

2024: A Year in Review

The Gordon and Marion Smith Foundation for Young Artists



Annual General Meeting

September 17, 2025



Message from the Chair

Each year when I sit down to reflect on the work of our Foundation, I am reminded of how extraordinary this community truly is. What we have accomplished together is not simply the success of an organization—it is the shared story of people who believe in the power of creativity to transform lives.

To our financial supporters and donors: thank you. Your generosity is the lifeblood of our mission. Every gift, large or small, has helped open doors for young artists who might otherwise never have found a stage, a canvas, or an audience for their voices. You are fueling dreams and shaping the future.

To our volunteers: your time and energy are gifts beyond measure. From lending a hand at events to advancing our cause in the community, you show us every day what it means to serve with heart. You remind us that the spirit of giving is not only financial, but personal.

To my fellow directors: your wisdom, support, and steady guidance ensure that the Foundation moves forward with clarity and purpose. I am deeply grateful for your commitment and leadership.

And to our Executive Director, Meredith Preuse—thank you. Your vision, dedication, and tireless work have been the driving force behind so many of our achievements each year. The impact of your leadership is visible in every young artist we support, in every program we deliver, and in the bright future we are helping to build.

The dedication and generosity of all the Foundation's advocates—both financial and personal—enable the Foundation to provide a generous and reliable annual contribution in support of the exceptional Artists for Kids programs. In addition, the Foundation funds scholarships for graduating high school students pursuing further education in the fine arts, curates the annual summer exhibition at the Gordon Smith Gallery, and oversees public access to the Smith gallery.

Looking ahead, our work is far from finished. There are more young artists waiting for encouragement, more programs yet to grow, and more dreams ready to take flight. I ask you to continue walking with us on this journey. With your ongoing support, we can expand our reach, deepen our impact, and ensure that the next generation of artists is nurtured, celebrated, and empowered.

I wish to thank everyone for believing in this mission, and for standing with us in bringing an enduring appreciation of visual art.

Paul Killeen, Chair, Board of Directors

Message from the Executive Director



It is my sincere pleasure to welcome you to this review the Gordon and Marion Smith Foundation's achievements and milestones in 2024. The year has been marked by remarkable accomplishments, driven by our shared dedication to supporting young artists and fostering a vibrant cultural community.

For students, exposure to the visual arts plays a vital role in creative and academic development, providing an outlet for emotional expression, a constant source of inspiration, and a resource for critical thinking.

In 2024, we launched the Gordon Smith Gallery Speaker Series, focusing on "Art Education, For Life." This series brought together luminaries from various fields—renowned artists, scientists, thought leaders, and business leaders—to illuminate the profound impact of art education on their journeys. The insights shared by these esteemed speakers have been truly inspiring, underscoring the transformative power of the arts.

Our annual Spring Exhibition "Prevailing Landscapes," curated by Jackie Wong, featured artists Kim Dorland, Stan Douglas, Tim Gardner, Cameron Kerr, Krystle Silverfox, Ian Wallace, Jin-Me Yoon, and Karen Zalamea. This stunning exhibition celebrated the diverse perspectives and artistic visions of these remarkable talents, captivating audiences and sparking meaningful conversations.

Our belief in the importance of arts education and our collaborative work with the art educators within Artists for Kids ensures visual arts literacy is seen not as an afterthought to curation, but as the purpose of each step we take. We have witnessed the impact of art – from hands-on studio experiences to first encounters with the Gallery or great Canadian artwork – and believe that art gives people of all ages essential tools to inform their diverse opinions and learning experiences.

Meredith Preuss, Executive Director

2024 Highlights

The Gordon and Marion Smith Foundation achieved significant milestones in 2024, advancing its commitment to fostering young artistic talent and visual arts literacy.



Financial Highlights

- Disbursed **\$102,500** for artistic initiatives.
- Funds strategically allocated for maximum impact.



Key Programs

- **Speaker Series:** Engaged audiences with leading artists.
- **Exhibition:** Showcased diverse artistic interpretations.
- **Workshops:** Fostered creativity in over 150 children.



Community Engagement

- Over **400 attendees** at annual reception.
- **150+ children** reached through workshops.
- **40+ dedicated volunteers** contributed.

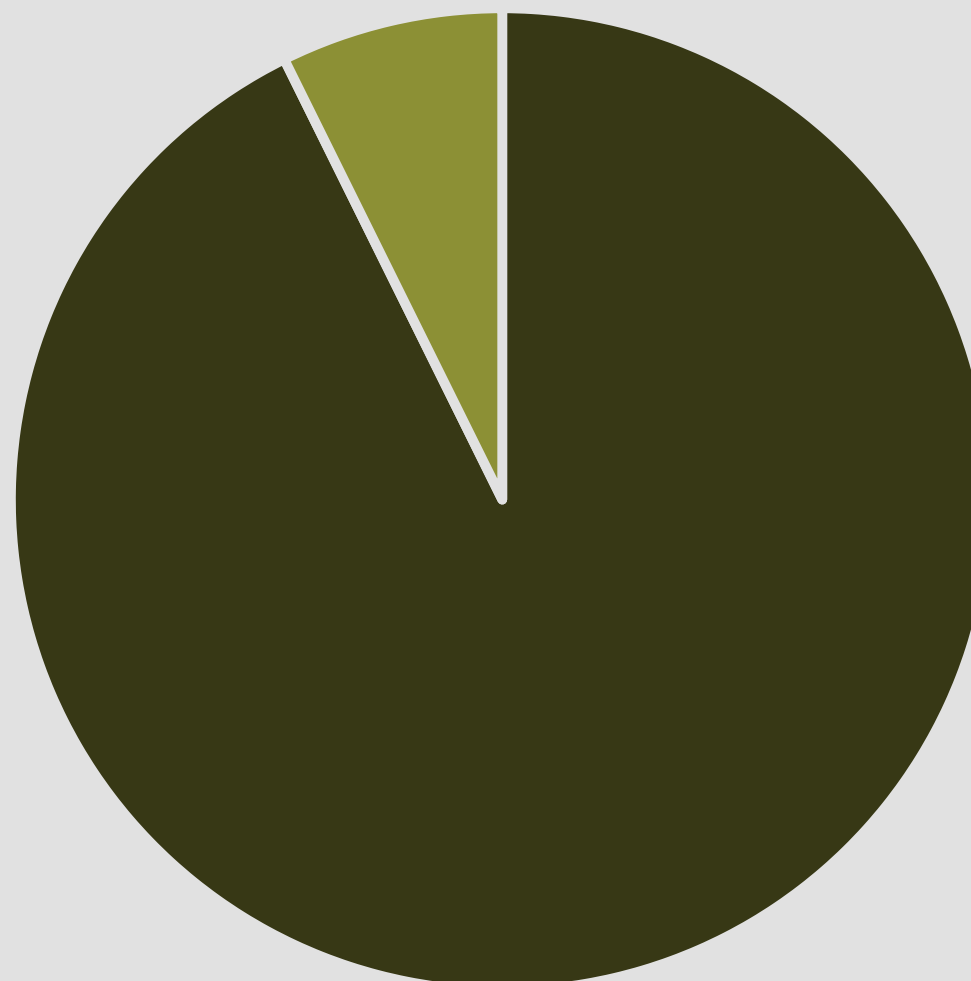
In 2024, the Foundation reinforced its mission to cultivate the next generation of artists and ensure visual arts literacy remains a cornerstone of our community. These achievements underscore our commitment to accessible and inspiring artistic experiences.

Financials & Community Impact

In 2024, the Foundation demonstrated strong financial stewardship and deep community engagement, strategically allocating resources to amplify our reach and artistic impact.

Funding Allocation

We disbursed \$102,500 to foster young artistic talent and enrich the visual arts. Key beneficiaries included Artists for Kids (\$95,000) and Scholarship Programs (\$7,500).



■ Artists for Kids ■ Scholarship Programs

Valued Donors

Our achievements are powered by the generous support of a diverse donor base.

Corporate Partners

Businesses providing significant financial and in-kind support.

Individual Patrons

Personal donations from dedicated individuals form our funding bedrock.

Foundational Grants

Support from philanthropic organizations aligning with our mission.

Community Engagement

Our programs thrive on enthusiastic community participation, reflecting widespread appreciation for the arts:

40+

Dedicated Volunteers

Contributed countless hours to program delivery and event coordination.

800+

Gallery Visitors

Enjoyed by-donation admission to the Gordon Smith Gallery.

150+

Explore & Create Participants

Young aspiring artists engaged through hands-on workshops and activities.

These figures highlight the collective effort to promote and preserve visual arts for future generations.

Recognizing Our Generous Donors

The Gordon and Marion Smith Foundation for Young Artists would not be where it is today without the support of its **donors, sponsors, grant agencies, and other benevolent Foundations**. Whether through **in-kind or cash donations**, we are incredibly grateful to all who continue to help inspire the next generation of Canadian artists and create a society with rich visual arts literacy.

Individual Donors

\$50,000+

- Richard and Annette Savage

\$5000 - \$50,000

- Stan Douglas
- Allison and Robert Watt
- Iain Mant

\$1000-\$5000

- Patricia Cross
- Justine Marchland
- In memory of Barbara Allison
- Paul Killeen
- Anne Watt

\$100-\$1000

- Bill Macdonald
- Maragret Amy McInnes
- Alan and Elizabeth Bell
- Allan Lynch
- Elsie and Audrey Jang
- Margaret Tingley
- Yvonne and Henry Wakebayashi
- Meg Elliot
- Beverly Wong

\$25-\$100

- Natalie Drache
- Elena Kropova
- Bronwen Payerle

Organizational Supporters

- The Tuey Charitable Foundation
- The Audain Foundation
- The Christopher Foundation
- The Andrew Mahon Foundation

Sponsors

- Polygon Homes
- PARC Retirement Living
- Anthem Properties Group

Granting Organizations

- Canada Council for the Arts
- Gouvernement of Canada - Young Canada Works
- North Vancouver Recreation and Culture Commission

Partners and Collaborators

- Artists for Kids
- North Vancouver School District
- Capture Photography Festival

2024 Programs and Impact at a Glance



Speaker Series

5 insightful sessions with notable artists and educators. Enriched visual arts literacy for all attendees.



Exhibition: Prevailing Landscapes

Critically acclaimed exhibition (April-June) showcasing 8 diverse artists. Explored landscapes and drew significant public engagement.



Concert Series

Vibrant series blending musical genres. Enriched cultural experience and attracted new audiences.



Explore & Create Saturdays

Weekly hands-on art workshops for families. Fostered creativity and artistic exploration for children and youth.



Scholarship Programs

Provided scholarships to students graduating from North Van, West Van, and Vancouver secondary schools.



Support for AFK

Provided essential financial support to Artists for Kids' 35+ year art education program.

Each program reinforced our commitment to cultivating the next generation of artists and enriching the community's cultural landscape through accessible artistic experiences.

Art Education, for Life: 2024 Speaker Series

This 2024 Speaker Series weaves the threads of creativity into the fabric of diverse career and life paths. The series serves as a nexus, gathering luminaries from various fields—renowned artists, scientists, thought leaders, and business powerhouses—to illuminate the profound impact of art education on their journeys.

May 9, 2024 — Art Education Unveiled: Perspectives from Prevailing Landscapes

Featuring artists and educators Stan Douglas, Ian Wallace and Karen Zalamea, facilitated by Vancouver Art Blog founder Andrew Booth. A compelling exploration of the intricate relationship between art and education.

October 19, 2024 — Indigenous Ways of Knowing and Cultural Identity in Contemporary Art

Lauren Brevner, James Nexw'Kalus-Xwalacktun Harry, and Xwalacktun in conversation with Jenn Jackson. Exploring how family lineages, traditional Skwxwú7mesh Úxwumixw knowledge, and contemporary art education shape cultural identity.

November 23, 2024 — Artful Minds, Scientific Insights

Dr. Maiya Geddes in conversation with Dr. Randy McIntosh, exploring the intricate relationship between art and neuroscience, delving into neural mechanisms shaping creativity and aesthetic experiences.

June 13, 2024 — Designing Canada, then and now

Greg Durrell in conversation with Tyler Quarles. Explore the evolution of Canadian design, from historical roots to modern innovations, including clips from Durrell's acclaimed film "Design Canada."

November 4, 2024 — A Lens for Discovery: Altered States, Transcendence and Belief

North Vancouver-born, Berlin-based artist Jeremy Shaw (former Artists for Kids student) in conversation with Andrew Booth, exploring how early art education built alternative perspectives on visual media.

Exhibition Highlight: Prevailing Landscapes



Prevailing Landscapes (April 12 – June 22, 2024) addresses how the Canadian landscape prevails in contemporary conceptual artistic practices and how narratives shift when they include Canadian landscapes as backgrounds. The exhibition features works by **Kim Dorland, Stan Douglas, Tim Gardner, Cameron Kerr, Krystle Silverfox, Ian Wallace, Jin-Me Yoon and Karen Zalamea.**

Curated by Jackie Wong, the exhibition considers how contemporary conceptual artworks have challenged the colonial, male gaze that has historically shaped discourse in the landscape genre. As a subject, the Canadian landscape is physically vast and offers a visual backdrop for art throughout different periods and genres.

1

Opening Reception

Over 400 people attended the Spring Exhibition's Opening Reception

2

Curatorial Tour

Curator Jackie Wong led visitors through the exhibition, providing insights into the artists' works and the exhibition themes

3

Live Carving

Artist Cameron Kerr demonstrated his carving technique live in the Gallery, followed by a conversation with the curator

4

Indigenous Student workshop

Selkirk First Nation Artist, Krystle Silverfox, led a collage workshop from Indigenous students

Music at the Smith: Celebrating Musical Excellence

Music at the Smith returns as a cornerstone of our cultural programming, bringing preeminent BC musicians to the intimate setting of the Gordon Smith Gallery. This beloved concert series continues to enrich our community's cultural landscape while fostering appreciation for diverse musical genres.

2024 Highlight - December 5 Concert:

- Featured accomplished musicians including James Danderfer (clarinet), Bill Coon (guitar), and Sharon Minemoto (piano)
- Celebrated the jubilant music of the Swing era
- Drew an intimate and enthusiastic audience of 50 attendees
- Tickets priced accessibly at \$20, making high-quality musical experiences available to a wide audience

Community Impact:

Music at the Smith demonstrates our commitment to interdisciplinary arts programming, showing how music and visual arts can enhance each other in creating meaningful cultural experiences.

Community Engagement and Public Programming

Our public programming is a key part of meeting our mission and generating excitement and interest in the North Vancouver community and beyond. We are proud to offer thought-provoking programs that support visual arts literacy and cultural engagement for people of all ages.



Explore and Create Saturdays: Fostering Young Artists

Our weekly "Explore and Create Saturdays" program has been a cornerstone of our community outreach, offering **free, family-friendly programming** directly inspired by our current exhibitions. In 2024 alone, this initiative reached over **150 children and their parents/guardians**, providing a vibrant space for creative exploration and artistic development. Through hands-on activities and engaging workshops, we empower the next generation of artists and cultivate a deeper appreciation for visual arts. This program is instrumental in achieving our mission to make art accessible and exciting for all ages, significantly boosting local engagement and fostering a sense of community within the arts.

Artists For Kids Program Statistics

Gallery Programs

Fall/Winter Program (Sept 2023 - March 2024)

- 40 Grade 5 classes participated
- Over **1,100 students** from 22 schools visited for the "Art of Conversation" exhibition

Spring Program (April 2024 - June 2024)

- K-12 classes visited "Prevailing Landscapes" exhibition
- 36 total classes (22 primary, 14 intermediate)
- **800 students**, 41 educators supported

Fall Program (Sept 2024 - Feb 2025)

- 47 Grade 5 classes participated
- 2 non-NVSD classes (60 students)
- Over **1,134 students** from 22 schools visited for the "Playhouse" exhibition

Professional Development

→ Clay Kit Workshop: Amelia Butcher

15 educators mentored

→ Garbage Press workshop

24 educators mentored

→ Text-based Art

22 educators mentored

→ Sean Karemaker workshop

20 educators mentored

→ Polygon Tour

15 educators

Artists For Kids Program Statistics continued: Student Programs & Recognition

20+

Young Artists Celebrated

"Young Artist of the Week"
program (Nov 2023 - June
2024)

375+

Students Exhibiting

In "Art from 44 District
Visual Art Show" from 23
schools

24+

Studio Art Academy

Grade 10-12 students
enrolled

92

Summer Campers

Ages 8-15 in Paradise
Valley Summer School,
supported by 6 educators,
11 bursaries.

Support & Scholarships

\$1,000

Bill Reid Cultural Grant

Awarded to Blueridge Elementary

\$2,000

Post-Secondary Scholarships

Awarded to 2 students (\$1,000
each)

33

Bursaries

For kids to attend Afterschool art
classes, day camps, and Paradise
Valley Summer School

Thank you to our dedicated volunteers in 2024

From fundraising support and board leadership to assisting at events and providing docent-led tours, our 40+ volunteers enable us to provide exceptional programming and community engagement throughout the year. Their dedication makes a significant impact on our ability to serve the community.

Here are the amazing individuals who gave their time and talent:

Docents & Program Support

- Behnaz Behmanesh
- Christina Capy
- Sakiko Cramer
- Tiana Edalati
- Valentina Gvozdeva
- Zekra Hosseinkhani
- Ena Jasper
- Nicolette Lu
- Niki Lu
- Sayna Bahrami
- Mona Bidkhor
- Matthew Chan
- Juan Deczuta
- Charlene Gavel
- Zoe Maxwell
- Louise Morin
- Devin Moore
- Ken Carriere
- Shari Nelson
- Sharron O'Brien
- Meriel Scott
- Hailey Terjesen
- Penelope Travers
- Flavio Uemura
- Pia Vicente
- Ruth Williams
- Candy Wu

Board of Directors

- Paul Killeen, Board Chair
- Richard Savage, Vice-Chair
- Tyler Quarles, Treasurer
- Daylen Luchsinger, Secretary
- Patti Glass
- John David James
- Allison Kerr
- Emmy Lee Wall
- Ed Tsumura
- Ian Wallace
- Anne Watt
- Krista Whitelock
- Jackie Wong

Our Future Vision

Our vision is to continue supporting Artists for Kids to cultivate artistic talent and ensure visual arts thrive as an accessible community cornerstone.



Nurture Emerging Talent

We will foster partnerships with Artists for Kids, ensuring young artists flourish with necessary support and resources.



Sustain Our Mission

Our mission to champion visual art education will continue, fostering a strong cultural landscape through exhibitions and educational experiences.



Fundraising & Growth

We aim to steward our donor community and grow our endowment to ensure perpetual funding for Artists for Kids.

We invite our valued donors, partners, and community members to join us. Your continued support is crucial as we advance our shared vision.

THE GORDON AND MARION SMITH FOUNDATION FOR YOUNG ARTISTS

Financial Statements

For the year ended December 31, 2024

Draft 08-19-2025

THE GORDON AND MARION SMITH FOUNDATION FOR YOUNG ARTISTS

Contents

For the year ended December 31, 2024

	Page
COMPILATION ENGAGEMENT REPORT	3
FINANCIAL STATEMENTS	
Statement of Financial Position	4
Statement of Operations	5
Statement of Changes in Net Assets	6
Statement of Cash Flows	7
Notes to Financial Statements	8 - 12

COMPILATION ENGAGEMENT REPORT

To Board of Directors of **THE GORDON AND MARION SMITH FOUNDATION FOR YOUNG ARTISTS**:

On the basis of information provided by management, we have compiled the statement of financial position of **THE GORDON AND MARION SMITH FOUNDATION FOR YOUNG ARTISTS** as at December 31, 2024, the statement of operations and changes in net assets and cash flows for the year then ended, and the Notes to the financial statements, including Note 1, which describes the basis of accounting applied in the preparation of the compiled financial information.

Management is responsible for the accompanying financial information, including the accuracy and completeness of the underlying information used to compile it and the selection of the basis of accounting.

We performed this engagement in accordance with Canadian Standard on Related Services (CSRS) 4200, Compilation Engagements, which requires us to comply with relevant ethical requirements. Our responsibility is to assist management in the preparation of the financial information.

We did not perform an audit engagement or a review engagement, nor were we required to perform procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an audit opinion or a review conclusion, nor provide any form of assurance on the financial information.

Readers are cautioned that the financial information may not be appropriate for their purposes.

CHARTERED PROFESSIONAL ACCOUNTANTS LLP

Port Coquitlam, BC

August XX, 2025

THE GORDON AND MARION SMITH FOUNDATION FOR YOUNG ARTISTS

Statement of Financial Position

As at December 31, 2024

	2024	2023
ASSETS		
Current		
Cash and cash equivalents	\$ 103,910	\$ 149,581
Term deposits	5,961	5,893
Accounts receivable	37,206	36,091
Prepaid expenses	10,442	14,140
GST receivable	919	611
	158,438	206,316
Property, plant and equipment (Note 5)	7,063	9,338
	\$ 165,501	\$ 215,654
LIABILITIES AND NET ASSETS		
Current		
Accounts payable and accrued liabilities	\$ 19,537	\$ 21,484
Deferred contributions (Note 6)	12,871	9,460
	32,408	30,944
NET ASSETS		
Unrestricted	66,093	117,710
Internally Restricted Contributions (Note 7)	67,000	67,000
	133,093	184,710
	\$ 165,501	\$ 215,654

Commitment (Note 11)

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

APPROVED BY THE BOARD:

_____ Director

_____ Director

THE GORDON AND MARION SMITH FOUNDATION FOR YOUNG ARTISTS

Statement of Operations
For the year ended December 31, 2024

	2024	2023
REVENUES		
Fundraising proceeds	\$ -	\$ 315,424
Donations	58,428	150,638
Sponsorships	32,500	45,045
Annual campaign	2,710	-
Grant income	28,750	29,096
Interest and other income	152,908	134,860
Gallery sales and other income	630	8,126
	275,926	683,189
EXPENSES		
Advertising and promotion	28,096	9,264
Amortization	2,275	2,863
Exhibition expenses	22,964	73,182
Fundraising expenses	4,783	120,753
Office and sundry expenses	25,724	45,668
Other program expenses	1,254	1,268
Professional fees	10,046	12,363
Salaries and benefits	129,901	171,821
	225,043	437,182
Surplus of revenues over expenses before other item and other disbursements	50,883	246,007
OTHER ITEM		
Government subsidy - CEWS recovery (Note 8)	-	(2,310)
Surplus of revenue over expenses before other disbursements	50,883	243,697
Other disbursements		
Endowment contributions (Note 9)	-	200,000
Charitable donations (Note 10)	102,500	101,590
	102,500	301,590
Deficiency of revenues over expenses	\$ (51,617)	\$ (57,893)

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

THE GORDON AND MARION SMITH FOUNDATION FOR YOUNG ARTISTS

Statement of Changes in Net Assets
For the year ended December 31, 2024

	Unrestricted	Internally Restricted	2024	2023
Net assets, beginning of year	\$ 117,710	\$ 67,000	\$ 184,710	\$ 242,603
Deficiency of income over expenses	(51,617)	-	(51,617)	(57,893)
Net assets, end of year	\$ 66,093	\$ 67,000	\$ 133,093	\$ 184,710

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

Draft 08-19-2025

THE GORDON AND MARION SMITH FOUNDATION FOR YOUNG ARTISTS

Statement of Cash Flows
For the year ended December 31, 2024

	2024	2023
OPERATING ACTIVITIES		
(Deficiency) surplus of income over expenses	\$ (51,617)	\$ (57,893)
Items not affecting cash		
Amortization of equipment and other assets	2,275	2,863
	(49,342)	(55,030)
Changes in non-cash working capital items:		
Accounts receivable	(1,115)	(2,407)
Prepaid expenses	3,698	(2,293)
GST receivable	(308)	161
Accounts payable and accrued liabilities	(1,947)	5,654
Deferred contributions	3,411	(2,540)
	3,739	(1,425)
DECREASE IN CASH DURING THE YEAR	(45,603)	(56,455)
Cash, beginning of year	155,474	211,929
CASH, end of year	\$ 109,871	\$ 155,474
REPRESENTED BY:		
Cash and cash equivalents	\$ 103,910	\$ 149,581
Term deposits	5,961	5,893
	\$ 109,871	\$ 155,474

THE GORDON AND MARION SMITH FOUNDATION FOR YOUNG ARTISTS

Notes to the Financial Statements
For the year ended December 31, 2024

1. BASIS OF ACCOUNTING

The basis of accounting applied in the preparation of the financial information is on the historical cost basis, reflecting cash transactions, with the addition of selected accruals for:

- Term deposits;
- Accounts receivable;
- Prepaid expenses;
- Property, plant and equipment, amortized over their estimated useful life;
- Accounts payable and accrued liabilities'
- Deferred contributions.

2. NATURE OF OPERATIONS

The Gordon and Marion Smith Foundation for Young Artists (the "Foundation") was incorporated in 2002 under the *Societies Act* of British Columbia. The Foundation's purpose is to support and encourage the arts in everyday life. The Foundation is registered with the Charities Division, Canada Revenue Agency and is classified as a public foundation. The Foundation is exempt from income taxes and can issue charitable receipts.

3. SIGNIFICANT ACCOUNTING POLICIES

(a) Revenue recognition:

The Foundation follows the deferral method of accounting for contributions.

Unrestricted contributions are recognized as revenue in the year in which the related expenses or expenditures are incurred.

Restricted contributions are recognized as revenue in the year in which the related expenses or expenditures are incurred.

Interest and other income, being investment income from the Foundation's endowment with the Vancouver Foundation (Note 10), are recognized as revenue on the date they become available for distribution.

(b) Contributed services

Volunteers contribute hundreds of hours each year to assist the Foundation in carrying out its activities. Because of the difficulty in determining their fair value, contributed services are not recognized in these financial statements.

Donations of material or gifts-in-kind are used in the normal course of the Foundation's operations are recognized in the financial statements at their estimated fair value if such fair value is readily determinable.

THE GORDON AND MARION SMITH FOUNDATION FOR YOUNG ARTISTS

Notes to the Financial Statements
For the year ended December 31, 2024

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Property, plant and equipment

Furniture and equipment are recorded at cost and are amortized at the following annual rates on the declining balance basis:

Furniture and equipment	20%
Computer software	100%
Gallery improvements	10 years straight-line

The Foundation regularly reviews its capital assets to eliminate obsolete items. Equipment is amortized at half the normal rate in the year of acquisition and is not amortized in the year of disposal.

(d) Use of estimates

The preparation of these financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, 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 that require estimates as the basis for determining stated amounts include the estimated useful lives of assets, deferred contributions and accrued liabilities. The actual results experienced by the Foundation may differ from the Foundation's estimates and could impact results of operations and cash flows.

4. FINANCIAL INSTRUMENTS

The Foundation is exposed to various risks through its financial instruments. Financial instruments are recorded at fair value on initial recognition.

Financial assets include cash, term deposits, accounts receivable, and taxes receivable which are measured at amortized cost as presented on the balance sheet. Financial liabilities include accounts payable, and payroll taxes payable which are measured at amortized cost as presented on the balance sheet. The following analysis provides information about the Foundation's risk exposure and concentration as of December 31, 2024:

(a) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Foundation holds all net assets in Canadian dollars and therefore is not exposed to foreign currency risk.

(b) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Foundation's primary exposure to credit risk is on its bank accounts. The Foundation's bank accounts are held with major banks in Canada, and accordingly the Foundation believes it is not exposed to significant credit risk.

THE GORDON AND MARION SMITH FOUNDATION FOR YOUNG ARTISTS

Notes to the Financial Statements
For the year ended December 31, 2024

4. FINANCIAL INSTRUMENTS (CONTINUED)

(c) Liquidity risk

Liquidity risk is the risk that the Foundation cannot meet a demand for cash or fund its obligations as they come due. The Foundation manages liquidity risk by continuously monitoring cash flow. Management believes that the Foundation is not significantly exposed to liquidity risk.

(d) Interest rate risk

Interest rate risk is the risk of losses that arise as a result of changes in contracted interest rates. The Foundation's exposure to interest rate relates to its ability to earn interest income on the endowment fund held by the Vancouver Foundation. Since the Vancouver Foundation pools the endowment funds in a Consolidated Trust Fund, which is a diversified balanced fund of equities, fixed income, real estate and hedge funds, the Foundation believes it is not exposed to significant interest rate risk.

5. PROPERTY, PLANT AND EQUIPMENT

	Cost	Accumulated Amortization	Net 2024	Net 2023
Furniture and equipment	\$ 9,679	\$ 8,197	\$ 1,482	\$ 1,852
Gallery improvements	15,000	9,750	5,250	6,750
Computer hardware	2,256	1,925	331	736
	<u>\$ 26,935</u>	<u>\$ 19,872</u>	<u>\$ 7,063</u>	<u>\$ 9,338</u>

6. DEFERRED CONTRIBUTIONS

The Foundation has received contributions relating to operating activities. The amounts have not been recognized as revenue if the related expenditures have not taken place and are as follows:

	2024
Gallery improvements grant	\$ 5,250
Winter Appeal	2,744
Artist for Kids	4,877
	<u>\$ 12,871</u>
Deferred contributions, beginning of year	\$ 9,460
Amounts received during the year	7,621
Amounts recognized as revenue during the year	(4,210)
Deferred contributions, end of year	<u>\$ 12,871</u>

THE GORDON AND MARION SMITH FOUNDATION FOR YOUNG ARTISTS

Notes to the Financial Statements
For the year ended December 31, 2024

6. DEFERRED CONTRIBUTIONS (CONTINUED)

	2023
Gallery improvements grant	\$ 6,750
Winter Appeal	2,710
	<u>\$ 9,460</u>
Deferred contributions , beginning of year	\$ 12,000
Amounts received during the year	2,710
Amounts recognized as revenue during the year	(5,250)
Deferred contributions , end of year	<u>\$ 9,460</u>

7. INTERNALLY RESTRICTED CONTRIBUTIONS

The Foundation has internally restricted contributions relating to scholarships and art educational programming delivered by Artists for Kids. This internally restricted amount is not available for other purposes without approval of the Foundation's Board of Directors.

8. GOVERNMENT SUBSIDY

One subsidy was available to the Society during the fiscal year ended December 31, 2020 in response to the COVID-19 pandemic Emergency Response Plans. The Canada Emergency Wage Subsidy "CEWS" covers part of the employees' wages to help prevent further job losses and mitigate wage expenses. During 2023, CRA reassessed the Foundation's claims under CEWS and determined that the Foundation had over claimed and had to repay \$2,310 of the subsidy they received in 2020.

9. ENDOWMENT FUNDS

Under the terms of an agreement dated February 23, 2006, the Foundation established an endowment fund with Vancouver Foundation. The monies contributed to this fund are permanently vested with the Vancouver Foundation and the annual income earned from the contributed principal is distributed to the Foundation.

During the year ended December 31, 2024, the Foundation contributed \$Nil (2023 - \$200,000) to the Vancouver Foundation for allocation to its Consolidated Trust Fund. Since inception of this program, the Foundation has contributed an aggregate of \$2,144,400. The amount of income earned for the period, included in interest and other income in these financial statements, was \$148,825 (2023 - \$132,769).

10. CHARITABLE DONATIONS

Included in charitable donations is a \$95,000 donation to the Artists for Kids program (2023 - \$90,690).

THE GORDON AND MARION SMITH FOUNDATION FOR YOUNG ARTISTS

Notes to the Financial Statements
For the year ended December 31, 2024

11. COMMITMENT

On April 30, 2010, the Foundation committed to a lease for premises located at 810 West 21st Street, North Vancouver, BC. These premises are leased from The Board of Education of School District No. 44 (North Vancouver) under a long-term agreement for a period of ten years, plus three rights of renewal for renewal terms of ten years each, for a total of forty years. Under the lease, the Foundation is required to pay a nominal rent amount of \$10 for the entire term.

Draft 08-19-2025