

The Center for Knit and Crochet, Inc.

STATEMENTS OF FINANCIAL POSITION

December 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
<u>Assets</u>		
Cash and Cash Equivalents - Unrestricted	\$26,242	\$21,506
Prepaid Expenses	<u>616</u>	<u>604</u>
Total Current Assets	\$26,858	\$22,110
 TOTAL ASSETS	 <u>\$26,858</u>	 <u>\$22,110</u>
<u>Liabilities and Equity</u>		
Accounts Payable	<u>\$ 0</u>	<u>\$ 267</u>
Total Current Liabilities	0	267
 Total Liabilities	 \$ 0	 \$ 267
<u>Equity</u>		
Net Assets - Unrestricted	\$21,843	\$20,498
Operations Excess/(Deficit)	<u>5,015</u>	<u>1,345</u>
Total Equity	\$26,858	\$21,843
 Total Liabilities and Equity	 <u>\$26,858</u>	 <u>\$22,110</u>

STATEMENTS OF CASH FLOW

2020 and 2019

	<u>2020</u>	<u>2019</u>
OPERATING ACTIVITIES		
Net Income	\$ 5,015	\$ 1,345
 Prepaid Expenses	 (12)	 792
Accounts Payable	<u>(267)</u>	<u>(623)</u>
Total Adjustments to reconcile Net Income to Net	\$ (279)	\$ 169
 Net cash provided by operating activities	 \$ 4,736	 \$ 1,514
 Cash at beginning of period	 21,506	 19,992
Cash at end of period	<u>\$26,242</u>	<u>\$21,506</u>

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STATEMENTS OF ACTIVITIES

2020 and 2019

	<u>2020</u>	<u>2019</u>
<u>Operating Revenues</u>		
Donations and Gifts	\$ 7,055	\$11,298
Membership Dues	1,685	840
Grant Income	5,000	5,000
Interest Earned	<u>8</u>	<u>8</u>
Total Income	<u>\$13,748</u>	<u>\$17,146</u>
<u>Operating Expenses</u>		
<u>Program Expenses</u>		
Digital Collections Resource costs:		
Website maintenance	\$ 27	\$ 108
Website programming	1,179	1,385
Public Education - In-person	5,047	7,435
Public Education - Social Media	720	727
Public Education - Other	149	627
Membership development and cultivation	<u>1,375</u>	<u>1,807</u>
Total Program Expenses	\$ 8,497	\$12,089
<u>Supporting Activities</u>		
<u>Management and Administration</u>		
Office Expenses	215	199
Board of Director Costs	21	2,299
<u>Fundraising</u>		
Professional consulting	0	750
Fundraising - miscellaneous	0	464
Total Supporting Activities Expenses	<u>\$ 236</u>	<u>\$ 3,712</u>
Total Operating Expenses	<u>\$ 8,733</u>	<u>\$15,801</u>
Excess (deficit) of operating revenues and support over operating expenses	<u>\$ 5,015</u>	<u>\$ 1,345</u>

The Center for Knit and Crochet, Inc.

NOTES TO FINANCIAL STATEMENTS

December 31, 2020

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. 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.

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, 2020

COVID-19 Impact

As an entity that exists entirely online and whose operations are performed by volunteers who work and communicate remotely, the CKC has not had and does not expect a significant impact on operations from COVID-19 and the resulting quarantine. The board of directors has determined that there is no material uncertainty that casts doubt on the entity's ability to continue as a going concern.

Statement of Activities

Donations and Gifts include:

- Board members Jennifer Lindsay and Marilyn Huset donated \$3,212 in 2020 for their expenses to attend Vogue Knitting Live in New York, NY 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, on Tuesday, December 1, 2020, and received donations of \$ 2,763 through the end of December, with an additional \$100 received in January 2021.
- Due to the COVID-19 pandemic, board members did not travel to attend an in-person board of directors meeting, board development education, or additional in-person public education. Consequently, there was no need for board members to donate their expenses for these activities, as they had done in 2019. (See also Public Education - In-person and Board of Director Costs below.)

Membership Dues were increased by a membership drive conducted in July that added \$410 that month and by the Giving Tuesday campaign referenced above, which added \$465 through December with an additional \$75 received in January 2021.

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 \$1,013 for services and equipment to photograph beaded bags for a planned future exhibit.

The Center for Knit and Crochet, Inc.

NOTES TO FINANCIAL STATEMENTS

December 31, 2020

Statement of Activities continued

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 2020 totaled \$5,348, but donations in both 2019 and 2020 brought the net cost to CKC down to \$1,469. (See Donations and Gifts above.) Prior to the COVID-19 pandemic, the CKC had begun to increase its social media presence and to prepare programs that could be presented to groups virtually. These efforts allowed the CKC to continue public education and outreach throughout 2020 without incurring expenses.

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. The CKC has received notice that this cost will increase to \$149 per month effective March 1, 2021. The increase will bring the cost to \$1,710 in 2021.

Board of Director Costs declined due to board members not traveling to attend an in-person board of directors meeting, board development education, or additional in-person public education in keeping with restrictions of the COVID-19 pandemic.