

The Center for Knit and Crochet, Inc.

STATEMENTS OF FINANCIAL POSITION

December 31, 2022, and 2021

	<u>2022</u>	<u>2021</u>
<u>Assets</u>		
Cash and Cash Equivalents - Unrestricted	\$46,616	\$35,797
Prepaid Expenses	<u>640</u>	<u>638</u>
Total Current Assets	\$47,256	\$36,435
 TOTAL ASSETS	 <u>\$47,256</u>	 <u>\$36,435</u>
<u>Liabilities and Equity</u>		
Accounts Payable	<u>\$ 2,032</u>	<u>\$ 0</u>
Total Current Liabilities	0	0
 Total Liabilities	 \$ 2,032	 \$ 0
<u>Equity</u>		
Net Assets - Unrestricted	\$36,435	\$26,858
Operations Excess/(Deficit)	<u>8,789</u>	<u>9,577</u>
Total Equity	\$45,224	\$36,435
 Total Liabilities and Equity	 <u>\$47,256</u>	 <u>\$36,435</u>

STATEMENTS OF CASH FLOW

2021 and 2021

	<u>2022</u>	<u>2021</u>
OPERATING ACTIVITIES		
Net Income	\$ 8,789	\$ 9,577
Prepaid Expenses	(2)	(22)
Accounts Payable	<u>2,032</u>	<u>0</u>
Total Adjustments to reconcile Net Income to Net	\$ 2,030	\$ (22)
 Net cash provided by operating activities	 \$ 10,819	 \$ 9,555
 Cash at beginning of period	 35,797	 26,242
Cash at end of period	<u>\$46,616</u>	<u>\$35,797</u>

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STATEMENTS OF ACTIVITIES

2022 and 2021

	<u>2022</u>	<u>2021</u>
<u>Operating Revenues</u>		
Donations and Gifts	\$ 11,560	\$ 5,159
Membership Dues	2,064	2,250
Grant Income	5,000	5,000
Sales of Product Income	125	610
Interest Earned	<u>37</u>	<u>6</u>
Total Income	<u>\$18,786</u>	<u>\$13,025</u>
<u>Operating Expenses</u>		
<u>Program Expenses</u>		
Digital Collections Resource costs:		
Website maintenance	\$ 0	\$ 0
Website programming	0	0
Public Education - In-person	317	0
Public Education - Social Media	773	821
Public Education - Other	1,293	450
Membership development and cultivation	<u>1,885</u>	<u>1,826</u>
Total Program Expenses	\$4,268	\$3,097
<u>Supporting Activities</u>		
<u>Management and Administration</u>		
Office Expenses	83	185
Board of Director Costs	175	0
Legal and Professional Fees	5,452	0
<u>Fundraising</u>	19	166
Total Supporting Activities Expenses	<u>\$ 5,729</u>	<u>\$ 351</u>
Total Operating Expenses	<u>\$ 9,997</u>	<u>\$ 3,448</u>
Excess (deficit) of operating revenues and support over operating expenses	<u>\$ 8,789</u>	<u>\$ 9,577</u>

The Center for Knit and Crochet, Inc.

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

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, scholarship, and history of knitting, crochet, and related arts. The CKC provides a digital Collections Resource that merges knitting and crochet from galleries, museums, libraries, and archives via Digital Public Library of America (dp.la) 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 about knitting and crochet history and preservation available to the public.

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.

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NOTES TO FINANCIAL STATEMENTS

December 31, 2022

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. COVID-19 continued to be a concern for in-person interactions in 2022, so CKC representatives still did not attend in-person events. The CKC has continued its outreach through use of means such as videoconferencing, a monthly newsletter, and social media.

Statement of Activities

Donations and Gifts include:

- The CKC participated in [Giving Tuesday](#), a global generosity movement, on Tuesday, November 29, 2022, and received donations of \$3,321 through the end of December.
- Eric Thompson, brother of CKC Secretary and board member Suzann Thompson, made a generous donation of \$1,500 in September 2021. That donation was matched twice by his employer, Shell Oil, with a donation of \$1,500 in March 2022 and another donation of \$1,500 in May 2022.
- Treasurer and Board Member Marilyn Huset donated \$5,500 in November 2022, of which \$1,000 was used for matching donations for Giving Tuesday. The \$4,500 balance of the donation is available for general use, as judged by the Board of Directors.

Membership Dues of \$575 were collected during The Giving Tuesday campaign referenced above.

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.

Public Education - Other included \$351 of costs related to preparing a new exhibit and \$500 related to events for the celebration of The CKC's 10th anniversary in 2023.

Legal and Professional Fees of \$5,452 were paid to the law firm of Rumbaugh Law, PLLC to develop new licenses and contracts for the organization's digital collections resources. The new agreements are expected to serve CKC's current and future needs as it expands its online resources to include individual contributions by a wider variety of contributors, special collections from private collectors, and institutional partnerships. The Board of Directors expects the new agreements to better protect both the CKC and those who provide content.