2012 to preserve and promote the art, craft, and scholarship of knitting, crochet, and related arts. The CKC provides a digital Collections Resource that merges knitting and crochet from galleries, museums, libraries, and archives with individuals' personal collections of knitting and crochet in one fully searchable database, along with its Sanquhar Gloves exhibit, blog, and other online resources on its website at [www.centerforknitandcrochet.org](http://www.centerforknitandcrochet.org). It also makes in-person education available to the public at fiber industry-sponsored and other events.

### **Basis of Accounting and Significant Accounting Policies**

The accompanying financial statements of the CKC have been prepared on the accrual basis of accounting, in accordance with generally accepted accounting principles (GAAP) standard in the United States.

In August 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-14, Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities, to be effective for fiscal years beginning after December 15, 2017. The ASU significantly changes presentation of net assets on the face of the financial statements, as well as requires additional disclosures for expenses by nature and function and for the liquidity and availability of resources. The financial statements herein comply with ASU 2016-14, with 2017 being restated for comparison purposes. New account categories also reflect the evolving operations of the CKC as it moves forward with its mission.

The costs of providing program services and other activities have been summarized on a functional basis in the statement of activities. Expenses that can be identified with a specific program or supporting service are allocated directly. Other expenses that are common to several functions are allocated on various bases that reflect use.

### **Tax Exempt Status**

The CKC is exempt from income taxes under the Internal Revenue Code Section 501(c)(3) and is also exempt from Wisconsin income tax.

### **Cash and Cash Equivalents**

Cash and Cash Equivalents consist of cash held in federally insured bank accounts.

### **Net Assets**

Net Assets of the CKC are wholly unrestricted and are not subject to any restrictions on their use.

# The Center for Knit and Crochet, Inc.

## NOTES TO FINANCIAL STATEMENTS

December 31, 2018

### Statement of Activities

#### Donations and Gifts include:

- Board members donated \$4,825 for their expenses to attend The American Association for State and Local History (AASLH) annual meeting in Philadelphia PA, where two current and one past board member participated in a panel moderated by President Jennifer Lindsay titled “Exploring Digital Solutions to Preserve and Share Our Heritage”. The board of directors’ annual in-person board meeting was held immediately following the AASLH annual meeting. (See also Public Education - In-person and Board of Director Costs below.)
- Board members Jennifer Lindsay and Marilyn Huset donated \$3,654 in 2019 for their expenses to attend Vogue Knitting Live in New York, NY in January 2019 and in January 2020, where they staffed tables and shared CKC’s mission and accomplishments with the public, highlighting the CKC’s digital collections resource. Vogue Knitting Live generously waived the cost of tables at these events, a donation recorded at the \$350 value of the tables. (See also Public Education - In-person below.)
- The CKC participated in [GivingTuesday](#), a global generosity movement, for the first time on Tuesday, December 3, 2019, and received donations of \$ 2,340 through the end of December, with an additional \$200 received in January.
- Board member Marilyn Huset donated \$750 to cover the second half of the cost of a professional fundraising consultant. (See Fundraising below.)

Grant Income of \$5,000 was given by the Sally Mead Hands Foundation as a discretionary grant from Larry Hands, CKC founder Karen Kendrick Hands' husband. There are no restrictions on the use of this grant.

Digital Collections Resource costs: Website programming includes \$850 paid to an outside programmer to improve the functionality of the online collections resource and \$535 for equipment purchased for use in photographing future exhibits.

Public Education - In-person includes expenses to attend Vogue Knitting Live in New York, a weekend show that attracts thousands of fiber enthusiasts, and is a tremendous opportunity to educate the public about our resources and our mission. Costs for the event in January of 2019 totaled \$4,652, but donations in both 2018 and 2019 brought the net cost to CKC down to \$966. Costs related to The American Association for State and Local History (AASLH) annual meeting in Philadelphia PA, in August 2019 totaled \$3,668, but donations by board members brought the net cost to CKC down to \$465. (See Donations and Gifts above.) Given that board members both attended educational sessions and participated in a panel session available to all AASLH attendees, costs were divided evenly with \$1,834 allocated to Public Education - In-person.

## The Center for Knit and Crochet, Inc.

### NOTES TO FINANCIAL STATEMENTS

December 31, 2018

#### Statement of Activities continued

Membership development and cultivation consists primarily of \$1,320 for the ongoing use of NeonCRM, a cloud-based nonprofit software suite designed to support engagement with donors, management of memberships, events planning, tracking volunteers, and more.

Board of Director Costs relate in part to the in-person board meeting in Philadelphia PA in August 2019, an annual day-long meeting that is the only time board members meet for valuable face-to-face strategizing. The total cost of \$1,857 for the 2019 meeting was reduced by board member donations of their expenses totaling \$1,622, for a net cost to the CKC of \$235. Of the total meeting cost, \$1,393 was allocated to other expense categories based on the amount of time spent on specific topics, as follows:

|  |       |
|--|-------|
| Public Education – Other               | \$465 |
| Membership development and cultivation | 464   |
| Fundraising – miscellaneous            | 464   |

The August 2019 board meeting was held directly following The American Association for State and Local History (AASLH) annual meeting in Philadelphia PA in order to take advantage of the educational opportunities at the AASLH meeting and to make optimum use of CKC funds. The total cost of \$3,668 for the AASLH meeting was reduced by board member donations of their expenses totaling \$3,203, for a net cost to the CKC of \$465. (See also Donations and Gifts above.) Given that board members both attended educational sessions and participated in a panel session available to all AASLH attendees, costs were divided evenly with \$1,834 allocated to Board of Director costs.

Fundraising – Professional Consulting of \$750 is the second half of a total \$1,500 payment to Thurlow/Associates for counseling the board in development and fundraising in order to ensure that the CKC will be able to fund its goals in the future.