



FCA NEWSLETTER

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APRIL 2004

"A Work of Art which did not begin in emotion is not art." Paul Cezanne

Should I Buy or Lease that Vehicle? – Reaching a Decision

Coming Events

- Program for April - Social
- "On the Edge" Edgemont Jury - April 26, 2004
- "On the Edge" Edgemont Exhibition - May 8, 2004
- Annual General Meeting Calgary Chapter - April 20, 2004
- Art Fusion - National Exhibition May 6 to 13, 2005

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This is one of the most frequent questions asked of tax advisors, particularly in the spring when those new vehicles look so good. A lease can sound very attractive but is it right for you?

The main appeal of a lease, based on a common misconception seems to be that you can deduct the lease payments against business income – or can you?

There are two main types of lease encountered in financing vehicles. The first is an "operating" lease wherein you lease the item for a fixed period, say three years, and if you want to buy it at the end of the lease period you pay the going rate for it. The second is a "capital" lease wherein the item is leased for the same term and if you want to buy it at the end of the term you can pay a preferred price such as ten percent of the original purchase price and it's yours. Either lease may require a lump sum or

down payment up front.

For financial reporting and income tax purposes the operating lease is a rental and the payments are deductible as leasing expense in the year for which they are paid and only the purchase price paid at the end of the lease is capitalized and depreciated for tax purposes. However, the capital lease is considered to be a financed purchase at the outset so that it is necessary to add up the total payments under the lease and deduct the original purchase price with the remainder representing financing interest. The taxpayer then makes annual expense claims for capital cost allowance, or depreciation, on the purchase price and for interest expense calculated by amortizing the total financing interest over the term of the lease. Both types of leases require the reduction of expenses for the portion of personal use

The tax deductions for a capital lease, therefore, are virtually identical to that for a vehicle purchased with

bank financing. This is where you have to do the arithmetic to see which one of these is best for you. Get all the facts and numbers on both alternatives and add up all payments including down payment, taxes, interest and terminal buy-out. One will normally be somewhat higher than the other.

Other considerations; an operating lease may be easier to obtain than bank financing and an operating lease will not deplete your borrowing capacity.

Do remember that there is no free lunch and a new vehicle depreciates the most in the first year after purchase. The banks and the leasing companies are in business to make a profit and if there are any losses to absorb they will be yours according to the fine print in the contract.

Robert H. McMurray, F.C.A., A.F.C.A. – Chartered Accountant working with artists and income taxes. Contact at 604 576 9121 or mcmurray@mrhw.com

FCA Executive - 2003/2004

Position	Name	Phone	E-Mail Address
President	Neil Locke	(403) 277-0561	nblocke@shaw.ca
1 st Vice President	Natalie Kurzuk	(403) 254-6697	nakurzuk@telusplanet.net
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Secretary	Karen Aulik-Now	(403) 2771586	mtnpropt@telusplanet.net
Treasurer	Kathleen McCombie	(403) 288-4783	kmmccombie@yahoo.ca
Past President	Marg Stevens	(403) 932-6383	stevenss@telusplanet.net

FCA General Meeting, March 16, 2004 - Minutes

Meeting called by: Neil Locke, President . Type of Meeting: General

Note taker: Karen Aulik-Now, Secretary

Attendees: 24

Meeting commenced 7:00 pm

Approval of Minutes of February 20, 2004:

Lois Fisch motioned to approve the minutes; Lorna Hannett seconded. All approved.

Treasurer's Report

Outstanding amount of \$595.00 from 2003 sales has been collected. Budget is currently being planned, Kathleen McCombie, treasurer requested that committee heads contact her regarding the proposed budget. Kathleen McCombie, motioned to have William Kobes audit our 2003 books. Lorna Hannett seconded. Carried

Questionnaire

Results from questionnaire are still being compiled. Thanks went out to the membership for their continuing feedback.

Upcoming Elections

Reminder that elections will be held at next meeting. Positions to be filled: President, First Vice President, Second Vice President, Publicity, Storage, Membership, Exhibitions Chair, Social, and Newsletter.

Edgemont Exhibition

Discussion: Suggestions for ideas for something different for this show followed.

Items of Note

Rose Zivot, painting in International Artist. Lorna Hannett scratch art on the cover of North Light and an article in FCA's Art Avenues.

New Signature members: 4 SFCA's and 8 AFCA's. Carol Ljuden of Redwater and Elizabeth Wiltzen of Banff are two of the new AFCA's from Alberta.

"Painting on the Edge" August 24 to September 12, 2004. Entries are due no later than June 22, 2004.

Alberta Foundation For the Arts: Art acquisition through slide submission for artists new to the collection. Slides due April 1, 2004.

Opportunities

Marketing Opportunity, WWW.supportlocalart.com

Café to show art, Central Blends, West Hillhurst

Calyx Distinctive Arts show at Crescent Heights Community Centre, May 2 & 3, 2004.

Visitors and New Members

No visitors or new members.

Motion made to adjourn meeting:

Lillian Matisons 1st, Dorothy Barraclough 2nd, all approved. Meeting Adjourned.

Program:

Preparing a portfolio and what a gallery looks for from an artist by Romana Kascar-Krast of Collector's Gallery.



President's Message - Neil Locke

One year. The duration of time that I have been the President of the Calgary Chapter of the FCA. What did I learn so far? A lot about what can happen when you empower people to make a society run and how to fill in the blanks when necessary. There are many people who have stepped forward during my time here that have done not only a great job, but an outstanding job! I hope that all of the members of the Calgary Chapter recognize their efforts as much as I do.

Volunteer. A word, for some reason, that instills hesitation in people. Cambridge defines this word as follows: "To offer to do something that you do not have to do, often without having been asked to do it and/or without expecting payment." What is asked of the membership is not necessarily to be a "volunteer", because while you participate in the committees or on the executive you do receive a reward. At least I did. I know a lot more now of what it takes

to run a show or a meeting; how to read a financial statement without being afraid; to put together a package for "unaddressed admail" in a ridiculously short period of time. The acquired knowledge of this I will definitely use for my art career. Here's my advice to those who are wondering what they can do for the FCA. Take on a position that you may know a lot about or you know nothing about. If you participate, you will be recognized.

Thanks everyone.

April 20th: Calgary Chapter Annual General Meeting and Social

Reminder - The Calgary Chapter Annual General Meeting (AGM) is April 20th, 2004. If you are interested in volunteering for a position or would like to nominate someone please give anyone on the executive a call to find out more or to indicate your interest. If you are nominating someone please make sure they are willing to let their name stand for

a position. We have lot's of opportunities for members and you'll enjoy meeting and making friends.

After the meeting we'll have a social so please bring a goodie. It's a chance to meet your new Executive, Committee Members and visit with everyone. Come and join us for a great meeting and lots of great conversation.



"On the Edge" Edgemont Exhibition - May 8, 2004



On the Edge - Edgemont Exhibition

Edgemont Community Centre,

33 Edgevalley Circle N.W.

Saturday, May 8, 2004 (11:00 - 4:00 p.m.)

Door Prize: Members are asked to bring a painting valued at over \$200.00 to the meeting on April 20, 2004, (members will select one for the door prize).

This is a Qualifying Show

Jury April 26, 2004 - Guidelines and Categories

Jurying - Calgary Chapter

Jury forms are available on our website at www.fcacalgary.ca, **please have forms filled out prior to registering your paintings for jury.**

The Jury is Monday, April 26, 2004 at Lakeview Community Centre, 6110 - 34 Street SW.

Drop Off time is 6:30 p.m. sharp. Jury fee: \$10.00

A member must have "Active" status before submitting pieces for a jury into a show. A member can submit three images to a Jury.

Pieces previously submitted can be resubmitted if they were not accepted as "Juror's Choice" paintings. All Calgary Chapter Shows are juried.

Paintings may only hang once in a FCA juried show at the same location. Paintings that have hung in a Chapter Show, either as a Chapter's Choice or a Juror's Choice may subsequently be submitted to an FCA juried show at the Federation Gallery.

If a painting is accepted in two FCA shows, it will only count once towards application for Signature Status. You require eight different works at eight different shows.

Chapter Choice: Are pieces considered to be of a high standard and quality that are acceptable to be shown in a Chapter Show but are not eligible for "juror's choice" and do not work towards "Signature Status".

Juror's Choice: Are pieces considered to be of a higher standard and quality

and are acceptable to be shown in a National Show, allows members to work towards "Signature Status".

Members must have eight "Juror's Choice" over a four year period to apply for AFCA Status.

A member can only count one "Juror's Choice" per show towards their signature status.

This is considered the stepping-stone to signature status and is harder to attain. It ensures artists applying for signature status are meeting the qualifications necessary to be accepted for "Signature" status.

Best of Show: Is "juror's" choice but is considered to be the "best" of show and works towards "Signature Status".

News - Notices - Opportunities

National Exhibition - Art Fusion May 6 - 13, 2005. A Collaboration of Canadian Artists, Gainsborough Galleries. If you are interested in volunteering for this exhibition we have an on-line sign up sheet on our website, please go to <http://fcacalgary.ca/volsignup.htm>. You will be asked to specify the area you would like to volunteer for, any special skills you can provide and your contact information. We'll keep you posted through the newsletter and on the website as we work on the details.

Lorna Hannett had her scratchwork "The Horseman" juried into the Stampede Auction.

Natalie Kurzuk, A New York Experience! Although I visited 15 galleries in New York City recently, I realize that I barely touched on the numerous galleries that it has to offer. In Chelsea district itself, there are over 215 galleries within a 16 block radius. I found the artwork to be as varied as the ideas and styles in art. The works of old masters in the Museum of Modern Art, the Neue Galerie (showing artwork from Germany and Austria) and the Guggenheim can still take your breath away.

On the contemporary scene, I saw everything from miniatures to canvases that covered entire walls. There were galleries showing photography, mixed media works (using collage and found materials), large acrylic, oil and pastel paintings as well as huge, incredibly detailed charcoal drawings, and wonderful sculptural pieces. I also saw several galleries showing combines (paintings and sculptures combined). It would

be difficult, if not impossible, to find a particular trend in the artwork I viewed. With the art market flooded across the country, I see artists taking what they already do and pushing their work a little further to make it fresh and exciting.

I came back both energized and drained. New York City is a dynamic city of high energy and risk-taking. Having a show in this city was a great learning experience - whether it involved the packing and shipping of my art pieces, dealing with customs, or just hanging the show with artists I had never met before. Fortunately, I was able to benefit from the other artists' clientele and their hospitality. We actually had standing room only on opening night and sold 15 paintings in 4 hours. I met with a number of artists with whom I am now in contact. Six of them are planning to submit wooden quilt pieces to "The Ever-Changing Wooden Quilt Project" which will be showing at the Leighton Centre in June. And now, back to my studio!



Tapestries

Alice Saltiel is Canadian born at Toronto, Ontario.

Her joyful energy, discerning eye and delight in all living things are reflected as a dynamic force of nature in her paintings. For over three decades Saltiel has been capturing the essence of the west in oils, watercolours and pencil drawings. Living in Canmore, Alberta promotes an intimacy with the mountain landscape, its wildlife and flora. Hikes and backcountry trips take her deeper into the Canadian Rockies in quest of higher and wilder sights. Thriving on variety, Saltiel enjoys interpreting a wide range of subjects, from painting in her flower garden to recalling international impressions on canvases in the studio. Her art has earned her awards and prestigious commissions. She is represented in public, corporate and private collections worldwide.

Alice's upcoming exhibition:

April 24th to May 3rd, 2004 "A Month in Provence" at the Avens Gallery in Canmore, to view more on her exhibition go to:

www.theavensgallery.com.



The Larch Forest

FCA Newsletter - Calgary Chapter

FCA - Calgary Chapter Newsletter. The Federation of Canadian Artists (FCA) is a not for profit organization dedicated to its aim of gradually raising the artists' standards by stimulating participants to greater heights of achievement.

The FCA - Calgary Chapter Newsletter is produced nine (9) times a year. We do not publish July, August or December. The deadline for submission to the newsletter is

five week days after the end of the month

We're looking for members profiles/biographies to publish in upcoming issues of the newsletter. If you are interested please submit your bio and picture to Marg Stevens at stevenss@telusplanet.net or phone (403) 932-6383.

The Newsletter provides information on persons, places and events of importance,

as well as technical information.

Advertise in *the Newsletter* to reach a premier audience of artists, rates are very reasonable:

Full Page	6 x 7.5	\$110.00
1/2 Page	3.5 x 6	\$60.00
1/4 Page	3.7 x 2.8	\$35.00
1/8 Page	2 x 2.8	\$20.00