



# ANNUAL REPORT

APRIL 1, 2018 - MARCH 31, 2019

*Fusion*  
THE ONTARIO  
CLAY AND GLASS  
ASSOCIATION

Cover Images

BREAKTHROUGH 2018

Left: Zara Gardner

Right: James Kemp

**FUSION Board of Directors**  
**2018-2019**

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President	Chris Snedden	2017-2019
Vice President	Ann Allen	2018-2020
Past President/Nominations	Barbara Banfield	2017-2019
Secretary/Treasurer	Gene Timpany	2017-2019
Awards & Scholarships	Barbara Banfield	2017-2019
Clay & Glass Show	Christopher Reid Flock	2017-2019
Conference	Chris Snedden	2017-2019
Creative Directions	Barbara Banfield	2017-2019
Database	Gene Timpany	2017-2019
Development	Gay Longo	2017-2019
Fall Workshop	Ann Allen	2018-2020
Magazine	Salina Szechtman	2018-2020
Membership & Guild Engagement	Sasha Bateman	2018-2020
Mentorship	Barbara Banfield	2017-2019
Winter Workshop	Ann Allen	2018-2020
Director at Large	Alison Brannen	2018-2020
Director at Large	Silvana Michetti	2018-2020
Executive Director & Bookkeeper	Deborah Freeman	
Office Administrator	Jenanne Longman	



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## **PRESIDENT'S REPORT**

Chris Snedden, President

I would like to take this opportunity to thank all the members of the FUSION Board and the staff for another successful year. Our programs, website, publications, eNews, scholarships, awards and exhibitions just to mention a few, continue to provide our members, and others interested in clay and glass, with information, advice, education and opportunities to sell and exhibit work.

The 2018 Annual Conference was held in June at Laurier University. Our presenters were Peter Powning from New Brunswick and Samantha Dickie from Victoria, British Columbia. That same weekend, we opened *Breakthrough*, our inaugural emerging artists exhibition at the Robert Langen Gallery on the Laurier University campus.

Last summer we partnered with the Museum of Ontario Archaeology in London, Ontario to run the "Wild Clay" project. It resulted in a great exhibition that lasted throughout the Fall.

The Fall workshop with Teresa Dunlop in North Bay was a tremendous success, and the participants all benefited from Teresa's knowledge of technique and her philosophy. We are truly blessed to have such talented makers in our area. Thank you to the North Bay and Area Potters Guild for all their help in organizing that event, and especially to Anne Pederson, their President, for her staunch support of FUSION.

The FUSION Magazine has undergone a radical and utterly wonderful transformation. Over and over again I hear from people how great FUSION Magazine is. Kudos go out to our Editor, Margot Lettner, and our Magazine Director, Salina Szechtman, for their hard work. The magazine will continue to grow and provide thought-provoking and informative articles and spotlights on different clay and glass artists.

The Clay and Glass Show will continue to provide artists from all over with an opportunity to showcase their work within the largest market in Ontario, Toronto. With a revitalized marketing campaign and direct invitations to gallery owners and collectors, we are confident that sales and exposure will be dramatically increased. Thank you to Christopher Reid Flock for all his hard work in transforming this event into a truly unique viewing experience. We appreciate all of our donors and patrons who continue to come out and support the talented makers.

The Mentorship program with Susan Low-Beer has been an exciting opportunity for fourteen artists to work with an extremely accomplished, inspirational, and talented artist. The program will culminate in an exhibition held at Craft Ontario in Toronto in August 2019, and I can't wait to see what transformative results they achieve.

We continue our commitment to offering support to our community through scholarships and awards to students and professionals alike.

All of these programs and initiatives could not happen without our dedicated staff, Deborah Freeman, our Executive Director, and Jenanne Longman, our Office Administrator. Unfortunately for us, Jenanne is moving on in her life to pursue her clay career and family. We wish her all the very best in the future and thank her for her years of excellent service. Derek Chung continues to support us with all our design needs and we couldn't be more grateful to him.

I am very thankful for our dedicated Board of Directors, many of whom often manage several portfolios at once: Ann Allen, as Vice President, and Director of Conference and Workshops; Gene Timpany as Secretary and Treasurer; Barbara Banfield as Past President in charge of Nominations, Scholarships and Awards and who also manages the Mentorship and Creative Directions programs; Salina Szechtman who manages the Magazine and provides us with the benefit of her considerable experience; Sasha Bateman as Director of Membership and Guild Engagement; Gay Longo as Director of Development; and our Directors at Large, the inestimable Alison Brannen and Silvana Michetti.

FUSION is extremely grateful for the continued support from the Ontario Arts Council, Potters' Guild of Hamilton and Region, the Potters' Guilds across Ontario, Tucker's Pottery Supplies, The Pottery Supply House, Craft Ontario, Spectrum Glazes, Ceramic Arts, The Burlington Art Gallery, Beau's Brewery, Jenny Rushforth Desjardins Insurance Agent, and all the volunteers that step in throughout the year right across Ontario.

Most importantly, we sincerely appreciate all our members. FUSION's board and staff look forward to another year of continuing to provide programming and support to you.

## **TREASURER'S REPORT**

Gene Timpany, Secretary/Treasurer

The Board has worked hard over the past year to bring you world class national and international artists for the Workshops, the Mentorship and Creative Directions programs and for the annual conference. The Board also delivers to you a high caliber magazine spotlighting Ontario Clay and Glass.

All of this has not been easy to deliver in the current climate of funding cuts, and decreased attendance at our events, programs and sales.

To illustrate this, our total revenue between last year and this year is down just over \$50,000. The Board has implemented a variety of cost cutting measures and conservative budgeting practices to keep expenses down. The Board is also working on fundraising activities to help us be more self supporting.

For the year ending March 31<sup>st</sup>, 2019, our total revenue was \$137,786 with total expenses of \$150,060. This amounts to a net loss of \$(12,274).

Here is where you can help us to turn around this downward trend. Our current fundraising event is the Pottery Lottery. Please purchase a ticket and attend the event. You can also register for the events, and attend the workshops and conferences.

Together we can rebuild our Association's finances to let us continue to provide top notch programming and benefits to you.

## **BREAKTHROUGH EXHIBITION**

Chris Snedden, President

In June of 2018, FUSION inaugurated a new exhibition called *Breakthrough*. Designed specifically for students and emerging artists, this new program will be continued on a biennial basis. We had an astonishing response to our call for entry from artists all over the country. The exhibition saw many visitors.

Thank you to curator Suzanne Luke for her insightful selection of the awards winners. Also, a note of thanks are due to Suzanne's great staff for a fabulous opening night. Finally, congratulations to the award winners and all the artists who participated.

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## **CLAY AND GLASS SHOW**

The 2018 Clay and Glass Show took place at Artscape's Wychwood Barns facility October 12-14, 2018, and featured the work of 39 artists.

FUSION would also thank the Clay and Glass Show sponsors:

The Pottery Supply House  
Tucker's Pottery Supplies  
Beau's Brewery

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## **CONFERENCE**

Chris Snedden, President

In June 2018 FUSION hosted the Annual Conference at Laurier University in conjunction with The Canadian Clay and Glass Gallery's 25<sup>th</sup> Anniversary Celebrations.

Our presenters, Peter Powning from New Brunswick, and Samantha Dickie from Victoria, British Columbia were full of insight about not only how they make their incredible work, but also why.

The Friday night of the conference saw the opening of *Breakthrough*; our first ever emerging artists exhibition.

## **FALL WORKSHOP**

Ann Allen, Vice President

In September 2018 FUSION held our Fall Workshop in North Bay. Our presenter was Teresa Dunlop.

Over the course of the weekend, Teresa provided a hands-on workshop demonstrating her techniques. She also gave an image presentation on Friday night. Teresa was wonderful and shared many of her time-saving ways of handling clay. The feedback from the attendees was extremely positive; everyone had a great time.

Many thanks to Nipissing University and their staff for the use of their facilities. A big thanks also goes to the North Bay and Area Potter's Guild for their assistance in organizing our event. The Monastery was a lovely venue for the workshop.

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## **FIREWORKS**

*Firework 2017* continued to tour the province, exhibiting 47 pieces by 44 artists at the Thames Art Gallery in Chatham (May-July 2018), and The Canadian Clay and Glass Gallery in Waterloo (January-March 2019). It is currently completing its tour at the Art Gallery of Burlington.

FUSION would like to thank the many donors and supporters that helped make *Fireworks 2017* a success:

Gilda Goodman - Henry Goodman Best in Show Award  
Tucker's Pottery Supplies - Award  
The Pottery Supply House - Award and transport of show  
Potters Guild of Hamilton and Region - Award  
Waterloo Potters' Workshop - Award  
Craft Ontario - Award  
Derek Chung - Promotions and Creative

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## **FUSION MAGAZINE**

Salina Szechtman, Director

This fiscal year was another exciting year for FUSION Magazine. Our renewal of FUSION Magazine is well underway. As suggested by our survey in 2018, we focused on telling you more about other artists, clay and glass gallery collections, exhibitions and archives; and we started a new clay technical column written by Ron Roy.



Current and back issues of the magazine are posted on our members only website so that members can access these issues on line. Overall the magazine is experiencing more engagement from its readership, increased revenue from advertisers and a broader more diverse circle of contributors.

The Board also engaged consultants to provide “first look” suggestions and advice from an independent circle of reviewers with different and contemporary expertise in design, technology, and curatorial (audience engagement) and visual arts. We received some great suggestions which we would like to implement over the next year if we can find some resources to fund the project.

I would like to thank the team that is working hard to revitalize FUSION Magazine: Margot Lettner, editor; Derek Chung, designer; and Jenanne Longman, advertising and many other duties as assigned.

I would also like to thank the Featured Artist Selection Panel, Judy Donaldson and Steve Irvine, for their continued work on reviewing and selecting the artists featured in the Magazine Spotlights.

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## **MENTORSHIP REPORT**

Barbara Banfield, Past President

September 2018 saw the beginning of the Susan Low-Beer Mentorship. It has been a busy ten months, with regular meetings at Susan’s studio in downtown Toronto.

The group is composed of fourteen artists working primarily in clay and sculpture. The combination and the cross pollination of ideas is generating some very exciting new work. Participants are taking risks and pushing their ideas and techniques in new directions. From my discussions with some of the members of the group, Susan’s experiences making work, teaching and exhibiting around the world, has made her a very inspirational mentor and we will all be looking forward to seeing some of the work generated from this process.

The exhibition “Waypoints” will take place this August 6 - 26, 2019 at Craft Ontario, 1106 Queen St, Toronto ON. Watch for details of the opening evening. We appreciate all the support we have received from the Ontario Arts Council and Craft Ontario.

## SCHOLARSHIPS AND AWARDS

Barbara Banfield, Past President

In fiscal 2019, FUSION continued to support the Clay and Glass community with its Scholarships and Awards Program.

### Scholarships

Kathy Kranias, artist, educator, and writer, juried the Scholarship Awards. The candidates for this scholarship exhibited skill, talent and an impressive understanding of their chosen medium. The selection was not an easy one. Decisions were based on design, quality and originality exhibited within the work and how well the request for support aligned to advance the artist's practice. Congratulations to all who applied.

FUSION Scholarship recipients were:

Gayle Buzzi (glass)  
Amber Zuber (ceramics)

### FUSION Student Awards

This year, FUSION was pleased to provide six awards for the 2018 Sheridan College graduating year. Awards granted were as follows:

#### Ceramics

The FUSION Technical Achievement Award:	Queenie (Kun) Xu
FUSION Community Involvement Award:	Sasha Bateman
FUSION Award of Merit:	Kirsti Smith

#### Glass

The FUSION Technical Achievement Award:	Nadira Narine
FUSION Community Involvement Award:	Jess Gneth
FUSION Award of Merit:	Kat Looby

### Breakthrough 2018 Awards

New this year was FUSION's *Breakthrough* Exhibition for student and emerging artists. FUSION was pleased to offer three awards for *Breakthrough*:

Best in Show:	Daumante Stirbyte
Best in Clay:	Joon Hee Kim
Best in Glass:	Jennifer Glasser
Craft Ontario Affiliate Award:	Zara Gardner

FUSION is grateful to the following *Breakthrough* award supporters:

- Chris Snedden
- Tucker's Pottery Supplies
- The Pottery Supply House
- Craft Ontario

### **Clay & Glass Show 2018 Awards**

FUSION was very pleased to present the following awards of excellence at the 2018 Clay and Glass Show:

Best in Show \$1,000:	Marlene Zagdanski
Best in Ceramics \$500:	Mary McKenzie
Best in Glass \$500:	Joe Speck

The following generous donors made these awards possible:

- The Lindy Green Family Charitable Foundation
- FUSION Awards & Scholarship Fund
- Anonymous donor

### **FUSION Design Awards 2018/19**

Burlington Potters' Guild:	Wayne Cardinelli
Craft Ontario:	Joon Hee Kim
Kawartha Potters' Guild	Darlene Malcolm-Moran
Toronto Potters:	Catherine Thomas
Potters' Guild of Hamilton & Region:	Carol Zic
Mississauga Potters' Guild:	Mary McKenzie
Ottawa Guild of Potters:	Jane Snider
Waterloo Potters' Workshop:	Stephen Hawes

### **Volunteer of the Year Award**

FUSION is very grateful for the support it gets every year from its members to help us deliver numerous programs and workshops. For the year of 2018 we acknowledged the following volunteer for his outstanding commitment:

Gary DeRoche

## **WINTER WORKSHOP**

Ann Allen, Vice President

In March 2019 FUSION held our Winter Workshop at Sheridan College, Oakville. Our presenter was Birdie Boone.

Birdie shared many tricks of the trade plus her magic water recipe. She also conducted a talk held around glazes and colour. Birdie shared her method of hand building and molds for foot rings. Many great tips and insights were learned.

Many thanks to Sheridan College, their staff, and the students who assisted with set up and clean up, and special thanks to Birdie Boone.

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## **WILD CLAY**

Chris Snedden, President

In the summer of 2018 we participated in a “Wild Clay” project in partnership with the Museum of Ontario Archaeology in London, Ontario. Participants found, processed, and made pots from wild clay from their respective regions.

We worked in as traditional a way as possible like the potters that lived in the region 600 years ago. What resulted was in an interesting dialogue between the perspective of the maker today, the archaeological record, and the traditional voice provided to us by Wendat potter Richard Zane Smith.

The project culminated in an exhibition that lasted throughout the Fall. Thank you to MOA Executive Director Rhonda Bathurst and her staff for being so open and welcoming, and providing us a space within the reconstructed Neutral Iroquois Village site to make and fire our work. We will continue this partnership in the summer of 2019.

**FUSION: THE ONTARIO CLAY AND GLASS ASSOCIATION  
MINUTES OF THE ANNUAL GENERAL MEETING**

**Wilfrid Laurier University  
Waterloo, ON  
June 23, 2018**

**1. President's Welcome and Introduction of Board Members**

President Chris Snedden called the meeting to order at 1:34pm and welcomed conference delegates and thanked board members for all their continued work and dedication to FUSION.

Board members who were present and introduced:

Past President, Director of Mentorship:	Barb Banfield
Secretary:	Gene Timpany
Treasurer and Director of Conference:	Ann Allen
Director of Magazine	Salina Szechtman

Staff present:

Executive Director:	Deborah Freeman
Office Administrator:	Jenanne Longman

**2. Approval of the Minutes of the Annual General Meeting:  
June 10, 2017**

June 10, 2017, Fahshawe College, London, ON.

Chris asked for additions or correction to the June 10, 2017 AGM minutes. None were given.

**MOTION:** Gary DeRoche moved and Teresa Ainsworth seconded that the minutes for the Annual General Meeting of June 10, 2017 be accepted as circulated.

**Motion carried**

**3. Annual Board of Directors Reports**

Board of Director reports were presented. Please see attached annual report.

Discussion arose over Conference location being permanently in Toronto. Suggestions were made to have billeting, discounts, scholarships/grants for people from outside Toronto to attend the conference.

**4. Financial Report and Audited Financial Statements**

Ann Allen presented the financial report and the audited financial statements.

**MOTION:** Penny McCahill moved and Hannah Sherebrin seconded to accept the financial report as submitted.

**Motion carried**

## **5. Appointment of the Auditor**

**MOTION:** Ann Allen moved and Salina Szechtman seconded that the firm of Jeffery D. Milgram, Professional Corporation be appointed to audit the accounts of the Association for fiscal 2018-19.

**Motion carried**

## **6. Election of Directors**

### **Slate of Nominees**

Ann Allen - re-election

Salina Szechetman - re-election

Silvana Michetti

Alison Brannen

Sasha Bateman

**MOTION:** Sara Atkins moved and Kathy Kranias seconded that the slate of nominees as listed in the agenda be elected to the FUSION Board of Directors for a two-year term.

**Motion carried**

## **7. Volunteer of the Year Awards**

Chris Snedden thanked Gary DeRoche for his exceptional volunteer work and presented him with a Volunteer of the Year Award.

## **8. New Business**

None was presented.

## **9. Adjournment**

Ann Allen motioned and Terry Nicholson seconded that the Annual General Meeting be adjourned.

**Motion carried**

Meeting adjourned at 2:09pm

## Acknowledgements

FUSION gratefully acknowledges the contributions of the following generous supporters:



hamiltonpotters  
guild



Desjardins  
Insurance



SPECTRUM®



ONTARIO ARTS COUNCIL  
CONSEIL DES ARTS DE L'ONTARIO

an Ontario government agency  
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Anonymous donor  
Art Gallery of Burlington  
Chris Snedden  
Deborah Freeman  
Derek Chung Communications  
Gilda Goodman  
Jeffrey D. Milgram Professional Corporation  
North Bay Potters' Guild  
Peter Shepherd, Watershed'96  
Ron Roy  
Salina Szechtman  
The Lindy Green Family Charitable Foundation

**FUSION: THE ONTARIO CLAY AND GLASS ASSOCIATION**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**MARCH 31, 2019**



**FUSION: THE ONTARIO CLAY AND GLASS ASSOCIATION**

**MARCH 31, 2019**

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**JEFFREY D. MILGRAM PROFESSIONAL CORPORATION**  
**Chartered Professional Accountant/Licensed Public Accountant**

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**INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors of  
Fusion: The Ontario Clay and Glass Association

**Opinion**

I have audited the financial statements of Fusion: The Ontario Clay and Glass Association which comprises the statement of financial position as at March 31, 2019, and the statements of operations, changes in net assets, and cash flows for the year then ending, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Fusion: The Ontario Clay and Glass Association as at March 31, 2019, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

**Basis for Opinion**

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Organization in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

**Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Organization's ability to continue as a going concern disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations or has no realistic alternative but to do so.

**Auditor's Responsibilities for the Audit of the Financial Statements**

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Jeffrey D. Milgram, CPA, CA, LPA.



**JEFFREY D. MILGRAM PROFESSIONAL CORPORATION**  
Authorized to practise public accounting by  
The Institute of Chartered Professional Accountants of Ontario

**TORONTO, ONTARIO**  
**MAY 22, 2019**

**JEFFREY D. MILGRAM PROFESSIONAL CORPORATION**  
Chartered Professional Accountant/Licensed Public Accountant

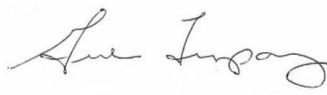
**FUSION: THE ONTARIO CLAY AND GLASS ASSOCIATION**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT MARCH 31, 2019**

	<u>2019</u>	<u>2018</u>
	\$	\$
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	76,741	110,862
Government excise tax recoverable	6,468	4,207
Accounts receivable	1,487	576
Prepaid expenses	<u>4,470</u>	<u>4,446</u>
	89,166	120,091
<b>CAPITAL</b>		
Pottery collection (Note 3)	<u>1</u>	<u>1</u>
	<u>89,167</u>	<u>120,092</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	9,133	11,946
Government remittances payable	<u>-</u>	<u>5,074</u>
	<u>9,133</u>	<u>17,020</u>
<b>DEFERRED</b>		
Deferred conference and fee revenue	12,862	29,500
Deferred contributions (Note 5)	<u>14,336</u>	<u>8,462</u>
	<u>27,198</u>	<u>37,962</u>
	36,331	54,982
<b>NET ASSETS</b>		
Unrestricted	4,941	17,215
Internally restricted (Note 6)	39,500	39,500
Henry Goodman Best in Show Award Endowment Fund	5,500	5,500
Scarborough Potters' Guild Fireworks Award Fund	<u>2,895</u>	<u>2,895</u>
	<u>52,836</u>	<u>65,110</u>
	<u>89,167</u>	<u>120,092</u>

APPROVED ON BEHALF OF THE BOARD:



\_\_\_\_\_  
DIRECTOR May 22, 2019 DATE



\_\_\_\_\_  
DIRECTOR May 22, 2019 DATE

The accompanying notes are an integral part of these financial statements.

**FUSION: THE ONTARIO CLAY AND GLASS ASSOCIATION**  
**STATEMENT OF CHANGES IN NET ASSETS**  
**FOR THE YEAR ENDED MARCH 31, 2019**

	Henry Goodman Best in Show Award Endowment		Internally Restricted	Scarborough Potters' Guild Fireworks Award Fund		Total 2019	Total 2018
	Fund	Unrestricted		Award Fund			
	\$	\$	\$	\$	\$	\$	
BALANCE, at beginning of year	5,500	17,215	39,500	2,895	65,110	49,305	
Excess (Deficiency) of revenue over expenses for the year	—	(12,274)	—	—	(12,274)	15,805	
BALANCE	5,500	4,941	39,500	2,895	52,836	65,110	
Transfers	—	—	—	—	—	—	
BALANCE, at end of year	<u>5,500</u>	<u>4,941</u>	<u>39,500</u>	<u>2,895</u>	<u>52,836</u>	<u>65,110</u>	

The accompanying notes are an integral part of these financial statements.

**FUSION: THE ONTARIO CLAY AND GLASS ASSOCIATION**  
**STATEMENT OF OPERATIONS**  
**FOR THE YEAR ENDED MARCH 31, 2019**

	<u>2019</u>	<u>2018</u>
	\$	\$
<b>REVENUE</b>		
Activities (Schedule – Page 12)	82,028	121,729
Grants – Ontario Arts Council	24,778	33,972
Memberships	20,407	20,848
Interest and other (Note 4)	4,042	3,667
Publications	3,790	2,510
Awards and bursaries	1,367	1,436
Donations	<u>4,167</u>	<u>6,900</u>
	<u>140,579</u>	<u>191,062</u>
<b>EXPENSES</b>		
Activities (Schedule – Page 12)	61,040	85,592
Wages and benefits	55,603	56,849
Publications	11,405	7,792
Office and general	9,296	9,953
Rent	5,413	5,306
Professional fees	5,287	4,781
Insurance	3,443	3,548
Awards and bursaries	<u>1,366</u>	<u>1,436</u>
	<u>152,853</u>	<u>175,257</u>
Excess of revenues over expenses for the year	<u>(12,274)</u>	<u>15,805</u>

The accompanying notes are an integral part of these financial statements.

**FUSION: THE ONTARIO CLAY AND GLASS ASSOCIATION**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED MARCH 31, 2019**

	<u>2019</u>	<u>2018</u>
	\$	\$
<b>OPERATING ACTIVITIES</b>		
Excess of revenues over expenses	(12,274)	15,805
Adjustment:		
Deferred revenue – prior year contributions	<u>(37,962)</u>	<u>(49,055)</u>
	<u>(50,236)</u>	<u>(33,250)</u>
Net change in non-cash working capital items		
Accounts receivable	(3,172)	(576)
Government remittances	(5,074)	6,197
Prepaid expenses	(24)	(1,615)
Accounts payable and accrued liabilities	(2,813)	6,167
Deferred revenue – current year contributions	<u>27,198</u>	<u>37,962</u>
	<u>16,115</u>	<u>48,135</u>
Net cash provided (used) by operating activities	<u>(34,121)</u>	<u>14,885</u>
Net change in cash during the year	(34,121)	14,885
Cash, beginning of year	<u>110,862</u>	<u>95,977</u>
Cash, end of year	<u>76,741</u>	<u>110,862</u>

The accompanying notes are an integral part of these financial statements.

**FUSION: THE ONTARIO CLAY AND GLASS ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**MARCH 31, 2019**

**1. Basis of Organization**

**FUSION:** The Ontario Clay and Glass Association (the “Association” or “FUSION”) is a not-for-profit organization incorporated in 1975 under the laws of the Province of Ontario without share capital and is a registered charity under the Income Tax Act (Canada).

The Association’s mandate is to encourage and promote quality in clay and glass and to provide educational resources and community based programming.

**2. Summary of Significant Accounting Policies**

The financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations, the more significant of which are outlined below:

**Accounting Framework**

The Organization prepares its financial statements in accordance with the Institute of Chartered Professional Accountants of Canada (CPA, Canada) Handbook, Part III, Canadian accounting standards for not-for-profit organizations (ASNPO).

**Basis of Accounting**

These financial statements were prepared using the accrual basis of accounting. The accrual basis recognizes revenues as they become available and measurable; expenses are recognized as they are incurred and measurable as a result of receipts of goods or services and the creation of a legal obligation to pay.

**Fund Accounting**

The organization follows the fund method of accounting for contributions. Restricted contributions are recognized in the appropriate fund, as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount can be estimated and collection is reasonably assured. The following funds are maintained:

**Endowment Fund**

Restricted contributions which are to be held in perpetuity are recorded in the Organization’s endowment fund. The Henry Goodman Best in Show Award Endowment Fund was established in fiscal 2000 for ongoing support of The Henry Goodman Best in Show Award. Investment income derived from the endowment fund is made available for The Henry Goodman Best in Show Award.



**FUSION: THE ONTARIO CLAY AND GLASS ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**MARCH 31, 2019**

2. **Summary of Significant Accounting Policies** – Continued

**Fund Accounting - Continued**

**Operation Fund**

Any contributions on which there is no restriction are allocated to general operation revenues.

**Scarborough Potters' Guild Fireworks Award Fund**

In fiscal 2005, the Association received a gift in the amount of \$6,275 from the Scarborough Potter's Guild to fund a purchase award program. Since 2005, awards and expenses totaling \$3,380 have been granted from this fund.

**Management Reserve**

The Board has imposed an internal restriction on net assets which may be allocated to awards, capital, or to fund contingencies for future operations.

**Cash**

Cash includes current bank deposits, deposits held by virtual on-line accounts, cash on hand, and investments with a maturity date of less than 90 days from the year end date.

**Pottery Collection**

The pottery collection represents the Association's collection of art work from shows. The value of the works of art has been excluded from the statement of financial position except for a nominal value of \$1. Accessions of art for the collection, both purchased and those gifted, are expensed in the year of acquisition. Gifted works of art are recorded as revenue at values based on appraisals by independent appraisers for valuations in excess of \$1,000 or by management for items of lesser value. As a collection of art, this asset is not subject to amortization as works of art have cultural and historical value that is worth preserving and the Association has the commitment and resources to protect and preserve them.

**Contributed Services**

The work of the Association is heavily dependent on the voluntary service of its members. Since these services are not normally purchased by the Association, and because of the difficulty of determining their fair value, the value of donated volunteer services is not recognized in these statements.

**Capital Assets**

Purchased capital assets are recorded at cost. The Association periodically reviews its capital assets to eliminate obsolete items. Amortization is provided over the assets' estimated useful lives as follows:

Computer equipment and software

45%

**FUSION: THE ONTARIO CLAY AND GLASS ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**MARCH 31, 2019**

**2. Summary of Significant Accounting Policies - Continued**

**Revenue Recognition**

The Association follows the deferral method of accounting for contributions.

- Restricted contributions are recognized as revenue in the year in which the related expenses are incurred where no restricted fund has been set up by management.
- Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.
- Membership, conference fees, grants, publication and merchandise sales are recorded as revenue when received or receivable.
- Fees or grants received in advance are recorded as either deferred conference revenue, deferred fee revenue or deferred contributions, as applicable.
- Donations are recognized as revenue when the amounts are received or receivable.

**Estimates**

The preparation of 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 and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

During the year, management booked estimates to the accounts pertaining to prepaid expenses, certain accrued liabilities, and deferred revenues.

**Financial Assets and Financial Liabilities**

**(i) Measurement of financial instruments**

The Association initially measures its financial assets and financial liabilities at fair value.

The Association subsequently measures all its financial assets and financial liabilities at amortized cost. Changes in fair value are recognized in the statements of operations in the period incurred. Financial assets measured at amortized cost include cash, short term investments and amounts receivable. Financial liabilities measured at amortized cost include accounts payable, accrued liabilities and deferred revenues.

**(ii) Impairment**

At the end of each reporting period, the Association assesses whether there are any indications that a financial asset measured at amortized cost may be impaired.

**FUSION: THE ONTARIO CLAY AND GLASS ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**MARCH 31, 2019**

**2. Summary of Significant Accounting Policies - Continued**

**Financial Assets and Financial Liabilities**

**(ii) Impairment – Continued**

When there is an indication of impairment, the Association determines whether a significant adverse change has occurred during the period in the expected timing or amount of future cash flows from the financial asset.

When the Association identifies a significant adverse change in the expected timing or amount of future cash flows from a financial asset, it reduces the carrying amount of the asset to the highest of the following:

- a) the present value of the cash flows expected to be generated by holding the asset discounted using a current market rate of interest appropriate to the asset;
- b) the amount that could be realized by selling the asset at the statement of financial position date; and
- c) the amount the Association expects to realize by exercising its rights to any collection action less the costs necessary to exercise those actions.

The amount of any reduction is recognized as an impairment loss in the statements of operations or an impairment reversal of gain if reversed at any time in the future.

**Income Tax Status**

The association is a registered charitable organization pursuant to Section 149.1(1) of the Income Tax Act (Canada) and is, accordingly, exempt from tax.

**3. Collection**

There were no additions or purchase accessions to the collection in 2019 (2018 - \$1,620). In addition, there were no deaccessions from the collection during in the 2019 fiscal year (2018 - \$nil). The total historical cost of the collection to the end of the current year is \$14,707 (2017 - \$14,707).

**4. Arts Endowment Fund**

An Arts Endowment Fund (the “Fund”) is held by the Ontario Arts Foundation in perpetuity. The Fund is invested in pooled funds which are managed by Burgundy Asset Management and Letko Brosseau. The Association is entitled to the annual income generated from the fund. Income received from the fund during the year amounted to \$3,415 (2018 - \$3,431) and is included with interest and other revenue in these financial statements. The market value of the Fund at year end is approximately \$75,012 (2018 - \$73,953). As the Association has no access to the capital, no amount is recorded in these financial statements in the current or prior years.

## FUSION: THE ONTARIO CLAY AND GLASS ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2019

5. Deferred Contributions

Deferred contributions consist of the following designated donations which remain unspent at year end:

	<u>2019</u>	<u>2018</u>
	\$	\$
Bursaries and Awards	4,130	4,727
Fundraising events	2,218	-
Sponsorships	600	-
Fireworks	2,152	-
Mentorship	3,806	1,000
Publications	<u>1,430</u>	<u>2,735</u>
	<u>14,336</u>	<u>8,462</u>

6. Internally Restricted Net Assets

The Board has designated \$39,500 (2018 - \$39,500) towards the ongoing operations of the Organization's programming which may be allocated to awards, capital, or to fund contingencies for future operations.

7. RiskLiquidity Risk

Liquidity risk is the risk that the Organization will encounter difficulty in meeting its obligations associated with its financial liabilities. The Organization expects to meet these obligations as they come due by generating sufficient cash flows from operations, grants and fundraising.

Credit Risk

Credit risk is the risk that one part to a financial instrument will cause a financial loss for the other party by failing to meet its funding obligation. This risk is mitigated by the Association through ensuring revenue is derived from qualified sources. The allowance for doubtful accounts in relation to accounts receivable is \$nil (2018 - \$nil).

Other Risks

It is management's opinion that the Association is not exposed to significant currency, interest, credit or market risks arising from its financial instruments held at year end.

**FUSION: THE ONTARIO CLAY AND GLASS ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**MARCH 31, 2019**

**8. Lease Commitment**

The Association renewed its lease agreement for its operating premises which expired on October 31, 2018. The new lease is for a period of three years commencing November 1, 2018 and ends on October 31, 2021 but provides for a single option to renew for a further three year period at a rate to be negotiated at that time. Minimum lease commitments, which provide for an annual escalation of 2 percent each year, are as follows:

<u>Rental Year Rent</u>	<u>Rate/psf</u>	<u>Annual Rent</u>	<u>Monthly Rent</u>
1. Nov. 1/18 - Oct. 31/19	\$26.88	\$5,268.48	\$439.04
2. Nov. 1/19 - Oct. 31/20	\$27.42	\$5,374.32	\$447.86
3. Nov. 1/20 - Oct. 31/21	\$27.97	\$5,482.12	\$456.84

**FUSION: THE ONTARIO CLAY AND GLASS ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**MARCH 31, 2019**

Schedule of Activities

	<u>2019</u>	<u>2018</u>
	\$	\$
<b>REVENUE</b>		
Clay and glass show	40,713	54,473
Annual conference	25,480	43,046
Workshops	7,052	16,357
Exhibitions	3,787	7,853
Mentorship	<u>4,996</u>	<u>-</u>
	<u>82,028</u>	<u>121,729</u>
<b>EXPENSES</b>		
Clay and glass show	38,199	47,773
Annual conference	13,194	19,522
Workshops	5,349	8,177
Exhibitions	1,119	10,120
Mentorship	<u>3,179</u>	<u>-</u>
	<u>61,040</u>	<u>85,592</u>
	<u>20,988</u>	<u>36,137</u>