

**FEDERATION OF CANADIAN ARTISTS**

**FINANCIAL STATEMENTS**

(Unaudited)

**DECEMBER 31, 2015**

# FEDERATION OF CANADIAN ARTISTS

DECEMBER 31, 2015

## TABLE OF CONTENTS

	<u>Page</u>
<b>REVIEW ENGAGEMENT REPORT</b>	
<b>FINANCIAL STATEMENTS</b>	
Statement of Financial Position	1
Statement of Operations and Change in Net Assets	2
Statement of Cash Flow	3
Notes to Financial Statements	4

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### REVIEW ENGAGEMENT REPORT

I have reviewed the statement of financial position of Federation of Canadian Artists as at December 31, 2015 and the statements of operations and changes in net assets and cash flow for the year then ended. My review was made in accordance with Canadian generally accepted standards for review engagements and accordingly consisted primarily of enquiry, analytical procedures and discussion related to information provided to me.

A review does not constitute an audit and consequently I do not express an audit opinion on these financial statements.

Based on my review nothing has come to my attention that causes me to believe that these financial statements are not, in all material respects, in accordance with Canadian accounting standards for not-for-profit organizations.

Pemberton, B.C.

June 30, 2016

CHARTERED PROFESSIONAL ACCOUNTANT

# FEDERATION OF CANADIAN ARTISTS

## STATEMENT OF FINANCIAL POSITION

(Unaudited )

AS AT DECEMBER 31, 2015

	<u>2015</u>	<u>2014</u>
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 162,977	\$ 92,138
Accounts receivable	1,058	323
Inventory	16,655	840
Prepaid expenses	<u>1,481</u>	<u>1,481</u>
	182,171	94,782
<b>WORKS OF ART</b> (Note 1)	3,000	3,000
<b>CAPITAL ASSETS</b> (Note 2)	<u>3,684</u>	<u>4,943</u>
	<u>\$ 188,855</u>	<u>\$ 102,725</u>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	\$ 17,236	\$ 17,602
Deferred revenue	<u>100,919</u>	<u>67,565</u>
	<u>118,155</u>	<u>85,167</u>
<b>NET ASSETS</b>		
<b>NET ASSETS</b>	<u>70,700</u>	<u>17,558</u>
	<u>\$ 188,855</u>	<u>\$ 102,725</u>

**APPROVED BY THE DIRECTORS:**

\_\_\_\_\_ Director

\_\_\_\_\_ Director

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

# FEDERATION OF CANADIAN ARTISTS

## STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS

(Unaudited)

FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>2015</u>	<u>2014</u>
<b>REVENUES</b>		
Membership fees	\$ 150,288	\$ 130,638
Classes and workshops	35,360	41,932
Gallery sales and exhibition fees	153,431	114,966
Government grants	500	3,198
Donations and fundraising	32,985	17,287
International Juried Exhibitions	21,620	21,085
Paintings, by Numbers event	159,276	174,269
Magazine	8,105	8,016
Miscellaneous	-	8,869
Rental shows	-	6,515
	<u>561,565</u>	<u>526,775</u>
<b>EXPENSES</b>		
Amortization	1,260	1,617
Artists' share of sales	41,208	46,541
Classes and workshops	21,532	27,462
Gallery operations	25,903	16,470
International Juried Exhibitions	15,366	15,981
Magazine and postage	30,398	34,969
Office and administration	39,011	49,432
Paintings, by Numbers event	129,979	152,016
Premises	25,365	28,399
Professional fees	7,033	10,739
Salaries and benefits	<u>171,368</u>	<u>155,906</u>
	<u>508,423</u>	<u>539,532</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES</b>	53,142	(12,757)
<b>NET ASSETS</b> , beginning of year	<u>17,558</u>	<u>30,315</u>
<b>NET ASSETS</b> , end of year	<u>\$ 70,700</u>	<u>\$ 17,558</u>

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

# FEDERATION OF CANADIAN ARTISTS

## STATEMENT OF CASH FLOW

(Unaudited)

DECEMBER 31, 2015

	<u>2015</u>	<u>2014</u>
<b>CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>		
Net income (loss)	\$ 53,142	\$ (12,757)
Items not requiring an outlay of cash:		
Amortization	<u>1,260</u>	<u>1,617</u>
	54,402	(11,140)
<b>CHANGES IN NON-CASH WORKING CAPITAL</b>		
<b>BALANCES</b>		
Accounts receivable	(735)	5,022
Inventories	(15,815)	210
Prepaid expenses	-	(1,049)
Accounts payable and accrued liabilities	(367)	(7,624)
Deferred revenue	<u>33,354</u>	<u>12,047</u>
	<u>17,697</u>	<u>10,223</u>
	<u>70,839</u>	<u>(2,534)</u>
<b>INCREASE (DECREASE) IN CASH</b>	70,839	(2,534)
<b>CASH, beginning of year</b>	<u>92,138</u>	<u>94,672</u>
<b>CASH, end of year</b>	<u>\$ 162,977</u>	<u>\$ 92,138</u>

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

# FEDERATION OF CANADIAN ARTISTS

## NOTES TO THE FINANCIAL STATEMENTS

(Unaudited - See Notice to Reader)

DECEMBER 31, 2015

The Federation of Canadian Artists (the "Society") was formed under the laws of the Province of British Columbia. Its purpose is to promote and enhance visual arts for members and the public across Canada.

### 1. WORKS OF ART

As at December 31, 2015, the collection consisted of approximately 510 (2014 - 510) works of art. As at December 31, 2015, the fair market value of the total collection is approximately \$470,000 (2014 - \$470,000).

### 2. CAPITAL ASSETS

Capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. Amortization is provided annually at rates calculated to write-off the assets over their estimated useful lives as follows:

Computers	30% diminishing balance
Furniture and fixtures	20% diminishing balance
Leasehold improvements	20% straight line

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net 2015</u>	<u>Net 2014</u>
Computers	\$ 26,124	\$ 24,982	\$ 1,142	\$ 1,631
Computer software	1,388	1,388	-	-
Furniture and fixtures	46,078	43,716	2,362	2,952
Leasehold improvements	<u>13,157</u>	<u>12,977</u>	<u>180</u>	<u>360</u>
	<u>\$ 86,747</u>	<u>\$ 83,063</u>	<u>\$ 3,684</u>	<u>\$ 4,943</u>