

The Center for Knit and Crochet, Inc.

STATEMENTS OF FINANCIAL POSITION

December 31, 2021, and 2020

	<u>2021</u>	<u>2020</u>
<u>Assets</u>		
Cash and Cash Equivalents - Unrestricted	\$35,797	\$26,242
Prepaid Expenses	<u>638</u>	<u>616</u>
Total Current Assets	\$36,435	\$26,858
TOTAL ASSETS	<u>\$36,435</u>	<u>\$26,858</u>
<u>Liabilities and Equity</u>		
Accounts Payable	<u>\$ 0</u>	<u>\$ 0</u>
Total Current Liabilities	0	0
Total Liabilities	\$ 0	\$ 0
<u>Equity</u>		
Net Assets - Unrestricted	\$26,858	\$21,843
Operations Excess/(Deficit)	<u>9,577</u>	<u>5,015</u>
Total Equity	\$36,435	\$26,858
Total Liabilities and Equity	<u>\$36,435</u>	<u>\$26,858</u>

STATEMENTS OF CASH FLOW

2021 and 2020

	<u>2021</u>	<u>2020</u>
OPERATING ACTIVITIES		
Net Income	\$ 9,577	\$ 5,015
Prepaid Expenses	(22)	(12)
Accounts Payable	<u>0</u>	<u>(267)</u>
Total Adjustments to reconcile Net Income to Net	\$ (22)	\$ (279)
Net cash provided by operating activities	\$ 9,555	\$ 4,736
Cash at beginning of period	26,242	21,506
Cash at end of period	<u>\$35,797</u>	<u>\$26,242</u>

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STATEMENTS OF ACTIVITIES

2021 and 2020

	<u>2021</u>	<u>2020</u>
<u>Operating Revenues</u>		
Donations and Gifts	\$ 5,159	\$ 7,055
Membership Dues	2,250	1,685
Grant Income	5,000	5,000
Sales of Product Income	610	0
Interest Earned	<u>6</u>	<u>8</u>
Total Income	<u>\$13,025</u>	<u>\$13,748</u>
<u>Operating Expenses</u>		
<u>Program Expenses</u>		
Digital Collections Resource costs:		
Website maintenance	\$ 0	\$ 27
Website programming	0	1,179
Public Education - In-person	0	5,047
Public Education - Social Media	821	720
Public Education - Other	450	149
Membership development and cultivation	<u>1,826</u>	<u>1,375</u>
Total Program Expenses	\$3,097	\$ 8,497
<u>Supporting Activities</u>		
<u>Management and Administration</u>		
Office Expenses	185	215
Board of Director Costs	0	21
<u>Fundraising</u>		
Professional consulting		0
Fundraising - miscellaneous	166	0
Total Supporting Activities Expenses	<u>\$ 351</u>	<u>\$ 236</u>
Total Operating Expenses	<u>\$ 3,448</u>	<u>\$ 8,733</u>
Excess (deficit) of operating revenues and support over operating expenses	<u>\$ 9,577</u>	<u>\$ 5,015</u>

The Center for Knit and Crochet, Inc.

NOTES TO FINANCIAL STATEMENTS

December 31, 2021

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 and virtual 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. The financial statements herein comply with the Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2016-14, Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities.

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 charged 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, 2021

COVID-19 Impact

Since the CKC is an entity that exists entirely online and whose operations are performed by volunteers who work and communicate remotely, 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. Effects of COVID-19 can be seen throughout the financial statements and are detailed in the following notes. In general, CKC representatives have not attended in-person events as in the past and the CKC has instead initiated more outreach through use of means such as videoconferencing, a monthly newsletter, and increasing use of social media.

Statement of Activities

Donations and Gifts include:

- The CKC participated in [Giving Tuesday](#), a global generosity movement, on Tuesday, November 30, 2021, and received donations of \$ 2,619 through the end of December, with an additional \$150 received in January 2022.
- The membership drive conducted in July also brought in donations totaling \$375. (See also Membership Dues below.)
- Eric Thompson, brother of CKC Secretary and board member Suzann Thompson, made a generous donation of \$1,500 in September. That donation was matched by his employer, Shell Oil, with another donation of \$1,500 in March 2022.
- Due to the COVID-19 pandemic, Vogue Knitting Live in New York was cancelled in 2021. Consequently, there was no need for board members to donate their expenses to represent the CKC at this event, as they had done in January 2020. (See also Public Education - In-person below.)

Membership Dues increases were achieved, in part, by a membership drive conducted in July. For the first time, the CKC offered a discount of 20% on all new and gift memberships paid that month. Dues of \$720 were collected, offset by \$148 in discounts, for net membership dues of \$572. The Giving Tuesday campaign referenced above garnered \$580 through December with an additional \$40 received in January 2022.

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.

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NOTES TO FINANCIAL STATEMENTS

December 31, 2021

Statement of Activities continued

Public Education - In-person opportunities were not available due to the COVID-19 pandemic. The CKC instead reached out through social media and with programs that could be and were presented to groups virtually. These efforts allowed the CKC to continue public education and outreach throughout 2021 without incurring significant additional expenses.

Membership Development and Cultivation consists primarily of \$1,710 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 monthly payment rose from \$110 to \$149 as of March 1, 2021, an increase of \$390 for the year.