
FINANCIAL STATEMENTS

FEDERATION OF CANADIAN ARTISTS

December 31, 2025

FEDERATION OF CANADIAN ARTISTS

FINANCIAL STATEMENTS

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for the year ended December 31, 2025

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INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members of Federation of Canadian Artists

We have reviewed the accompanying financial statements of **Federation of Canadian Artists** that comprise the statement of financial position as at December 31, 2025 and the statements of operations, changes in net assets, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility 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 misstatements, whether due to fraud or error.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Federation of Canadian Artists as at December 31, 2025, 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 (ASNPO).

Burnaby, BC
March 10, 2026



Pace Accounting Inc.
Chartered Professional Accountants

FEDERATION OF CANADIAN ARTISTS
STATEMENT OF FINANCIAL POSITION

as at December 31

	2025	2024
	\$	\$
ASSETS		
CURRENT		
Cash and Cash Equivalents	215,295	118,653
Inventory (Note 2 and Note 3)	508,824	490,149
Prepaid Expenses	3,310	22,112
	727,429	630,914
LONG-TERM		
Works of Art Collection (Note 2 and 4)	1	1
Tangible Capital Assets (Note 2 and Note 5)	23,221	31,628
	750,651	662,543
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts Payable and Accrued Liabilities (Note 6)	27,260	27,734
Deferred Revenue (Note 7)	652,503	598,286
	679,763	626,020
NET ASSETS		
Unrestricted Net Assets	70,888	36,523
	750,651	662,543

Commitments (Note 8)

Contingent Liability (Note 12)

see accompanying notes to financial statements

Director:

Director:

FEDERATION OF CANADIAN ARTISTS**STATEMENT OF CHANGES IN NET ASSETS**

for the year ended December 31

	Unrestricted \$	2025 Total \$	2024 Total \$
NET ASSETS			
Balance, beginning of year	36,523	36,523	99,938
Excess of Revenues over Expenses	34,365	34,365	(63,415)
Balance, end of year	70,888	70,888	36,523

see accompanying notes to financial statements

FEDERATION OF CANADIAN ARTISTS**STATEMENT OF OPERATIONS**

for the year ended December 31

	2025	2024
	\$	\$
REVENUES		
Membership Fees	228,760	231,015
Sales - Paintings	207,603	159,306
Workshops	178,156	201,702
Jury and Exhibition	163,611	194,517
Donations and Fundraising	101,771	35,934
Rental	52,350	46,165
Sales - Merchandise and Miscellaneous	13,697	9,447
Grants	10,037	11,102
Magazine	3,365	3,865
	959,350	893,053
EXPENSES		
Salaries and Benefits	402,340	431,910
Artists' Share of Sales	132,862	117,258
Workshops	118,066	113,566
Office and Administration	73,626	82,187
Premises	67,658	69,610
Exhibition Expenses	50,898	85,254
Donated Artwork and Supplies	28,325	2,992
Fundraising	16,570	216
Magazine and Postage	11,697	24,320
Professional Fees	9,063	11,299
Amortization	8,407	7,355
Advertising and Promotion	5,473	7,062
	924,985	953,029
Income (Loss) from Operations	34,365	(59,976)
Loss on Disposal of Capital Assets	—	3,439
Excess (Deficiency) of Revenues over Expenses	34,365	(63,415)

see accompanying notes to financial statements

FEDERATION OF CANADIAN ARTISTS
STATEMENT OF CASH FLOWS

for the year ended December 31

	2025	2024
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Excess (deficiency) of revenues over expenses	34,365	(63,415)
Adjustments to reconcile net income to cash provided by operating activities:		
Amortization	8,407	7,355
Loss on disposal of capital assets	—	3,439
Change in non-cash working capital items:		
(Increase) Decrease in Inventory	(18,675)	2,993
(Increase) Decrease in Prepaid Expenses	18,802	(18,194)
Increase (Decrease) in Payables and Accrued Liabilities	(474)	9,423
Increase (Decrease) in Deferred Revenue	54,217	(43,058)
Cash provided by (used in) operating activities	96,642	(101,457)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of Property and Equipment	—	(24,347)
Cash provided by (used in) investing activities	—	(24,347)
INCREASE (DECREASE) IN CASH	96,642	(125,804)
Cash and Cash Equivalents, beginning of year	118,653	244,457
Cash and Cash Equivalents, end of year	215,295	118,653

Cash and Cash Equivalents Consist of:

Cash Deposits in Bank	215,295	118,653
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see accompanying notes to financial statements

FEDERATION OF CANADIAN ARTISTS

NOTES TO FINANCIAL STATEMENTS

December 31, 2025

Note 1 - Purpose of Organization

Federation of Canadian Artists (B.C. Region) was incorporated under the Societies Act of British Columbia and later changed its name to Federation of Canadian Artists (the "Society"). The Society is a registered charity and as such is exempt from income taxes under the *Income Tax Act*. The purpose of the Society is to promote and enhance visual arts through exhibition and education for its members as well as for the public across Canada.

Note 2 - Significant Accounting Policies

Basis of Accounting

The financial statements of the Society have been prepared in accordance with Canadian Accounting Standards for Not-for-Profit Organizations ("ASNPO") in Part III of the *CPA Canada Handbook* and include the following significant accounting policies:

Revenue Recognition

The Society follows the deferral method of accounting for grants and contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Contributions restricted for the purchase of capital assets are deferred and amortized into revenue at a rate corresponding with the amortization rate for the related capital asset. Unrestricted contributions are recognized as revenue when received or receivable if the amount can be reasonably estimated and collection is reasonably assured.

Membership fees are recognized as revenue on calendar year basis. Classes and workshop fees are recognized as revenue upon completion of the course. Revenue from sales and fees is recognized when the goods are delivered or when the services are provided. Rental income is recorded as earned.

Donated goods and services (exclusive of volunteer time) are recorded at their estimated fair market value and when the material and services are used in the normal course of the Society's operations and would otherwise have been purchased.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash deposits with banks and short-term deposits with a maturity period of three months or less from the date of acquisition.

Inventory

Purchased inventory is valued at the lower of cost and net realizable value. The value of donated goods and paintings is generally determined on the specific identification basis by management, but occasionally the value is determined by appraisal if the donations are significant.

FEDERATION OF CANADIAN ARTISTS

NOTES TO FINANCIAL STATEMENTS

December 31, 2025

Note 2 - Significant Accounting Policies (Continued)

Works of Art Collection

Donated artworks from the Estate of Stafford Plant and the permanent collection donated by members are recorded at a nominal value. The Society periodically examines the estimated fair market value of these artworks. Conservation costs are expensed in the year in which they are incurred.

Tangible Capital Assets

Purchased tangible capital assets are carried at cost less accumulated amortization. Contributed capital assets are recorded at fair value at the date of contribution. Capital assets are amortized as follows:

Computer equipment	30% declining balance
Furniture, fixtures and equipment	20% declining balance
Leasehold improvements	5 years straight-line

Financial Instruments

Measurement of Financial Instruments

The Society initially measures its financial assets and liabilities at fair value. The Society subsequently measures all its financial assets and liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in the statement of operations.

Financial assets measured at amortized cost include cash. Financial liabilities measured at amortized cost include accounts payable.

Impairment

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in the statement of operations. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in the statement of operations.

Statement of Cash Flows

The statement of cash flows is prepared on a net cash basis and cash flows from operating activities are reported using the indirect method.

FEDERATION OF CANADIAN ARTISTS

NOTES TO FINANCIAL STATEMENTS

December 31, 2025

Note 2 - Significant Accounting Policies (Continued)

Use of Estimates

The preparation of financial statements in accordance with Canadian Accounting Standards for Not-for-Profit Organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant areas requiring the use of management estimates include valuation of works of art and determination of useful lives of capital assets. Actual results could differ from those estimates.

Note 3 - Inventory

Inventory consists of:

	2025	2024
	\$	\$
Lithographic and Silkscreen Prints	447,100	423,160
Paintings	45,559	49,659
Art Cards and Miscellaneous Items	13,165	14,330
Estate of Stafford Plant Paintings *	3,000	3,000
	508,824	490,149

* Estate of Stafford Plant Paintings

	2024	2025	
		Change in year	Closing
Held for Sale	194	-5	189
Not for Sale	9		9
	203	-5	198

* Since the fair market value of these donated paintings cannot be reasonably determined, a nominal value of \$3,000 is recorded as inventory. There were 5 pieces sold during the year for \$5,175 (2024 -2 pieces sold for \$650).

The donated inventory is recorded at appraisal or estimate value at the time of donation. The recognized value subjects to measurement uncertainty. It is reasonably possible, based on existing knowledge, that changes in future conditions in the near term could require a material change in the recognized amount.

FEDERATION OF CANADIAN ARTISTS

NOTES TO FINANCIAL STATEMENTS

December 31, 2025

Note 4 - Works of Art Collection

The collection consists mainly of original paintings that are not held for sale. There are 105 paintings, 25 prints, and 7 miscellaneous works of art donated by members, and 9 paintings from the bequest of the Estate of Stafford Plant. Since the fair market value of these donated paintings cannot be reasonably determined, the items in question are recorded at a nominal value of \$1. During the year, the organization incurred an expense of \$nil (2024 - \$nil) for the normal maintenance of its permanent collection of works of art.

Note 5 - Tangible Capital Assets

Tangible capital assets consist of:

	2025			2024
	Cost	Accumulated Amortization	Net	Net
	\$	\$	\$	\$
Furniture, Fixtures and Equipment	71,563	62,914	8,649	10,810
Computer Equipment	27,042	12,470	14,572	20,816
Leasehold Improvements	4,210	4,210	-	-
	102,815	79,594	23,221	31,626

Total capital assets additions were \$nil in the year (2024 - \$24,347).

Note 6 - Accounts Payable and Accrued Liabilities

	2025	2024
	\$	\$
Trade Payables	5,662	2,491
Payable to Chapters	15,160	8,893
Government Remittances	5,780	12,129
Staff Payroll Payable	658	4,221
	27,260	27,734

FEDERATION OF CANADIAN ARTISTS

NOTES TO FINANCIAL STATEMENTS

December 31, 2025

Note 7 - Deferred Revenue

Deferred revenue consists of the following:

	2024	2025		
	Beginning	Received	Earned	Closing
	\$	\$	\$	\$
Deferred Donations *	485,984	47,000	(27,160)	505,824
Deferred Membership Dues	101,550	251,660	(228,760)	124,450
Deferred Jury Fees	-	6,944	-	6,944
Deferred Income - Retreat	2,750	111,375	(114,125)	-
Deferred Contributions**	7,000	-	(1,000)	6,000
Deferred Workshop Fees	675	67,411	(64,031)	4,055
Deferred Awards	-	4,000	-	4,000
Deferred Gaming Grant	37	11,230	(10,037)	1,230
	597,996			652,503

* Included in the deferred donations are the donated artworks held for sale. The earned value \$27,160 is included in the donation revenues as in-kind donations.

** Deferred Contributions are restricted donation (\$10,000) received for first place in Abstract Exhibition prizes of \$1,000 to be awarded annually.

Note 8 - Commitments

The Society's leases for premises with Canada Mortgage and Housing Corporation (CMHC) expired in 2023. The leases have not been renewed and the rent is now on a month to month basis.

The current monthly rent is \$1,947 for office and \$2,405 for studio space.

Note 9 - Related Parties

Chapters

The Society has fourteen individual Chapters operating in various cities in British Columbia, Alberta, and Ontario. Formation of FCA Chapters is optional, members' participation in Chapters is optional and Chapters are self-supporting. The Chapters are separate entities as collective members. The Society has no authority pertaining to the governance and operations of a Chapter and assumes no liability or commission in any financial or legal or other matter that may arise pertaining to any Chapter.

FEDERATION OF CANADIAN ARTISTS

NOTES TO FINANCIAL STATEMENTS

December 31, 2025

Note 9 - Related Parties (Continued)

The Society's financial statements do not include the financial activities of the Chapters. The Society may contribute \$100 to their start up. Sometimes the Society collects submission fees for online jurying and also collects affiliation fee and donations on behalf of the Chapters (which are then transferred to the Chapters, less processing charges), but otherwise the Society has no financial interaction with these Chapters. The following transactions relating to Chapters are recorded in the Society's revenues and expenses:

	2025	2024
	\$	\$
Revenues:		
Chapter Jury Fees	21,218	41,784
	21,218	41,784
Expenses:		
Chapter Show Reimbursements	(19,806)	(48,424)
	(19,806)	(48,424)

The Society received donated artwork from one Board member valued at \$4,950 in year.

All related party transactions are recorded at the exchange value. This value corresponds to the consideration agreed upon by the parties.

Note 10 - Financial Instruments

The significant risks arising from financial instruments to which the Society is exposed as at December 31, 2025 are detailed below.

Liquidity Risk

Liquidity risk is the risk that the Society will encounter difficulty in meeting obligations associated with financial liabilities. The Society is exposed to this risk mainly in respect of its accounts payable. Cash flow from operations provides a substantial portion of the Society's cash requirements.

Note 11 - Remuneration

As required by the Societies Act of British Columbia for disclosure of any remuneration paid to directors and remuneration paid to employees or contractors in excess of \$75,000 per year, the Society paid \$5,460 to two directors for fees for services, and no employees or contractors were paid over \$75,000 in year.

FEDERATION OF CANADIAN ARTISTS

NOTES TO FINANCIAL STATEMENTS

December 31, 2025

Note 12 - Contingent Liability

The Society receives and sells works of art on consignment. In the event of a fire, flood or similar disaster in their gallery, the Society would be liable for any damages to these paintings. An estimate of the amount of the contingent liability cannot be made. Paintings are insured and management believes that the insurance coverage is adequate.