

Financial Statements of

VANCOUVER ART GALLERY ASSOCIATION

And Independent Auditor's Report thereon

Year ended June 30, 2025



KPMG LLP

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of the Vancouver Art Gallery Association

Report on the Audit of Financial Statements

Opinion

We have audited the financial statements of the Vancouver Art Gallery Association (the "Entity"), which comprise:

- the statement of financial position as at June 30, 2025
- the statement of operations for the year then ended
- the statement of changes in net assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at June 30, 2025, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "***Auditor's Responsibilities for the Audit of the Financial Statements***" section of our auditor's report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial statements, which indicates that the Entity had a deficiency of revenue over expenses and negative cashflows from operating activities for the year ended June 30, 2025.



As stated in Note 1 in the financial statements, these events or conditions, along with other matters as set forth in Note 1 in the financial statements, indicate that a material uncertainty exists that may cast significant doubt about the Entity's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

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

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

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

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our 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 our 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 the financial statements.

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

We 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 our 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 Entity'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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause Entity 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.
- 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 we identify during our audit.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group entities to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

Report on Other Legal and Regulatory Requirements

As required by the Societies Act (British Columbia), we report that, in our opinion, the accounting policies applied in preparing and presenting financial statements in accordance with Canadian accounting standards for not-for-profit organizations have been applied on a basis consistent with that of the preceding year.

A handwritten signature in black ink that reads 'KPMG LLP' in a cursive, stylized font. A horizontal line is drawn underneath the signature.

Chartered Professional Accountants

Vancouver, Canada
March 2, 2026

VANCOUVER ART GALLERY ASSOCIATION

Statement of Financial Position

June 30, 2025, with comparative information for 2024

	General Fund	Acquisition Fund	Building Fund	Total 2025	Total 2024
Assets					
Current assets:					
Cash and cash equivalents (note 4(b))	\$ 654,911	\$ 860,536	\$ 56,768,450	\$ 58,283,897	\$ 28,934,050
Investments (note 4(b))	142,309	1,183,640	35,105,364	36,431,313	74,044,836
Accounts and other receivables (notes 3, 11 and 14(a))	545,960	287,713	21,903	855,576	2,513,391
Prepaid expenses and exhibition costs	889,007	-	-	889,007	797,329
Inventories	291,923	-	-	291,923	464,449
	2,524,110	2,331,889	91,895,717	96,751,716	106,754,055
Investments (notes 4(a), 4(b) and 13(c))	1	-	2,613,749	2,613,750	2,313,955
Collection (note 15)	-	1	-	1	1
Capital assets (note 5)	1,586,755	-	139,815	1,726,570	1,762,886
	\$ 4,110,866	\$ 2,331,890	\$ 94,649,281	\$ 101,092,037	\$ 110,830,897
Liabilities and Net Assets					
Current liabilities:					
Bank indebtedness (note 6)	\$ 4,090,885	\$ -	\$ -	\$ 4,090,885	\$ 2,236,961
Accounts payable and accrued liabilities (notes 7, 20(c))	4,286,608	743,606	1,330,733	6,360,947	8,377,161
Obligations under capital lease - current portion (note 8)	31,524	-	-	31,524	31,524
Deferred membership and other revenue	379,066	-	-	379,066	315,680
Deferred contributions (note 9)	873,779	-	-	873,779	1,319,970
Current portion of long term debt	-	-	-	-	52,961
Interfund balances	2,262,063	(263,056)	(1,999,007)	-	-
	11,923,925	480,550	(668,274)	11,736,201	12,334,257
Obligations under capital lease (note 8)	4,593	-	-	4,593	36,362
	11,928,518	480,550	(668,274)	11,740,794	12,370,619
Net assets:					
Unrestricted	(8,322,652)	-	-	(8,322,652)	(2,481,202)
Internally restricted (notes 2(a)(i) and 13(a))	505,000	-	1,609,536	2,114,536	4,114,536
Externally restricted (note 13(a))	-	1,851,340	91,708,019	93,559,359	94,826,944
Endowment (note 13(c))	-	-	2,000,000	2,000,000	2,000,000
	(7,817,652)	1,851,340	95,317,555	89,351,243	98,460,278
Going concern (note 1)					
Contingencies (note 3(b))					
Commitments (note 19)					
Subsequent events (note 20)					
	\$ 4,110,866	\$ 2,331,890	\$ 94,649,281	\$ 101,092,037	\$ 110,830,897

See accompanying notes to financial statements.

Approved on behalf of the Board:



Director



Director

VANCOUVER ART GALLERY ASSOCIATION

Statement of Operations and Fund Balances

Year ended June 30, 2025, with comparative information for 2024

	General Fund	Acquisition Fund	Building Fund	Total 2025	Total 2024
Revenue:					
Admissions	\$ 2,834,996	\$ -	\$ -	\$ 2,834,996	\$ 2,731,368
Fundraising (notes 13, 14 and 20(c))	1,986,018	324,514	2,493,484	4,804,016	13,567,482
Retail operations (note 10)	2,381,528	-	-	2,381,528	2,407,352
Investment income (notes 4, 12 and 13)	905,461	845,328	2,614,873	4,365,662	6,041,133
Memberships	778,072	-	-	778,072	716,625
Public programming	220,666	-	-	220,666	100,182
Rentals and food services (note 10)	479,765	-	-	479,765	678,430
Sponsorships and corporate partners	727,567	-	-	727,567	1,271,895
Vancouver Art Gallery Foundation (notes 12 and 14(a))	453,838	185,365	-	639,203	779,062
Other	127,273	20,199	252,845	400,317	378,935
	10,895,184	1,375,406	5,361,202	17,631,792	28,672,464
Government grants (note 18):					
City of Vancouver	2,412,551	-	-	2,412,551	2,132,680
Provincial	887,400	-	-	887,400	887,673
Federal and other (note 13(a))	466,299	-	1,365,301	1,831,600	22,958,097
	3,766,250	-	1,365,301	5,131,551	25,978,450
	14,661,434	1,375,406	6,726,503	22,763,343	54,650,914
Expenses:					
Administration and finance	3,668,989	-	-	3,668,989	3,681,790
Art acquisitions (note 15)	-	1,296,811	-	1,296,811	2,324,281
Curatorial and programs	3,076,497	-	-	3,076,497	2,421,833
Exhibitions	2,547,831	-	-	2,547,831	2,098,467
Retail operations (note 10)	2,537,929	-	-	2,537,929	2,521,889
Facility operations and security	5,001,105	-	-	5,001,105	4,694,763
Marketing and advancement	2,421,262	-	-	2,421,262	1,912,830
Building project planning and management	-	-	1,020,340	1,020,340	2,668,590
Building project development (note 13(b))	-	-	7,007,880	7,007,880	32,379,423
Museum services	2,906,406	-	-	2,906,406	1,988,691
	22,160,019	1,296,811	8,028,220	31,485,050	56,692,557
Excess (deficiency) of revenue over expenses before the denoted:					
	(7,498,585)	78,595	(1,301,717)	(8,721,707)	(2,041,643)
Amortization of capital assets	(372,309)	-	(44,463)	(416,772)	(252,545)
Equity income (loss) on investments (note 4(a))	29,444	-	-	29,444	(590,247)
Impairment loss on receivables (notes 4 and 11)	-	-	-	-	(310,097)
Impairment loss on Building project under development- (note 13(b))	-	-	-	-	(28,904,449)
	(7,841,450)	78,595	(1,346,180)	(9,109,035)	(32,098,981)
Fund balance, beginning of year	(1,976,202)	1,772,745	98,663,735	98,460,278	130,559,259
Interfund transfers (note 13(a))	2,000,000	-	(2,000,000)	-	-
Fund balance, end of year	\$ (7,817,652)	\$ 1,851,340	\$ 95,317,555	\$ 89,351,243	\$ 98,460,278

See accompanying note to the financial statements.

VANCOUVER ART GALLERY ASSOCIATION

Statement of Changes in Net Assets

Year ended June 30, 2025, with comparative information for 2024

June 30, 2025	Unrestricted	Internally Restricted	Externally Restricted	Endowment	Total 2025
Balance, beginning of year	\$ (2,481,202)	\$ 4,114,536	\$ 94,826,944	\$ 2,000,000	\$ 98,460,278
Deficiency of revenue over expenses	(7,841,450)	-	(1,267,585)	-	(9,109,035)
Interfund transfer (note 13(a))	2,000,000	(2,000,000)	-	-	-
Balance, end of year	\$ (8,322,652)	\$ 2,114,536	\$ 93,559,359	\$ 2,000,000	\$ 89,351,243

June 30, 2024	Unrestricted	Internally Restricted	Externally Restricted	Endowment	Total 2024
Balance, beginning of year	\$ (4,540,938)	\$ 7,982,074	\$ 125,118,123	\$ 2,000,000	\$ 130,559,259
Deficiency of revenue over expenses	(3,973,186)	-	(28,125,795)	-	(32,098,981)
Interfund transfer (note 13(a))	6,032,922	(3,867,538)	(2,165,384)	-	-
Balance, end of year	\$ (2,481,202)	\$ 4,114,536	\$ 94,826,944	\$ 2,000,000	\$ 98,460,278

See accompanying notes to financial statements.

VANCOUVER ART GALLERY ASSOCIATION

Statement of Cash Flows

Year ended June 30, 2025, with comparative information for 2024

	2025	2024
Cash provided by (used in):		
Operating:		
Deficiency of revenue over expenses	\$ (9,109,035)	\$ (32,098,981)
Amortization of capital assets	416,772	252,545
Equity (income) loss on investment	(29,444)	590,247
Unrealized gain on investments	(284,091)	(1,395,150)
Impairment loss on building project under development	-	28,904,449
Net change in non-cash operating working capital:		
Accounts and other receivables	1,657,815	(1,097,848)
Prepaid expenses and exhibition costs	(91,678)	24,181
Inventories	172,525	98,522
Accounts payable and accrued liabilities	(2,016,214)	2,325,458
Deferred membership and other revenue	63,386	(76,408)
Deferred contributions	(446,191)	948,123
	(9,666,155)	(1,524,862)
Investing activities:		
Additions to capital assets	(380,456)	(838,381)
Net redemption of short-term investments	37,699,929	10,325,827
Net purchase of long-term investments	(125,626)	(89,953)
	37,193,847	9,397,493
Financing activities:		
Increase in bank indebtedness	1,853,924	707,723
Repayment on obligations under capital lease	(31,769)	(31,523)
Long-term debt repayment	-	(103,914)
	1,822,155	572,286
Increase in cash and cash equivalents	29,349,847	8,444,917
Cash and cash equivalents, beginning of year	28,934,050	20,489,133
Cash and cash equivalents, end of year	\$ 58,283,897	\$ 28,934,050

See accompanying notes to financial statements.

VANCOUVER ART GALLERY ASSOCIATION

Notes to Financial Statements

Year ended June 30, 2025

Purpose of the Organization:

The Vancouver Art Gallery Association (the "Association") is a not-for-profit organization incorporated in April 1931 and registered under the Societies Act (British Columbia). It is a registered charity for Canadian income tax purposes. Its objectives are to establish and maintain an art gallery for the perpetual benefit of the City of Vancouver and its citizens.

1. Going concern:

These financial statements have been prepared on the basis that the Association is a going concern, which assumes that the Association will continue to realize its assets and discharge its liabilities in the normal course of operations for the foreseeable future. For the year ended June 30, 2025, the Association had an overall total deficiency of revenues over expenses of \$9,109,035 (2024 – \$32,098,981), which includes a deficiency of revenue over expenses of \$7,841,450 (2024 - \$3,973,186) from the General Fund, and had negative cash flows from operations of \$9,666,155 (2024 - \$1,524,862).

These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Association's ability to continue as a going concern for the foreseeable future. The Association's ability to continue as a going concern is dependent on its ability to generate sufficient revenue to support its operations. The Association's major sources of revenue include admissions, membership, retail operations, third-party grants, and philanthropy, including government funding, private donations and corporate sponsorships. The Association also recognizes the importance of monitoring its financial performance and plans and has implemented measures including but not limited to cost reduction measures to achieve financial sustainability.

To address the factors above, the Association continues to focus on strategic initiatives relating to:

Revenue generation:

- Promoting cross-product and service offerings to broaden the revenue base and enhance visitor loyalty.
- Implementing enhanced marketing strategies and expanding into new market segments aimed at increasing visitor acquisition in both local and international markets.
- Executing on donation enhancement strategies focusing on continued cultivation of annual giving, development of customized corporate sponsorships and accumulation of endowment funds.

Cost reduction measures:

- Implementing targeted workforce optimization programs while maintaining critical operational capabilities.
- Prioritizing essential capital expenditures and deferring or eliminating discretionary spending.
- Leveraging the Association's own permanent art collection for future exhibitions in a more cost-effective manner.

VANCOUVER ART GALLERY ASSOCIATION

Notes to Financial Statements

Year ended June 30, 2025

1. Going concern (continued):

Management believes that these measures, together with careful cash flow monitoring and access to the line of credit facility with its bank and the ability to access the internally restricted investment income in the Building Fund, will support the Association's ability to generate sufficient cash flows to meet its obligations for the foreseeable future. Management will continue to monitor the on-going environment and the resulting financial impact on its cash and budget forecasts and will adjust its operations as required to ensure it fulfills its obligations and continues its operations.

2. Significant accounting policies:

These financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

(a) Fund accounting:

These financial statements include the undernoted funds which are segregated for purposes of carrying on specific activities as described below:

- (i) The Association holds \$505,000 in funds restricted for the purpose of meeting future working capital or other contingency funding needs of the General Fund. This fund is presented as internally restricted net assets as part of the General Fund.
- (ii) The Acquisition Fund was established in 1984 through funds from the sale of the original Georgia Street building and receives restricted income earned by The Vancouver Art Gallery Endowment Fund for Acquisitions of Art and other contributions received for the purpose of art acquisitions. The Association also receives restricted income from The Vancouver Art Gallery Foundation (the "Foundation") which has established several acquisition endowments funds (note 14(a)). The purpose of the Acquisition Fund is to manage the funding and expenditures on the art collection (the "Collection") of the Association.
- (iii) The Building Fund was established in 2008 for the express purpose of accumulating, managing and distributing funds to plan, develop and build a new Vancouver Art Gallery as well as to provide funding either through endowment or direct gifts to support the new buildings operations. The Building Fund also includes externally restricted interest earned on pledge payments made by private donors, as well as any unrestricted investment income earned and transferred to the Building Fund as approved by the Board.

Also included in the Building Fund are endowment net assets which consist of donations for which the donor specifies that the principal amount be invested in perpetuity. Interest and investment income are recorded in either the unrestricted or restricted funds in accordance with the endowment terms of reference. All fundraising and administrative expenses, with the exception of investment management fees, are charged to the unrestricted fund. Investment management fees are allocated on a pro-rata basis based on the investment balances within each Fund.

- (iv) The Life Benefactors Endowment Fund was initially established in 1989 and the income from the Fund is intended to finance special projects as determined by the Board of Trustees. This fund is permanently restricted and administered by the Vancouver Foundation as described in note 12 and is not included in these financial statements.

VANCOUVER ART GALLERY ASSOCIATION

Notes to Financial Statements

Year ended June 30, 2025

2. Significant accounting policies (continued):

(b) Subsidiary:

The Association accounts for its investment in the 1931 Gallery Bistro Inc., a wholly owned subsidiary of the Association, using the equity method. Under this method the Association's 100% share of the investee's earnings/losses is included in determining the Association's net income and is adjusted against the carrying value of the investment shown on the statement of financial position.

The Association periodically reviews the investment for impairment. Impairment, if any, is adjusted against the carrying value of investment.

(c) Cash and cash equivalents:

Cash and cash equivalents consist of cash and highly liquid investments with terms to maturity of three months or less at the date of acquisition.

(d) Short-term investments:

Investments which either have maturities within twelve months of the balance sheet date or can readily be liquidated are classified as current assets. Investments related to endowments are classified as long-term as they are not intended for current use by the Association.

(e) Prepaid exhibition costs:

Prepaid exhibition costs consist of exhibition expenditures, excluding advertising and promotional costs, that have been paid by the Association, the benefits of which relate to exhibitions held subsequent to year-end. These expenditures are recognized as exhibition expenses over the duration of the exhibition.

(f) Inventories:

Inventories are comprised primarily of the following categories:

- (i) Books, jewelry, paper products, gifts, reproductions and clothing held-for-sale in the Gallery Store are stated at the lower of cost and net realizable value. Cost is determined on a weighted average basis.
- (ii) Owned artwork held-for-sale or rental in the Art Rental & Sales Department, where the Association is the title holder and ultimate beneficiary, is stated at the lower of cost and net realizable value.

Costs for inventories include all costs incurred in bringing inventories to their present location and condition. Net realizable value is defined as the anticipated selling price less the costs to sell. Any previous write-downs to net realizable value are reversed when there is a subsequent increase in the value of inventories.

VANCOUVER ART GALLERY ASSOCIATION

Notes to Financial Statements

Year ended June 30, 2025

2. Significant accounting policies (continued):

(g) Revenue recognition:

The Association applies the restricted fund method of accounting for contributions. Restricted contributions for which a corresponding restricted fund is presented are recognized as revenue of that fund in the year received or receivable. Any externally restricted contributions for which there is no corresponding restricted fund is recorded in the general fund, using the deferral method of accounting. Under this method of accounting, revenue received with specific external restrictions is deferred and recognized in the period the related expenses are incurred or the restrictions are met. Annual operating grant contributions are recognized on a straight-line basis over the period for which the grants are provided.

Contributions of or toward the purchase of capital assets under the general fund are recorded as deferred capital contributions and amortized into revenue at the same rate as the amortization of the related capital asset.

The portions of membership fees, sponsorships and exhibition loan fees relating to future periods are deferred and amortized into revenue over the period of membership or exhibition.

Gallery Store, Artist Editions and Art Rentals & Sales revenues are recognized at the time the sales and rentals are made.

Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Investment income, including dividend and interest income and realized gains are recognized as revenue when earned. Externally restricted investment income earned on funds held by the Association are recorded to the related restricted fund. Changes in the market value of investments measured at fair value are recorded as gains (losses) in the year they arise.

Pledged donation amounts are recorded as revenue when the amount to be received and the timing of collection can be reasonably estimated, typically when signed pledge forms are received, and ultimate collection is reasonably assured. In the event that a donor requests for a return of donations previously made to the Association, the amount will be recorded as a reduction to fundraising revenue in the statement of operations and fund balances at the time the repayment is approved by the Board of Trustees.

Revenue and expenses related to fundraising and other special events, where the Association is the principal to the events, are recorded on a gross basis.

(h) Capital assets:

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. Assets acquired under capital leases are amortized over the estimated life of the assets or over the lease term, as appropriate. Repairs and maintenance costs are charged to expense. Betterments that improve the service potential or extend the estimated life of an asset are capitalized.

VANCOUVER ART GALLERY ASSOCIATION

Notes to Financial Statements

Year ended June 30, 2025

2. Significant accounting policies (continued):

(h) Capital assets (continued):

Capital assets are amortized on a straight-line basis over the useful lives of the assets as follows:

Asset	Rate
Computers and software	3 to 5 years
Equipment	3 to 20 years
Furniture and building fixtures	5 to 25 years
Equipment under capital lease	3 to 15 years

(i) Impairment of capital assets:

The Association reviews for impairment the carrying value of capital assets to be held and used whenever events or changes in circumstances indicate that associated future economic benefits or service potential have been reduced. If such conditions exist, an impairment loss is measured at the amount by which the carrying amount of the asset exceeds its fair value or replacement cost (note 13(b)).

(j) Foreign currency translation:

Monetary assets and liabilities denominated in foreign currencies have been translated at the rate of exchange in effect at year end. Non-monetary items, revenues and expenses are translated at rates of exchange in effect when the assets were acquired, or obligations incurred.

Exchange gains and losses are included in the determination of excess of revenues over expenses for the period.

(k) Pension plan:

The Association maintains a defined contribution plan for its employees. Pension plan costs for the employees of the Association are funded annually and are charged to operating expenses. These costs totaled \$265,696 for the year ended June 30, 2025 (2024 - \$393,522).

(l) Collection:

The value of the Collection, for both items purchased and contributed has been excluded from the Statement of Financial Position except for a nominal carrying value of \$1. The costs of purchased collection items less nominal value are charged as an expense in the Acquisition Fund in the year of acquisition.

(m) Donated works of art, materials and services:

The Association receives donated works of art, materials and services, including services from governance members, the value of which is not reflected in these financial statements given the difficulty of determining the fair value.

VANCOUVER ART GALLERY ASSOCIATION

Notes to Financial Statements

Year ended June 30, 2025

2. Significant accounting policies (continued):

(n) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments that are not in a qualifying hedging relationship and equity instruments that are quoted in an active market are subsequently measured 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. The Association carries all investments at fair value except for guaranteed investment certificates, which are carried at amortized cost.

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.

Financial assets carried at cost or amortized cost are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Association determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Association expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

(o) Measurement uncertainty:

The preparation of the 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 revenue and expenses during the year. Items requiring the use of management estimates include the determination of useful lives of capital assets for purposes of amortization, valuation of capital assets and inventories, allowance for doubtful accounts related to pledges receivable, and provisions, if any, for contingencies. Actual results may differ from these estimates.

3. Pledges and contingencies:

(a) General Fund:

In accordance with the Association's revenue recognition policy, included in accounts and other receivables are pledges receivable of \$ nil (2024 - \$658,366).

(b) Building Fund:

As at June 30, 2025, the Association has received \$177.3 million (2024 - \$201.6 million) in private sector pledges that were supported by documented agreements for the development of the new Vancouver Art Gallery, excluding accumulated investment income earned from the Building Fund, of \$17.6 million (2024 - \$14.9 million). The Association has determined that, of the total pledges disclosed as at June 30, 2024, \$29.3 million related to agreements have been terminated.

VANCOUVER ART GALLERY ASSOCIATION

Notes to Financial Statements

Year ended June 30, 2025

3. Pledges and contingencies:

(b) Building Fund (continued):

Of the total pledges \$49.4 million (2024 - \$46.0 million) have been collected by the Association, a portion of which are subject to return to donors should the building project not proceed. The outstanding pledges have not been recorded as an asset on the financial statements as at June 30, 2025, as the timing of collection cannot be reasonably estimated and ultimate collection is not reasonably assured.

The Association has not met the conditions of certain pledge agreements due to changes made to the approved design plans of the new Vancouver Art Gallery pursuant to factors including but not limited to changes in the building square footage and the termination of the design architect consultant (note 13(b)). As a result, donations received by the Association under these pledge agreements may be demanded to be returned to the respective donors at the donors' discretion (note 20(c)). The likelihood and amount of any repayment cannot be reasonably determined; therefore, the contingent repayment of such amounts has not been reflected in these financial statements.

4. Investments:

(a) Bistro:

As disclosed in note 2(b), the Association accounts for its wholly owned subsidiary, 1931 Gallery Bistro Inc. ("Bistro"), using the equity method. The Bistro was incorporated on July 26, 2019, under the Business Corporations Act (British Columbia) and began operations on November 27, 2019. The Bistro's purpose is to operate food and beverage services to the Association's gallery patrons and general public.

The investment in the Bistro recognized in the General Fund as at June 30 is comprised of the following:

	2025	2024
Share capital	\$ 1	\$ 1
Working capital loan	690,044	690,044
Capital construction loan	906,619	906,619
Loan interest	272,517	272,517
Accumulated equity loss on investment	(2,429,982)	(2,459,427)
Equity loss reclassified as accounts payable and accrued liabilities	560,802	590,247
Total investment	\$ 1	\$ 1

During the year, the Association charged interest of \$99,525 (2024 - \$115,501) to the Bistro, which are included in accounts and other receivables in the statement of financial position and rentals and food services revenue in the statement of operations.

VANCOUVER ART GALLERY ASSOCIATION

Notes to Financial Statements

Year ended June 30, 2025

4. Investments:

(a) Bistro (continued):

The working capital loan bears interest at prime plus 0.5% and is payable on demand. The capital construction loan bears interest at prime plus 3% and was originally repayable over a 5-year amortization period. However, the Association has granted a deferral on repayment of the loans until fiscal 2026.

The summarized financial position of the Bistro as at June 30, 2025, and its summarized operating results and cash flows for the year then ended are as follows:

Financial Position	2025	2024
Assets	\$ 289,717	\$ 300,708
Less:		
Liabilities	2,691,335	2,731,770
Share capital	1	1
Accumulated deficit	\$ (2,401,619)	\$ (2,431,063)

Results of Operations and Cash Flows	2025	2024
Revenue	\$ 252,741	\$ 1,611,130
Expenses	(223,297)	(2,201,377)
Net income (loss)	29,444	(590,247)
Add: Change in non-cash working capital	14,020	269,217
Add: Amortization	57,746	140,811
Cash from operations, increase (decrease) in cash	\$ 101,210	\$ (180,219)

On December 4, 2023, the Association's board of directors approved the execution of the termination agreement with Bistro Inc to end the operating management agreement and events management agreement, coinciding with mutual approval by the 1931 Gallery Bistro Inc. board.

On July 15, 2024, the Association executed a service agreement with a third-party firm to assume operations of Bistro. Under the terms of the service agreement, Bistro received at commencement of the agreement a \$100,000 service provider investment. Bistro will also receive annual commission calculated based on net revenue generated from the operation. These amounts are recognized by the Association through the equity income (loss) on investments in the statement of operations and fund balances.

VANCOUVER ART GALLERY ASSOCIATION

Notes to Financial Statements

Year ended June 30, 2025

4. Investments (continued):

(b) Portfolio Investments:

The portfolio investments are comprised of the following at year end:

	2025	2024
Investments held at amortized cost:		
Guaranteed investment certificates and term deposits:		
Building fund	\$ 23,440,601	\$ 62,489,995
Acquisition fund	1,183,640	-
General fund	142,309	-
Investments held at fair value in the Building fund:		
Alternative Mutual Fund Trust - Waratah One Trust	11,664,763	11,554,841
Current investments	36,431,313	74,044,836
Investments held at fair value in the Building Fund:		
Endowment held at fair value - Jarislowsky Fraser Global Balanced Fund (note 13(c))	2,613,749	2,313,955
Long-term investments	2,613,749	2,313,955
Total investments	\$ 39,045,062	\$ 76,358,791

Included within cash and cash equivalents in the statement of financial position are guaranteed investment certificates with terms to maturity of three months or less at the date of acquisition as follows:

	2025	2024
Investments held at amortized cost:		
Guaranteed investment certificates and term deposits:		
Building fund	\$ 55,937,997	\$ 27,615,507
Total cash and cash equivalents	\$ 55,937,997	\$ 27,615,507

The guaranteed investment certificates and term deposits have maturity dates ranging between July 2025 to April 2026 (2024 – July to September 2024) and bear interest rates between 2.5% to 5.05% (2024 – 4.5% to 5.7%) per annum.

VANCOUVER ART GALLERY ASSOCIATION

Notes to Financial Statements

Year ended June 30, 2025

4. Investments (continued):

(b) Portfolio Investments (continued):

The breakdown of investment income, net of fees, excluding endowment income of \$583,690 (2024 - \$606,150), is as follows:

	2025	2024
Dividend and interest income	\$ 3,190,176	\$ 3,841,258
Realized gains	94,994	198,575
Unrealized gains	284,091	1,395,150
Total investment income	\$ 3,569,261	\$ 5,434,983

Of the amounts above, dividend and interest income of \$905,461 (2024 - \$2,618,100) is included in the General Fund and \$45,879 (2024 - \$nil) in the Acquisition Fund in the statement of operations and fund balances. The remaining amounts above are included in the Building Fund.

5. Capital assets:

	2025		2024	
	Cost	Accumulated amortization	Net book value	Net book value
Computers and software	\$ 3,499,616	\$ 2,599,519	\$ 900,097	\$ 761,646
Equipment	1,446,387	1,301,829	144,558	150,900
Furniture and building fixtures	2,100,446	1,494,189	606,257	755,766
Equipment under capital lease	932,386	856,728	75,658	94,574
	\$ 7,978,835	\$ 6,252,265	\$ 1,726,570	\$ 1,762,886

6. Bank indebtedness:

As at June 30, 2025, the Association had an operating revolving line of credit of \$5.000 million (2024 - \$2.250 million) which bears interest at the bank's prime rate plus 0.50% and is secured by a general security agreement representing a first charge on the Association's assets as well as an assignment of term deposits of \$2.750 million registered in the name of the Association, including funds received for the purposes of the new art gallery building project. The operating line of credit is due on demand and has no fixed maturity date.

As at June 30, 2025, the amount drawn on the line of credit was \$4.093 million (2024 - \$2.237 million).

VANCOUVER ART GALLERY ASSOCIATION

Notes to Financial Statements

Year ended June 30, 2025

6. Bank indebtedness (continued):

On February 21, 2024, the Association issued a letter of credit in the amount of \$5.000 million in favor of the City of Vancouver in relation to securing the costs for the off-site works for the new Vancouver Art Gallery building project. The letter of credit renews annually and is secured against term deposits registered in the name of the Association, including funds received for the purposes of the new art gallery building project.

7. Accounts payable and accrued liabilities:

Included in accounts payable and accrued liabilities are government remittances of \$63,604 (2024 - \$55,508), which includes amounts payable for PST, Employer Health Tax and payroll related taxes.

8. Obligations under capital lease:

The following is a schedule of minimum lease payments under fixed-rate capital leases, together with the balance of the obligation:

2026	\$	31,524
2027		4,593
<hr/>		
Total minimum lease payments		36,117
Interest (nil as implicit rate is 0%)		-
<hr/>		
Present value of capital lease payments		36,117
Less current portion		(31,524)
<hr/>		
	\$	4,593

9. Deferred contributions:

	2025	2024
<hr/>		
General Fund contributions:		
City of Vancouver	\$ -	\$ 490,039
Other	873,779	829,931
<hr/>		
	\$ 873,779	\$ 1,319,970

VANCOUVER ART GALLERY ASSOCIATION

Notes to Financial Statements

Year ended June 30, 2025

9. Deferred contributions (continued):

A reconciliation of the movement in deferred contributions is included in the table below:

	2025	2024
Balance, beginning of year	\$ 1,319,970	\$ 371,847
Contributions received	3,698,883	4,480,411
Amounts recognized to revenue	(4,145,074)	(3,532,198)
	\$ 873,779	\$ 1,319,970

10. Retail operations and rentals and food services:

	2025	2024
Sales:		
Gallery store	\$ 1,622,788	\$ 1,652,278
Art rental and sales	758,740	755,074
Retail operations	2,381,528	2,407,352
Rentals and food services	479,765	678,430
	2,861,293	3,085,782
Expenses:		
Cost of goods sold	1,332,609	1,327,819
Salaries and employee benefits	1,001,990	791,321
Administration	203,330	402,749
	2,537,929	2,521,889
Excess of retail revenue over expenses	\$ 323,364	\$ 563,893

The cost of inventories recognized as an expense during the year is substantially equal to cost of goods sold.

11. Impairment loss on receivables:

As at June 30, 2024, management determined \$310,097 of receivables were considered impaired and written-off as it was probable that all the related contractual payments due would not be collected in accordance with the terms of agreement. These receivables included uncollected rentals from prior fiscal years and receivables from the Bistro. There were no receivables deemed to be impaired as at June 30, 2025.

VANCOUVER ART GALLERY ASSOCIATION

Notes to Financial Statements

Year ended June 30, 2025

12. Endowment funds held at Vancouver Foundation:

Endowment funds are permanently held and administered by the Vancouver Foundation. Consequently, these funds are not included as assets of the Association in these financial statements. These funds have a cost base as at June 30, 2025 and 2024 of \$8,550,928.

Under the terms of these endowment funds, the Association receives investment income earned on the capital. Income for the year ended June 30, 2025, of \$583,690 (2024 - \$554,692) from the Vancouver Art Gallery Endowment Fund for Acquisitions of Art has been recorded in investment income in the statement of operations and fund balances for the Acquisition Fund. Income for the year ended June 30, 2025, of \$54,716 (2024 - \$52,019) from the General and Life Benefactors components of the Vancouver Art Gallery Endowment Fund has been recorded in revenue from the Vancouver Art Gallery Foundation in the statement of operations and fund balances for the General Fund.

13. Building Fund:

(a) Building Fund Activities:

On March 31, 2008, the Province of British Columbia (the "Province") made a grant to the Association in the amount of \$50,000,000, with a restriction that the funds be used for the general purpose of planning, developing and building of a new Vancouver Art Gallery. The Association received additional funding towards the project from the Province in fiscals 2022 and 2023 totaling another \$50,000,000.

On February 21, 2024, the Government of Canada Minister of Housing, Infrastructure and Communities responsible for the Green and Inclusive Community Buildings Program (the "Program") made a grant to the Association in the amount of \$25,000,000. The Program supports construction of new publicly accessible community buildings in underserved, high-needs communities. \$22,500,000 of the approved grant was received by the Association during fiscal 2024.

The above public grant funding along with all additional contributions received by the Association are restricted for the purpose of the new art gallery and are recorded as externally restricted revenues of the Building Fund in the year the funds are received.

During the year, the Association made disbursements of \$8,028,220 (2024 - \$35,098,639) from the Building Fund related to the new Vancouver Art Gallery building project, including Building Fund expenses recorded in the statement of operations of \$1,020,340 (2024 - \$2,668,590) related to general project planning and management, and \$7,007,880 (2024 - \$32,379,423) related to building development expenses.

Unspent funds are invested in accordance with the Association's Board approved investment policy. Any investment income earned on the Building Fund that is restricted is recorded directly as revenue under the Building Fund. During the year ended June 30, 2025, restricted investment income earned was \$2,614,873 (2024 - \$2,816,883). Unrestricted investment income earned and recorded under the General Fund was \$905,461 (2024 - 2,618,100).

VANCOUVER ART GALLERY ASSOCIATION

Notes to Financial Statements

Year ended June 30, 2025

13. Building Fund (continued):

(a) Building Fund Activities (continued):

As at June 30, 2025, cumulative internally restricted investment income transferred to the Building Fund totaled \$9,577,536 (2024 - \$9,577,536). During the year, the Board approved interfund transfers totaling \$2,000,000 (2024 - \$5,968,000, none prior to that) from the Building Fund to the General Fund related to the use of the internally restricted investment income, resulting in remaining balance of \$1,609,536 (2024 - \$3,609,536). These transfers are included as part of the interfund transfers as reported in the statements of operations and fund balances and changes in net assets.

(b) Building project:

On November 26, 2024, the Board of Trustees of the Association approved the termination of the service agreement between the Association and its design architect consultant.

Major categories of total development costs incurred and charged to the statement of operations for the year ended June 30, 2025 comprise of:

	2025	2024
Primary Design Consultants	\$ -	\$ 9,721,344
Specialty and ancillary consultants	3,404,024	10,212,642
Construction	3,603,856	12,445,437
Building project development	7,007,880	32,379,423
Building project planning and management	1,020,340	2,668,590
	\$ 8,028,220	\$ 35,048,013

Management continues to evaluate strategic alternatives for the building project, including seeking new design proposals from third party architectural consultants and securing capital funding for the project.

(c) Endowment:

The Association received capital contributions of \$1 million from each of the Jarislowsky Foundation and the Estate of Gordon Smith for a total of \$2 million in fiscal 2021 for the purpose of supporting the office of a Curator of Canadian Art, named The Smith Jarislowsky Curator of Canadian Art. The investment income earned from the Fund shall be used by the Smith Jarislowsky Curator of Canadian Art to support the office of the Association's Canadian Art activities. The Association recognized realized gains of \$94,994 (2024 - \$41,528), dividend and interest income of \$56,554 (2024 - \$53,778) and an unrealized gain of \$174,169 (2024 - \$134,205) on its endowment net assets held in the Building Fund during the year. The market value of the endowment investment funds at year end is \$2,613,749 (2024 - \$2,313,954) (note 4(b)) and no distribution of funds were made during the year.

VANCOUVER ART GALLERY ASSOCIATION

Notes to Financial Statements

Year ended June 30, 2025

14. Related parties and economic interest:

(a) Vancouver Art Gallery Foundation:

The Foundation was incorporated in March 1998 and is registered under the Societies Act (British Columbia) and is a registered charity under the Income Tax Act. Its purpose is to receive, hold and invest bequests, donations, gifts, funds and property, the income from which supports the programs, operations and activities of the Association. The Foundation's Board of Directors is elected by the membership of the Foundation, which consists of the Association's Trustees and the elected Foundation's Directors. The Foundation has not been consolidated in the Association's financial statements.

The summarized financial position and operating results as at and for the year ended December 31, 2024, the latest audited fiscal year end of the Foundation, are as follows:

Financial position	2024	2023
Assets	\$ 4,987,934	\$ 4,525,608
Liabilities	21,600	208,381
Net assets	\$ 4,966,334	\$ 4,317,227

Results of operations	2024	2023
Revenue	\$ 1,490,628	\$ 1,085,283
Administrative and investment related expenses	(44,581)	(40,564)
Donation to the Association	(796,940)	(759,818)
Excess of revenue over expenses	\$ 649,107	\$ 284,901

Cash flows	2024	2023
Cash from operations and investing activities, being a net decrease in cash	\$ (58,486)	\$ (42,191)

For the year ended June 30, 2025, Association received donation from the Foundation totaling \$639,203 (2024 - \$779,062). The Foundation also receives income on endowment funds, which are permanently held and administered by the Vancouver Foundation.

As at June 30, 2025, the Association had \$157,572 (2024 - \$386,873) in interest receivable from the Vancouver Art Gallery Foundation.

VANCOUVER ART GALLERY ASSOCIATION

Notes to Financial Statements

Year ended June 30, 2025

14. Related parties and economic interest (continued):

(b) Friends of Vancouver Art Gallery:

Friends of Vancouver Art Gallery ("Friends") is a non-profit organization incorporated in the United States in March 2003 and is independent of the Association.

Its purpose is to receive donations, gifts, funds, and property from residents of the United States for the benefit of the Association. During fiscal 2025, Friends made \$nil (2024 - \$272,576) donation to the Association, which is recorded in fundraising revenue in the statement of operations. During the year ended June 30, 2025, the Association received \$278,293 in donations from donors with US tax residency through other channels, including the Vancouver Foundation, which is not a related party.

(c) Other:

During the year, the Association recognized \$504,948 (2024 - \$6,648,856) in contributions from members of the Board of Trustees, or organizations affiliated with these members, comprising donations, sponsorships and special event support. The Association also received certain contributions of art which have not been recognized in the financial statements in accordance with the Association's policy with respect to donated works of art.

15. Collection and Acquisitions Fund:

Collection:

The Association is responsible for the management of the Vancouver Art Gallery collection and fine arts reference library. The collection is comprised of paintings, drawings, sculptures, photography, prints and other visual art materials. Artwork in the Association's collection, as held for the perpetual benefit of the City of Vancouver and its citizens, demonstrate outstanding cultural significance and is often certified as such by the Canadian Cultural Property Export Review Board.

The Association incurred \$1,296,811 (2024 - \$2,324,281) in expenditures relating to the acquisition of new works for the collection during the year.

A nominal value of \$1 for the collection is included in the statement of financial position of the Association (note 2(l)).

Acquisition fund:

During 2010, the Association received a bequest of \$2,852,477 from the Estate of Anne Eliza Winn, which is held externally with a trustee. As a condition of the bequest, funds may only be used to purchase original works of art from the 'Group of Seven' and the Association is reimbursed from the bequeathed funds at the time of purchase. During the year the Association did not purchase any works of art for which the use of the fund could be utilized (2024 - nil).

Amounts are recorded as bequest revenue and art acquisition expenses under the Acquisitions Fund in the year the purchase occurs. The amount of the unspent funds at June 30, 2025, is \$763,229 (2024 - \$692,595).

VANCOUVER ART GALLERY ASSOCIATION

Notes to Financial Statements

Year ended June 30, 2025

16. Remuneration to employees, contractors and directors:

For the year ended June 30, 2025, the Association paid remuneration of \$7,015,586 (2024 - \$5,757,328) to 55 (2024 – 45) employees and contractors for services with compensation amounts greater than \$75,000.

No remuneration was paid to any member of the Association's Board of Trustees.

17. Financial instrument risks:

(a) Liquidity risk:

Liquidity risk is the risk that the Association will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Association manages its liquidity risk by monitoring its operating requirements. The Association prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations. Please see Going Concern note 1.

(b) Credit risk:

The Association is exposed to credit risk related to its accounts and pledges receivable. It is management's opinion the related risk is not significant due to the nature and credit worthiness of the counterparties and that the amounts are only recorded when ultimate collection is reasonably assured. A provision is provided against the receivable based on any potential impairment as determined by management. The Association is exposed to credit risk with respect to its cash deposits and investments held. The risk of loss is considered low as the deposits and investments are highly liquid and held with reputable financial institutions in Canada.

(c) Market risk:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises currency risk, interest rate risk and other price risk.

(i) Interest rate risk:

Fixed interest rate instruments are subject to fair value risks while floating rate instruments are subject to cashflow risks. The Association is subject to cashflow risk with respect to its operating line of credit which bears a variable rate of interest and fair value risk with respect to its term loan facility which bears a fixed rate of interest (notes 6 and 10).

The Association is subject to fair value risks related to its investments in term deposits which bear fixed rates of interest. Investments held in bond and fixed income funds are also subject to interest rate risks.

(ii) Currency risk:

The Association is, from time to time, exposed to financial risks as a result of exchange rate fluctuations and the volatility of these rates related to their foreign currency denominated accounts payable.

VANCOUVER ART GALLERY ASSOCIATION

Notes to Financial Statements

Year ended June 30, 2025

17. Financial instrument risks (continued):

(c) Market risk (continued):

(ii) Currency risk (continued):

As at June 30, 2025, the Association has payables outstanding denominated in various foreign currencies, most notably US\$541,815 (2024 - US\$763,520) in accounts payable and accrued liabilities. The Association does not currently enter into forward contracts to mitigate this risk.

(iii) Other price risks:

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, other than those arising from interest rate risk or currency risk, whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. Equity price risk is the risk that the fair value of equity financial instruments will fluctuate due to changes in market prices. The Association is exposed to equity price risk on its investments in its equity fund holdings.

There have been no changes to financial risks in 2025.

18. Government grants and other funding:

Grants recognized in the General Fund and Building Fund are comprised of the following:

	2025	2024
General Fund:		
City of Vancouver	\$ 2,412,551	\$ 2,132,680
Provincial:		
BC Arts Council	662,400	662,400
BC Gaming	225,000	225,000
Other	-	273
	887,400	887,673
Federal and other:		
Canada Council for the Arts	454,000	454,000
New Horizons Grant for Seniors	12,299	4,097
	466,299	458,097
Total General Fund	3,766,250	3,478,450
Building Fund:		
Federal - Heritage Canada	1,365,301	-
Federal - Green Inclusive Community Buildings Program	-	22,500,000
Total	\$ 5,131,551	\$ 25,978,450

VANCOUVER ART GALLERY ASSOCIATION

Notes to Financial Statements

Year ended June 30, 2025

19. Commitments:

The Association leases its current premises from the City of Vancouver for a period of 99-years ending 2079 for annual payments of \$1. The fair value of the rent cannot be readily determined and is not recorded in these financial statements.

In addition, the Association has entered into a sub-lease agreement with a third party for building project site office space with remaining minimum lease payments in the next fiscal year of \$155,458.

20. Subsequent events:

- (a) On September 19, 2025, the Board of Trustees of the Association approved to transfer the endowment from the Jarislowsky Foundation and the Estate of Gordon Smith to the Vancouver Art Gallery Foundation. The transfer is being undertaken to align the management of all endowment funds under the Vancouver Art Gallery Foundation.
- (b) On September 26, 2025, the Board of Trustees of the Association approved the selection of Formline Architecture + Urbanism and KPMB Architects as the architectural team to lead the next phase of design for the Association's new art gallery building project.
- (c) On October 8, 2025, the Board of Trustees of the Association approved the repayment of contributions to a registered charity totalling \$880,000 with respect to the Building Fund. This repayment is included in accounts payable and accrued liabilities in the statement of financial position and in fundraising in the statement of operations and fund balances.
- (d) On November 3, 2025, the Association increased its operating line of credit limit to \$6.000 million. The increased limit is secured by an assignment of term deposits registered in the name of the Vancouver Art Gallery Association, including funds received for the purposes of the new art gallery building project.