ONTARIO ARTS COUNCIL ANNUAL REPORT 2020-2021





In accordance with the provision of Section 12 of the *Arts Council Act*, I respectfully submit the report covering the activities of the Ontario Arts Council from April 1, 2020, to March 31, 2021.

Rita Davies

Chair

Ontario Arts Council

Rich Davies

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ABOUT THE ONTARIO ARTS COUNCIL

Since its inception in 1963, the Ontario Arts Council (OAC) has played a vital role in promoting and supporting the development of the arts for the enjoyment and benefit of all Ontarians. The OAC has fostered the growth of Ontario's arts infrastructure by funding individual artists and arts organizations in all artistic disciplines and in all regions of the province.

The Ontario Arts Council is an agency of the Government of Ontario's Ministry of Heritage, Sport, Tourism and Culture Industries and has a publicly appointed board of directors. The 12-member volunteer board ensures that OAC activities align with the organization's mandate. OAC grant decisions are made at arm's length from the government. OAC staff manages the programs, and grants are awarded through peer-review processes.

Granting programs are organized under four funding streams: Creating and Presenting, Building Audiences and Markets, Engaging Communities and Schools, and Developing Careers and Arts Services. These streams help applicants determine which program best fits their proposed activity.

The OAC funds a variety of arts disciplines, including dance, literature, music, theatre, media arts and visual arts. In addition, OAC supports the touring, recording and presentation of arts activities as well as various collaborations between artists. Funding is also available for culturally based art forms, such as Francophone arts and Indigenous arts.

Other programs focus on particular arts activities, including arts education, community-engaged arts and multiand inter-arts. Some programs have specific goals, such as Northern Arts, which targets artists and arts groups in northern Ontario, and Skills and Career Development, which funds professional development opportunities for Indigenous and racialized arts professionals. The Deaf and Disability Arts programs provide funding support to Deaf* artists, artists with disabilities and Deaf and disability arts organizations.

Individual artists and arts groups can apply to OAC for funding for specific projects, and arts organizations can also apply for ongoing operating support once they have met certain requirements. Grants are allocated through a peer-review system. Independent juries make funding decisions for individuals and arts groups who apply to project programs. Advisory panels review operating grant applications from arts organizations and make recommendations to OAC program officers. The OAC's board of directors approves all funding decisions for operating grants of more than \$30,000.

Granting program information, deadlines, eligibility criteria and OAC policies can change over time. The OAC's website has the most up-to-date information about granting programs and policies as well as grant result listings for past program deadlines.

^{*}The OAC identifies *Deaf artists* as distinct from artists with disabilities based on the Canadian Hearing Society's definition of *culturally Deaf*, a term that refers to individuals who identify with and participate in the language, culture and community of Deaf people.

ABOUT THE ONTARIO ARTS COUNCIL

Finally, OAC administers the selection process for several awards, prizes and grants, including the Chalmers programs, the Johanna Metcalf Performing Arts Prizes and a number of awards offered through the Ontario Arts Foundation. In addition to these privately funded programs, OAC funds and administers the Ontario Arts Council Indigenous Arts Award. The OAC also oversees the administration of the Pauline McGibbon Award on behalf of the Government of Ontario.

The OAC further supports Ontario's arts community through partnerships and by conducting research and statistical analyses of the arts and culture sectors. The information provided helps OAC build public awareness of the value of the arts and makes OAC a vital resource for understanding the environment in which the arts are created and produced in this province.

While OAC undertakes work on a new strategic plan, it is guided by the 2014-2020 plan, *Vital Arts and Public Value*. The OAC regularly measures the impact of its programs and consults with artists and arts organizations to stay in touch with the needs and growth of the arts. In 2020-21, the worldwide pandemic had a major impact on the arts sector in Ontario as it did around the world. Initiatives to support the provincial arts community through this crisis are outlined in this report.

The COVID-19 pandemic that spread worldwide in 2020 dealt a heavy blow to the arts sector, and its impact was still being felt into 2021. The Ontario Arts Council responded quickly and strategically as the pandemic took hold, adapting and repurposing existing programs to meet the needs of the arts sector. One of these measures was to create the **Arts Response Initiative (ARI)** program, described below. The OAC also supported the participation of arts organizations in the WolfBrown international audience tracking study, which focused on attitudes regarding the return to in-person arts activities.

This section describes OAC's achievements in 2020-21.

Granting

The Ontario Arts Council's core business is to invest in Ontario's artists and arts organizations in strategic ways. The OAC achieves this primarily through granting programs (project grants, operating grants and third-party recommender grants) and initiatives.

Granting programs

Project grants are awarded to individual artists, ad hoc groups/collectives and organizations. These grants fund the creation, production and presentation of artistic works; events such as festivals, music series and children's arts workshops; opportunities for mentorship, professional development and career growth; and collaborations between artists, arts organizations, schools and communities.

OAC project grants fuel creativity, innovation, skills development and organizational effectiveness. Ontario's successful cultural industries would not have grown to where they are today without the talent pool, artistic products and creative content that are made possible by these grants.

The Ontario Arts Council temporarily suspended the **Touring Projects**, **Market Development Projects** and **Market Development Travel Assistance** programs, as well as the **Chalmers Arts Fellowships** program, given that these programs typically fund activities that were not possible or advisable during the pandemic, when restrictions on social gatherings and travel were in place. In order to continue supporting the development of long-term relationships between artists and presenters, OAC developed the **Artist-Presenter Collaborations** program. This temporary program was rolled out in early 2021 to support projects that could build or maintain sustainable ways of sharing artistic works with audiences and communities within Ontario, nationally and internationally during the pandemic. The first deadline for this program was set for April 27, 2021.

Arts Response Initiative

The Arts Response Initiative (ARI) was a one-time program created to address the challenges faced by the arts community in the context of COVID-19. Three program envelopes were established to support individual artists, ad hoc groups, collectives, and arts organizations in carrying out their activities in an environment of change:

- Arts Response Initiative: Project Grants for Individuals
- Arts Response Initiative: Project Grants for Ad Hoc Groups, Collectives and Organizations
- Arts Response Initiative: Project Grants for Organizational Partnerships

Operating grants strengthen organizations that are the backbone of Ontario's arts infrastructure. Organizations can apply for operating grants once they meet specific criteria, such as having a governance structure. Operating grants allow organizations to provide jobs, increase the vitality of their communities and improve arts infrastructure. They also provide continuity and support for emerging organizations, often from underrepresented communities.

Recognizing the difficulty of preparing and assessing organizational plans amid the change and uncertainty that marked the onset of the pandemic, OAC suspended the intake and assessment of operating grant applications in March 2020. In May 2020, the board of directors unanimously approved a plan to disburse 2020-21 operating grants to eligible returning organizations based on their 2019-20 grant amounts. These organizations received the equivalent of their 2019-20 grants in two instalments of 50 per cent (one immediately and one according to their regular grant payment schedule).

Third-party recommender grants are administered on behalf of OAC by designated arts organizations and collectives. Recommenders use their knowledge of a particular arts sector or community to assess applications and then make grant recommendations to OAC.

There were a few noteworthy changes to the **Indigenous Visual Artists Materials** program. First, the maximum grant amount increased from \$500 to \$1,000, and the eligible expense criteria were expanded, thereby allowing the grant to go further in supporting Indigenous artists. The Inuit Art Foundation joined the program as a new recommender, enhancing the capacity of this program to serve Inuit applicants.

The **Exhibition Assistance** program opened later than in previous years, accepting applications between September 2020 and January 2021. Given that many exhibitions were cancelled throughout the pandemic, only applicants with confirmed future exhibitions were eligible for the grant. Virtual or online exhibitions were considered eligible if presented by a gallery, museum or other professional exhibition platform.

The Recommender Grants for Writers and Recommender Grants for Theatre Creators continued as scheduled, and no changes were introduced in the 2020-21 fiscal year.

Granting initiatives

Initiatives in granting are similar to granting programs in that they're designed to meet strategic objectives and have specific eligibility criteria; recipients must fulfil certain requirements and report on their activities. They are different from granting programs in that they may not have the same application or assessment process. Sometimes they are administered by third parties who are contracted by OAC. Initiatives may serve as pilots for future OAC granting programs. In 2020-21, OAC had the following initiative in granting:

Strategic Collaborations Fund

The goals of this initiative are to:

- Invest in partnerships with stakeholders that advance OAC's strategic plan, Vital Arts and Public Value;
- Support artistic activities that meet strategic priorities that cannot be funded by granting programs because of their scale, nature or timing; and
- Fund significant one-time artistic events that help promote OAC and raise its profile.

Initiatives paused in 2020-21

Market Development Initiatives

Market Development Initiatives invest in partnerships with stakeholders to advance regional, national and international market development opportunities for Ontario artists and arts organizations. They help ensure that high-quality works from Ontario are promoted, presented and sold effectively across the country and abroad.

Given the restrictions on social gatherings and travel throughout the year due to the pandemic, OAC decided to pause Market Development Initiatives until such time when supported activities can resume.

Supporting government investments in response to COVID-19

In addition to the core business achievements already listed, OAC administered the **Arts Recovery Support Fund**, a one-time investment of \$25 million made by the Government of Ontario through the Ministry of Heritage, Sport, Tourism and Culture Industries (MHSTCI). This investment was directed at helping arts organizations with total annual revenues at or greater than \$1 million survive the COVID-19 pandemic and prepare for reopening and future programming.

Of that \$25 million, \$24 million was allocated to supporting 140 organizations with annual revenues of \$1 million or more. The remaining \$1 million was designated to supporting individual artists and was administered through the **Arts Response Initiative: Project Grants for Individuals** program.

Communications

Communications is responsible for a variety of activities that support core granting business, program outreach, the executive team and the board of directors. Communications also ensures that OAC fulfils government reporting requirements through the annual report and the annual grants listing and, together with the Ministry of Heritage, Sport, Tourism and Culture Industries, helps keep MPPs informed about arts activities in their ridings. Communications also supports activities related to awards administered by OAC.

As the pandemic took hold in the spring of 2020, Communications worked swiftly to create COVID-19 update web pages to keep applicants informed of deadline extensions, policy decisions and other important information under frequently shifting circumstances. Updates shared through social media platforms in English and French complemented this work.

When OAC invests in an arts activity through a project or operating grant, the benefits of this investment have a "ripple effect" beyond the grant recipients. Support for arts activities invigorates communities and economies across the province. In 2019-20, OAC launched **The Ripple Effect**, an online series of videos and articles to showcase the impact of Ontario's vital arts organizations and artists. In the first month of the 2020-21 fiscal year, OAC decided to pause the rollout of these celebratory videos due to the adverse effects of the COVID-19 pandemic on the arts community.

In the fall of 2020, Communications and Granting staff produced several informational videos aimed at artists and arts organizations interested in applying to the **Arts Response Initiative**. The videos, which were produced in English, French and ASL, were posted on OAC's YouTube channel and promoted through Facebook and Twitter, reaching over 2,000 individual viewers. In anticipation of the high demand expected for this one-time program, the videos were designed to help potential applicants understand the program's objectives and parameters: to support projects that help artists and organizations respond to the challenges caused by COVID-19.

Research

Research continuously monitors external arts reports to identify credible findings relating to the personal, social and economic impacts of the arts. OAC Research conducts its own data analysis and research and partners with other organizations on specific research initiatives. Research regularly provides statistical information at the request of the Ministry of Heritage, Sport, Tourism and Culture Industries.

In April 2020, OAC conducted a survey with OAC-funded arts organizations to gather high-level indicators of the early impact of COVID-19. In May 2020, OAC offered arts organizations the opportunity to participate in the **COVID-19 Audience Outlook Monitor**, an international tracking study. Led by consulting firm WolfBrown, the research followed audience attitudes over the fiscal year about returning to in-person arts activities.

Human Resources

Human Resources oversees recruitment and employee—labour relations and is responsible for ensuring that OAC meets its accessibility obligations and is advancing internal equity objectives. It also manages and ensures understanding of expected workplace behaviour through OAC's policies on Respect in the Workplace, Health and Safety, Conflict of Interest and Code of Conduct.

To ensure that OAC is supporting and improving accessibility for employees and members of the public who have disabilities, OAC has a Multi-Year Accessibility Plan that outlines accessibility-related objectives and reports annually on accomplishments. Some notable achievements are the successful desk audit of OAC's requirements under the *Accessibility for Ontarians with Disabilities Act* (AODA), improved access to information for Deaf individuals on OAC's website, and training for front-line staff who provide customer service to individuals with mental health issues or who are in distress, which has been on the rise throughout the pandemic.

The OAC consults with the Deaf and Disability Arts and Access Advisory Group – an external group of arts workers who are Deaf or who have lived experience with disability – regarding OAC policies, programs and services and how they serve the Deaf and disability arts community. The group was able to meet virtually during the pandemic. The group's discussions focused on the impact of the pandemic on the community and OAC's upcoming strategic planning process.

With guidance from its internal Equity Committee, OAC invited presenters to lead presentations and workshops for staff on mental health, Indigenous culture and history and the impact of residential schools, Black history in Ontario and anti-Black racism.

Information Systems and Technology and Operations

Perhaps no staff group at OAC was more affected by the sudden and urgent needs caused by the onset of the pandemic than the Information Systems and Technology (IST) and Operations teams. Almost overnight, this group sourced equipment for 23 OAC employees and trained all staff on how to work effectively from home. The diligence and support from IST and Operations made the transition to working remotely relatively painless for staff and ensured continued service to OAC applicants during uncertain times.

The rapid shift to working remotely also accelerated IST's migration of OAC operations to the cloud and the phasing out of OAC's landline phone system in favour of Microsoft Teams, which has proven to be a cost-effective, innovative solution.

Outreach Activities

The Ontario Arts Council conducts outreach activities to help increase access to programs and services. Outreach not only supports Ontario's artists and arts organizations but also creates links between the arts and other sectors, such as education, tourism and community services.

Throughout the year most program officers and the Northwestern Representative are involved in information sessions, grant application workshops and webinars for new applicants. Outreach activities can also include developing a relationship with a particular group when there is a gap in a community's arts infrastructure.

Northern Ontario

The Ontario Arts Council's Northwestern Representative, Alana Forslund, collaborates with other staff members to support artists and arts organizations located across all northern Ontario regions. During the pandemic, OAC conducted its outreach activities online. In doing so, OAC reached stakeholders from 40 different communities in the Northwest, Northeast and Far North regions of Ontario.

Two northern examples in 2020-21:

- The Ojibwe Cultural Foundation and Anemki Art Collective hosted a session to provide information on OAC's Indigenous Visual Artists' Materials program. Presentations were made by Indigenous Arts Officer Erika Iserhoff and Associate Visual Arts and Craft Officer Lisa Wöhrle.
- The Media Arts Network of Ontario (MANO) and Indigenous Culture and Media Innovations hosted Media Arts Officer Mark Haslam's presentation for media artists in northern Ontario.

With OAC's pivot from in-person to online information sessions, many more northern artists were able to join these sessions, which were promoted through OAC's Communication section and by OAC's Northwestern Representative.

Outreach for the Arts Response Initiative

The Arts Response Initiative was a one-time program created to address the challenges faced by the arts community in the context of COVID-19. Communications and Granting staff developed in-house videos, connected with other organizations to host seven online sessions in English and hosted four online information sessions in French. Partner organizations included the Media Arts Network of Ontario, Indigenous Performing Arts Alliance, Alliance of Arts Councils of Ontario, Cultural Pluralism in the Arts Movement Ontario and Tangled Art + Disability. These organizations were chosen as partners because of their wide reach within the artistic community, particularly to artists and arts organizations from marginalized and priority group communities, including those without a previous relationship with OAC. Overall, OAC's outreach efforts drew about 550 people to these sessions. Leading up to the program deadlines, OAC program staff held hundreds of one-on-one virtual meetings and phone calls with artists and arts administrators to discuss their needs and to guide them on how the Arts Response Initiative could support their goals.

Outreach Activities

Skills Connect

In January and February of 2021, OAC held *Skills Connect*, a series of three professional development and networking sessions (two in English, one in French) about OAC's Skills and Career Development program for Indigenous arts professionals and arts professionals of colour.

In each of the online panel sessions, previous recipients of Skills and Career Development grants shared:

- Their professional arts practice and experience;
- How they developed their practice;
- The challenges they have faced;
- How they are exploring, adapting and finding new ways to work during the pandemic;
- What arts professionals who are Indigenous, Black or persons of colour (IBPOC) need in order to push forward in their careers; and
- Opportunities, resources and ideas for collaboration.

The three sessions were promoted on Facebook and Twitter as well as through a targeted eblast. A total of 179 participants attended, creating new possibilities for mentorship and collaboration among artists and arts professionals who identify as Indigenous, Black or racialized.

2020-21 Granting Programs

Creating and Presenting

Arts médiatiques – projets francophones

Arts visuels et métiers d'art – projets francophones

Arts visuels, arts médiatiques et métiers d'art :

organismes et centres d'artistes autogérés

francophones - fonctionnement

Craft Projects

Curatorial Projects: Indigenous and Culturally Diverse

Dance Organizations: Operating

Dance Projects

Deaf and Disability Arts Projects

Deaf and Disability Arts: Materials for Visual Artists

Édition francophone – fonctionnement

Exhibition Assistance

Indigenous Arts Projects

Indigenous Visual Artists Materials

Literary Creation Projects (Works for Performance)

Literary Creation Projects (Works for Publication)

Literary Organizations Projects
Literary Organizations: Operating

Littérature – projets francophones Major Organizations: Operating

Media Artists Creation Projects

Building Audiences and Markets

Artist-Presenter Collaboration Projects

Diffusion - projets francophones

Diffusion francophone – fonctionnement

Market Development Projects

(no deadline in 2020-21)

Market Development Travel Assistance

(no deadline in 2020-21)

Ontario Arts Presenters Projects

Touring Projects

Engaging Communities and Schools

Artists in Communities and Schools Projects

Artists in Residence (Education)

Arts Organizations in Communities and Schools:

Operating

Indigenous Artists in Communities and Schools

Projects

Media Arts Organizations: Operating

Media Arts Projects

Multi and Inter-Arts Organizations: Operating

Multi and Inter-Arts Projects

Music Creation Projects

Music Organizations: Operating

Music Production and Presentation Projects

Music Recording Projects

Musique – projets francophones

Northern Arts Projects

Public Art Galleries: Operating

Publishing Organizations: Operating

Recommender Grants for Theatre Creators

Recommender Grants for Writers

Théâtre – projets francophones

Théâtre francophone – fonctionnement

Theatre Organizations: Operating

Theatre Projects

Visual Artists Creation Projects

Visual Arts Artist-Run Centres and Organizations:

Operating

Visual Arts Projects

Developing Careers and Arts Services

Arts Service Organizations: Operating

Chalmers Arts Fellowships (no deadline in 2020-21)

Chalmers Professional Development Projects

(no deadline in 2020-21)

Organismes francophones de service aux arts –

fonctionnement

Skills and Career Development: Indigenous Arts

Professionals and Arts Professionals of Colour

Dance Training Projects: Equity and Access

One-Time Pandemic Support for the Arts

Arts Response Initiative: Project Grants for Ad Hoc

Groups, Collectives and Organizations

Arts Response Initiative: Project Grants for Individuals

Arts Response Initiative: Project Grants for

Organizational Partnerships

Granting Highlights

\$78.6 million

Total OAC grants¹

3,488

Total number of grants awarded by OAC

12,056

Total number of grant applications submitted to OAC

1,312

Number of OAC grants to organizations

\$68.2 million

Total in OAC grants to organizations

2,176

Number of OAC grants to individual artists

\$10.4 million

Total in OAC grants to individual artists

\$5.34 per Ontarian²

Total public support to the arts through OAC

206

Total number of Ontario communities where resident artists and arts organizations received OAC grants

123

Total number of Ontario's 124 ridings where artists and arts organizations received OAC grants

¹The 2020-21 grant figures include the Arts Recovery Support Fund, a one-time investment of \$25 million from the Government of Ontario.

² Based on an Ontario population of 14,734,014 as of July 2020. (Source: Statistics Canada, Table 17-10-0005-01)

YEAR IN REVIEW

The Ontario Arts Council's base budget was set at \$60 million in 2020-21 by the Ministry of Heritage, Sport, Tourism and Culture Industries. In early March 2021, the Ministry announced the **Arts Recovery Support Fund**, a one-time investment of \$25 million to be administered by OAC to support the arts sector in its recovery from the COVID-19 pandemic. With this additional funding, the Ontario Arts Council invested \$78.6 million in 206 communities across Ontario in the 2020-21 fiscal year through 2,176 grants to individual artists and 1,312 grants to organizations.

The year 2020-21 was like no other. On March 11, 2020, the World Health Organization declared a worldwide pandemic as COVID-19 spread. Governments across Canada at the federal, provincial and municipal levels followed with travel advisories and restrictions on public gatherings. The Ontario Arts Council's staff began working remotely.

As it became clear that the "return to normal" was not imminent, OAC made several decisions to support artists and organizations adjusting to the pandemic context. All program deadlines in March were extended by two weeks, and flexibility was granted for application requirements such as confirmation letters that might have been difficult to obtain as a result of rapidly changing circumstances. The OAC announced it would work with grant recipients facing unanticipated expenses and changes related to COVID-19 and would not ask for repayment of grants for which related expenses had been incurred. The OAC also stated it would continue to disburse grant payments even in cases of altered events and plans.

Many organizations that receive operating grants saw their public activities halted due to the pandemic and their audiences disappear. A major decision for OAC was to suspend all 2020-21 fiscal year operating program deadlines and assessments. To support these organizations, OAC swiftly processed payments based on their previous operating grant.

Despite the irregular circumstances, OAC continued to administer programs and issue grant payments while working remotely. Project program assessments took place online through virtual meeting platforms, and program staff continued to support applicants by phone and through email. The OAC also continued to support awards programs and carry out research projects for the benefit of Ontario's arts sector.

2020-21 milestones for OAC:

- The Ontario Arts Council extends all April and May program deadlines by two weeks so that artists and arts professionals whose lives and work are impacted by COVID-19 have extra time to develop their applications. (April 1, 2020)
- The OAC announces that it will not award new grants for activities involving travel or in-person gatherings taking place before June 30, 2020. Applicants who proposed such activities to take place before June 30, 2020, are invited to submit revised plans. The Market Development Projects and Chalmers Arts
 Fellowships programs are temporarily paused as a result. (April 9, 2020)
- The OAC announces the temporary pause of the **Market Development Travel Assistance** program because of travel advisories related to the COVID-19 pandemic. (April 14, 2020)

YEAR IN REVIEW

- The OAC announces that it is working on several measures to support artists and organizations through the pandemic, including a response initiative to help artists and arts organizations respond to the impacts of the pandemic. In addition, change and cancellation costs incurred by artists and organizations are now considered eligible expenses. The OAC makes a policy decision not to ask for grant repayment when activities are halted but for which expenses were already incurred. (April 17, 2020)
- The OAC releases the findings of a survey conducted in April 2020 showing high-level indicators of early impacts of COVID-19 on OAC-funded organizations. (May 1, 2020)
- The OAC announces the appointments of Maura Broadhurst as Arts Sector Development Officer and Myron Kozak as Cross-Sectoral Associate Officer. (May 7, 2020)
- Sound designer Deanna H. Choi is announced as the recipient of the 2020 Pauline McGibbon Award. (June 8, 2020)
- Barbara Gilbert is appointed as Associate Francophone Arts Officer. (June 11, 2020)
- Shortlist for the 2020 Ruth and Sylvia Schwartz Children's Book Awards is announced. (June 23, 2020)
- Visual artist Mary Anne Barkhouse is announced as the recipient of the 2020 Ontario Arts Council Indigenous Arts Award. She selects visual artist Olivia Whetung as the Emerging Artist Laureate. (June 25, 2020)
- The Legislative Assembly of Ontario launches the call for nominations for Ontario's first Poet Laureate with the assistance of the Ontario Arts Council. (July 7, 2020)
- Nicole Testa, Annie Boulanger and Kelley Armstrong are announced as winners of the 2020 Ruth & Sylvia Schwartz Children's Book Awards. (July 8, 2020)
- The OAC announces the appointment of Geneviève Painchaud (Ottawa) to Ontario Arts Council board of directors. (July 13, 2020)
- The OAC announces the Arts Response Initiative, a \$1.6-million fund to support artists, ad hoc groups, collectives and organizations adapting their practices and activities in response to the COVID-19 pandemic. (August 11, 2020)
- The OAC announces the suspension of the October 14th deadline for the **Touring Projects** program due to ongoing advisories against travel and public gatherings. (September 1, 2020)
- The OAC launches a series of informational videos that support applicants to the Arts Response Initiative. (September 17, 2020)
- The OAC announces the upcoming retirement of Kathryn Townshend, Director of Research, Policy & Evaluation. (October 5, 2020)
- The OAC launches the search for the new Director of Research, Policy & Evaluation. (October 5, 2020)
- Singer-songwriter Danielle Knibbe is announced as the recipient of the 2020 Colleen Peterson Songwriting Award. (October 20, 2020)
- Dwayne Dixon is appointed as Interim Music Officer. (October 30, 2020)
- **Jessica Deljouravesh** is appointed Interim Associate Director of Granting (Granting Policies and Programs). (November 2, 2020)

YEAR IN REVIEW

- **Rita Davies**, Chair of the OAC board of directors, is named a Member of the Order of Canada. (January 4, 2021)
- **Heather Alinsangan** is appointed as OAC's new Director of Research and Evaluation. (January 11, 2021)
- The Honourable Lisa MacLeod, Minister of Heritage, Sport, Tourism and Culture Industries, announces
 that the Government of Ontario is supporting the arts sector with the Arts Recovery Support Fund, a
 one-time investment of \$25 million for artists and arts organizations to help them overcome financial
 challenges related to the pandemic. Of this \$25 million, \$1 million is designated for individual artists.
 (March 2, 2021)
- The OAC awards 348 grants under the Arts Response Initiative: Project Grants for Individuals program. (notification date March 5, 2021)
- The OAC launches **Artist-Presenter Collaboration Projects**, a temporary program designed to support collaborative initiatives between artists and arts presenters and help them share artistic works with audiences when physical touring is not possible. (March 9, 2021)
- The OAC announces the appointment of Lilly Obina (Ottawa) to the board of directors. (March 11, 2021)
- The OAC awards 138 grants under the Arts Response Initiative: Project Grants for Ad Hoc Groups,
 Collectives and Organizations program. (notification date March 12, 2021)
- The OAC awards 35 grants under the Arts Response Initiative: Project Grants for Organizational Partnerships program. (notification date March 12, 2021)
- The OAC announces the appointment of **Robin Jones (Westport)** to the board of directors. (March 31, 2021)

OUTCOME-BASED PERFORMANCE MEASURES

The Ontario Arts Council has been tracking corporate-level outcomes-based performance measures for more than 10 years. The first set of performance measures tracked outcomes from 2006-07 through 2014-15. In 2016, OAC launched a process to develop new outcomes-based performance measures in the context of the current strategic plan, *Vital Arts and Public Value*. A key purpose of these performance measures is to articulate and then track the public value that OAC provides to the people of Ontario.

The OAC's performance measures framework is based on a logic model that clearly links OAC's key activities to positive societal outcomes – from short-term and mid-term outcomes through to long-term outcomes or impacts. The outcomes and long-term impacts that are identified in OAC's logic model directly align with OAC's strategic plan and mandate – to foster the creation and production of art for the benefit of all Ontarians – as well as with overall government priorities.

Based on best practices in the field, performance measures are attributable to organizational activities. As such, measures are typically outputs (of activities) that relate to short-term outcomes – those outcomes that arise most directly from the organization's activities. For the short-term outcomes in its logic model, OAC identified a number of related performance measures. The measures for each outcome were selected based on what information would be most helpful in guiding decisions and understanding how OAC is achieving its goals.

The framework includes both program-based and operational performance measures. In 2019-20, OAC expanded on the operational impact measures in its performance measures framework, identifying additional measures, indicators and targets relating to service standards in the following areas: administrative efficiency, stakeholder satisfaction and the complaints process.

The key short-term outcomes and selected measures include:

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Short-Term Outcomes	Creation, production, and presentation of vital art in Ontario.	Increased skills and capacity in the arts sector.	More public participation in and appreciation of the arts.	Continuous improvement in fostering a vital and sustainable arts sector.				
	Funding of artists and arts organizations in all parts of the province.	Funding of grants and services that increase skills and capacity.	Opportunities for Ontarians to experience and participate in the arts.	Administrative efficiency in assessment process.				
Measures	Employment and income for arts professionals in Ontario.		Opportunities for people outside Ontario to experience Ontario artists and arts organizations.	Stakeholder satisfaction with OAC processes and decisions.				

OUTCOME-BASED PERFORMANCE MEASURES

A small number of relevant indicators have been identified for each of the above measures. By using a variety of indicators to describe OAC's performance, it is possible to track specific values (# and \$) as well as relative performance (%). The OAC established baselines and targets for each indicator in order to track performance over the implementation time frame of the strategic plan.

The following pages present the report on key short-term outcomes, performance measures and related indicators, including associated targets and results by year. This is an abridged version of a more detailed document, *OAC's Performance Measures Framework*, which includes the logic model and the complete set of performance measures and indicators.

PERFORMANCE MEASURES: OUTCOMES, MEASURES AND INDICATORS

Outcome A: Creation, production, and presentation of vital art in Ontario

Measure	Indicator	Target	Baseline 2013-14 ¹	Results 2014-15	Results 2015-16	Results 2016-17	Results 2017-18	Results 2018-19	Results 2019-20
Funding of artists and arts organizations in all parts of the province	% of Ontario counties/districts where resident artist or arts organization received OAC funding	100%	100%	100%	100%	100%	100%	100%	100%

Measure	Indicators	Target (> baseline over 5 years)	Baseline 2013-14	Results 2014-15	Results 2015-16	Results 2016-17	Results 2017-18 ²
Employment and income for arts professionals in Ontario	# of artists and arts professionals paid (fees or salaries) through OAC-funded activities	> 56,255	56,255	57,001	56,634	62,073	67,375
	\$ value of income paid to artists/ arts professionals through OAC-funded activities	> \$345.9 million	\$345.9 million	\$356.5 million	\$361.9 million	\$382.6 million	\$419.3 million

 $^{^{\}mathrm{1}}$ The 2013-14 baseline was chosen because it is the year before OAC's current strategic plan was launched.

² Presented here and elsewhere in this document are actual figures for 2017-18 as submitted with the 2019-20 OAC operating applications/CADAC, or with the 2017-18 project grant final reports, which represent the most currently available data.

PERFORMANCE MEASURES: OUTCOMES, MEASURES AND INDICATORS

Outcome B: Increased skills and capacity in the arts sector

Measure	Indicators	Target (> baseline over 5 years)	Baseline 2013-14	Results 2014-15	Results 2015-16	Results 2016-17	Results 2017-18	Results 2018-19	Results 2019-20	\$ Value 2019-20
Funding of grants and services that increase skills and capacity	# of artists and arts professionals who attend activities/ events for training and skill development supported or provided by OAC	> 123,725	123,725	128,628	128,444	135,261	161,193			
	# of activities/events for training and skill development supported or provided by OAC	> 4,888	4,888	4,964	4,786	4,951	4,846			
	% of total # grants allocated by OAC for training and skill development	> 8%	8%	8%	8%	9%	9%	8%	6%	\$5.3 million

PERFORMANCE MEASURES: OUTCOMES, MEASURES AND INDICATORS

Outcome C: More public participation in and appreciation of the arts

Measure	Indicators	Target (> baseline over 5 years)	Baseline 2013-14	Results 2014-15	Results 2015-16	Results 2016-17	Results 2017-18
Opportunities for Ontarians to experience and participate in the arts	# of public activities and events produced by OAC-funded artists and organizations in their home communities	> 36,507	36,507	37,037	38,912	40,841	46,880
	# of total audience for home community events in Ontario	> 17.6 million	17.6 million	17.1 million	19.2 million	19.6 million	21.0 million
	# of public activities and events produced by OAC-funded artists and organizations touring in Ontario	> 4,063	4,063	4,762	4,464	4,889	5,175
	# of total audience for touring events in Ontario	> 1.2 million	1.2 million	1.3 million	993,799	1.2 million	891,020
Measure	Indicators	Target (> baseline over 5 years)	Baseline 2013-14	Results 2014-15	Results 2015-16	Results 2016-17	Results 2017-18
Opportunities for people outside Ontario to experience Ontario artists and arts organizations	# of public activities and events produced by OAC-funded artists and organizations and toured nationally (outside Ontario) and internationally # of total audience for events toured nationally	> 4,872 > 1.6 million	4,872 1.6 million	3,727 1.4 million	3,842 1.5 million	4,354 1.6 million	4,225 1.2 million
	(outside Ontario) and internationally						

PERFORMANCE MEASURES: OUTCOMES, MEASURES AND INDICATORS

Outcome D: Continuous improvement in fostering a vital and sustainable arts sector

Measure	Indicator	Target	Baseline 2019-20	2020-21
Administrative efficiency in assessment process	% of applications meeting the service commitment to a 4-month turnaround from program deadline to decision	85%	90%	96%

Measure	Indicators	Target (over 3 years)	Baseline 2019-20	2020-21
Stakeholder satisfaction with OAC processes and decisions	% of applicants who report satisfaction with OAC grant process % of complaints responded to within three business days	90%	90%	87% 100%

RISK EVENTS

During the 2020-21 fiscal year, the COVID-19 pandemic and related public health restrictions had a significant impact on OAC operations. Employees worked remotely during the year as the office was closed, and inprovince travel plans for juries, board and staff were cancelled. To support the solvency of the arts sector, the Government of Ontario provided a special grant to OAC under the **Arts Recovery Support Fund**, which OAC administered during the fiscal year and significantly increased OAC revenue and grant expenditures as a result. The long-term impact of the pandemic is uncertain at this point. The OAC has been adjusting its operations and working with Ontario's arts community to support the recovery and restoration of the sector.

ANALYSIS OF FINANCIAL PERFORMANCE

Overview

The Ontario Arts Council (OAC) receives most of its revenues from the Government of Ontario in the form of general grants as well as special grants for specific programs. In addition, OAC realizes investment income primarily from bank balances as well as restricted and endowment funds in pooled investments. In the fiscal year 2020-21, which ended on March 31, 2021, total revenues were \$86.7 million, an increase of 38.7 per cent from the previous year.

The OAC's expenditures are primarily through investment in Ontario's professional, not-for-profit arts sector in the form of operating grants to arts organizations and project grants and awards to individual artists, ad hoc group and collectives, and organizations. The OAC also incurs service expenses related to programs and services it provides to the arts sector. Administration expenses are primarily employee salaries and benefits. Other notable administrative expenses include office rent, amortization of capital assets, and information services and technology costs. In 2020-21, total expenditures were \$87.0 million, an increase of 39.8 per cent from the previous year.

Revenue

Total revenue for the year was \$86.7 million. The general grant from the Government of Ontario was \$59.9 million, matching the general grant from 2019-20. Total special grants were \$25 million, driven by the Arts Recovery Support Fund, a one-time investment by the Government of Ontario to support the arts sector, which was hit hard by the COVID-19 pandemic. Investment income was \$1.5 million, a decrease from the prior year by \$0.3 million, primarily because of lower realized investment gains in the year.

Expenditures

Total expenditures were \$87.0 million, representing a significant increase from \$62.2 million in the prior year. Special grants increased by \$24.6 million as a result of the new Arts Recovery Support Fund, which provided grants to artists, ad hoc groups, collectives and arts organizations negatively impacted by the COVID-19 pandemic and related public health restrictions. Other granting programs also recorded increases of \$2.1 million, mainly driven by the Arts Response Initiative, a temporary program designed to help artists, ad hoc groups, collectives and organizations adapt their practices and activities to the circumstances of the pandemic. Both administration and services expenditures decreased from the prior year, reflecting operational changes such as employees working remotely and few travel activities due to public health restrictions. Together, administration and services expenses accounted for 9.4 per cent of total expenditures in the year, significantly lower than the 14.6 per cent in the prior year.

OAC FINANCIAL STATEMENTS

Financial Statements of

PROVINCE OF ONTARIO COUNCIL FOR THE ARTS

(OPERATING AS ONTARIO ARTS COUNCIL)

And Independent Auditors' Report thereon

Year ended March 31, 2021

Province of Ontario Council for the Arts

Management's Responsibility for Financial Information

The accompanying financial statements of the Province of Ontario Council for the Arts (the OAC) are the responsibility of management and have been prepared in accordance with Canadian public sector accounting standards.

Management maintains a system of internal controls designed to provide reasonable assurance that financial information is accurate and that assets are protected.

The Board of Directors ensures that management fulfils its responsibilities for financial reporting and internal control. The Finance and Audit Committee and the Board of Directors meet regularly to oversee the financial activities of the OAC, and annually to review the audited financial statements and the external auditor's report thereon.

The financial statements have been audited by the Office of the Auditor General of Ontario, whose responsibility is to express an opinion on the financial statements. The Auditor's Report that appears as part of the financial statements outlines the scope of the Auditor's examination and opinion.

On behalf of management:

Carolyn Vesely

CEO

Jerry Zhang

Director of Finance and Administration

June 9, 2021



INDEPENDENT AUDITOR'S REPORT

To the Province of Ontario Council for the Arts and to the Minister of Heritage, Sport, Tourism and Culture Industries

Opinion

I have audited the financial statements of the Province of Ontario Council for the Arts (operating as Ontario Arts Council), which comprise the statement of financial position as at March 31, 2021 and the statements of operations and changes in fund balances, remeasurement gains and losses and cash flows for the year then ended, 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 the Ontario Arts Council as at March 31, 2021 and the results of its operations, its remeasurement gains and losses and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

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 Ontario Arts Council 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 public sector accounting standards, 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 Ontario Arts Council'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 the Ontario Arts Council either intends to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Ontario Arts Council's financial reporting process.

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www.auditor.on.ca

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 Ontario Arts Council'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 Ontario Arts Council'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 Ontario Arts Council 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for our audit opinion.

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.

ZA

Susan Klein, CPA, CA, LPA Assistant Auditor General

Toronto, Ontario June 9, 2021

(OPERATING AS ONTARIO ARTS COUNCIL)

Statement of Financial Position

March 31, 2021, with comparative information for 2020

						2021		2020
		_	Re	estricted and				
		Operating		endowment				
		fund		funds		Total		Total
Assets								
Current assets:								
Cash	\$	2,033,429	\$	1,539,274	\$	3,572,703	\$	4,253,342
Accounts receivable		36,083		_		36,083		12,870
Prepaid expenses		52,574				52,574		61,348
		2,122,086		1,539,274		3,661,360		4,327,560
Investments (notes 2(b) and 8)		1,100,583		28,883,075		29,983,658		24,317,531
Capital assets (note 3)		821,386		_		821,386		994,631
	\$	4,044,055	\$	30,422,349	\$	34,466,404	\$	29,639,722
Liabilities and Fund Bala	nc	es						
0 11 1 1111								
Current liabilities: Accounts payable and accrued liabilities	\$	265,120	\$	_	\$	265.120	\$	279,867
Deferred contributions (note 4)	Ψ	331,971	Ψ	_	Ψ	331,971	Ψ	280,598
Current portion of deferred lease		00.,0				001,011		200,000
inducement		165,322		_		165,322		165,322
Employee future benefits (note 2(b))		277,722		_		277,722		345,704
		1,040,135				1,040,135		1,071,491
Deferred lease inducement		619,957		_		619,957		785,279
		1,660,092				1,660,092		1,856,770
Fund balances:								
Invested in capital assets		36,107		_		36,107		44,030
Restricted for endowment purposes								
(Schedule 2)		_		70,311		70,311		70,311
Externally restricted funds (Schedule 2)		_		17,063,019		17,063,019		17,871,548
Internally restricted funds (note 5)				6,141,926		6,141,926		6,212,151
Unrestricted		2,163,490		_		2,163,490		1,531,275
Accumulated remeasurement gains		104 260		7 147 000		7 224 450		2.052.627
(Schedule 2)		184,366 2,383,963		7,147,093 30,422,349		7,331,459 32,806,312		2,053,637 27,782,952
	\$	4,044,055	\$	30,422,349	\$	34,466,404	\$	29,639,722

Commitments (note 10) Economic dependence (note 11)

See accompanying notes to financial statements.

On behalf of the Board:

Director

Director

(OPERATING AS ONTARIO ARTS COUNCIL)

Statement of Operations and Changes in Fund Balances

Year ended March 31, 2021, with comparative information for 2020

	Oneveti	f d	Restrict		т.	atal .
	<u>Operati</u>		endowme			otal
	2021	2020	2021	2020	2021	2020
Revenue:						
General grant - Province of Ontario	\$ 59,937,400	\$ 59,937,400	\$ -	\$ -	\$ 59,937,400	\$ 59,937,400
Special grants:						
Arts Recovery Support Fund	24,901,881	_	_	_	24,901,881	_
Creative Engagement Fund	-	4,672	_	_	_	4,672
Canada/Ontario						
French Language Projects	37,500	116,783	_	_	37,500	116,783
Indigenous Culture Fund	49,748	337,894	_	_	49,748	337,894
Investment income (note 8)	253,517	516,720	1,212,089	1,243,922	1,465,606	1,760,642
Fund administration fee (note 6(a))	71,236	68,134	_	_	71,236	68,134
Recovery of prior years' grants	121,463	50,579	_	_	121,463	50,579
Miscellaneous	146,424	260,167	_	_	146,424	260,167
Contributions	· _	· _	17,185	8,254	17,185	8,254
	85,519,169	61,292,349	1,229,274	1,252,176	86,748,443	62,544,525
Expenses:						
Awards and expenses	_	_	234.206	1.211.388	234,206	1,211,388
Grants	52.011.195	51,186,513	1,710,000	424,000	53,721,195	51,610,513
Special grants	24,899,816	328.100	-	-	24,899,816	328.100
Administration (Schedule 1)	7.352.310	7.711.890			7.352.310	7,711,890
Services (Schedule 1)	795.378	1.320.984	_	55.000	7,332,310	1,375,984
Gervices (Scriedule 1)	85,058,699	60,547,487	1,944,206	1,690,388	87,002,905	62,237,875
	03,030,033	00,547,407	1,344,200	1,090,300	07,002,903	02,237,073
Excess of revenue over expenses						
(expenses over revenue)	460,470	744,862	(714,932)	(438,212)	(254,462)	306,650
Fund balances, beginning of year	1,626,948	1,497,921	26,156,004	29,763,738	27,782,952	31,261,659
Interfund transfers (note 5 and Schedule 2)	163,823	(520,644)	(163,823)	520,644	-	-
Net remeasurement change for the year	132,722	(95,191)	5,145,100	(3,690,166)	5,277,822	(3,785,357
Fund balances, end of year	\$ 2,383,963	\$ 1,626,948	\$ 30,422,349	\$ 26,156,004	\$ 32,806,312	\$ 27,782,952

See accompanying notes to financial statements.

PROVINCE OF ONTARIO COUNCIL FOR THE ARTS (OPERATING AS ONTARIO ARTS COUNCIL)

Statement of Remeasurement Gains and Losses

Year ended March 31, 2021, with comparative information for 2020

	2024	2000
	2021	2020
Accumulated remeasurement gains, beginning of year	\$ 2,053,637	\$ 5,838,994
Unrealized gains (losses) attributed to: Portfolio investments Amounts reclassified to the statement of operations:	5,784,823	(3,646,966)
Portfolio investments	(507,001)	(138,391)
Net remeasurement change for the year	5,277,822	(3,785,357)
Accumulated remeasurement gains, end of year	\$ 7,331,459	\$ 2,053,637

See accompanying notes to financial statements.

(OPERATING AS ONTARIO ARTS COUNCIL)

Statement of Cash Flows

Year ended March 31, 2021, with comparative information for 2020

	2021	2020
Cash provided by (used in):		
Operating activities:		
Excess of (expenses over revenue)		
revenue over expenses	\$ (254,462)	\$ 306,650
Items not involving cash:	,	
Gain on income distributions	(807, 160)	(1,118,813)
Gain on sale of investments	(507,001)	(138,391)
Amortization of capital assets	256,349	379,770
Change in deferred lease inducement	(165,322)	(165,322)
Change in non-cash operating working capital:	, ,	(, ,
Accounts receivable	(23,213)	60,354
Prepaid expenses	8,774	(29,845)
Accounts payable and accrued liabilities	(14,747)	(1,003,470)
Deferred contributions	`51,373 [′]	(305,863)
Employee future benefits	(67,982)	(58,962)
	(1,523,391)	(2,073,892)
Capital activities:		
Purchase of capital assets	(83,104)	(34,209)
Investing activities:		
Purchase of new investments	(1,000,000)	(2,000,000)
Proceeds from sale of investments	1,925,856	1,681,826
1 rocceds from said of investments	925,856	(318,174)
	•	(, ,
Decrease in cash	(680,639)	(2,426,275)
Cash, beginning of year	4,253,342	6,679,617
Cash, end of year	\$ 3,572,703	\$ 4,253,342

See accompanying notes to financial statements.

(OPERATING AS ONTARIO ARTS COUNCIL)

Notes to Financial Statements

Year ended March 31, 2021

The Province of Ontario Council for the Arts (operating as Ontario Arts Council) (the "OAC") was established in 1963 by the Government of Ontario to promote the development and enjoyment of the arts across the province. The OAC plays a leadership role in fostering excellence in the arts and making the arts accessible to all Ontarians. The OAC is a registered charity and is exempt from tax under the Income Tax Act (Canada).

1. Significant accounting policies:

(a) Basis of presentation:

The financial statements have been prepared by management in accordance with Public Sector Accounting Standards, which constitutes generally accepted accounting principles for government not-for-profit organizations in Canada. The OAC has elected to use the standards for government not-for-profit organizations that include the 4200 series of the Public Sector Accounting Standards.

The OAC follows the restricted fund method of accounting for contributions.

The OAC has elected not to consolidate controlled entities (note 7).

(b) Fund accounting:

Resources are classified for accounting and reporting purposes into funds that are held in accordance with their specified purposes.

The operating fund reports the publicly funded activities of the OAC funded mainly through a general grant from the Province of Ontario. Funding from the Province of Ontario for restricted programs is accounted for as deferred contributions and recognized when the related expenses are incurred.

The restricted and endowment funds are internally restricted by the OAC or by the terms specified by the donors in their trust agreements.

Grants approved to be paid in the future upon specific requirements being met are not included in the statement of operations and changes in fund balances (note 10(b)).

(OPERATING AS ONTARIO ARTS COUNCIL)

Notes to Financial Statements (continued)

Year ended March 31, 2021

1. Significant accounting policies (continued):

(c) Investment income:

Investment income comprises income on pooled investments and bank balances.

Investment income related to the operating fund is recognized based on the actual number of units held in the pooled investment and recognized as income of the operating fund.

Investment income on the pooled investments related to the restricted and endowment funds is recognized as income of the restricted funds.

(d) Employee benefits:

- (i) The OAC follows Public Sector Accounting Standards for accounting for employee future benefits, which include post-employment benefits payable upon termination. Under these standards, the cost of the post-employment benefits paid upon termination is charged to operations annually as earned.
- (ii) The OAC accrues for vacation pay, sick leave liabilities and other earned benefits for amounts that accrue but have not vested.

(e) Lease inducements:

Lease inducements include a leasehold improvement allowance and free rents received by the OAC. The total amount of the lease inducements is amortized on a straight-line basis over the lease term.

(OPERATING AS ONTARIO ARTS COUNCIL)

Notes to Financial Statements (continued)

Year ended March 31, 2021

1. Significant accounting policies (continued):

(f) Capital assets:

Capital assets are recorded at cost (purchase price). All capital assets are amortized on a straight-line basis over the assets' estimated useful lives as follows:

Audiovisual equipment	5 years
Computer hardware and software	3 years
Furniture and fixtures	5 years
Office equipment	5 years
Office renovations	5 years
Leasehold improvements	Lease term

When a capital asset no longer contributes to OAC's ability to provide services, its carrying value is written down to its residual value.

(g) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Derivative instruments and equity instruments that are quoted in an active market are reported at fair value. All other financial instruments are subsequently recorded at cost or amortized cost unless management has elected to carry the instruments at fair value. Management has elected to record all investments at fair value as they are managed and evaluated on a fair value basis.

Unrealized changes in fair value are recognized in the statement of remeasurement gains and losses until they are realized, when they are transferred to the statement of operations and changes in fund balances.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

All financial assets are assessed for impairment on an annual basis. When a decline is determined to be other than temporary, the amount of the loss is reported in the statement of operations and changes in fund balances and any unrealized gain or loss is adjusted through the statement of remeasurement gains and losses.

(OPERATING AS ONTARIO ARTS COUNCIL)

Notes to Financial Statements (continued)

Year ended March 31, 2021

1. Significant accounting policies (continued):

When the asset is sold, the unrealized gains and losses previously recognized in the statement of remeasurement gains and losses are reversed and recognized in the statement of operations and changes in fund balances.

The standards require an organization to classify fair value measurements using a fair value hierarchy, which includes three levels of information that may be used to measure fair value:

- Level 1 unadjusted quoted market prices in active markets for identical assets or liabilities:
- Level 2 observable or corroborated inputs, other than Level 1, such as quoted prices
 for similar assets or liabilities in inactive markets or market data for substantially the full
 term of the assets or liabilities; and
- Level 3 unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets and liabilities.

The OAC invests in pooled funds that hold investments categorized as Level 1 and Level 2. The OAC categorizes these pooled funds as Level 2.

(h) Foreign currency:

Foreign currency transactions are recorded at the exchange rate at the time of the transaction.

Assets and liabilities denominated in foreign currencies are recorded at fair value using the exchange rate at the financial statement date. Unrealized foreign exchange gains and losses are recognized in the statement of remeasurement gains and losses. In the period of settlement, the realized foreign exchange gains and losses are recognized in the statement of operations and changes in fund balances and the unrealized balances are reversed from the statement of remeasurement gains and losses.

(OPERATING AS ONTARIO ARTS COUNCIL)

Notes to Financial Statements (continued)

Year ended March 31, 2021

1. Significant accounting policies (continued):

i) Related party transactions:

Related party transactions are measured at the exchange value, which is the amount of consideration established and agreed to by the related parties.

j) Use of estimates:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenditures during the year. Significant estimates include valuation of investments, carrying value of capital assets and provisions for certain employee future benefits liabilities. Actual results could differ from those estimates.

2. Employee future benefits:

(a) Pension benefits:

The OAC's full-time employees participate in the Public Service Pension Fund ("PSPF"), which is a defined benefit pension plan for employees of the Province of Ontario and many provincial agencies. The Province of Ontario, which is the sole sponsor of the PSPF, determines the OAC's annual payments to the PSPF. Since the OAC is not a sponsor of the PSPF, gains and losses arising from statutory actuarial funding valuations are not assets or obligations of the OAC, as the sponsor is responsible for ensuring that the PSPF is financially viable. The annual payments to the PSPF of \$444,965 (2020 - \$482,154) are included in salaries and benefits in Schedule 1.

(b) Non-pension benefits:

The cost of post-retirement non-pension employee benefits is paid by the Province of Ontario and is not included in the statement of operations and changes in fund balances.

The amount of unused vacation pay, sick leave liabilities and other earned benefits accrued at year-end was \$277,722 (2020 - \$345,704).

(OPERATING AS ONTARIO ARTS COUNCIL)

Notes to Financial Statements (continued)

Year ended March 31, 2021

2. Employee future benefits (continued):

The OAC has set aside funds to meet these liabilities and other obligations and invested these funds in the same pooled investments as the restricted and endowment funds. As at March 31, 2021, this investment has a market value of \$1,100,583 (2020 - \$871,624) and is shown under the operating fund as investments.

3. Capital assets:

				2021	2020
		Α	ccumulated	Net book	Net book
	Cost	a	mortization	value	value
Audiovisual equipment Computer hardware and	\$ 140,063	\$	136,418	\$ 3,645	\$ 19,399
software	1,015,723		949,309	66,414	46,464
Furniture and fixtures Office equipment	332,355 72,568		317,066 71,380	15,289 1,188	51,376 8,385
Office renovations	81,309		47,603	33,706	20,254
Leasehold improvements	1,476,093		774,949	701,144	848,753
	\$ 3,118,111	\$	2,296,725	\$ 821,386	\$ 994,631

4. Deferred contributions:

	2021	2020
Balance, beginning of year Add amount received during the year Less amount recognized during the year	\$ 280,598 25,000,000 (24,948,627)	\$ 586,461 - (305,863)
Balance, end of year	\$ 331,971	\$ 280,598

(OPERATING AS ONTARIO ARTS COUNCIL)

Notes to Financial Statements (continued)

Year ended March 31, 2021

5. Internally restricted fund balances:

2021	Fund balances beginning of year	Transfer from (to) Operating Fund	Investment income	Awards and expenses paid	end of
Venture fund Board-designated	\$ 2,267,939	\$ _	\$ 496,957	\$ (867,595)	\$ 1,897,301
reserve fund Capital fund	1,117,000 2,234,115	(222,225)	- 487,845	(16,609)	894,775 2,705,351
Granting programs fund	\$ 593,097 6,212,151	\$ 51,402 (170,823)	\$ 984,802	\$ (884,204)	644,499 \$ 6,141,926

2020	Fund balances beginning of year	Transfer from (to) Operating Fund	Investment income (loss)	Awards and expenses paid	Fund balances, end of year
Venture fund Board-designated	\$ 2,487,541	\$ 500,000	\$ (212,191)	\$ (507,411)	\$ 2,267,939
reserve fund	1,828,000	(711,000)	(205 222)	_ (FC2)	1,117,000
Capital fund Granting programs fund	2,000,000 368,453	500,000 224,644	(265,322)	(563) –	2,234,115 593,097
	\$ 6,683,994	\$ 513,644	\$ (477,513)	\$ (507,974)	\$ 6,212,151

6. Related party transactions:

(a) Included in Schedule 2, awards and expenses paid, are administration fees charged by the OAC for providing day-to-day administrative support and services to the restricted and endowment funds held by the OAC. As permitted in the respective agreements, the OAC has levied an administration fee, either on a fixed or percentage basis, on the funds held or on the annual investment income earned by the funds held by the OAC.

	2021	2020
Fund administration fee	\$ 71,236	\$ 68,134

(b) The Ontario Arts Foundation (the "Foundation") is controlled by the OAC's Board of Directors, as described in note 7. During the year, the OAC charged a fee for the administration of the Foundation's awards program which amounted to \$16,064 (2020 – 10,342).

(OPERATING AS ONTARIO ARTS COUNCIL)

Notes to Financial Statements (continued)

Year ended March 31, 2021

7. Ontario Arts Foundation:

The Foundation was incorporated under the Corporations Act (Ontario) on October 15, 1991 and is a registered charity under the Income Tax Act (Canada). The Foundation was established:

- (a) to receive and maintain a fund or funds to apply all or part of the principal and income therefrom to charitable organizations, which are also registered charities under the Income Tax Act (Canada);
- (b) to provide scholarships for study or research in the arts in Ontario or elsewhere; and
- (c) to make awards to persons for outstanding accomplishments in the arts in Ontario or elsewhere.

As defined by Canadian accounting standards for government not-for-profit organizations, the OAC controls the Foundation in that the OAC's Board of Directors controls the election of the Foundation's Board of Directors.

The Foundation's financial statements have not been consolidated in the OAC's financial statements. There are no restrictions on the resources of the Foundation, nor are there significant differences from the accounting policies used by the OAC.

The majority of the fund balances, \$48,580,840 of the total of \$93,268,031 (2020 - \$48,205,262 of the total of \$71,981,456), represents the balances of the individual arts endowment funds held by the Foundation under the Arts Endowment Fund program of the Government of Ontario for a number of arts organizations. Under this program, money contributed and matched is held in perpetuity. The Board of Directors of the Foundation determines the amount of income that may be paid annually.

Audited financial statements of the Foundation are available upon request. Financial summaries of the Foundation, reported in accordance with Canadian public sector accounting standards for government not-for-profit organizations, are as follows:

(OPERATING AS ONTARIO ARTS COUNCIL)

Notes to Financial Statements (continued)

Year ended March 31, 2021

7. Ontario Arts Foundation (continued):

(a) Financial position:

	2021	2020
Assets		
Cash and investments	\$ 93,385,641	\$ 72,169,762
Liabilities and Fund Balances		
Accounts payable and accrued liabilities Fund balances	\$ 117,610 93,268,031	\$ 188,306 71,981,456
	\$ 93,385,641	\$ 72,169,762

(b) Changes in fund balances:

	2021	2020
Fund balances, beginning of year	\$ 71,981,456	\$ 82,551,074
Contributions received	1,967,470	3,333,084
Investment gain	3,439,612	7,149,689
Fund administration fee	413,049	428,272
Awards and expenses	(6,741,189)	(6,094,883)
Net remeasurement gains	22,207,633	(15,385,780)
1		
Fund balances, end of year	\$ 93,268,031	\$ 71,981,456

(c) Cash flows:

	2021	2020
Cash flows used in operating activities Cash flows from investing activities	\$ (4,356,920) 160,648	\$ (2,311,651) 10,584,394
	\$ (4,196,272)	\$ 8,272,743

(OPERATING AS ONTARIO ARTS COUNCIL)

Notes to Financial Statements (continued)

Year ended March 31, 2021

8. Investments and investment income:

Net investment income comprises the following:

	2021	2020
Income distributions Realized gains Bank interest	\$ 807,160 507,001 151,445	\$ 1,118,813 138,391 503,438
	\$ 1,465,606	\$ 1,760,642

The asset mix of the investments is as follows:

	2021	2020
Foreign equities, predominantly U.S.	40%	37%
Fixed income securities	24%	27%
Canadian equities	23%	18%
Alternative investments	12%	13%
Cash and cash equivalents	1%	5%

The OAC holds \$7,169,068 (cost - \$5,346,702) (2020 - \$6,500,408 (cost - \$6,298,383)) in fixed income securities that are exposed to interest rate price risk. The interest rates range from 1.10% to 8.29% (2020 - 1.45% to 8.29%) and mature between June 2022 and March 2081 (2020 – between June 2020 and September 2077).

9. Public sector salary disclosures:

Section 3(5) of the Public Sector Salary Disclosure Act (1996) requires disclosure of Ontario public sector employees who were paid an annual salary in excess of \$100,000 in the calendar year 2020. For the OAC, this disclosure is shown below:

(OPERATING AS ONTARIO ARTS COUNCIL)

Notes to Financial Statements (continued)

Year ended March 31, 2021

9. Public sector salary disclosures (continued):

Surname	Given Name	Position Title	Salary	Taxable benefits
BLACK	CHRIS	Associate Director of Granting, Business Operations	\$105.170	\$139
CALDWELL	PETER	Director and Chief Executive Officer	179.699	247
CHA	JAMES	Manager of Operations	113.533	149
CHALMERS	ELISE	Associate Director of Granting, Policy, Programs	113.737	152
GUNTER	KIRSTEN	Director of Communications	129,653	172
HASLAM	MARK	Media Arts Officer	104,985	138
JUNAID	BUSHRA	Outreach and Development Manager, Access		
		and Career Development Program Officer	110,837	145
LANGGARD	KELLY	Director of Granting	117,500	124
NAQVI	SYED	Manager of Information Systems, Technology	132,698	170
PARSONS	DAVID	Classical Music Officer	107,697	139
SMALL	NINA	Director of Human Resources	128,729	170
TOWNSHEND	KATHRYN	Director of Research, Policy and Evaluation	134,876	172
VESELY	CAROLYN	Chief Executive Officer	235,000	310
ZHANG	JERRY	Director of Finance and Administration	146,647	194

10. Commitments:

(a) Lease commitments:

The OAC leases office premises and office equipment under operating leases expiring up to 2026. The future annual lease payments, including utilities and operating costs, are summarized as follows:

2022 2023 2024 2025 2026	\$ 785,908 792,534 800,720 809,070 611,569
	\$

(b) Grant commitments:

The OAC has approved grants of \$644,499 (2020 - \$593,097), which will be paid in future years once the conditions of the grants have been met. These amounts are not reflected in the statement of operations and changes in fund balances. These amounts are included in the internally restricted fund balance, as described in note 5.

In addition, under the terms and conditions of the Indigenous Culture Fund, the OAC has approved grants of \$108,250 (2020 - \$157,998), which will be paid in future years once the conditions of the grants have been met.

(OPERATING AS ONTARIO ARTS COUNCIL)

Notes to Financial Statements (continued)

Year ended March 31, 2021

11. Economic dependence:

The OAC is dependent on the Province of Ontario for the provision of funds to provide awards and grants and to cover the cost of operations.

12. Financial instruments:

(a) Interest rate and foreign currency risks:

The OAC is exposed to interest rate and foreign currency risks arising from the possibility that changes in interest rates and foreign exchange rates will affect the value of fixed income and foreign currency-denominated investments.

(b) Market risk:

Market risk arises as a result of trading equities and fixed income securities. Fluctuations in the market expose the OAC to a risk of loss. The OAC uses two professional investment managers to advise on investment risks, asset selection and mix to achieve an appropriate balance between risks and returns. The Finance and Audit Committee of the Board of Directors of the OAC monitors investment decisions and results and meets regularly with the managers.

(c) Liquidity risk:

Liquidity risk is the risk that the OAC will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The OAC manages its liquidity risk by monitoring its operating requirements. The OAC prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations. Accounts payable and accrued liabilities are generally due within 30 days of receipt of an invoice.

There has been no change to the above risk exposures from 2020.

PROVINCE OF ONTARIO COUNCIL FOR THE ARTS (OPERATING AS ONTARIO ARTS COUNCIL)

Schedule 1 - Administration Expenses and Services

Year ended March 31, 2021, with comparative information for 2020

		2021		2020
Administration expenses:	_		_	
Salaries and benefits (notes 2(a) and 9)	\$	5,911,543	\$	5,920,368
Office rent and hydro		586,658		567,927
Amortization of capital assets		256,349		379,770
Information Services		223,096		237,154
Communications		104,231		110,286
Miscellaneous		86,903		95,012
Telephone, postage and delivery		58,265		49,626
Maintenance and equipment rental		45,385		59,347
Consulting and legal fees		32,976		118,326
Personnel hiring and training		31,700		73,775
Meetings		7,940		40,958
Office supplies, printing and stationery		5,613		14,180
Travel		1,651		45,161
		7,352,310		7,711,890
Services:				
Jurors and advisors		489,230		525,197
Other programs		306,148		720,084
Canada / Ontario French language projects		_		130,703
		795,378		1,375,984
	\$	8,147,688	\$	9,087,874

(OPERATING AS ONTARIO ARTS COUNCIL)

Schedule 2 - Externally Restricted and Endowment Funds

Year ended March 31, 2021, with comparative information for 2020

2021	Balance of Endowment Fund		Fund balances, beginning of year	Cor	atributions received	Transfer from operating fund		Investment income		Awards and expenses paid		Fund balances, end of year*
The Chalmers Family Fund	\$ -	\$	19.104.230	\$	_	\$ -	\$	5.146.213	\$	(1,045,940)	\$	23,204,503
The Oskar Morawetz Memorial Fund	26,000	,	256,542	•	_	_	•	76,110	,	(2,719)	•	329,933
Dr. Heinz Unger Scholarship Fund	17,235		83,958		_	_		27,259		(972)		110,245
The Leslie Bell Scholarship Fund	9,078		171,059		_	7,000		48,526		(1,709)		224,876
The Vida Peene Fund	_		150,416		17,185	_		40,518		(1,457)		206,662
The John Hirsch Memorial Fund	_		61,963		_	_		16,691		(5,595)		73,059
The Canadian Music Centre										, ,		
John Adaskin Memorial Fund	17,998		23,754		_	_		11,248		(401)		34,601
Colleen Peterson Songwriting Fund	_		14,516		_	_		3,910		(1,139)		17,287
The Ruth Schwartz Fund	-		7,104		_	_		1,912		(70)		8,946
	\$ 70,311	\$	19,873,542	\$	17,185	\$ 7,000	\$	5,372,387	\$	(1,060,002)	\$	24,210,112

2020	Balance of Endowment Fund		Fund balances, beginning of year	Cor	atributions received	Transfer from operating fund	Investment loss	Awards and expenses paid		Fund balances, end of year*
The Obelian in Femilie Found	Φ.	Φ.	00 400 005	•		•	Ф (4.005.040)	(4.444.000)	Φ.	40 404 000
The Chalmers Family Fund The Oskar Morawetz Memorial Fund	\$ – 26,000	\$	22,100,685 308,160	\$	_	\$ -	\$ (1,885,216)	\$ (1,111,239) (23,114)	\$	19,104,230 256,542
					_	_	(28,504)	(, ,		
Dr. Heinz Unger Scholarship Fund	17,235		94,534		_	7.000	(9,534)	(1,042)		83,958
The Leslie Bell Scholarship Fund	9,078		182,134			7,000	(16,311)	(1,764)		171,059
The Vida Peene Fund	_		203,156		8,254	_	(17,329)	(43,665)		150,416
The John Hirsch Memorial Fund	_		68,439		_	_	(5,838)	(638)		61,963
The Canadian Music Centre										
John Adaskin Memorial Fund	17,998		28,117		_	_	(3,934)	(429)		23,754
Colleen Peterson Songwriting Fund	_		16.364		_	_	(1,396)	(452)		14,516
The Ruth Schwartz Fund	_		7,844		_	_	(669)	`(71)		7,104
	\$ 70,311	\$	23,009,433	\$	8,254	\$ 7,000	\$ (1,968,731)	\$ (1,182,414)	\$	19,873,542

^{*}Fund balances end of year include unrealized gain of \$7,147,093 (2020 – \$2,001,994) as presented in the statement of financial position.

BOARD MEMBERS

The Ontario Arts Council's volunteer board of directors sets OAC policies and oversees the organization's operations. Board members also play an important role as advocates for the arts in Ontario and as representatives of OAC in their communities across the province.

Board members are appointed by the Government of Ontario for a three-year term and may be reappointed.

Rita Davies, Toronto

Chair

Appointed Chair July 2015 Reappointed Chair July 2018 Term ends July 2021

Judith Gelber, Toronto

Vice-Chair
Appointed to the board February 2013
Appointed Vice-Chair March 2015
Reappointed Vice-Chair March 2018
Term ended March 2021

Eliza Chandler, Toronto

Appointed to the board August 2017 Term ended August 2020

Alexandra De Gasperis, Toronto

Appointed to the board July 2019 Term ends July 2022

Robin Jones, Westport

Appointed to the board March 2021 Term ends March 2024

Susan Lahey, Mount Albert

Appointed to the board April 2019 Term ends April 2022

Mary Meffe, Toronto

Appointed to the board October 2019 Term ends October 2022

Kyan Nademi, Toronto

Appointed to the board June 2019 Term ends June 2022

Lilly Obina, Ottawa

Appointed to the board January 2021 Term ends January 2024

Geneviève Painchaud, Ottawa

Appointed to the board May 2020 Term ends May 2023

Dani Peters, Toronto

Appointed to the board May 2019 Term ends May 2022

Janet E. Stewart, London

Appointed to the board September 2014 Reappointed September 2017 Term ended September 2020

David Tsubouchi, Baltimore

Appointed to the board December 2018 Term ends December 2021

EXECUTIVE STAFF

Carolyn Vesely

CEO

Kirsten Gunter

Director of Communications

Kelly Langgard

Director of Granting

Nina Small

Director of Human Resources

Kathryn Townshend

Director of Research, Policy and Evaluation (until December 2020)

Heather Alinsangan

Director of Research and Evaluation (from January 2021)

Jerry Zhang

Director of Finance and Administration

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