



Shetland *arts*

Shetland Arts Development Agency
Board of Trustees Annual General Meeting
Thursday 22nd September 2016 5:30pm
Venue: Mareel

Item	Description	Report	Item taken by	ACTION
1	Welcome		Chair	
2	Annual Financial Statements	Attached	KE	Approval



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Shetland *arts*

Shetland Arts Development Agency
Board of Trustees Meeting
Thursday 22th September 2016 6:00pm
Venue: Mareel

Item	Description	Report	Item taken by	ACTION
1	Welcome, apologies, and declarations of interest		Chair	Note
2	Minutes 23 June 2016		Chair	Approval
3	Finance Management Accounts	Attached	KE	Note
4	General Manager's Report Estates Operations Programming Numbers Funding	Attached	GH	Note Note Note Note Note
5	Board Recruitment & Training		Chair	Note
6	Any Other Business as agreed by the Chair at the start of the meeting		Chair	
7	Date/time of future meetings			Note
7a	Future SADA Board Meetings: Thursday 27 October at Mareel, 5.30pm		Chair	

The Board may decide that on grounds of confidentiality particular items should be considered in private. Any such items will be noted in separate "closed" minutes for approval at the next Board meeting



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Vat Number 671 2655 32

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Shetland
Charitable Trust

SHETLAND ARTS DEVELOPMENT
AGENCY

TRUSTEES' REPORT & FINANCIAL STATEMENTS

for the year ended

31 March 2016

SHETLAND ARTS DEVELOPMENT AGENCY

CHAIRMAN'S MESSAGE

31 MARCH 2016

My first year as chair of Shetland Arts Development Agency has seen significant change to ensure a robust, financially secure, artistically focussed organisation able to deliver upon its Shetland wide remit and ambition.

We have had a successful year artistically, presenting over four thousand concerts, screenings or exhibition days to audiences in excess of one hundred and sixty thousand. Personal highlights for me include the visit by Turner nominated Scottish artist David Mach for an exhibition at Bonhoga Gallery and a talk at Mareel; Hirda, a Shetland dialect opera produced by NOISE and written by Gareth Williams and Chris Stout, and the outstanding work by Shetland Youth Theatre, along with Mareel students and our technical theatre apprentice, on Gargantua a joyous multimedia theatre performance that toured to Inverness as part of the Connections Festival. It has also been a year of partnerships with the Scottish Ensemble building upon their residency of two years ago with four visits celebrating various smaller ensembles and the work on the Pelagic Sculpture a partnership of local pelagic business managed by Shetland Arts that will culminate in 2016.

Our education offer continues to develop with the National Certificate courses delivered from Mareel receiving a very positive report from the Scottish Qualifications Authority Quality Assurance team saying “... *the centre provides a high level of industry focused, skills based learning in music, which puts candidates in a strong position for progression* ...”. Informal education is also a big part of our work and we have continued to offer everything from life drawing classes to traditional dance workshops, art in care and an array of schools visits from music to literature. Again partnership has been a strong theme with us supporting visits from Glasgow School of Art and working with Highlands and Islands Enterprise, the University of Highlands and Islands and Shetland Islands Council Economic Development Department on support for the creative industries.

Festivals have always been a big part of our activity with both Fiddle Frenzy and Screenplay having record breaking years. The recording studio in Mareel has also delivered its strongest year yet, both financially and artistically, working with local and national artists, and with seven albums recorded here making it to the long list for the Scottish Trad Awards. We look forward to building upon that success.

It is with satisfaction that I am able to report that the organisation has made a surplus in unrestricted funds for the financial year 2015-16. This has been no easy task and my thanks goes out to all our staff who have worked hard to make this happen. The re-organisation of the charity structure into four clear areas, Creative Opportunities, Productions, Commercial and Administration and Finance has provided a secure foundation for us to build upon into the future as we begin plans for the next round of Creative Scotland Funding.

I would like to thank our funders: Creative Scotland, Shetland Charitable Trust, Shetland Islands Council and Highland and Islands Enterprise for their ongoing support and commitment to and for us.

It is also worth noting that myself and Graeme Howell; General Manager, were invited to join the Shetland Partnership Board, the local community planning partnership, and I feel that this is a genuine recognition of the wider role that Shetland Arts plays in ensuring that Shetland is somewhere that people want to Live, Work and Invest.

A great amount of thanks needs to go to my fellow trustees for their hard work and support over the last year, and in particular I would like to thank Les Lowes, John Dally and Steve Cheverton, who stepped down as trustees during the year, for their dedication and commitment to the organisation. I would also like to take this opportunity to particularly highlight the work of Olive Macleod whose support of the finance and administration team during this time of transition has been invaluable.

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CHAIRMAN'S MESSAGE

31 MARCH 2016

The years ahead are not without their difficulties as funding continues to tighten and expectations on us continues to grow, but I am confident that the team we have in place: trustees, staff and volunteers will be more than up to the challenge.

Lorraine Hall
Chair

SHETLAND ARTS DEVELOPMENT AGENCY

ANNUAL REPORT OF THE TRUSTEES

31 MARCH 2016

The trustees are pleased to present their annual trustees' report together with the financial statements of the charity for the year ending 31 March 2016.

The financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the trust deed and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), effective 1 January 2015.

OBJECTIVES AND ACTIVITIES

Shetland Arts' principal objectives are laid out in our 2006 Trust Deed.

The objects of the agency are to advance the education of the public resident in Shetland in the Arts, in particular the Arts of Dance, Drama, Theatre, Film, Literature, Music, Crafts, Visual Arts and any new form of Media.

In furtherance of the objects the Trustees shall seek to:-

- (i) encourage and assist in promoting and advancing the creation, practice, presentation and study of all forms of art – visual, performing and creative;
- (ii) support and encourage the continual development of all art forms;
- (iii) support existing, and encourage new, work;
- (iv) improve access to the arts and create opportunities for individuals, geographical communities and communities of interest, at all levels of experience and ability, to participate in and enjoy a diverse range of arts activity through performances, exhibitions and educational activities;
- (v) create opportunities for personal development through a community development approach within the arts;
- (vi) support professional artists through residencies, workshops and performances;
- (vii) promote excellence in artistic quality;
- (viii) develop the skills and experience of artist practitioners and participants and encourage learning; and
- (ix) provide facilities to support artistic activities.

Introduction

In this financial year Shetland Arts continued to deliver a wide range of work throughout the community, collaborating with, and supporting artists and audiences and a range of different groups and organisations. This included the delivery of educational opportunities, both formal and informal, artist residencies, exhibitions, festivals and a programme of music, cinema and other events at Mareel.

Shetland Arts utilises several measures to plan, monitor and evaluate performance against targets.

Each 'project' (such as a single concert, a visual art exhibition or a series of workshops) is worked up by the relevant project manager to include a budget and predicted Key Performance Indicators (Concerts, Screenings, Exhibition Days; Audience attendances; Development Sessions; Participations). Each project is reviewed by the Shetland Arts 'Programming Group' that comprises the most senior managers of the Finance, Operations, Production and Creative Opportunities departments and is chaired by the Director.

Each project is tested against financial and logistical constraints and the Trust Deed, to ensure it fits the Aims and Objectives of the organisation.

If approved, the project is carried forward by the project manager and is reviewed by the Programming Group upon completion.

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Project Managers collate monthly Key Performance Indicators (KPIs) for each active project and each quarter a report is produced which includes KPIs, a narrative for each Priority Area and two or three Case Studies which highlight particular projects. These reports are submitted to Shetland Charitable Trust, circulated to Shetland Arts trustees and made available on Shetland Arts website.

Priority Areas

In 2015 Shetland Arts committed to a “3 Year Programme” of activity building on nine years of quality arts programming to provide opportunities for people of all ages to access enjoyable creative experiences as participants and as audience, across a wide range of art forms. Up to 2014/15 SADA has focussed activity and reporting under artform specific criteria. From 2015/16 onwards activity and reporting is under 6 “Priority Areas of Activity”, identified for 2015-18 as:

1. Youth Arts

This includes the work we do with Shetland Youth Theatre and the support of groups such as Maddrim Media and the Shetland Young Promoters Group. It includes innovative projects designed to increase the engagement of young people in the arts and exchange programmes with organisations out with Shetland, encouraging Shetland youth to engage with and help shape cultural events in Shetland.

2. Education and Learning

We are committed to the delivery of a programme of activities aimed at skills development for creative industries practitioners as well as classes and workshops aimed at increasing accessibility and participation in creative activities. The Gallery Education Programme works with schools to encourage access to and engagement with our exhibition programme. We also facilitate peer review and support by and for practitioners at all levels of participation and a range of formal learning opportunities in partnership with Shetland College UHI, from secondary school level through to masters levels.

3. Arts & Wellbeing

We will continue to advocate and support the provision of arts and cultural activities for older people in care settings and people in supported living programmes, delivered by local and national arts professionals. We also work in partnership with space2face, the restorative justice and arts programme.

4. Development and Support

The support of individuals and groups is integral to our work and includes arts practitioners and creative industries micro businesses, audience development and our formal and informal education work. It also includes staff and volunteer development.

5. Programme, Commissioning and Curation

This includes the programming of our cinema, gallery, exhibition spaces theatre and auditorium; Screenplay, our highly successful book and film festivals; and Fiddle Frenzy, curated in 2015 by Bethany and Jenna Reid. We also develop creative residencies in partnership with local and national bodies and extend our regional, national and international reach through the development of a variety of events such as the Shetland Noir festival in November 2015.

6. Broadcasting, Recording and Intellectual Property

We maximise Mareel's digital production facilities (principally for music and video recording) to provide opportunities for musicians and producers to generate revenue and Intellectual Property.

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ANNUAL REPORT OF THE TRUSTEES

31 MARCH 2016

Achievements & Performance

Priority Areas	Key Performance Indicators - Full Year 15/16			
	Concerts, Screenings or Exhibition days	Audience Attendances	Development Sessions	Participations
1. Youth Arts	16	1,493	138	2,701
2. Education & Learning	7	235	832	7,551
3. Arts & Well-being	96	1,094	274	893
4. Development & Support	0	0	73	2,636
5. Programme, Commissioning & Curation	4,003	158,195	352	7,803
6. Broadcast, Recording & IP	0	0	173	759
Totals	4,122	161,017	1,842	22,343

Priority Area 1: Youth Arts

Highlights included:

- Shetland Youth Theatre's spring production of Gargantua, with John Haswell appointed as Freelance Director, culminating with two performances in Mareel and a trip to Inverness to take part in the National Theatre's "Connections" drama festival. Shetland College Music and Film students studying in Mareel and Maddrim Media, the young people's film production group, were also involved in the project, and production management and vision mixing was overseen by Shetland Arts' Technical Theatre Creative Apprentice.
- Shetland Youth Service's Youth Arts Festival held in Mareel and other venues over two days in May.
- 'Time to Shine' in October, a week long series of workshops in The Garrison Theatre hosted by The Scottish Youth Theatre. This was followed by a performance by the students who participated in the workshops.
- Shetland Young Promoters Group 5th annual Battle of the Bands at the Lerwick Legion on 25th March. 8 bands performed for the chance to win the prestigious title and awards including a day in the Mareel recording studio, a video made by Keiba Club and a gig at the Heavy Metal Buffet 2016. The winners, by way of a unanimous decision by the judges, were 'Satire Division'.
- Stage 1 Drama workshops for 7-11 year olds, with 18 young participants creating a performance over 8 weeks. The workshops were based around the story of an old tree in a forest, and the children devised a selection of tales which were performed for family and friends.

Priority Area 2: Education & Learning

Highlights included:

- 44 students enrolled on the formal education courses Shetland Arts deliver in partnership with Shetland College UHI through a Service Level Agreement (inc. Vocational Pathways courses in Video Production and Sound Engineering, NC Music, HNC Music, BA Applied Music, MA Digital Production module and continuing development work on the forthcoming BA Film Making).
- Music and film student's Student Showcase concert in Mareel's auditorium in October.

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- The Bonhoga Education Programme, which is part funded by the Start programme of the Prince's Foundation for Children and the Arts, and delivered in partnership with Shetland Arts and SIC Creative Links. The project was designed and delivered by freelance artist and recent MA graduate from Royal College of Art, Amy Gear and who worked with 300 pupils aged 6-16 in 5 schools in Shetland (Baltasound, Fetlar, Sandwick, Whalsay and Aith) to collaboratively explore the world of art and develop pieces which were to form an immersive exhibition at Bonhoga in June/July 2016.
- Three informal learning opportunities led by Fraser Taylor to accompany his show at Bonhoga: 'Exploring Drawing' an experimental drawing workshop for people of all ages over 12, a CPD (Continuing Professional Development) event for artists and teachers and a gallery talk open to everyone.
- Storyteller Renita Boyle Creative Residency with Primary Schools in Shetland. The residency was run by Shetland Arts in partnership with SIC Creative Links and eleven Primary Schools, with financial support from The Scottish Book Trust's Live Literature Funding.
- Life Drawing classes in Mareel.
- Berenice Carrington's gallery talk on the opening weekend of her Bonhoga exhibition, Unearthed, Ethnography, art and skran from Shetland's oil era. This was followed by a series of three practical workshops, delivered by the artist in Mareel, exploring drawing and lino printing for all ages. Two of the five exhibiting artists in the subsequent exhibition, Danish Diaspora, delivered a gallery talk on the opening weekend of their exhibition followed by a practical basket-making workshop at Bonhoga lead by exhibitor Lise Bech. Additionally, a stained-glass workshop was delivered in Mareel by Susan Wilkinson, whose work featured in the Shipping Forecast exhibition in the Lower Gallery at Bonhoga throughout September.

Priority Area 3: Arts & Well-being

Highlights included:

- Shetland Arts partnership with Luminate, Scotland's Creative Aging Festival and Global Yell, to deliver a series of workshops to make new work with customers of Care Centres across Shetland, and to exhibit their artistic output through "The Great Care Centre Creativity Swap". The project promoted engagement in creative activities by residents and users of these care settings and gave their work wider exposure by sharing it across the islands. The outcome of the project is an increased interest in artistic activity both by customers and staff in the 6 care settings involved - Brucehall, Nordalea, Taing House, New Craigielea, Montfield
- Arts in Care workshops conducted with clients from Annsbrae, by artists Chloe Garrick and Jane Malcolmson. Supported Living and Outreach clients receiving two series of workshops with local artists Jen Hadfield, Jane Cockayne and Amy Colvin in Mareel and Islesburgh Community Centre. Amy Colvin and Genevieve White also worked with clients from Annsbrae.
- Genevieve White appointment as the Lead Artist for the Arts in Care project. Shetland Arts also hired five Delivery Artists to develop and deliver workshops in care settings across Shetland in 16/17.
- Shetland Arts continued support for the innovative 'space2face' Restorative Justice project with a series of workshops and an exhibition of work which provide a constructive way for offenders to confront the effects of their actions and also to make amends with their victims.

Priority Area 4: Development & support

Highlights included:

- 20 artists being awarded a total of approximately £22,000 via the Visual Art and Craft Award, the annual award scheme managed by Shetland Arts and supported by Shetland Islands Council and Creative Scotland. The scheme offers Shetland visual and craft artists, through a competitive process, a professional development bursary for the creative and commercial development of their work.
- The Creative Industries Conference in March held in Mareel, a joint venture between HIE, SADA, SIC and UHI with around 100 attendees from a wide range of creative industry sectors.
- The continuation of work in support of individual artists, creative groups and Creative Industry businesses, in terms of creative practice, funding and financial advice, and providing freelance contracts and paid performance opportunities.

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Priority Area 5: Programme, Commissioning & Curation

Highlights included:

- The ever popular cinema programme catering for a wide range of contemporary and populist tastes and including regular screenings for specific audiences continued to be popular, including autism friendly, baby friendly and 'Silver Screenings' for older audiences.
- Alternative cinema content including Branagh's 'A Winter's Tale', a concert by German operatic tenor Jonas Kaufmann, NT Live productions such as Hamlet.
- Music festivals hosted in Mareel including the Shetland Folk Festival and Shetland Jazz Festival.
- Shetland Arts' Fiddle Frenzy festival (77 workshops and development sessions encompassing 990 participations and 7 concerts in venues throughout Shetland with a combined audience attendance of 1322').
- Music concerts in Mareel by performers and bands including Dean Owens and the Whiskey Hearts, The North Ness Boys, Bruce Molsky, Admiral Fallow, The New Rope String Band, Them Beatles, Lau, Meaghan Blanchard & Amythyst Kiah, The Punch Brothers, Session A9, Melbourne Fiddlers, Skerryvore, Seckou Keita, Michael Janisch, The Lone Bellow and Up Helly Aa 'Fiery Sessions' concerts. In many cases the event in Mareel allowed for further events by visiting artists to take place in rural locations.
- Informal music events in Mareel including Student Showcase concerts, Cafe Bar Open Mic nights, DJ events and Singer Songwriter sessions.
- The annual Young Fiddler of the Year competition hosted in the Garrison, this year with over 100 entrants.
- The Shetland leg of the 'Between Islands' project during which artists from the island communities - Arthur Nicholson (Yell), Kris Drever (Orkney) and Willie Campbell (Lewis) - travelled between their island groups to collaborate, produce new material and perform.
- Scottish Ensemble Residency including their Mozart, Madrigals and Mavericks duo programme in September and their Quintets programme in February (leading to a duos concert in April 2016 and a weeklong visit in June 2016 including Mareel concerts, workshops and rural concerts).
- The Hirda Shetland dialect opera, a collaboration between Shetland fiddler and composer Chris Stout and Gareth Williams, a Scottish contemporary classical composer, produced by NOISE. Hirda was supported by Shetland Arts, who played a role as a partner in the production of all four events across Shetland - Mareel, Haroldswick Hall, Vidlin Hall and Carnegie Hall.
- Shetland Jazz Club's summer school in the Mareel auditorium.
- The Shetland Schools Music Festival featuring primary age performers and groups from across Shetland schools with well over 100 participants.
- The day long BBC Ten Pieces music workshop, involving over 100 local musicians.
- Multimedia touring National Theatre production of 'Last Dream on Earth' in Mareel.
- Shetland ForWird's production of 'Tell Wis' with 3 sold out shows at the Garrison Theatre in June.
- Islesburgh Drama Group's 13 show run of the Dick Whittington panto in the Garrison Theatre.
- Screenplay, Shetland Arts' annual film festival curated by internationally renowned film critic Mark Kermode, film historian Linda Ruth Williams and festival director Kathy Hubbard.
- Shetland Noir, Shetland's first ever festival of crime fiction, took place between 13th and 15th November. The series of events was a partnership between Shetland Arts, Promote Shetland and Icelandic Noir and was developed with artistic input from well known author with Shetland connections, Anne Cleaves.
- Exhibitions including
 - "Malakoff - Shetland Open Winners", which featured new work created by the four winners of the 2013 Open, using local marine engineering firm, Malakoff as their starting point;
 - the Shetland Bairsns Open photography exhibition on the theme of "Industry";
 - "Shadowed Valley" by interdisciplinary artist, Fraser Taylor, which grew out of his sabbatical, exploring the history of Weisdale - the "Shadowed Valley", of John J Graham's novel of that title;
 - "Eye Can Draw" featuring work created using eye tracking technology, by multiple sclerosis sufferers Dawson Murray and Jackie Smith;
 - a solo show by artist and ethnographer Berenice Carrington, exploring the stories, lives and objects surrounding Shetland's 1970s Toft Camps;
 - Danish Diaspora, showcased contemporary craft by five Danish craft makers all based in Scotland;

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- Shipping Forecast, a mixed-media exhibition in the lower gallery celebrated the with both local and national artists and makers contributing work;
 - photography exhibitions Paul Boyle and Chris Brown;
 - Svenska, featuring art, craft and design work inspired by Sweden. The work of five printmakers from Gotland showcased alongside new work from Shetlander Karen Clubb plus new work by Shetland-based artists Mike Finnie and Anne Bain who travelled to Sweden as part of a Shetland Arts Visual Art and Craft award in 2014;
 - David Mach, including a successful and well-attended talk at Mareel by the artist himself. This exhibition was followed by an exhibition by photographer;
 - Marc Wilson, photography charting landscapes across Europe marked by the ghostly remains of WW2 defences;
 - Avril Thomson's paintings and drawing;
 - Richard Shucksmith and Brydon Thomason's wildlife photography.
- The Pelagic Sculpture Project, managed by Shetland Arts and commissioned by a partnership comprising Shetland Catch, Shetland Fish Producers' Organisation, Lerwick Port Authority and LHD, continued with the appointment of lead artist Jo Chapman and a series of developmental activities with a view to installation in late 2016.

Priority Area 6: Recording, Broadcast and Intellectual Property

Highlights included:

- Recording and mixing sessions by bands and artists including Kris Drever, North Ness Boys, Dirty Lemons, Will Rose, Small Hours, Nomadia, Portalooth, The Bashies, Trookers, Nomadia, The Revellers, Small Hours, Brack & File.
- Extensive use of the recording studio and media production facilities by students whilst working on various educational projects.
- A live broadcast by Promote Shetland of the Schools Music Festival.
- Anderson High School's annual two day recording session as part of 'Activities Week'.

Volunteers

Shetland Arts has been fortunate in working with 100s of volunteers throughout the year, as part of our volunteering strategy. Volunteers, including the voluntary board of trustees, have provided regular assistance with administration, research, festival curation, event management, marketing, assisting with the delivery of workshops and numerous other roles and functions.

Change Management

A complete review of the organisational structure was undertaken throughout the year. The purpose of this was to:

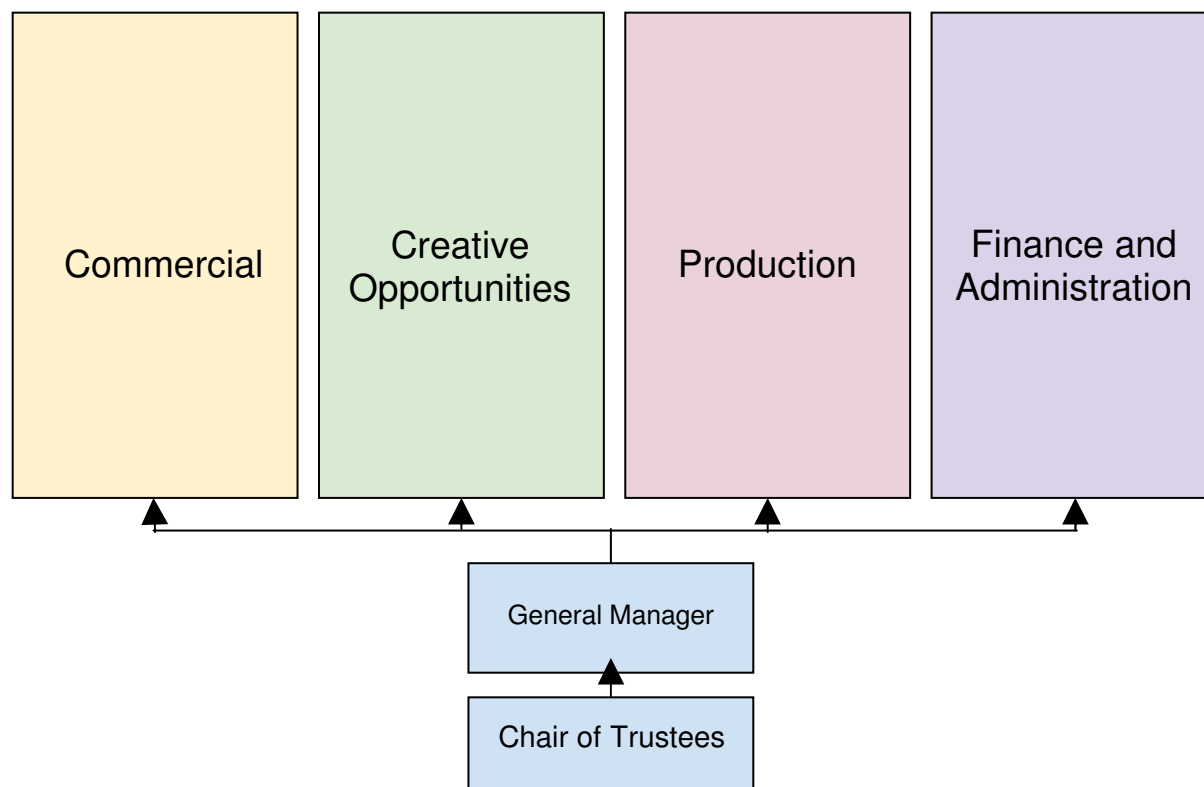
- Create a more efficient organisation.
- Make the structure fit for purpose and scalable according to means and opportunities.
- Enhance income generation potential through ensuring strong customer service and experience, increasing footfall, and increasing engagement across all three venues.
- Strengthen the senior management team (including enhanced understanding of the financial position of the organisation).
- Strengthen approach to arts development by making the organisation more open to external thinking.
- Clarify roles and responsibilities of staff team.
- Ensure income and expenditure budgets are effectively set and monitored.
- Ensure good practice particularly in SADAs use of zero hours contracts.
- Open up and widen opportunities for freelance work and input from across Scotland.
- Increase apprenticeships and paid internship opportunities.
- Ensure external legibility through clear team structure and streamlined roles.

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This has created a simplified organisational structure.



As we review this change process areas that still require development and work have been highlighted in the future plans section.

FINANCIAL REVIEW

During the past year a significant amount of effort has been put into controlling the costs of the organisation with the aim of returning to a surplus generating position. As part of this we have reviewed our budget management processes and contracts with supplier and a restructure was undertaken that has achieved:

- A more efficient organisation.
- A structure fit for purpose and scalable according to means and opportunities.
- Strengthening of the senior management team (Including enhanced understanding of the financial position of the organisation).
- Clarified roles and responsibilities of the staff team.
- Good practice particularly in Shetland Arts' use of zero hours contracts.
- Open up and widen opportunities for freelance work and input from across Scotland.

The above helped the turnaround for the year which gives a surplus on the Unrestricted Funds of £18,180 (2015 - £112,436 deficit) for the year. This surplus of £18,180 in Unrestricted Funds comes after the deduction of depreciation in the year of £667,659. This depreciation is partly off-set by a transfer made from the Restricted Capital Fund to Unrestricted Funds of £634,212. This transfer is done to recognise the fact that capital grants received in this year and during earlier financial periods should be amortised over the same useful lifetime as the assets to which they relate.

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The Total Incoming Resources for the year were £2,507,870 (2015 - £2,507,942) made up as follows:

	2016 £	2016 %	2015 £	2015 %
Revenue grants received	1,057,783	42.1%	1,031,561	41.1%
Capital grants received	-	-	-	-
Self-generated income	1,416,728	56.5%	1,466,837	58.5%
Donations and sponsorship	33,359	1.4%	9,544	0.4%
TOTAL	2,507,870	100%	2,507,942	100%

We received annual revenue funding of £696,038 from Shetland Charitable Trust (SCT) and £250,000 from Creative Scotland (CS) during the year. We were also provided with £29,292 planned maintenance funding from SCT in respect of this year.

Project funding was received from various funders, including Creative Scotland, Shetland Islands Council and Highlands and Islands Enterprise. This funding, combined with the use of our revenue funding and generated income has allowed the range of arts activity described under "Activities, Achievements and Performance" to take place during the year.

Total Resources Expended was £3,123,902 (2015 - £3,274,273) made up as follows:

	2016 £	2016 %	2015 £	2015 %
Stock and goods purchases	311,760	10.0%	322,688	9.9%
Charitable activities	2,812,142	90.0%	2,912,866	88.9%
Loss on disposal of assets	-	0%	38,719	1.2%
TOTAL	3,123,902	100%	3,274,273	100%

Grants were given out by Shetland Arts in the year of £22,505 (2015 - £22,180). These are contained in the Charitable Activities line above and further details of the grant scheme are contained in note 7b.

All staff costs are included in charitable activities above and have decreased from £1,218,251 in 2015 to £1,179,179 in 2016.

Shetland Arts is an approved member of the Shetland Islands Council Pension Scheme. The updated actuarial valuation of the pension scheme as at 31 March 2016 resulted in a decrease of £312,000 in the Shetland Arts pension scheme liability, which is shown in the Statement of Financial Activities, decreasing the pension scheme liability in the Shetland Arts balance sheet to a total of £924,000.

The unrestricted fund is therefore in deficit. As explained above this fund is affected by the adjustment for our Pension Liability. The pension fund deficit is under constant review and appropriate advice from the fund managers on levels of future contributions will be actioned as required. The trustees believe this deficit is strongly linked to the current market conditions and expect to see an improvement in the coming years.

RESERVES POLICY

In April 2016 the Trustees approved a new reserves policy. SADA is working towards securing adequate reserves to meet current and potential future needs. The organisation aims to have unrestricted reserves of at least £200,000. This will allow the organisation to meet any unexpected expenditure that may arise.

Within this reserve, funds will be designated to an Asset Replacement and Repair Reserve. In any year the organisation makes a surplus, 50% of this surplus will be designated into this fund. The fund will be used for the replacement and repair of the assets of the organisation.

Total funds as at 31 March 2016 are £10,942,357 (2015 - £11,246,389). This is split between Restricted Funds of £12,106,966 (2015 - £12,741,178) and Unrestricted Funds in a deficit position of £1,164,609 (2015 – deficit of £1,494,789). The funds in a deficit position are discussed in the financial review on pages 9 – 10.

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PLANS FOR THE FUTURE

The successful application for Creative Scotland 3 year funding along with a refreshed relationship with Shetland Charitable Trust give the organisation a strong foundation to build upon for the future.

The current organisational restructure that was embarked upon in the last part of the year has yet to achieve:

- Enhanced income generation potential through ensuring strong customer service and experience, increasing footfall, and increasing engagement across all three venues.
- Ensuring income and expenditure budgets are effectively set and monitored.
- To ensure external legibility through clear team structure and streamlined roles.

In the short term these are key targets for the current year.

As we come out of a period of significant change and head towards a new round of funding from Creative Scotland starting in 2018, the long term strategic goals of the organisation are being reviewed. This includes a review of our existing estates strategy with particular reference to the Garrison Theatre and Weisdale Mill.

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees	Steven Cheverton	Resigned 15 December 2015
	John Dally	Resigned 15 December 2015
	Alex Fenton	Appointed 25 June 2015 / Resigned 23 June 2016
	Lorraine Hall	
	Alan Lindsay	Resigned 23 June 2016
	Leslie Lowes	Resigned 15 December 2015
	Olive MacLeod	
	Helen Nisbet	Appointed 15 December 2015
	David Ramsay	Appointed 25 June 2015
	Veronica Rocks	
	Robin Sandison	
	Danus Skene	
	Alan Skinner	Appointed 25 June 2015
	Ryan Stevenson	Appointed 15 December 2015

General Manager Graeme Howell

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Lerwick
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ZE1 0WQ

Auditors The A9 Partnership Limited
47 Commercial Road
Lerwick
Shetland ZE1 0NJ

Bankers Clydesdale Bank plc
Commercial Street
Lerwick
Shetland ZE1 0JJ

Solicitors Harper Macleod
St Olaf's Hall
Church Road
Lerwick
Shetland ZE1 0FD

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Founding Trust Deed Registered BC & S on 13 January 2006

Charitable Status Scottish Charity No. SC037082

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document and organisation

Shetland Arts Development Agency is an unincorporated Registered Scottish Charity, constituted under a trust deed. The organisation is governed by a Board of Trustees who are responsible for long-term planning and strategic decision making, delegating the day to day operational decision making to the General Manager.

Appointment of trustees, their induction and training

The Trustees meet bi-monthly to administer the activities of the Agency. The Board comprises a minimum of ten trustees, and a maximum of thirteen. Each trustee shall hold office for a period of three years with power to be re-appointed for a further period of three years. Trustees will retire on the third anniversary of their appointment. In the event of appointment for that further period, such trustees will not be eligible for appointment for a period of three years thereafter. The appointment of new trustees will be the job of a Nominations Committee constituted by three of the serving trustees. Trustees are normally recruited following public advertisement. The positions of Chair and Vice Chair are voted on by the existing Trustees, and these office holders serve in accordance with the Agency's Standing Orders.

The Trustees make decisions by majority vote at their meetings. Up to January the board met every 6 weeks except for during a summer break. In January 2016 they made the decision to hold meetings every two months with a more detailed information session on specific topics of interest in the months between.

Trustee recruitment took place during the year, which resulted in Alex Fenton, David Ramsay and Alan Skinner being appointed in June 2015, and Helen Nisbet and Ryan Stevenson being appointed in December 2015. New Trustees receive individual induction from the General Manager on appointment, and are encouraged to undertake training as appropriate to their role.

In January 2016 the board also made the decision to create a finance sub group which is made up of three board members. This group meets monthly to review the management accounts in detail as well as discussing other financial matters.

Pay policy for senior staff

The trustees consider that the charity's trustees and senior management team comprise the key management personnel of the charity in charge of direction and controlling, running and operating the charity on a day to day basis. The senior management team comprises the General Manager, Head of Creative Opportunities, Head of Production and the Finance Manager. All Trustees give their time freely and no trustee received remuneration in the year. Details of trustee's' expenses are disclosed in note 19 of the accounts.

The pay of the senior staff is reviewed annually. The pay rates are benchmarked against third sector averages in Shetland. The pay of the General Manager is set by the Trustees.

SHETLAND ARTS DEVELOPMENT AGENCY

ANNUAL REPORT OF THE TRUSTEES

31 MARCH 2016

Related parties

Shetland Arts Development Agency is funded by the Shetland Charitable Trust to deliver arts services to the community in line with the Shetland Cultural Strategy's three themes of Access: Participation and Potential; Creativity and Heritage; and Learning, Economy and Regeneration.

Shetland Arts Development Agency also receives revenue funding from Creative Scotland, dependent upon its submission to them of an annual programme of activities. This programme must meet Creative Scotland's own objectives, which are to support excellence in artistic and creative practice, to improve access to, and participation in arts and creative activity, and to develop and sustain a thriving environment for the arts, screen and creative industries.

Shetland Arts IP C.I.C., a Community Interest Company, was incorporated on 25 July 2011. The Company is wholly owned by Shetland Arts Development Agency and was set up as a means to securing the Intellectual Property rights over films, books, music, etc and ensuring that any profits generated in this way can be retained for the good of Shetland. During the financial year, the company's transactions were not material to the group, so consolidation of the figures was not required.

Risk Management

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems are in place to mitigate our exposure to the major risks. The table below highlights the risks the board have identified as being the most significant.

Risk Title	Risk Detail	Mitigation
Funding	Our grant from Shetland Charitable Trust is agreed until 2020 and decreases by 5% a year from 2016 - 2020. Creative Scotland are under increasing pressure from Scottish Government cuts and there may be an adjustment to the indicated level of funding 17/18. We also expect the next three year funding round from 18 - 21 to be very competitive.	Ensure the organisation maintains good relationships with funders through open high level communication, including chair to chair discussions. Consistent review of KPI's against targets to ensure delivery in line with expectations by Senior Management Team and Board. Early warning of any pertinent issues by General Manager to Trustees.
Commercial Income	Commercial income is always volatile and the changing nature of the economic situation in Shetland is cause for concern. SADA reliance on successful cinema, food and beverage takings is particularly vulnerable to any downturn to consumer spending.	Establishment of a finance sub committee of trustees to support the General Manager and Finance Manager in their roles. Greater devolution of budgets to responsible managers to ensure better cost control. Phased planned expenditure that can be re budgeted should commercial income fail to perform.
Reputation	SADA is coming out of a period of unpopularity around the construction of Mareel, and the necessary organisational restructure has received criticism from some quarters. The decisions that need to be made regarding SADAs ongoing management and ownership of various buildings in its estates portfolio are also a potential reputational risk.	Ensure future ambitions are clearly communicated and 'owned' by the whole organisation. Communication will always be carried out in an open and honest way. The trustees will properly scrutinise all recommendations from the General Manager.

SHETLAND ARTS DEVELOPMENT AGENCY

ANNUAL REPORT OF THE TRUSTEES

31 MARCH 2016

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in Scotland requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the charity's constitution.

They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements might differ from legislation in other jurisdictions.

AUDITOR

The A9 Partnership Limited were re-appointed as the charity's auditor during the year and have expressed their willingness to continue in that capacity.

Approved by the Trustees on

2016 and signed on its behalf by:

Chairperson

SHETLAND ARTS DEVELOPMENT AGENCY

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES

31 MARCH 2015

We have audited the financial statements of Shetland Arts Development Agency for the year ended 31 March 2016 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and the Republic of Ireland.

This report is made solely to the charity's trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities statement set out on page 14, the trustees are responsible for the preparation of financial statements which give a true and fair view.

We have been appointed auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with regulations made under that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Chairman's Message and the Annual Report of the Trustees to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2016, and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

SHETLAND ARTS DEVELOPMENT AGENCY

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES

31 MARCH 2015

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charity Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

.....
THE A9 PARTNERSHIP LIMITED
Chartered Accountants & Statutory Auditor

47 Commercial Road
Lerwick
Shetland
ZE1 0NJ

The A9 Partnership Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act
2006

SHETLAND ARTS DEVELOPMENT AGENCY

STATEMENT OF FINANCIAL ACTIVITIES (Incorporating Income and Expenditure Account)

for the year to 31 MARCH 2016

	<i>Note</i>	Unrestricted Funds £	Restricted Funds £	Restricted Capital Funds £	Total Funds £	2015 £
INCOME from:						
Donations	3	511	1,650	-	2,161	7,496
Charitable activities	4	946,038	111,745	-	1,057,783	1,031,561
Other trading activities	5	1,334,540	113,386	-	1,447,926	1,468,885
Total Income		2,281,089	226,781	-	2,507,870	2,507,942
EXPENDITURE on:						
Raising funds	6	311,760	-	-	311,760	322,688
Charitable activities	7	2,585,361	226,781	-	2,812,142	2,912,866
Other: Loss on disposal of fixed assets		-	-	-	-	38,719
Total Expenditure		2,897,121	226,781	-	3,123,902	3,274,273
NET INCOME/(EXPENDITURE)		(616,032)	-	-	(616,032)	(766,331)
Transfers between funds	20	634,212	-	(634,212)	-	-
NET INCOME/(EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES		18,180	-	(634,212)	(616,032)	(766,331)
OTHER RECOGNISED GAINS AND LOSSES:						
Actuarial gains on defined benefit pension schemes	18	312,000	-	-	312,000	(393,000)
Net Movement in Funds		330,180	-	(634,212)	(304,032)	(1,159,331)
Reconciliation of funds:						
Total funds brought forward		(1,494,789)	-	12,741,178	11,246,389	12,405,720
Total funds carried forward		(1,164,609)	-	12,106,966	10,942,357	11,246,389
		=====	=====	=====	=====	=====

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

SHETLAND ARTS DEVELOPMENT AGENCY

Charity Registration No. SC037082

BALANCE SHEET

31 March 2016

	Note	2016 £	2016 £	2015 £	2015 £
FIXED ASSETS					
Tangible assets	11		12,204,581		12,859,174
Investments	13		1		1
TOTAL FIXED ASSETS			12,204,582		12,859,175
CURRENT ASSETS					
Stock	14	40,317		39,472	
Debtors	15	86,325		43,508	
Cash at bank and in hand		49,747		7,898	
TOTAL CURRENT ASSETS		176,389		90,878	
LIABILITIES					
Creditors: Amounts falling due within one year	16	(431,029)		(376,272)	
NET CURRENT LIABILITIES			(254,640)		(285,394)
TOTAL ASSETS LESS CURRENT LIABILITIES			11,949,942		12,573,781
Creditors: Amounts falling due after more than one year	17		(83,585)		(91,392)
NET ASSETS EXCLUDING PENSION LIABILITY			11,866,357		12,482,389
Defined benefit pension scheme liability	18		(924,000)		(1,236,000)
TOTAL NET ASSETS			10,942,357		11,246,389
THE FUNDS OF THE CHARITY:	20				
Capital restricted fund			12,106,966		12,741,178
Unrestricted funds:					
Unrestricted income funds excluding pension liability		(240,609)		(258,789)	
Pension reserve		(924,000)		(1,236,000)	
Total unrestricted funds			(1,164,609)		(1,494,789)
TOTAL CHARITY FUNDS			10,942,357		11,246,389

These financial statements were approved by the board of trustees and authorised for issue on 2016 and are signed on their behalf by:

Trustee

Trustee

SHETLAND ARTS DEVELOPMENT AGENCY

STATEMENT OF CASH FLOWS

For the year ended 31 March 2016

	Note	2016 £	2015 £
Cash flows used in operating activities:	24	123,134	(137,139)
Net cash provided by/ (used in) operating activities		123,134	(137,139)
Cash flow from investing activities:			
Proceeds from the sale of property, plant and equipment		-	87,906
Purchase of property, plant and equipment		(13,067)	-
Net cash provided (used in) investing activities		(13,067)	87,906
Cash flows from financing activities:			
Repayments of borrowing		(7,448)	(7,128)
Interest paid		(4,304)	(4,623)
Net cash provided by (used in) financing activities		(11,752)	(11,751)
Change in cash and cash equivalents in the reporting period		98,315	(60,984)
Cash and cash equivalents at the beginning of the reporting period		(48,568)	12,416
Cash and cash equivalents at the end of the reporting period		49,747	(48,568)
Analysis of cash and cash equivalents		2016 £	2015 £
Cash in hand		7,900	7,898
Cash at bank including overdrafts		41,847	(56,466)
Total cash and cash equivalents		49,747	(48,568)

SHETLAND ARTS DEVELOPMENT AGENCY

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2016

1. PRINCIPAL ACCOUNTING POLICIES

Basis of accounting

The accounts are prepared under the historical cost convention, with the exception of pianos which are included at market value and the Weisdale Mill which is included at deemed cost, and include the results of the charity's operations which are described in the Trustees' Report and all of which are continuing.

In preparing the financial statements the charity follows best practice as laid down in the Accounting and Reporting by Charities: Statement of Recommended Practice, applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015) (the SORP), the Charities and Trustee Investment (Scotland) Act 2005, and the Charities Accounts (Scotland) Regulations 2006 (as amended) except as noted below.

Shetland Arts Development Agency meets the definition of a public benefit entity under FRS102. The financial statements have been prepared in compliance with FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The functional currency of Shetland Arts Development Agency is considered to be pounds sterling because that is the currency of the primary economic environment in which the charity operates.

Consolidation

The financial statements have been prepared for Shetland Arts Development Agency as an entity and in accordance with the SORP module 24, group accounts have not been prepared on the basis that there is no statutory requirement to prepare group accounts as the results of the subsidiary undertaking is not material to the group.

Critical Accounting Estimates and Areas of Judgement

The charity makes estimates and assumptions concerning the future. The charity has not identified any estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities.

Reconciliation with previous generally accepted accounting practice and transition to FRS 102

The transition date was 1 April 2014. In accordance with the requirements of FRS 102 a reconciliation of opening balances is provided. A reconciliation is also provided between the restated deficit to 31 March 2015 under FRS 102 and the deficit as previously stated.

Reconciliation of funds and balances:	1 April 2014	31 March 2015
	£	£
Fund balances as previously stated	12,405,720	11,251,778
Additional depreciation on Property	-	(5,389)
Fund balances as restated	12,405,720	11,246,389
 Reconciliation of net expenditure:		
		Year ended 31
		March 2015
		£
Net outgoing resources as previously stated		(1,153,942)
Additional depreciation on Property		(5,389)
Net expenditure as restated		(1,159,331)

SHETLAND ARTS DEVELOPMENT AGENCY

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2016

1. PRINCIPAL ACCOUNTING POLICIES (continued)

Reconciliation with previous generally accepted accounting practice and transition to FRS 102 (continued)

Please refer to note 12 for further explanation of the adjustment. The charity has also taken advantage of the exemption in paragraph 35.10 of FRS 102 surrounding lease incentives in relation to the Mareel lease discussed further in note 22.

Going Concern

The charity is dependent on funding however no material uncertainties that may cast significant doubt about the ability of the charity to continue as a going concern have been identified by the trustees. As a result they have adopted the going concern basis of accounting.

Income

Income is included in the Statement of Financial Activities when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. The following policies are applied to particular categories of income:

Donations, legacies and similar incoming resources are included in the year in which they are receivable, which is when the charity becomes entitled to the resource.

Capital Grants

Capital grants are taken into account when they become receivable.

Revenue Grants

Revenue grants are taken into account when they become receivable.

The value of volunteer help received is not included in the accounts but is described in the Trustees' Annual Report.

Expenditure

All expenditure is accounted for on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure. It is probable that settlement will be required and the amount of the obligation can be measured reliably. All costs have been directly attributed to one of the functional categories of resources expended in the Statement of Financial Activities.

Support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include staff salaries, overheads and governance costs which support the charity's activities.

All costs are allocated between the expenditure categories of the SoFA on a basis designed to reflect the use of the resource.

Termination Benefits

Termination benefits are payable when employment is terminated by the charity before the normal retirement date, or whenever an employee accepts voluntary redundancy. Such benefits are recognised when the charity is demonstrably committed to terminating the employment without withdrawal or when an offer of voluntary redundancy is accepted.

SHETLAND ARTS DEVELOPMENT AGENCY

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2016

1. PRINCIPAL ACCOUNTING POLICIES (continued)

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are accounted for in the Statement of Financial Activities within resources expended on a straight line basis over the period of the lease, with the exception of the rent payable to the Shetland Islands Council under the sub-lease of Mareel, which is netted off against rent receivable from the Shetland Islands Council under the head-lease, as explained in note 22.

Tangible Fixed Assets

No single equipment purchase with a cost below £500 (2015 - £2,000) is to be capitalised. Any item of equipment costing more than £500 is initially stated at cost.

Paintings are not depreciated as they are considered to have a useful life of greater than 50 years and therefore any depreciation is considered immaterial. The trustees consider that this departure from United Kingdom Generally Accepted Accounting Practice (UK GAAP) is necessary in order to provide a true and fair view.

The pianos were re-valued on 31 March 2011. The valuations were based on a review of second-hand piano sellers' websites and were carried out by Sheila Duncan, who was an internal employee of Shetland Arts Development Agency and is not a qualified valuer.

Depreciation is provided on all other tangible fixed assets at rates calculated to write off the cost or valuation, less estimated residual value, of each asset evenly over its expected useful life. The estimated useful lifetime of assets was calculated as;

Heritable Property – Weisdale Mill – 50 years
Heritable Property – Mareel building – 24 years
Plant and Equipment – 5 to 10 years
Computer equipment – 3 years

Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset were already of an age and in the condition expected at the end of its useful life.

Investments

Investments in subsidiary undertakings are initially capitalised at cost.

Stocks

Stocks are stated at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less any further costs expected to be incurred on disposal.

Debtors

Trade and other debtors that are receivable within one year are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount pre-paid net of any trade discounts.

Cash at bank and in hand

Cash at bank and in hand is held to meet the short term commitments as they fall due rather than for any investment purposes.

Liabilities

Liabilities arise from legal or constructive obligations that commit the charity to expenditure. A liability and related expenditure is recognised when all of the following criteria are met:

SHETLAND ARTS DEVELOPMENT AGENCY

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2016

1. PRINCIPAL ACCOUNTING POLICIES (continued)

Liabilities (continued)

- Obligation – a present legal or constructive obligation exists at the reporting date as a result of a past event;
- Probable – it is more likely than not that a transfer of economic benefits, often cash, will be required in settlement; and
- Measurement – the amount of the obligation can be measured or estimated reliably.

Liabilities that are classified as payable within one year on initial recognition are measured at the undiscounted amount of cash or other consideration expected to be paid. Amounts are included in liabilities when authorised and committed.

Value Added Tax

Irrecoverable value added tax is written off when the expenditure to which it relates is incurred.

Retirement benefits

Eligible employees of the Shetland Arts Development Agency are members of the Local Government Pension Scheme, a multi-employer defined benefit statutory scheme, administered by Shetland Islands Council in accordance with the Local Government Pension Scheme (Scotland) Regulations 1998 as amended. The contributions to the scheme are charged to the statement of financial activities so as to spread the cost of pensions over the service lives of employees.

Funds

With the adoption of the statement of recommended practice, funds require to be classified between restricted funds which are subject to specific terms as to their use laid down by the donor, and unrestricted funds which can be used at the discretion of the Trustees in the furtherance of the objectives of the Trust.

Restricted Capital Funds are grant funding that has been received in respect of specific capital expenditure. A transfer is made from this fund to show the amortisation of this funding over the useful estimated lifetime of the assets to which the funding applied. This transfer is made to unrestricted reserves as the depreciation of assets is recorded here.

Financial Instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured their settlement value.

2. LEGAL STATUS OF THE CHARITY

Shetland Arts Development Agency is an unincorporated registered Scottish charity constituted by its trust deed. The charity's address and details of its operations and principal activities are detailed within the Trustees' report.

3. DONATIONS

	Unrestricted Funds £	Restricted Funds £	Restricted Capital Funds £	Total Funds £	2015 £
Donations	511	1,650	-	2,161	7,496
	=====	=====	=====	=====	=====
	511	1,650	-	2,161	7,496
	=====	=====	=====	=====	=====

SHETLAND ARTS DEVELOPMENT AGENCY

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2016

3. DONATIONS (continued)

Donations of £7,496 were included in unrestricted funds in 2015.

The charity benefits greatly from the involvement and enthusiastic support of its many volunteers, details of which are given in the trustees' report. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the financial statements.

4. CHARITABLE ACTIVITIES

Shetland Charitable Trust	696,038	29,292	-	725,330	723,030
Creative Scotland revenue funding	250,000	-	-	250,000	212,000
Creative Scotland project funding	-	13,563	-	13,563	38,893
Local Authority – project funding	-	7,603	-	7,603	4,604
Other public funds	-	61,287	-	61,287	53,034
	<u>946,038</u>	<u>111,745</u>	<u>-</u>	<u>1,057,783</u>	<u>1,031,561</u>
	=====	=====	=====	=====	=====

Shetland Charitable Trust funding of £696,038 and Creative Scotland funding of £212,000 were unrestricted funds in 2015. All other charitable activities income in 2015 was restricted.

5. OTHER TRADING ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Restricted Capital Funds £	Total Funds £	2015 £
Business sponsorships	-	31,198	-	31,198	2,048
Box office/programme	579,744	-	-	579,744	595,460
Ancillary earned income	739,027	-	-	739,027	766,718
Other income	15,769	82,188	-	97,957	104,659
	<u>1,334,540</u>	<u>113,386</u>	<u>-</u>	<u>1,447,926</u>	<u>1,468,885</u>
	=====	=====	=====	=====	=====

£83,000 other income was restricted in 2015. Business sponsorships of £2,048 were included in restricted funds in 2015. All other trading activities income in 2015 was unrestricted.

6. RAISING FUNDS

Catering stock purchases	286,773	-	-	286,773	294,086
Shop and gallery stock purchases	24,987	-	-	24,987	28,602
	<u>311,760</u>	<u>-</u>	<u>-</u>	<u>311,760</u>	<u>322,688</u>
	=====	=====	=====	=====	=====

All Raising Funds expenditure in 2015 was unrestricted.

SHETLAND ARTS DEVELOPMENT AGENCY

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2016

7. CHARITABLE ACTIVITIES

	Notes	Unrestricted Funds £	Restricted Funds £	Capital Funds £	Total Funds £	2015 £
Direct service provision	7a	1,164,081	174,984	-	1,339,065	1,398,022
Grant funding	7b	-	22,505	-	22,505	22,180
Support costs	7c	1,421,280	29,292	-	1,450,572	1,492,664
		<u>2,585,361</u>	<u>226,781</u>	<u>-</u>	<u>2,812,142</u>	<u>2,912,866</u>
		=====	=====	=====	=====	=====
a. Direct service provision						
Development expenditure		200,392	174,984	-	375,376	449,098
Operations expenditure		919,419	-	-	919,419	920,708
Shetland Box Office		25,588	-	-	25,588	14,958
Strategic marketing		18,682	-	-	18,682	13,258
		<u>1,164,081</u>	<u>174,984</u>	<u>-</u>	<u>1,339,065</u>	<u>1,398,022</u>
		=====	=====	=====	=====	=====
b. Grant Funding						
Grants paid to individuals		-	22,505	-	22,505	22,180
		=====	=====	=====	=====	=====
c. Support costs						
Support staff salaries and other staffing costs		325,509	-	-	325,509	325,495
Overheads		1,078,591	29,292	-	1,107,883	1,156,104
Governance costs		17,180	-	-	17,180	11,065
		<u>1,421,280</u>	<u>29,292</u>	<u>-</u>	<u>1,450,572</u>	<u>1,492,664</u>
		=====	=====	=====	=====	=====

The grants made during the year relate to the Visual Arts and Craft Award Scheme. This scheme is made possible through funding from Creative Scotland and Shetland Islands Council.

Of the total Charitable Activities expenditure of £2,912,866 in 2015, £208,571 was restricted and £2,704,295 was unrestricted.

SHETLAND ARTS DEVELOPMENT AGENCY

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2016

8. ANALYSIS OF GOVERNANCE COSTS:

	2016 £	2015 £
<i>Auditor remuneration:</i>		
Audit	9,500	10,650
Accounting services	632	415
<i>Non auditor fee:</i>		
Accounting services	7,048	-
	<hr/>	<hr/>
	17,180	11,065
	=====	=====

9. ANALYSIS OF STAFF COSTS

Salaries and wages	1,022,782	1,058,428
Social security costs	48,792	54,914
Pension costs	107,605	104,909
	<hr/>	<hr/>
Total	1,179,179	1,218,251
	=====	=====

No employee received emoluments of over £60,000 during the year.

Redundancy costs for the year were £47,311 (2015: £nil). These were accounted for when paid and were calculated in the statutory method. Redundancy costs were met in full by specific funding received from Creative Scotland.

The average number of staff was:	2016	2015
	96	108
	===	===

10. ANALYSIS OF MOVEMENT IN DEFERRED INCOMING RESOURCES

	Opening Balance £	Deferred in Year £	Released in Year £	Closing Balance £
Advance sales	-	2,938	-	2,938
Awards for All - Created Space	3,394	-	(3,394)	-
Children and the Arts Sponsorship	-	1,750	-	1,750
Screenplay and Wordplay	-	2,500	-	2,500
Advance sales Fiddle Frenzy	17,979	13,054	(17,979)	13,054
Pelagic Sculpture Project	-	50,039	-	50,039
	<hr/>	<hr/>	<hr/>	<hr/>
	21,373	70,281	(21,373)	70,281
	=====	=====	=====	=====

SHETLAND ARTS DEVELOPMENT AGENCY

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2016

11. TANGIBLE FIXED ASSETS

	Heritable Property £	Equipment £	Pianos £	Paintings £	Total £
Cost/valuation					
As at 1 April 2015	13,191,816	1,346,508	42,800	2,862	14,583,986
Additions	-	13,067	-	-	13,067
As at 31 March 2016	13,191,816	1,359,575	42,800	2,862	14,597,053
Depreciation					
As at 1 April 2015	1,037,239	687,573	-	-	1,724,812
Charge for year	543,746	123,914	-	-	667,660
As at 31 March 2016	1,580,985	811,487	-	-	2,392,472
Net book amount					
31 March 2016	11,610,831	548,088	42,800	2,862	12,204,581
	=====	=====	=====	=====	=====
31 March 2015	12,154,577	658,935	42,800	2,862	12,859,174
	=====	=====	=====	=====	=====

The pianos were re-valued on 31 March 2011. The valuations were based on a review of second-hand piano sellers' websites and were carried out by Sheila Duncan, who was an internal employee of Shetland Arts Development Agency and is not a qualified valuer. The trustees are not aware of any material changes since the last valuation of pianos.

The historic cost of the pianos was £44,255.

Included within the net book value of Heritable Property of £11,610,831 are assets with restricted title or pledged as security for liabilities. The Mareel building, with a net book value of £11,350,353 (2015 – £11,888,709) has been granted as security over a 99 year grant, the conditions of which are discussed further in note 22. The Weisdale Mill building, with a net book value of £258,672 (2015 - £264,061) has been granted as security over the bank loan included in Creditors. See notes 16 and 17.

12. HERITAGE ASSETS

Under previous UK GAAP the charity included a heritage asset of £269,450 in its accounts for the Weisdale Mill building. This building is utilised essentially as a gallery and was constructed circa 1855. It was previously included at the valuation on transfer from Shetland Arts Trust at April 2006 and was previously not depreciated. Under Charity SORP FRS102, the trustees no longer consider the Mill to be a Heritage asset and it is now included as part of Heritable Property in note 11 above. Under section 35 of FRS 102, the charity has elected that the valuation of £269,450 is the deemed cost at the date of transition and are depreciating the building over 50 years, accordingly an adjustment has been made in the 2015 comparatives and the 2016 accounts for this.

SHETLAND ARTS DEVELOPMENT AGENCY

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2016

13. INVESTMENTS

	Subsidiary
COST	
As at 1 April 2015 and 31 March 2016	1
	==

On 25 July 2011, Shetland Arts Development Agency purchased 1 ordinary share of £1 in Shetland Arts IP C.I.C (company number: SC404044), representing a 100% interest. Shetland Arts IP C.I.C. is a community interest company which was set up as a means of securing intellectual property rights over films, books, music, etc. pertaining to Shetland in order to ensure that any profits generated therefrom can be retained for the good of Shetland.

As at 31 March 2016, Shetland Arts IP C.I.C. had not yet commenced its activities. At 31 March 2016 the aggregate reserves of Shetland Arts IP C.I.C. amounted to a net deficit of £1,183 (2015 – net deficit of £771) and the loss for the year to that date was £412 (2015 – loss of £413).

14. STOCK

	2016 £	2015 £
Goods for resale	40,317	39,472
	=====	=====

15. DEBTORS

	2016 £	2015 £
Trade debtors	50,374	24,288
Amount due by subsidiary undertaking	388	388
Other debtors	4,250	4,250
Prepayments and accrued income	31,313	14,582
	=====	=====
	86,325	43,508
	=====	=====

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Bank overdraft	-	56,466
Trade creditors	178,302	103,887
VAT	41,967	41,475
Other creditors	35,921	48,028
Accruals	79,804	81,808
Deferred income	70,281	21,373
Secured bank loan	7,807	7,448
PAYE & NIC	16,947	15,787
	=====	=====
	431,029	376,272
	=====	=====

Deferred income is recognised in circumstances where the charity is not yet entitled to the income. A reconciliation of this balance can be seen at note 10.

SHETLAND ARTS DEVELOPMENT AGENCY

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2016

17. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR	2016 £	2015 £
Secured bank loan (falling due in less than 5 years)	34,947	33,415
Secured bank loan (falling due after 5 years)	48,638	57,977
	<hr/>	<hr/>
	83,585	91,392
	=====	=====

The bank loan is secured on the Weisdale Mill building.

18. PENSION SCHEME

Shetland Arts Development Agency provides pension arrangements to eligible employees through a multi-employer defined benefit statutory scheme and the related costs are assessed in accordance with the advice of Hymans Robertson, Independent Qualified Actuaries.

The latest formal valuation of the Fund was at 31 March 2014 and this is updated on a triennial basis. A summary of the membership data used and the benefits valued at the latest formal valuation are set out in the formal valuation report. Hymans Robertson has reviewed the most recent full actuarial valuation at 31st March 2014 and has updated it annually at the charity's balance sheet date to reflect current conditions.

Assumptions as at	31-Mar-16	31-Mar-15
Inflation/pension increase rate	2.2%	2.4%
Salary increases	4.2%	4.3%
Discount rate	3.5%	3.2%

The discount rate used to place a value on the liabilities is determined by reference to market yields on high quality corporate bonds at the reporting date. The approach adopted by Hymans Robertson to setting the discount rate involved constructing a corporate bond yield curve based on the constituents of the iBoxx AA corporate bond index.

Mortality assumptions	31-Mar-16 Years	31-Mar-15 Years
Longevity at age 65 for current pensioners		
Men	22.8	22.8
Women	23.8	23.8
Longevity at age 65 for future pensioners		
Men	24.9	24.9
Women	26.7	26.7

Assets (Employer Share)

	Percentage 31-Mar-16	Fund value at 31-Mar-16 £ 000	Percentage 31-Mar-15	Fund value at 31-Mar-15 £ 000
Equities	77%	1,928	80%	1,915
Bonds	10%	250	10%	239
Property	13%	326	10%	239
Cash	0%	-	0%	-
Total	<hr/> 100% =====	<hr/> 2,504 =====	<hr/> 100% =====	<hr/> 2,393 =====

SHETLAND ARTS DEVELOPMENT AGENCY

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2016

18. PENSION SCHEME (Continued)

Net Pension Liability as at	31-Mar-16	31-Mar-15
	£ 000	£ 000
Fair value of Employer Assets	2,504	2,393
Present value of funded liabilities	(3,216)	(3,395)
	<hr/>	<hr/>
Net under funding in funded plans	(712)	(1,002)
Present value of unfunded liabilities	(212)	(234)
Unrecognised past service cost	-	-
	<hr/>	<hr/>
Net liability	(924)	(1,236)
	=====	=====
Amount in the balance sheet		
Liabilities	(924)	(1,236)
Assets	-	-
	<hr/>	<hr/>
Net Pension liability	(924)	(1,236)
	=====	=====
Amounts recognised in the SOFA	31-Mar-16	31-Mar-15
	£ 000	£ 000
Current service cost	(132)	(185)
Net interest cost	(40)	(38)
Plan introductions, changes, curtailments and settlements	89	114
Remeasurements:		
Changes in demographic assumptions	-	40
Changes in financial assumptions	393	(425)
Other experience	47	(62)
Return on assets excluding amounts included in net interest	(45)	163
	<hr/>	<hr/>
	312	(393)
	=====	=====
Actual return on plan assets	31-Mar-16	31-Mar-15
	£ 000	£ 000
Return on assets excluding amounts included in net interest	(45)	163
Interest income on plan assets included in net interest	78	90
	<hr/>	<hr/>
Return on plan assets	33	253
	=====	=====

SHETLAND ARTS DEVELOPMENT AGENCY

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2016

18. PENSION SCHEME (Continued)

	31-Mar-16	31-Mar-15
	£ 000	£000
Reconciliation of defined benefit obligation		
Opening defined benefit obligation	3,629	2,891
Current service cost	132	185
Past service cost (including curtailments)	22	-
Interest cost	118	128
Member contributions	27	37
Actuarial losses/(gains)	(440)	447
Unfunded benefits paid	(9)	(9)
Benefits paid	(51)	(50)
	-----	-----
Closing defined benefit obligation	3,428	3,629
	=====	=====
Reconciliation of fair value of employer assets		
Opening fair value of employer assets	2,393	2,048
Interest income	78	90
Contributions by members	27	37
Contributions by the employer	102	105
Contributions in respect of unfunded benefits	9	9
Return on assets excluding amounts included in net interest	(45)	163
Unfunded benefits paid	(9)	(9)
Benefits paid	(51)	(50)
	-----	-----
Closing fair value of employer assets	2,504	2,393
	=====	=====

Shetland Arts Development Agency estimates that Employer's contributions for the year to 31 March 2017 will be approximately £80,000.

Hymans Robertson confirm the figures presented above are prepared only for the purposes of Financial Reporting Standard 102 and have no validity in other circumstances. In particular, they are not relevant for calculations undertaken for funding purposes, for accounting under the International Accounting Standard IAS 19, for bulk transfers or for other statutory purposes under LGPS Regulations.

19. RELATED PARTY TRANSACTIONS

No Trustees received a salary or remuneration during the year (2015 – £nil). Travelling expenses claimed by one Trustee totalled £111 for the year (2015 – one trustee - £422). Trustees were paid £nil (2015 – Nil) during the year for commissioned work. As at 31 March 2016, a balance of £nil (2015 – £20) was owed to Trustees.

Prior to being appointed as a Trustee of Shetland Arts Development Agency, Lorraine Hall conducted work for the entity in relation to staffing and restructuring. No work was performed in 2016 however in 2015 these costs amounted to £7,700 and were included in accruals at the end of 2015.

During the year, Shetland Arts Development Agency paid expenses of £348 (2015 - £nil) on behalf of its subsidiary, Shetland Arts IP C.I.C.. As at 31 March 2016 a balance of £388 (2015 - £388) was owed to Shetland Arts Development Agency. No interest is being accrued on this loan. It will be repaid when income is generated in the Community Interest Company.

The trustees consider that the charity's trustees and senior management team comprise the key management personnel of the charity in charge of direction and controlling, running and operating the charity on a day to day basis. The senior management team comprises the General Manager, Head of Creative Opportunities, Head of Production and the Finance Manager. The total employee benefits of the key management personnel were £138,165 (2015 - £91,123).

SHETLAND ARTS DEVELOPMENT AGENCY

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2016

20. ANALYSIS OF MOVEMENTS BETWEEN FUNDS

	Unrestricted Funds £	Unrestricted Pension Reserve £	Restricted Funds £	Restricted Capital Fund £	Total Funds £
Total Funds as at 1 April 2015	(258,789)	(1,236,000)	-	12,741,178	11,246,389
Total Incoming Resources	2,281,089	-	226,781	-	2,507,870
Total Resources Expended	(2,897,121)	-	(226,781)	-	(3,123,902)
Other Recognised Gains And Losses	-	312,000	-	-	312,000
Transfer amortisation of Restricted Capital fund	588,379	-	-	(588,379)	-
Transfer amortisation of lease premium	45,833	-	-	(45,833)	-
Total Funds as at 31 March 2016	(240,609)	(924,000)	-	12,106,966	10,942,357

With the adoption of the statement of recommended practice, funds require to be classified between restricted funds which are subject to specific terms as to their use laid down by the donor, and unrestricted funds which can be used at the discretion of the Trustees in the furtherance of the objectives of the Trust.

Restricted Capital Funds are grant funding that has been received in respect of specific capital expenditure. A transfer is made from this fund to show the amortisation of this funding over the useful estimated lifetime of the assets to which the funding applied. This transfer is made to unrestricted reserves as the depreciation of assets is recorded here.

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Unrestricted Pension Funds £	Restricted Funds £	Restricted Capital Funds £	Total Funds £
Fixed Assets	97,616	-	-	12,106,966	12,204,582
Current Assets	176,389	-	-	-	176,389
Current Liabilities	(431,029)	-	-	-	(431,029)
Long-Term Liabilities	(83,585)	-	-	-	(83,585)
Provisions	-	(924,000)	-	-	(924,000)
Total Net Assets	(240,609)	(924,000)	-	12,106,966	10,942,357

Included within restricted capital funds are amounts of £966,321 (2015 - £1,012,154) relating to the lease premium received from the Shetland Islands Council during the year ended 31 March 2014.

SHETLAND ARTS DEVELOPMENT AGENCY

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2016

22. OPERATING LEASES

At 31st March 2016 the charity had total future commitments under non-cancellable operating leases as set out below

	31-Mar-16 Land & Buildings £	Other items £	31-Mar-15 Land & Buildings £	Other items £
Operating leases which expire:				
Within 1 year	-	6,331	-	9,400
Within 2 to 5 years	-	23,745	-	4,700
	-	30,077	-	14,100
	=====	=====	=====	=====

	31-Mar-16 Plant & Machinery	Other items	31-Mar-15 Plant & Machinery	Other items
Operating lease payment made in the year	10,872	-	9,400	-
	10,872	-	9,400	-
	=====	=====	=====	=====

On 27 May 2013, a lease was granted by Shetland Arts Development Agency to the Shetland Islands Council (SIC) over the subjects at Mareel. The Lease term is 99 years with the tenant being the SIC. A premium of £1,100,000 (plus VAT) was payable with an annual rent being £90,000 (this will be reviewed every five years). The SIC has the option to buy Mareel for £1 after 1 May 2037 when the grant conditions for Creative Scotland expire. This option is secured. Further to this, a sub-lease has been granted by the SIC back to Shetland Arts Development Agency for 24 years to 1 May 2037, with rent being the same as the head lease. There is an option to terminate this sub-lease on six months notice.

23. FINANCIAL INSTRUMENTS

The carrying amount for each category of financial instrument, measured at amortised cost, is as follows:

	2016 £	2015 £
Financial liabilities		
Loan payable falling due within 1 year	7,807	7,448
Loan payable falling due between 2 – 5 years	34,947	33,415
Loan payable falling due after 5 years	48,638	57,977
	91,392	98,840
	=====	=====

The loan financing is in the form of a secured loan with a fixed interest rate (being 4% per annum over the Bank's base rate) and is due to finish in November 2025. The total interest paid during the year was £4,304 (2015 - £4,623).

SHETLAND ARTS DEVELOPMENT AGENCY

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2016

24. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2016 £	2015 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(616,032)	(766,331)
Adjustments for:		
Interest paid	4,304	4,623
Depreciation charges	667,660	683,189
Loss on sale of fixed assets	-	38,719
(Increase)/decrease in stocks	(845)	9,064
(Increase)/decrease in debtors	(42,817)	35,885
Increase/(decrease) in creditors	110,864	(142,288)
Net cash provided by (used in) operating activities	<u>123,134</u> =====	<u>(137,139)</u> =====

SHETLAND ARTS DEVELOPMENT AGENCY

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2016

The following pages do not form part of the statutory financial statements
which are part of the independent auditor's report on pages 15-16

SHETLAND ARTS DEVELOPMENT AGENCY

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2016

	£	2016 £	£	2015 £
INCOME				
Donations and business sponsorships		33,359		9,544
Revenue grants received		1,057,783		1,031,561
Box office/programme				
Box office income	501,188		517,951	
Garrison Theatre hire	14,243		5,742	
Broadcasting income	3,750		9,430	
Membership sales	14,833		17,286	
Rental income	31,495		35,478	
Recording studio	14,235		9,573	
Total		579,744		595,460
Ancillary Earned income				
Bar and catering	435,719		469,484	
Foyer	145,748		146,013	
Merchandise	5,287		5,937	
Weisdale Mill shop	49,692		53,209	
Exhibition sales commission	5,306		3,219	
Weisdale Mill café	76,456		68,624	
Equipment hire	6,423		5,845	
Screen advertising	14,396		14,387	
Total		739,027		766,718
Other Earned income				
Education and training income	90,729		83,740	
Management fees	-		-	
Miscellaneous	2,242		9,120	
Recharges income	4,986		11,799	
Insurance claim	-		-	
Total		97,957		104,659
TOTAL INCOME FOR YEAR		2,507,870		2,507,942
LESS:				
Catering purchases	286,773		294,086	
Shop and gallery purchases	24,987		28,602	
		311,760		322,688
Development expenditure:				
Programme	176,668		201,877	
Marketing	7,759		17,929	
Education	5,509		18,217	
Salaries and NIC	188,991		201,025	
Overheads and other expenses	777		2,230	
Other staff related costs	(4,328)		7,820	
		375,376		449,098
Surplus carried forward to next page		1,820,734		1,736,156

SHETLAND ARTS DEVELOPMENT AGENCY

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2016

Surplus brought forward from previous page	1,820,734	1,736,156
Operations expenditure:		
Programme	216,734	174,790
Marketing	5,963	5,319
Salaries and NIC	687,969	734,066
Other staff related costs	8,753	6,533
	<u>919,419</u>	<u>920,708</u>
Shetland Box office	25,588	14,958
Strategic marketing	18,682	13,258
Grants paid to individuals	22,505	22,180
Support staff salaries	302,218	291,776
Other staffing costs	23,291	33,719
	<u>325,509</u>	<u>325,495</u>
Overheads		
Stationery	4,143	4,196
Small equipment purchases and hire	7,508	18,270
ICT	30,884	36,684
Photocopier lease	14,909	24,345
Electricity	89,275	87,101
Telephone and fax	6,551	5,580
Cleaning	62,578	60,110
Postage	1,300	2,826
Trustee expenses	186	422
Hospitality	65	1,514
Legal and professional fees	58,606	71,356
Bank charges	17,487	16,406
Publications and subscriptions	2,948	3,783
Licences	18,490	20,792
Rates	22,288	2,212
Storage facilities	8,448	8,033
Repairs and maintenance	20,057	19,302
Planned maintenance	33,490	43,135
General overheads	(189)	2,226
Insurance	34,563	37,319
Depreciation	667,659	683,190
Payroll processing	-	-
Bank interest	-	80
Loan interest	4,304	4,623
Mareel capital project costs	-	2,599
Bad Debts written off	2,333	-
	<u>1,107,883</u>	<u>1,156,104</u>
Amortisation	(634,212)	(653,895)
Loss on disposal	-	38,719
Governance costs	17,180	11,065
Transfer from restricted capital to cover deficit on restricted	-	-
SURPLUS/(DEFICIT) FOR THE YEAR	18,180	(112,436)
	=====	=====

Commentary on Management Accounts Quarter 1 2016

Summary

The results for the show overall deficit of £28,017. There has been a number of reasons for this which are looked at below. These include the poor performance of commercial areas in the quarter and also the programmed activity in the quarter such as the Scottish Ensemble Residency and also the payment of redundancy.

When reviewing the new format management accounts it should be remembered that the budget figures have not been profiled this year, they are split equally over 12 months which is not realistic in some cases. The required information was not available from the prior accounting system to profile the budgets accurately.

Sales

The largest and key variance in income is that ticket income was £72,774 less than budget. The main reason for this was cinema ticket sales. The April-June period is traditionally quiet for films and this will pick up over the summer. July has seen the highest cinema ticket sales on record.

The ticket sales were also less than budgeted due to the events held in the quarter which did not do as well as expected. Both Clype and Stuart Maconie did not reach the target sales and the reasons for this are currently being looked at by the programming group. A gig by the Unthanks also took place in the quarter which performed well.

Due to the low cinema sales in the month there was also a corresponding variance in the foyer sales which were £17,873 behind budget. It is expected that this will also pick up in the summer months.

Another significant variance was in the Other Grants – Trust and Foundations. This was behind budget by £30,106. This is where the target of £100,000 of new grant funding for the Creative Opportunities team sits. It is still early in the year and the team are submitting bids which we are waiting to hear the results of. It should also be noted that should this income not be found the corresponding expenditure in the budget will also not be incurred.

The sponsorship income was £6,500 over budget for the month of April and this is due to £10,000 worth of sponsorship for the Pelagic Sculpture project being released against a matching purchase invoice in the quarter. As this project was underway at the start of the year and was expected to cost SADA nothing it was not included in the budgets.

The hires of rooms and equipment were also behind budget but it has been a quiet month for hires. A portion of this relates to the recording studio income as the main studio technician was on leave for a large part of June consequently less income was generated.

Purchases

The main variance here is the overspend of £16,876 in the food and beverage purchases. This overspend was entirely in the Mareel cafe bar. The food and beverages manager has been set a target of reducing these costs and she is currently in the process of identifying where savings can be made.

The underspend on foyer purchases of £5,734 relates to the income being less than budgeted.

Direct Expenses

There was an overall overspend of £24,126 on salary and wages in the quarter. £10,011 of this relates to payment of redundancy to a member of staff. There was also additional costs as the budget was based on the restructure of the cafe bar and front of house being completed before the start of the financial year. This restructure was only completed and implemented from 1 August 2016.

The programme costs were £55,899 under budget. This is mainly due to the budget not being profiled. This budget will be spent when activity takes place so for example there will be a significant amount of expenditure in August when Fiddle Frenzy takes place and also in September for Fiddle Frenzy.

The costs for the quarter however do include the Scottish ensemble residency which happened in June. It should be noted that this residency was programmed by SADA at a cost of over £10,000 which was a large contribution to the deficit for the quarter.

Overheads

A large underspend occurred on travel and subsistence for the quarter. This includes the travel and subsistence for programmed events and as mentioned above Fiddle Frenzy and Screenplay have not taken place as yet and there will be significant costs here in August and September.

There was also a large underspend of £13,487 on repairs and maintenance. It is the nature of maintenance budgets that they are not spent evenly throughout a year. The spend will vary year on year depending on when work is carried out. We expect the majority of this may be spent in January.

The underspend on operating leases – equipment will be monitored through the next quarter. It seems that the budget may have been too high based on contract re negotiations but this should be known better following another quarter. Large amounts of internal print are completed for festivals in the next quarter which could increase this cost.

There is a negative expense balance of £2,212 showing on the subscriptions line, this is due to the release of an accrual made in the prior year. It is now expected we will not have to pay these dues and therefore the accrual was released.

There are underspends on Strategic marketing and website costs as there are specific one off projects included within these budgets which have not taken place as yet for example the development of a new website.

Planned Mitigation

Although we know the first quarter of the year is the slowest for our commercial departments and a surplus is expected in months going forward the decision was made to identify savings within department now to ensure we have a plan if the deficit does not recover.

As part of the review of the quarter results with each budget holder detailed discussions were held regarding what they could save from their budgets and we have been able to identify £34,500 of savings which can be taken.

Shetland Arts Development AgencyProfit & Loss by Department (Advanced Budget and Variance)

Period From: Month 1, April

Year: 2017

Department: All

Period To: Month 3, June

Chart of Accounts: SADA Default Layout of Accounts

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
Sales			
Ticket Sales	75,475.33	148,250.25	(72,774.92)
Education and Training	22,062.50	27,500.01	(5,437.51)
Retail	16,279.14	13,279.26	2,999.88
Food and Beverage	131,862.99	132,249.99	(387.00)
Foyer	23,376.90	41,250.00	(17,873.10)
Box Office Commission	1,087.49	0.00	1,087.49
Gallery Commission	29.75	263.76	(234.01)
Hire of Rooms and	18,307.90	27,322.50	(9,014.60)
Screen Advertising Income	2,646.23	3,500.01	(853.78)
Gift Vouchers	(962.25)	0.00	(962.25)
Sponsorship	13,450.00	6,950.01	6,499.99
Donations	181.92	500.01	(318.09)
Grant Funding - SIC	0.00	1,883.01	(1,883.01)
Grant Funding - SCT	173,719.50	173,719.50	0.00
Grant Funding - Creative	65,586.55	67,808.99	(2,222.44)
Other Grants - Trusts and	250.00	30,356.22	(30,106.22)
Operating Lease Income -	22,500.00	22,500.00	0.00
Other Income	229.49	525.00	(295.51)
Memberships Received	3,037.50	0.00	3,037.50
Internal Recharges	0.00	(0.03)	0.03
	<u>569,120.94</u>	<u>697,858.49</u>	<u>(128,737.55)</u>
Purchases			
Food and Beverage	57,376.15	40,500.00	(16,876.15)
Foyer Purchases	13,515.65	19,250.01	5,734.36
Retail Purchases	7,576.44	7,063.77	(512.67)
Direct Costs	745.89	375.00	(370.89)
	<u>79,214.13</u>	<u>67,188.78</u>	<u>(12,025.35)</u>
Direct Expenses			
Gross Salaries and Wages -	201,991.42	199,595.01	(2,396.41)
Gross Wages - Casual	53,812.19	41,435.52	(12,376.67)
Employers NI	16,111.80	11,615.52	(4,496.28)
Employers Pensions	22,390.03	16,422.24	(5,967.79)
Recruitment Expenses	485.00	2,499.99	2,014.99
Training and Protective	1,865.95	5,625.00	3,759.05
Trustee Expenses	0.00	249.99	249.99
Programme Costs - Project	76,217.91	132,117.30	55,899.39
Marketing Costs - Project	6,778.23	15,925.02	9,146.79
Licences	10,730.67	6,347.49	(4,383.18)
Film Transport	842.70	1,749.99	907.29
	<u>391,225.90</u>	<u>433,583.07</u>	<u>42,357.17</u>
Gross Profit (Loss):	<u>98,680.91</u>	<u>197,086.64</u>	<u>(98,405.73)</u>
Overheads			
Travel, Subsistence and	8,956.16	20,337.48	11,381.32

Shetland Arts Development AgencyProfit & Loss by Department (Advanced Budget and Variance)

Period From: Month 1, April

Year: 2017

Department: All

Period To: Month 3, June

Chart of Accounts: SADA Default Layout of Accounts

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
Motor Expenses	401.67	300.00	(101.67)
Rent, Rates and Insurance	16,677.91	16,653.99	(23.92)
Heat and Light	18,342.38	19,446.75	1,104.37
Operating Leases - Rent and	29,436.65	34,077.27	4,640.62
Repairs and Maintenance	33,137.42	46,625.22	13,487.80
Print, Postage and Stationery	862.72	1,074.99	212.27
Telephone	2,026.27	2,997.51	971.24
Computer Costs	5,610.00	5,778.24	168.24
Marketing Costs - Strategic	953.12	7,777.77	6,824.65
Website Costs	27.96	7,100.01	7,072.05
Subscriptions	(2,212.42)	468.48	2,680.90
Consumables	3,433.11	1,775.01	(1,658.10)
Sundry	288.72	81.00	(207.72)
Legal and Professional Fees	3,931.14	17,132.01	13,200.87
Till Differences	102.71	0.00	(102.71)
Bank Charges and Interest	3,684.54	4,125.00	440.46
Loan Interest	1,037.79	999.99	(37.80)
	<u>126,697.85</u>	<u>186,750.72</u>	<u>60,052.87</u>
Net Profit (Loss):	<u>(28,016.94)</u>	<u>10,335.92</u>	<u>(38,352.86)</u>

Date: 14/08/2016
Time: 13:08:10

Shetland Arts Development Agency
Departmental Balance Sheet

Page: 1

Tran Date From: 01/06/2016
Tran Date To: 30/06/2016

Department: All

Chart of Accounts:

SADA Default Layout of Accounts

	<u>Period</u>	<u>Year to Date</u>
<u>Fixed Assets</u>		
Property	0.00	11,624,561.
Office Equipment	0.00	342,299.53
Furniture and Fixtures	0.00	198,680.95
Investments	0.00	1.00
Pianos	0.00	42,800.00
Artwork	0.00	2,862.00
	0.00	12,211,204.
<u>Current Assets</u>		
Stock	(4,333.17)	38,843.66
Debtors	(5,376.45)	119,527.28
Deposits and Cash	(1,340.94)	2,606.31
Bank Account	0.00	104,975.08
	(11,050.56)	265,952.33
<u>Current Liabilities</u>		
Creditors : Short Term	(62,108.50)	474,126.71
Payroll Taxation	(613.32)	17,844.75
Wages	(1,023.19)	7,964.62
Bank Account	65,921.72	0.00
VAT Liability	6,637.12	38,579.91
	8,813.83	538,515.99
<u>Current Assets less Current Liabilities:</u>	(19,864.39)	(272,563.66)
<u>Total Assets less Current Liabilities:</u>	(19,864.39)	11,938,641.
<u>Long Term Liabilities</u>		
Creditors : Long Term	(635.85)	89,490.99
Pension Liability	0.00	924,000.00
	(635.85)	1,013,490.9
<u>Total Assets less Total Liabilities:</u>	(19,228.54)	10,925,150.
<u>Capital & Reserves</u>		
Capital & Reserves	0.00	12,110,945.
Funds	0.00	(233,779.00)
Defined benefit pension fund	0.00	(924,000.00)
P&L Account	(19,228.54)	(28,016.94)
	(19,228.54)	10,925,150.

General Manager's Report

Date 7/9/2016

Board Decisions Required

Power of Attorney

See separate report prepared by Kerry Eunson

Decision Required

To approve recommendations 3.1

For Information

Estates

- **Bonhoga**
 - Ongoing IT issues £7500 quote for SIC to install a more robust solution rejected
- **Mareel**
 - New lock up procedure in place after 'inappropriate behaviour' late night in screen 1
 - Air control in screen 2 issues now resolved
 - Maintenance contract taken out on lifts, serviced the week before screenplay
 - New motherboard required for screen 2 cinema server - issue appears resolved
 - Continuing issues of young people 'hanging out' in Mareel cafe bar, policy restated and giveaways produced if young people ejected from building
 - Kiosk redesigned to enable more space for cinema merchandise
- **The Garrison**
- **The Booth**
 - WASPs have instructed works for the shutters and rollers as well as works required for the bathroom due water penetration on the floor. The main outstanding works at this time is the painting to the exterior which has been instructed.
- **Other**
 - Exited from the Toll Clock Store

Operations

- Box Office resilience plan developed in response to significant SIC downtime

- Use of Mareel/North Ness car parks for racing/car maintenance under discussion with the police
- New staffing structure in place for FOH/Cafe Bar operational review planned for September
- 'Pub Quiz' to be launched in Autumn
- Ongoing consultation with the Garrison user group in partnership with SCT
- Creative Review 1 complete - comments attached in appendix 1
- New fire evac procedures for Mareel introduced to work with staffing structure

Programming

- Hjaltebonhoga workshop/performance
- Support for Clare Duffy extreme light residency
- Stage 1 drama classes for autumn
- Life drawing classes for autumn
- Turner prize evening classes
- Toby Patterson Bonhoga exhibition and potential Mareel installation
- Sharon Shannon recording and show
- Hogmanay event agreed

Numbers

	June 16	May 16	April 16	March 16
Concerts / Screenings / Exhibition days	387	383	347	360
Audience attendances	14,487	14,235	15,108	11,538
Development Sessions	142	151	100	136
Participations	1881	1480	1112	1,825

Q1 numbers / SCT full year targets

	Q1 Actual	Full year Target	% Achieved
Concerts / Screenings / Exhibition days	1,117	3000	37.2%
Audience attendances	43,830	160,000	27.4%
Development Sessions	393	1,300	30.2%
Participations	4,473	9,000	49.7%

Fiddle Frenzy 2015/2016 Comparison

	2015	2016	% Variance
Total Number of tickets sold (inc packages)	792	849	107%
Total Number of packages sold	85	64	75%
Total Value of tickets (inc packages)	£39,750	£39,634	100%
Total Value of packages	£27,825	£22,500	81%
Total Number of gig tickets sold (exc packages)	667	679	102%
Total Number of gigs	7	6	86%
Total Value of gig tickets sold	£9,990	£12,164	122%
Avg Value per gig	£1,427	£2,027	142%

Screenplay 2015/2016 Comparison

	2015	2016	% Variance
Total number of tickets sold	2477	2914	117.6%
Total Value of tickets	£18,609	£23,554	126.6%
Avg Ticket value	£7.51	£8.08	107.6%
Number of screenings/workshops/events	76	89	117.1%
Avg Income per event	£245	£265	108.1%
Avg Attendance per event	33	33	100.5%
Number ScreenCards Sold	22	24	109.1%
Value of ScreenCards Sold	£1,980	£2,400	121.2%
Attendance at Free/Outreach Events	120	204	170.0%
Attendance at Education Events	273	346	126.7%

Funding

- **Creative Scotland**
 - Met with artfrom officers at CS offices
- **Shetland Charitable Trust**
 - Q1 report submitted (see appendix 4)
 - Revised targets need to be submitted by September
- **Highlands and Islands Enterprise**
 - Application for support for digital refresh strategy
 - Application for training support
 - Working together on the delivery of a CI group
- **Shetland Islands Council**
 - Offer for SLA to continue to provide education facilities £91,710 + £5,000 performance related payment, KPI to be agreed.
 - We have requested four new clauses to be added to the SLA covering areas that have not been well managed this year by Shetland College including equipment maintenance and marketing.
- **Other**
 - Successful Bid to postcode lottery - £17,758

Update of Power of Attorney

Private & Confidential

1.0 Purpose

- 1.1 The purpose of this report is to initiate the appointment of five Trustees as signatories in accordance with the Administrative Regulations.
- 1.2 The previous power of attorney was agreed in February 2013 and there is now only one of these Trustees left. The purpose of the Power of Attorney is for ease of administration and updates as, otherwise, each Trustee will need to sign all legal and contractual documents.

2.0 Proposal

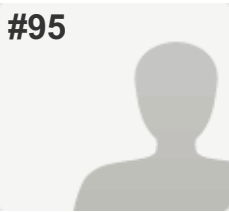
- 2.1 It is proposed that going forward the Trustees for the Power of Attorney will be the Chair, Vice Chair and three members of the finance sub group, nominated from its members. This will mean that when you are selected to one of those positions you are automatically on the power of attorney. There will no longer be a requirement to bring a report to the full board each time Trustee change.

3.0 Recommendation

- 3.1 Trustees are asked to approve the appointment of the Trustees in the role of Chair, Vice Chair and three members of the Finance Sub Group to execute documents on behalf of the Trust.

Kerry Eunson
13 August 2016

#95



COMPLETE

Collector: Web Link 1 (Web Link)
Started: Wednesday, June 22, 2016 3:43:51 PM
Last Modified: Tuesday, July 12, 2016 10:54:12 AM
Time Spent: Over a week
IP Address: 212.219.242.166

PAGE 1: Introduction

Q1: Tick to continue

Please tick to confirm that you acknowledge and agree to the above.

PAGE 3: Section 1 - Overview

Q2: Reference number

0961RFO

Q3: Reviewer's name and affiliation

Wendy Tulloch - Shetland Arts Development Agency

Q4: Name of the work being reviewed

The Art World

Q5: Name of Regularly Funded Organisation

Shetland Arts Development Agency

Q6: Date, time, venue or location/situation (for online work, include a URL)

Monday 13th June 2016 Bonhoga Gallery, Weisdale, Shetland

Q7: Intention statement relating to the work being reviewed

The Bonhoga Education Programme is a three-year project supported by Children & The Arts, delivered by Shetland Arts in partnership with SIC Creative Links.

The project involves five target schools in Shetland: Sandwick JH School, Aith JH School, Fetlar Primary School, Baltasound JH School and Whalsay School, working with a total of c.300 pupils from 5-14 years of age.

The Art World is the first project in this three-year programme, delivered both through gallery visits and school workshops.

The Creative Team: The project is managed by Jane Matthews, Exhibition Manager at Shetland Arts with schools support from with Noelle Henderson of Shetland Islands Council Creative Links team.

This year's project is being delivered by artist Amy Gear, who returned to Shetland after completing her Masters at Royal College of Art in London last year. She has been working with pupils and teachers in the five target schools over the past six months to deliver the first year of this three-year programme.

The aims/intentions of the project:

- Introducing young people to the arts
- Inspiring them to learn more
- Enhancing their experience through critical analysis and participation
- Encouraging them to create their own art, and
- Building sustainable links between the gallery and school communities.

The project is a collaborative one. Together Amy and the groups from each school have been exploring The Art World – What is the Art World? How do artists think? Why and how do they make work? Why do they have exhibitions? What is

the point of a gallery'?

The process involves work from one school becoming the source material in the next school, much like a giant game of consequences. This collaborative process of working is unusual and teachers were initially uneasy about students having to relinquish ownership of their work.

All the pupils have been working collaboratively towards their own exhibition: The Art World, at Bonhoga Gallery from 11 June – 26 July 2016. The exhibition will demonstrate this collective approach to making work, creating a cohesive exhibition running throughout the building and grounds.

Why has this project been chosen to be reviewed?

This has been selected for review because it is the beginning of a three year project creating a long term relationship between these schools and the gallery. It is a collaborative exhibition with the objects created in one school becoming the source material for the next, which is a new way for us and the schools to work.

It would be useful to feedback any outcomes from the review into our year two planning. We are also looking into the long-term viability of Weisdale Mill as a gallery space and something interesting may come from fresh eyes.

Who the intended audience is, whether public or aimed at specific audiences?

This exhibition has two core audiences, the young people who have been involved in making the work and their experience. The second audience is the general public of tourists and locals who the gallery serves on a daily basis.

KPIs (NB all SADA projects have internal KPIs attributed to them)
Deliverables / KPIs / Success criteria and Measurable Targets

- Concerts / Screenings / Exhibition days etc: 55 Exhibition days
- Audience attendances: 2000 visitor number
- Development Sessions: 30 (Workshops and CPD sessions)
- Participations: 1500 children's participations, 20 teachers CPD
- Partners engaged: 2 (Shetland Islands Council, Children & the Arts)
- Commissions: 1 (Art World Exhibition)
- Residency Opportunity N/A

Q8: Peer Reviewers only - Declaration of professional expertise, relevant experience, interests, and context in relation to the work being reviewed (200 - 400 words)

Respondent skipped this question

PAGE 5: Section 2.1 - the idea

Q9: Your comments Explain and evidence your views and statements (500 - 700 words)

Shetlander Amy Gear, a recent art graduate who returned from London as the lead artist and brain child of this project, had a vision to change the common view of 'The Art World' after her negative experience of what constitutes art during her own youth. Together with support from Project Manager Jane Matthews of Shetland Arts, they collaborated with five local schools and invited three hundred pupils to step inside "The Art World" and step out the other end with a "Wow I can do this – I can be an artist, art is not perfection, it is my vision and my creation and it can be whatever I want it to be" perception. I think the end result, a very well thought out project which has been executed to a very high standard, proves she achieved her goal, with a little encouragement and self believe we can all be creative on some level.

PAGE 6: Section 2.2 - the skills

Q10: Your comments Explain and evidence your views and statements(500 - 700 words)

It all began with the three-hundred pupils from the five schools throughout Shetland visiting Bonhoga to view a formal art exhibition by David Mach. Inspired by their visit; they created a long list of words. Each pupil painted their interpretation of their chosen word onto a huge canvas with no time for thought. The canvas itself was an impressive piece of art. From school to school, initial ideas from the canvas were reinterpreted in different mediums such as clay models, large sculptures, paper mache models, prints and music, almost like a giant game of consequences. This shaped an interesting concept, perhaps previously unheard of to the pupils that art isn't necessarily owned by the creator but can be shared as inspiration for others.

Although a little off the beaten track Bonhoga cafe has a warm and welcoming feel and is home to the canvas, the tables are covered with white vinyl cloths decorated with brightly coloured images re-imagined from the original piece of work. Nearby there is a cabinet full of tremendous clay models, some broken but cleverly displayed none the less like artefacts would be in a museum. Here you can also view the mono prints which they have added colour to and later inspired the musical interpretation.

Entering the upstairs gallery to view the majority of the project evokes a near-euphoric emotion. There is impressive stop-motion animation of the clay models projected onto the walls, music playing composed by the pupils inspired by the artwork, paper mache models that are immediately recognisable but all-the-while unique from the original canvas, some are hanging and some are hiding in the paper maze. Lots of painted clay models are placed discretely so as to create a pleasant surprise as you discover them spread throughout the room. Large sheets of white paper hanging from the walls and ceiling make for an unusual exhibition. All around the room runs a squiggly painted line which was very significant to me as I felt it represented the journey they have all been on.

In addition to all this there is also a great sculpture park outside and on entering you are met with larger than life sculptures made to a very high standard and inspired again from the original images on the canvas. The oversized pencils makes you want to write a story in one of the huge books before heading into the castle for a game of giant marbles with the teddy bears...

PAGE 7: Section 2.3 - the execution

Q11: Your comments Explain and evidence your views and statements(500 - 700 words)

Witnessing the reaction from the school pupils seeing all their hard work culminating in one really incredible exhibition was truly heart-warming. I loved how so many pupils explained that they had taken their parents to the launch event at Bonhoga to see their work and for many of the parents this was their first visit to the gallery and in fact their first ever visit to any art gallery so this in itself is a huge achievement.

Overall, Amy Gear's The Art World clearly highlights her belief of what art really is. Through her understanding, she has helped unlock a previously unrecognised quality in three-hundred pupils in which they have collaborated together to create something which may not otherwise have been possible. The exhibition, as previously mentioned, is not your conventional presentation of art. Many may consider this work to be pushing the boundaries; however I believe that, thanks to this project, the pupils won't even have been aware there were any boundaries. This is a truly memorable exhibition, the concept and final execution will live with me for a very long time.

PAGE 8: Participatory practice

Q12: Does the work being reviewed and the role of participants extend to participatory practice (co-creation or inventive input)? By this we mean collaborations between participants and artists, or where participants are actively involved in co-creating the work.

Yes

PAGE 9: Participatory practice

Artistic & Creative Review Framework

Q13: Your comments Explain and evidence your views and statements. (500 - 700 words)

Respondent skipped this question

PAGE 10: Section 3 - Summary and Key Points of your Review

Q14: Your Summary and Key Points (300 - 500 words)

The key points in my review - The Art World was a fantastic idea and with Amy's vision and skills it drew out the artistic skills of all the pupils involved, all the pieces displayed were very well made with a range of artistic skills and was executed to a very high standard.

PAGE 11: Thank you

Q15: Feedback?

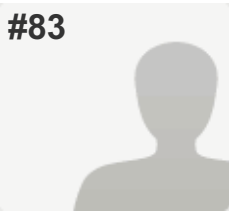
Tick if you would like to provide feedback

PAGE 12: Section 4 - feedback

Q16: Do you have any feedback on this form or the review process? This will be used by Creative Scotland to inform future development of the Review Framework.

Respondent skipped this question

#83



COMPLETE

Collector: Web Link 1 (Web Link)
Started: Wednesday, June 22, 2016 3:03:29 PM
Last Modified: Monday, June 27, 2016 4:34:46 PM
Time Spent: Over a day
IP Address: 84.19.226.210

PAGE 1: Introduction

Q1: Tick to continue

Please tick to confirm that you acknowledge and agree to the above.

PAGE 3: Section 1 - Overview

Q2: Reference number

0961PR

Q3: Reviewer's name and affiliation

Wendy McMurdo , Peer Reviewer

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The Art World - Amy Gear, 300 artists from 5 Shetland Schools

Q5: Name of Regularly Funded Organisation

Shetland Arts

Q6: Date, time, venue or location/situation (for online work, include a URL)

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Artistic & Creative Review Framework

What is the Art World? How do artists think? Why and how do they make work? Why do they have exhibitions? What is the point of a gallery?

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- Commissions: 1 (Art World Exhibition)
- Residency Opportunity N/A

Q8: Peer Reviewers only - Declaration of professional expertise, relevant experience, interests, and context in relation to the work being reviewed (200 - 400 words)

I am an experienced practitioner and academic with over 20 years experience of working in my field (digital media, photography and film). In 2015 I was awarded a PhD by publication on my own work which focusses on the representation of childhood in photography. I have been a member of the Royal Society of Edinburgh's Young People's Committee and am currently an Advisor to The Travelling Gallery. I am a judge and advisor to The Jill Todd Photographic Award which mentors and supports emerging photographic talent. I am also an experienced mentor and a Senior Fellow of the Higher Education Academy. In addition, I have published and exhibited internationally for two decades. I am a board member of New Media Scotland and in the past have been appointed as a Specialist Art Form Advisor for The Scottish Arts Council.

Q9: Your comments Explain and evidence your views and statements(500 - 700 words)

The Art World

Amy Gear - 300 artists from 5 Shetland schools
Whalsay, Aith, Sandwick, Fetlar and Baltasound
11th June - 24th July 2016
Bonhoga Gallery, Weisdale,
Shetland

The Art World is a wide-ranging and ambitious project which has delivered a number of tangible benefits to a large number of children across the Shetland Islands. It is an impressive project with a wide scope and an ambitious remit. Workshop leader Amy Gear has provided a playful and experimental series of workshops which have allowed children (and hopefully their teachers) to think about the parameters of creativity and collaboration, exploring what it might mean to be an artist in the 21st century.

Through a series of workshops using word-play, printmaking, drawing and animation she has produced a highly engaging and professionally staged exhibition which deserves to reach a wide audience. Gear has focussed particularly on collaboration and co-operative learning as the core of this project.

During my visit to Bonhoga Gallery to view The Art World project I had the opportunity to talk in some depth with workshop leader Amy Gear and with Shetland Arts education officer Jane Matthews. They have clearly worked closely together in what has been a highly effective partnership. In addition to viewing the final exhibition (marking the culmination of Year 1 of this 3 year funded project) I also had the opportunity to observe a schools visit from a P.6 class, where workshop leader Amy Gear discussed the project with a first group of participating primary students. During this session, Gear discussed: the creative process, what had worked, what hadn't worked, who enjoyed which part of the projects most and how they might develop the project on to it's second year with it's theme of 'the future'. (New Media Scotland's 'Alt-W awards exhibition showcasing artists who work with digital technologies has been scheduled in as a Travelling Gallery visit to accompany the beginning of Year 2 of this project).

This year, the workshop leader and Shetland Arts have used the main gallery space of the Bonhoga Gallery for their first exhibition. This is a open plan gallery space which has been very skilfully used by lead artist Amy Gear. Using projection, sculpture, sound and drawing, she has produced a theatrical and immersive installation which encourages viewers to explore, linger, look and listen to the sculptural installations, animation and sound works which fill the space. In addition to the main exhibition, she - along with education officer and the children participating in the project - has produced an engaging audio visual guide which introduces the project to viewers and gives the children the opportunity to include background material on the development of the work shown in the gallery. There is also a wonderful temporary sculpture garden with 3d pieces produced by children in response to the drawings of others situated beside the gallery building.

I understand from Amy that this space has however been less than ideal from a logistical point of view as it is prohibitively expensive to bring children involved in the project from outlying areas into the gallery for various sessions. It has been suggested that a related venue in Lerwick will be used in 2017 for the exhibition. This proposed venue should make it logistically easier to bring a many participants as possible together to support Year 2 of the project.

It is clear that those delivering on this project have worked far in excess of their remit and have produced and delivered an excellent project. Amy Gear in particular has put in many hours above and beyond those contracted. Hopefully all of the very good work done on the development and establishment of the project will mean that this can be more economically delivered in year 2, perhaps with an assistant to help with the basic planning and delivery of some aspects of year 2.

Q10: Your comments Explain and evidence your views and statements (500 - 700 words)

Amy Gear is a skilled practitioner with an affinity for working with others. Amy is particularly interested in collaboration in her own studio practice and has brought this enthusiasm and knowledge wholeheartedly to this project. Children clearly respond very well to Amy and she has worked hard to help them to find their own voices within this project. Year 1 has been an intensive period of learning and experimentation as she (with the assistance of Shetland Arts education officer Jane Matthews) has had to get to grips with the problematics of developing and implementing this new project across five geographically disparate institutions (with all of the attendant issue regarding programming, etc).

It is hoped that now the project is 'bedded in' (and enthusiastic and willing teachers have been Identified) Year 2 will run well.*

In summation, Gear has produced a sensitive and intelligent installation which both synthesises the learning included in the first year of the project and also helps children to understand the function of art in our society. That Gear has chosen to explore this function as an expression of a collective experience is, I think, interesting and pertinent as more and more artists work together, with collaboration now being seen as a cornerstone in many creative disciplines.

The final installation in Bonhoga was most impressive. Gear has produced a multidisciplinary and sensory show which also included the project's initial preparatory work (in the form of clay maquettes alongside a collaborative wall painting, shown in the downstairs cafe area).

In the main gallery, Amy Gear has expertly woven together a number of different strands of enquiry. These include: drawing, projection, sculpture and animation (produced using the small clay maquettes produced as part of the workshop process). Beyond the gallery itself, Gear has installed a beautiful sculpture garden. Inside, there's also a soundscape and an innovative audio guide.

Of particular interest to me when reviewing the project was the unusual approach that Amy had taken to encourage children to think of art as not (only) a solo pastime but something that can be inherently collective in its nature. Although there was initial skepticism as to whether or not children would respond to relinquishing their ownership children seemed to have responded well to a project that asked them to work together with other schools on Shetland.

The production of new music for the project was a particularly successful aspect of the installation. Sound accompanied the installations made by the children, which tied together the visual aspects of the project extremely well. This can hopefully (along the development of further animation skills) be further explored in year 2.

Amy Gear and Jane Matthews are to be congratulated on an innovative and exemplary project.

* If I were to make any suggestion it would be that the project has it's own stand alone website as it goes forward, to contain: the children's blogs, the audio visual and sound works produced, animations, and any materials which have been produced in response to this ambitious project. I would also recommend that the education department perhaps find an interested teacher to assist Amy in uploading information on this project onto the GLOW network.

Q11: Your comments Explain and evidence your views and statements (500 - 700 words)

The work produced by Amy Gear and 5 Shetland schools is completely shaped by the social context in which it is produced. Gear has designed a series of workshops which have allowed the groups of children to: develop an effective dialogue between local school, pupil and artist. She has also managed to produce tangible results from these short workshops in often narrow time scales. Gear has engineered a workable timetable of activities which have allowed the project to successfully progress. Gear and education officer Jane Matthews have administered a complex timetable, which has had to take into account the busy schedules of teachers and pupils.

In spite of this, and by adopting a realistic approach to outcomes (quick sculptural maquettes, drawings and small collages etc) they have built up a coherent and effective repertoire of works on which to base The Art World project.

The project is well considered and its final execution is in my opinion very successful. I have fully described the exhibition in other parts of this report. The signage and information for visitors was clear and effective. A visitors book was on display. On the morning that I visited, participating children were there for a final workshop, producing feedback with Amy and education officer Jane Matthews on the final exhibit.

The location itself, whilst physically very well suited to the final show (it looked excellent in this setting) presented issues in terms of location. The gallery is rather remote and therefore difficult to get all of the many children involved in the project out to for a final series of events. It has been decided therefore that for year 2 the project should be relocated to a space in Lerwick. This makes logistical sense, bearing in mind the tight budget restrictions and the high cost of transport on the island.

PAGE 8: Participatory practice

Q12: Does the work being reviewed and the role of participants extend to participatory practice (co-creation or inventive input)? By this we mean collaborations between participants and artists, or where participants are actively involved in co-creating the work.

Yes

PAGE 9: Participatory practice

Q13: Your comments Explain and evidence your views and statements. (500 - 700 words)

As I have documented throughout this review, participation with the Schools involved (at Whalsay, Aith, Fetlar and Baltasound) is at the heart of this project. Success is dependant on both the pupils and their teachers being willing to fully participate and embrace the project. To a large extent, Amy has been very successful in winning hearts and minds. It is hoped that with the clear success of Year 1 that even more teachers will come on board and provide the necessary support to allow their pupils to fully engage in this exciting project. Most successful have been the activities within this project (such as the integration of sound with visual imagery, the recording of children's stories for the audio guide, etc) where a keen teacher has actively come on board to support the lead artist.

As mentioned previously, Amy has adopted imaginative and innovative strategies to encourage children to think about what art is (or can be). She began by encouraging the children to think of words which they then made into small drawing or symbols. These were then transferred by other pupils into large scale sculptures. Some drawing were used to trigger new pieces of music which was then used in the final installation at the Bonhoga Gallery. Gear throughout this project has adopted innovative strategies to encourage children to think about art as a social and a collective process and I think that she has been very successfully in getting this concept across to these groups.

PAGE 10: Section 3 - Summary and Key Points of your Review

Q14: Your Summary and Key Points(300 - 500 words)

This has been a successful project on a number of different levels. The lead artist has engaged with her audience throughout by providing innovative and age-appropriate content. As outlined elsewhere in this review, there have been many learning outcomes for participants, all of which are measurable and in-line with curriculum development. Amy has worked extremely well with the Shetland Arts education officer and, because of her knowledge of the locale, provided appropriate yet innovative content for her five target schools. Aside from these successes, Gear has also produced a highly effective final exhibition which is engaging, accessible and thoughtful. I look forward to seeing how Gear builds upon the successes of year 1 in the subsequent 2 cycles of The Art World.

PAGE 11: Thank you

Q15: Feedback?

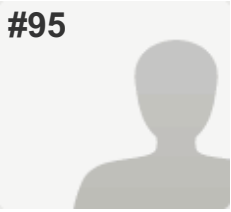
Respondent skipped this question

PAGE 12: Section 4 - feedback

Q16: Do you have any feedback on this form or the review process?This will be used by Creative Scotland to inform future development of the Review Framework.

Respondent skipped this question

#95



COMPLETE

Collector: Web Link 1 (Web Link)

Started: Wednesday, June 22, 2016 1:55:33 PM

Last Modified: Tuesday, July 12, 2016 10:58:08 AM

Time Spent: Over a week

IP Address: 84.19.226.210

PAGE 1: Introduction

Q1: Tick to continue

Please tick to confirm that you acknowledge and agree to the above.

PAGE 3: Section 1 - Overview

Q2: Reference number

0961CS

Q3: Reviewer's name and affiliation

Emma Campbell, Creative Scotland music officer / SADA lead officer

Q4: Name of the work being reviewed

The Art World

Q5: Name of Regularly Funded Organisation

Shetland Arts Development Agency

Q6: Date, time, venue or location/situation (for online work, include a URL)

13/6/16, 9am - 12 noon, Bonhoga Gallery, Shetland

Q7: Intention statement relating to the work being reviewed

Artistic & Creative Review Framework

The Bonhoga Education Programme is a three-year project supported by Children & The Arts, delivered by Shetland Arts in partnership with SIC Creative Links.

The project involves five target schools in Shetland: Sandwick JH School, Aith JH School, Fetlar Primary School, Baltasound JH School and Whalsay School, working with a total of c.300 pupils from 5-14 years of age.

The Art World is the first project in this three-year programme, delivered both through gallery visits and school workshops.

The Creative Team: The project is managed by Jane Matthews, Exhibition Manager at Shetland Arts with schools support from Noelle Henderson of Shetland Islands Council Creative Links team.

This year's project is being delivered by artist Amy Gear, who returned to Shetland after completing her Masters at Royal College of Art in London last year. She has been working with pupils and teachers in the five target schools over the past six months to deliver the first year of this three-year programme.

The aims/intentions of the project:

- Introducing young people to the arts
- Inspiring them to learn more
- Enhancing their experience through critical analysis and participation
- Encouraging them to create their own art, and
- Building sustainable links between the gallery and school communities.

The project is a collaborative one. Together Amy and the groups from each school have been exploring The Art World – What is the Art World? How do artists think? Why and how do they make work? Why do they have exhibitions? What is the point of a gallery?

The process involves work from one school becoming the source material in the next school, much like a giant game of consequences. This collaborative process of working is unusual and teachers were initially uneasy about students having to relinquish ownership of their work.

All the pupils have been working collaboratively towards their own exhibition: The Art World, at Bonhoga Gallery from 11 June – 26 July 2016. The exhibition will demonstrate this collective approach to making work, creating a cohesive exhibition running throughout the building and grounds.

Why has this project been chosen to be reviewed?

This has been selected for review because it is the beginning of a three year project creating a long term relationship between these schools and the gallery. It is a collaborative exhibition with the objects created in one school becoming the source material for the next, which is a new way for us and the schools to work.

It would be useful to feedback any outcomes from the review into our year two planning. We are also looking into the long-term viability of Weisdale Mill as a gallery space and something interesting may come from fresh eyes.

Who the intended audience is, whether public or aimed at specific audiences?

This exhibition has two core audiences, the young people who have been involved in making the work and their experience. The second audience is the general public of tourists and locals who the gallery serves on a daily basis.

KPIs (NB all SADA projects have internal KPIs attributed to them)
Deliverables / KPIs / Success criteria and Measurable Targets

- Concerts / Screenings / Exhibition days etc: 55 Exhibition days
- Audience attendances: 2000 visitor number
- Development Sessions: 30 (Workshops and CPD sessions)
- Participations: 1500 children's participations, 20 teachers CPD
- Partners engaged: 2 (Shetland Islands Council, Children & the Arts)
- Commissions: 1 (Art World Exhibition)
- Residency Opportunity N/A

Q8: Peer Reviewers only - Declaration of professional expertise, relevant experience, interests, and context in relation to the work being reviewed (200 - 400 words)

Respondent skipped this question

PAGE 5: Section 2.1 - the idea

Q9: Your comments Explain and evidence your views and statements(500 - 700 words)

Strong idea or vision:

This project explores sophisticated ideas about expectations and ownership in the arts with a playful and questioning spirit.

The project's focus on the idea of transformation comes through very strongly at the Bonhoga installation, eg from 2D to 3D, from monoprint to music. Opportunities have been well considered to continue extending the work, re-shaping and re-presenting it, and the end result is an impression of multiple layers of interpretation.

The creation of the audioguide is a particularly neat expression of the project's core ideas, where a group of participants was invited to write stories based on what they saw in the exhibition and to try to understand the artists' themes and inspiration. Here, the audio stories bring the art to life, tell stories, and connect the individual characters of the exhibition by creating relationships between them. This helps to make the exhibition spaces upstairs more coherent and connected. The audioguide is thought-providing, poetic and a lovely introduction to the project's themes – "art inhabits the gallery... art wasn't born here, but this is where it now lives." It is an untraditional audioguide, doing a different job than you anticipate. It is imaginative, witty and unexpected – a good expression of the spirit of the project as a whole.

I found it illuminating to hear Amy Gear talk about her approach to the project, and this added significantly to how much I enjoyed and engaged with the exhibition overall. There are a lot of big ideas in the project – initially I found it difficult from the intention statement and marketing materials online to grasp the main drivers. Is there any scope / value to having a statement from the artist on the website or in the gallery to give additional context?

How the intention is conveyed:

The project seemed to have taken young people behind the art and deepened their understanding of the motivations and contexts for how work is made and presented. For example, there was a nice representation of an artist's research stage in the initial inspiration-gathering for the project, taking word lists and expanding them through word association games – making links and showing how far you can move from an initial source.

Amy's introduction for the framework reviewers helped me to understand the resonances behind the collaborative and non-protective approach she had encouraged – "art doesn't need to be perfect to be beautiful". Amy explained very persuasively the value of freeing up the participants from expectations, and the relevance of mimicking a more contemporary approach based on how artists work collaboratively in the real 'art world'. Again, I thought this could have been more visible / foregrounded at the exhibition for the benefit of other visitors.

The project's idea of transformation can be traced through recurring shapes and characters (eg tiger, bee, 'shh' man) – I enjoyed following the evolution through the project phases and felt I'd come to recognise particular icons of the exhibition. There is a strong sense on moving from downstairs to the upstairs gallery that something magical has brought the downstairs exhibits to life – upstairs everything seems scaled up - bigger, more colourful, more impact. It feels like all of the phase one artwork has been 'animated' in the upstairs space, whatever form / medium it's in. Jane Matthews encouraged the participants to retrace the artwork's transformation and find their work re-made and re-animated.

A sense of timeliness and 'real art world' context were partly conveyed by the audioguide, including its final question - "where does the earth end and the art world begin?" Again, this conveyed the overall tone of the project, with a thoughtful and inquiring approach presented lightly.

PAGE 6: Section 2.2 - the skills

Q10: Your comments Explain and evidence your views and statements(500 - 700 words)

As SADA's intention statement sets out, this is a new way of working with a group of schools and one that appears to have been highly effective. It hopefully will generate more buy-in from schools now that they can see the outputs of the project's first year.

This project very effectively demonstrated the high levels of skill and knowledge of the artist and the exhibition manager.

There was evidence in the way the project had evolved of how responsive Amy and Jane had been to the levels of interest and resource at individual schools. Amy and Jane appeared to have been very pro-active in bringing the schools together through the project. We could see from the development of the exhibition that a practical and adaptive approach had been taken to building relationships with schools, including involving other teachers eg science teacher or music teacher where they could add to the project. It was interesting to hear that the high visibility in schools of the project's first phase – 10 minute 'stations' working with canvas, clay or monoprint – had created opportunities to draw other teachers into the project. This seems worth noting for future work.

We also learned that the creation of the animation had benefited from this same flexibility, with Amy able to respond to a child's suggestion as the work was being created, moving away from the brief and pursuing ideas as they emerged.

The skills of the team were also clear in the level of sophistication of the artwork transformations. The transformation from monoprint to a graphic score, then a recording of new music, was particularly notable. It was interesting to hear that the children's interpretation had not been overly literal – eg yellow on the score was happy, so the children chose to use bells to express it; white space in the print needed to be marked as a break, so the children decided to stamp their feet as a form of musical punctuation. It was very positive to hear that the school's music teacher is now using this same style of interpretative music making from graphic scores with an S3 group – it's excellent that the project is allowing teachers to try out new approaches, and this extends the benefits beyond the immediate participant groups.

The visit we observed was from the group who had turned the monoprint to music. Their discussion suggested that they had been well supported, but allowed to experiment and even to feel a little lost during the process. This was a new experience of music-making which was interpretative and unstructured, and the end results were great. ("I had no idea what we were doing!" said one participant.)

Amy's leading of the discussion with the school group also displayed skills in inspiring imaginative responses ("What will happen in the future? I think everyone will be bald"), and encouraging deeper and more considered responses.

Q11: Your comments Explain and evidence your views and statements (500 - 700 words)

Production and presentation:

The young people's work was imaginatively presented – eg the 'relics of the art world' cases put clay pieces created in 10 minutes, some of them broken from use and transportation, into a formal museum-style display.

The gallery space was beautifully installed. It created a real sense of discovery – internal 'walls' created from hanging rolls of paper gave a strong impression of a space to be explored. There were hidden exhibits to be discovered peering from behind hanging papers or other exhibits.

Amy explained to the visiting school group that the shadows created when people move around allow viewers to become part of the exhibition – there was perhaps more scope to allow group to observe and/or experiment with this, as it adds another very interesting layer to the project.

The exhibition expresses the project's themes of connection and transformation, with a yellow line around the gallery space literally linking individual exhibits.

The management of the school visit was well structured, eg with a break before listening to audio guide (for 10 minutes in silence) to move around outside and make noise.

Venue and relationship with environment:

Placing works in the sculpture park outside makes great use of the environment and creates a new setting for the artworks, where children were hiding in and behind the pieces. This added to the school visit by creating a contrast between the interaction with sculptures outside with more traditional gallery behaviour inside.

Generally, Bonhoga was a very effective space for the project, particularly with the two levels of the building creating a physical representation of the project's different phases. My overall impression is that there are significant benefits to the young people's work being exhibited here – there is a level of prestige and reward for the young people in their work being so beautifully presented in a working gallery, professionally exhibited with care and imagination. It will be more difficult though not impossible to achieve this in year two of the project when a gallery exhibit is not possible, and the final presentation will require careful thought (we could see that Jane and Amy are already gathering ideas). Although there are opportunities too in demonstrating that art doesn't need to be presented in a gallery setting, so long as the alternative still feels special and atmospheric.

There are of course challenges with Bonhoga as a site – we observed a visit from a small school group, but the small gallery space and the fact that there is no separate room for workshops are likely to limit activities with other, larger groups. We also discussed with Jane Matthews the practical issues in getting schools to the gallery in terms of time and costs.

Social or community context:

As above, resonances with the 'real' art world and an increasingly networked society were expressed in Amy Gear's presentation of the project to the reviewers.

PAGE 8: Participatory practice

Q12: Does the work being reviewed and the role of participants extend to participatory practice (co-creation or inventive input)? By this we mean collaborations between participants and artists, or where participants are actively involved in co-creating the work.

Yes

PAGE 9: Participatory practice

Q13: Your comments Explain and evidence your views and statements. (500 - 700 words)

Project's early stages:

Of course, we saw the end presentation of this project so did not observe the participants as they created the artworks. However, there was very good evidence that the participants had been supported in exploring and developing ideas and creating collaboratively, with opportunities for purposeful, hands-on activity.

Children seemed to have fully engaged with the collaboration element of the project, eg the 'shh' man had clearly inspired other groups and grew in prominence / stature through the exhibition.

The project's early stage had created a valuable and unusual opportunity of working very quickly and instinctively, expressing immediate reactions to word lists with 10 minutes to work in clay, monoprint or on canvas. This was a very fresh and energetic start to the project, and seemed to have set a mood of being open and exploratory which was visible throughout the exhibition.

Positively, there had been opportunities for the children to participate in different ways – one pupil's experience was to process the clay for others to work with, and he was very proud of his role in preparing the materials and making the others' work possible.

Observing the school visit:

Amy encouraged the group to explore the space – all initially clustered at same points, but Amy helped them to start to explore and discuss. The group was drawn initially to projections at different points in the room, which seemed the most immediately attention-grabbing installations.

The young people had grasped concept of collaboration and gave their own definition as "using different ideas from different people".

The participants' pride in their work was clear – they listened closely to their music, recognised their own part in it and sang along.

Amy took the group through a worksheet and encouraged them to reflect on the project. Potentially the questions used here could be more open-ended and could encourage children to reflect on and evaluate their activities in more depth.

Amy also referred to some changes that had been made to some of the children's work, where one of the pieces of music had been edited to remove words. This was briefly mentioned and sounded like it could have been very interesting to explore more, particularly to help the participants understand why changes had been made. Amy referred to the idea of "telling the story too much", which it could have been very useful to unpack more with the group.

Amy encouraged the group to explain why they didn't like some of the outdoor sculptures, explaining that you don't need to like everything. She led the group in thinking about where the artist's ideas had come from and very constructively created a sense of respect for the artist's intentions even if the group didn't like the final result.

Amy continually encouraged the group to move away from literal interpretations of the exhibition to create more personal and unusual connections between the characters ("the bird couldn't play the guitar so he got annoyed and ate it.")

Generally, in a fairly short period of observation we could see a thoroughly well planned, adaptable and inclusive approach to supporting participants.

Ongoing project and school relationships:

Children were encouraged during their visit to remember other visits to the gallery in the past. This helped to connect this project to other activities, and also to remind the participants that their work was sharing the same gallery space as other artists whose work they had made special trips to see.

Next year's theme of 'the future' was introduced to the group (linking with Bonhoga's programming theme). It was fantastic to see that this instantly generated lots of ideas, enthusiasm, reaction and even some surprisingly hard-hitting social commentary. It seems a very rich vein for next year's project with lots of potential to inspire interesting work.

Q14: Your Summary and Key Points(300 - 500 words)

- Explores sophisticated ideas with a playful and questioning spirit – imaginative, witty and unexpected
 - Opportunities to add layers of interpretation and re-interpretation have been carefully considered, to create a rich project where visitors can trace the evolution of creative ideas
 - Core themes of transformation and collaboration are timely, relevant and engaging, but could potentially be drawn out more fully in interpretative material
 - Highly skilled artist and exhibition manager: responsive to participants and operating context (schools partnerships)
 - Experimental approach and use of experimental forms, eg graphic scores – participants challenged and well supported
 - Wider benefits in extending project's reach to include range of teachers, who were positively influenced by the project and will incorporate into their own teaching
 - Exhibition beautifully installed, creating exciting sense of discovery and exploration
 - Small opportunities to expand on some ideas shared with school group – eg shadows interacting with exhibits, “telling the story too much”
 - Prestige and reward of presenting in Bonhoga exhibition space – how will next year's end of project presentation create the same outcome?
 - Inclusive nature of project – value of reacting quickly and instinctively to inspiration; opportunities for different types of participation
 - Possible scope for more open reflection / evaluation with school group
 - Rich potential for further development of the project, with strong theme for year 2 and positive results from year 1 to present as case studies to encourage school engagement
-

PAGE 11: Thank you

Q15: Feedback?

Tick if you would like to provide feedback

PAGE 12: Section 4 - feedback

Q16: Do you have any feedback on this form or the review process? This will be used by Creative Scotland to inform future development of the Review Framework.

Respondent skipped this question



Shetland *arts*

2016 - 2017: Quarter 1

Report of activity relating to Priority Areas of Activity Statements

Case Studies: The Art World, Scottish Ensemble Residency

Key Performance Indicator Statistics (appendix)



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Priority Area 1: Youth Arts

This includes the groundbreaking work we do with Shetland Youth Theatre and the support of groups such as Maddrim Media and the Shetland Young Promoters Group. It will include innovative projects designed to increase the engagement of young people in the arts, such as Youth Arts Panels, and exchange programmes with organisations outwith Shetland, encouraging Shetland youth to engage with and help shape cultural events in Shetland.

Q1 in numbers

2 Concerts / Screenings / Exhibition days

238 Audience attendances

14 Development Sessions

117 Participations

Shetland Young Promoters Group have been busy rehearsing and fundraising through busking sessions on Commercial Street for a musical exchange trip to Norway. The SYPG have booked the Swan to travel across to Sund in Norway to participate in music workshops and cultural tours.

Maddrim Media have been working hard to put together their 'Homemade' films for Screenplay 2016.

We held a six week block of Stage 1 Drama sessions for 7-11 year olds, culminating in a short performance for family and friends on the theme of 'Selkies'. John Haswell ran the workshops, and we provided Steph Pagulayan with the chance to shadow the sessions and receive some mentorship, as she is keen to get involved in youth drama projects. The sessions were busy and well-received, with more scheduled for Autumn.

Priority Area 2: Education & Learning

Programme of activities aimed at skills development for creative industries practitioners as well as evening classes aimed at increasing accessibility and participation in creative activities. The Gallery Education Programme will work with schools to encourage access to and engagement with our exhibition programme. We will also facilitate peer review and support by and for practitioners at all levels of participation and a range of formal learning opportunities in partnership with UHI.

Q1 in numbers

226 Development Sessions

2463 Participations

This quarter was particularly busy for the Shetland College music and film students as they completed their final submission and organised their year end Showcase performances. This year the two hour concert and film screening had an audience attendance of 120 and generated a lot of social media activity and interest from local press.

The culmination of the pilot year of the Start/Bonhoga Education Programme made this first quarter exceptionally busy. The project, entitled The Art World, final exhibition was brought together at Bonhoga by lead artist Amy Gear and all 300 participants of the project from five



schools across Shetland visited the show and took part in a final workshop. The project is now in the evaluation stage and planning for the next academic year. See Case Study below.

Priority Area 3: Arts & Well-being

We will continue to lead in our partnership work in space2face, the restorative justice and arts programme. We will continue to advocate and support the provision of arts and cultural activities for older people in care settings, in partnership with Alzheimer Scotland, local and national arts professionals and Shetland Island Council's Social Care staff. This work will be in line with, and contributing to, international research in these areas.

Q1 in numbers

1 Concerts / Screenings / Exhibition days

15 Audience attendances

57 Development Sessions

150 Participations

The Arts in Care 16/17 programme started with a fantastic series of workshops by Genevieve White, Lead Artist for the project. She worked with a group at Annsbrae House to write, perform and edit a short film, which was premiered at Islesburgh Community Centre - red carpet and all! Genevieve also led an excellent training day with the new Arts in Care Delivery Artists and volunteers for the project, covering aspects such as workshop planning, problem solving and workshop delivery in specific care settings. Plans are coming together for each of the workshop series, which will begin in September in care settings across Shetland.

Shetland Arts continued to support the delivery of workshops for the space2face restorative justice project.

Priority Area 4: Development & support

The support of individuals and groups is integral to our work and includes arts practitioners and creative industries micro businesses, audience development and our formal and informal education work. It also includes staff and volunteer development.

Q1 in numbers

1 Development Session

651 Participations

The quarter saw the continuation of work in support of individual artists, creative groups and Creative Industry businesses, in terms of creative practice, funding, training and financial advice, and providing freelance and performance opportunities.

In particular, we are proud to have offered support for rehearsals and logistics for the “We’re here because we’re here” project conceived by Turner Prize-winning artist Jeremy Deller which marked the centenary of the first day of the Battle of the Somme - a project in which thousands of volunteers dressed in First World War uniform appeared unexpectedly in locations across the UK on Friday 1 July 2016.



Priority Area 5: Programme, Commissioning & Curation

This will include the programming of our cinema (in partnership with City Screen), gallery, theatre and auditorium (a range of local, national and international promoters including Shetland Folk Festival, and DF concerts); Wordplay and Screenplay, our highly successful book and film festivals; the Shetland International Guitar Festival, curated by Martin Taylor; and Fiddle Frenzy, curated by Bethany and Jenna Reid. We will also develop creative residencies in partnership with local and national bodies (including Scottish Chamber Orchestra, National Theatre of Scotland, Scottish Book Trust) and extend our regional, national and international reach through the development of a variety of festivals and events, including a Northern Isles Book Festival, in collaboration with key partners in Orkney and Shetland and the hosting of a one off Nordic/Tartan Crime Noir Conference in November 2015.

Q1 in numbers

1114 Concerts / Screenings / Exhibition days
43577 Audience attendances
42 Development Sessions
693 Participations

Full event listings can be found at <http://issuu.com/shetlandarts>

We are proud to have hosted prominent events in Shetland's annual music calendar at Mareel, including two days of competition of the 30th Shetland's Young Fiddler of the Year competition in April and five events within the Shetland Folk Festival. Shetland Arts have worked in partnership with these voluntary committee groups to provide sponsorship deals that have enabled them to use Mareel as their venue. All Folk Festival events were sold out, hosting artists from all over the world, and included a 'Peerie Spang' standing event for children. Local promoters such as Ragged Wood and The Bashies have programmed successful nights of music at Mareel. Shetland Country Club have hosted Philomena Begley at the Garrison. Other local nights include Shetland's Got Talent, Shetland Classic Car Show Variety Concert.

We hosted our first wedding at Mareel, which included the wedding ceremony itself on the auditorium stage! The success of the event is evident from the number of wedding enquiries since, an area we are keen to build new business in. Scottish Ensemble visited for a four day residency, the culmination of an extensive planning process with them, sponsored by Inkster's solicitors (see Case Study below). Other significant events included Lerwick - Bergen race prizegiving reception, cruise passengers classical performance and 'Imagine' children's show for children for school children from around Shetland.

Bonhoga broke new ground in the first quarter of 16/17 with a partnership that crossed artforms, styles and geographies, building relationships between local and national



Supported by



practitioners. Unst-based sculptor Tony Humbleyard and Glasgow-based dancer and choreographer Jack Webb were brought together for a Shetland Arts residency at Jack's studio in Unst for a week in April, culminating in a live dance performance at Bonhoga. The combined exhibition Bone & Shadow was a hugely positive, developmental and valuable experience for both artists and the exhibition was very well received. The Art World, following on from this, is detailed in the Case Study (see below).

Planning is ongoing for our annual festivals - the Screenplay guests and programme are almost finalised. Wordplay is high on the agenda and we have been liaising with the Shetland Library (SIC), Creative Links (SIC) and Shetland ForWirds to bring an exciting week of literary fun to Shetland in November.

Priority Area 6: Recording, Broadcast and Intellectual Property

Maximising Mareel's digital production facilities (principally for music and video recording and broadcast), we will provide opportunities for musicians and producers to generate revenue and Intellectual Property. Shetland Arts will continue to create, protect and monetise its own Intellectual Property assets in partnership with Shetland Arts Intellectual Property Community Interest Company.

Q1 in numbers

53 Development Sessions
399 Participations

Q1 has been extremely busy for Mareel Recording Studio. We have undergone rebranding, and as part of a new marketing campaign we have launched a standalone FaceBook page, consolidated our hire charges and commissioned a promo film to advertise more widely the range of services on offer.

April saw the conclusion of sessions for the new LP by local folk-rockers The Revellers, and in May there was some exciting new music created in various genres. Heavy-metal outfit Quantana have embarked on an album project; Big Time Quell recorded and mixed their debut EP, and 20 students from the Anderson High School spent two days in the studio as part of their activities week, recording and mixing two songs to completion. BBC's *The Voice* contender Lisa Ward recorded a full-length album, having recorded her debut EP at Mareel last year. Battle Of The Bands winners Satire Division cashed in their prize of one day in the studio, recording three tracks to be released in August. The massed fiddles of Hjaltibonhoga have also recorded their debut album, due for release in the autumn.



Case Study: THE ART WORLD

Amy Gear and 300 artists from 5 Shetland schools

Bonhoga Education Programme and Exhibition, 2016



THE ART WORLD is the first project in a four-year gallery education programme supported by national organisation Children & The Arts, delivered by Shetland Arts in partnership with SIC Creative Links. The project was managed by Jane Matthews, Exhibition Manager (SADA) with input from Noelle Henderson, Creative Links Officer (SIC). It was led this year by artist Amy Gear who returned to Shetland after completing her Masters at Royal College of Art in London in 2015.

The project involved approximately 300 pupils from 5-16 years of age, from five schools in Shetland: Sandwick Junior High School, Aith Junior High School, Fetlar Primary School, Baltasound Junior High School and Whalsay School.



Between January and June 2016 Amy and the groups from each school explored The Art World through school workshops and gallery visits. Starting with the David Mach exhibition at Bonhoga in January they questioned what it is to be a contemporary artist, asking What is The Art World? How do artists think? Why and how do they make work? Why do they have exhibitions? What is the point of a gallery?

Amy: The Art World is a mysterious place even if you are an artist, living right in the middle of it. When I was in London, I was so aware of all the hierarchies and rules that existed within the art industry – it's a very intimidating place which can really put a cap on creativity. For this project I wanted to use the Art World as a theme, I used elements of the art industry like 'Painting' and 'Audio Guide' and 'Sculpture Park'. With the bairns and teachers, we tore apart the art industry's rule book and stuck it back together again and in doing so, it was completely transformed. I absolutely love how the bairns and teachers interpreted the tasks we set and have made these very honest artworks. They have been a joy to collaborate with - the bairn's fresh viewpoint of the art Industry has transformed it, like a bit of printer paper, into an origami swan.



The project was designed to be collaborative: work from one school became the source material in the next school, much like a giant game of consequences. At each stage there was a transformation from one medium to another, for example, pupils in P6/7 at Sandwick created and recorded soundscapes using as inspiration the long monoprint made in a previous workshop in all schools.



The resulting exhibition at Bonhoga in June/July was the culmination of this year's project; an installation comprising sculpture (including an outdoor Sculpture Park), painting, drawing, collage, sculpture, music, stop-frame animation and the spoken word. Amy curated and assembled the final work, creating a collaborative piece recognised as a contemporary artwork in itself.

The response to the project and resulting show was outstanding.

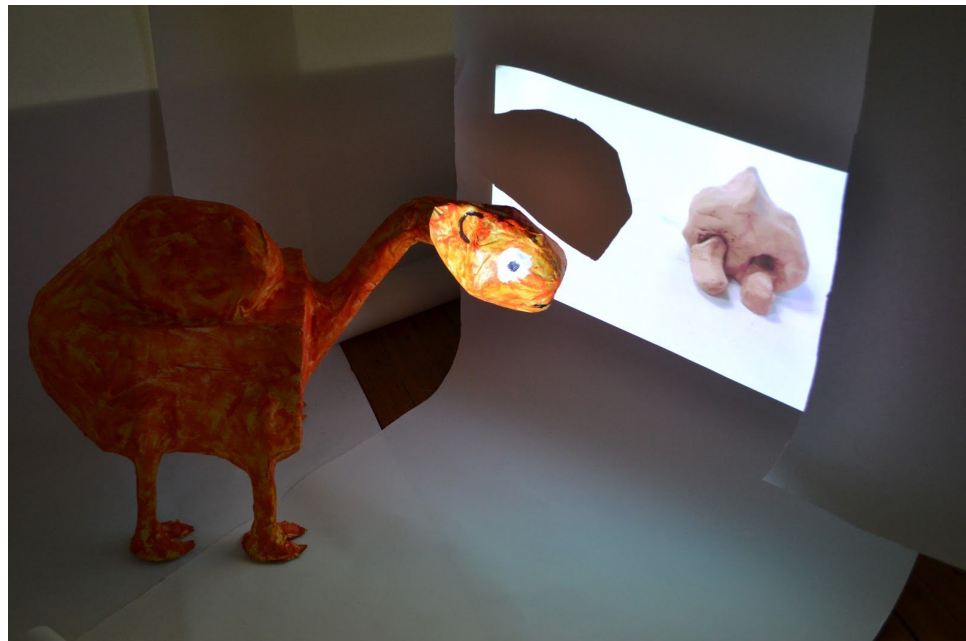
Paul Bloomer, in his review for The Shetland Times: *The imaginative power of this exhibition reminds us what we have lost when imagination is repressed, neglected and unvalued. This show turns this on its head by celebrating the joy, wonder and amazement that is unleashed when imagination is set free and for the participants and viewers this is an invaluable and enriching experience that could be the beginning of a creative journey that could lead anywhere.*

Wendy Tulloch, in her review for Creative Scotland: *Witnessing the reaction from the school pupils seeing all their hard work culminating in one really incredible exhibition was truly heart-warming. I loved how so many pupils explained that they had taken their parents to the launch event at Bonhoga to see their work and for many of the parents this was their first visit to the gallery and in fact their first ever visit to any art gallery so this in itself is a huge achievement.*

Wendy McMurdo, in her review for Creative Scotland: *Gear has produced a sensitive and intelligent installation which both synthesises the learning included in the first year of the project and also helps children to understand the function of art in our society.*

Emma Campbell, in her review for Creative Scotland: *The young people had grasped concept of collaboration and gave their own definition as “using different ideas from different people”....Explores sophisticated ideas with a playful and questioning spirit – imaginative, witty and unexpected.... Opportunities to add layers of interpretation and re-interpretation have been carefully considered, to create a rich project where visitors can trace the evolution of creative ideas*

The project will be built upon in the next phase of the project; THE FUTURE for which funding has been confirmed from Children & the Arts. Jane Matthews will continue to manage the project, with input from Noelle Henderson at SIC Creative Links, and will be delivered by Amy.



Case Study: Scottish Ensemble Residency

We were delighted to welcome the Scottish Ensemble to Shetland for a residency from Wednesday 22nd to Saturday 25th June, where these incredible musicians worked with locals, visited schools and care centres across the islands, and of course performed some spellbinding music.

The June residency marked the culmination of the Scottish Ensemble's Shetland Season of string concerts in previous months. As with the 2013 mini residency, this year's Scottish Ensemble events were sponsored by Inksters Solicitors.



The Ensemble arrived in Shetland on Wednesday morning, where tourists and locals alike were delighted by a [pop up performance](#) at Sumburgh Airport to announce the beginning of the residency. Elaine Craig, project manager, said: "We're very much looking forward to our time in Shetland. We always enjoy our residencies as they give us a chance to get out and about and to take our music out of the concert hall setting."



The group then travelled to Carnegie Hall in Sandwick, where they rehearsed repertoire with local musicians from the Shetland Community Orchestra. Once the musicians were ready for the evening, the group bonded over cooking a fantastic meal for the audience, instructed by award-winning Shetland cookery writer Marian Armitage. The Ensemble and SCO members served up some excellent fish pie and Whalsay 'clatch' and worked together to perform a varied programme of classical pieces; both food and music delighted the audience.



Some of the Scottish Ensemble members then retired to the Lounge, where they took part in a session with local musicians, learning traditional tunes and performing some impromptu classical pieces - a great way to end a wonderful day of sharing.

Thursday saw three groups of musicians travel to different areas of Shetland for a day of workshops and rural performances. The first group travelled to Yell, where they performed for all the pupils at Burravoe Primary School and hosted a pop up performance at the Old Haa museum.

The second group travelled north to Brae, where they worked with string pupils at the Brae High School, and created a joint performance for the rest of the secondary pupils. The group then visited Northaven Care Centre for an informal performance and discussion with the residents.



The third group travelled

West to Aith, where they worked with a small group of enthusiastic pupils at Aith Junior High School. The pupils tried out a variety of classical pieces, and also shared some traditional Shetland music with the Ensemble members, before performing for the upper



primary pupils. The musicians then moved to Wastview Care Centre, where they conducted a short informal performance and discussion with the residents.

Friday saw members of the Ensemble tutor a large group of students at the Anderson High School, who had requested to work on a selection of pieces. After the workshop pupils shared their work with family and friends, and then they were transported to Tesco for a pop up performance with the Scottish Ensemble, which attracted a huge crowd of excited onlookers.



The residency culminated on the Saturday with two performances by the Scottish Ensemble at Mareel. The first was Harmony Quest, an hour long play for primary age children brought to life by the music of the Ensemble. Young and old alike were captivated by this tale of adventure and friendship. The evening performance, En Reve, was a glorious concert of French music (Ravel, Debussy, Faure) from the turn of the century. Alex Garrick-Wright, reviewing for Shetland News, said: “[T]he playing was skilled, impeccably synchronised, and musically flawless... The music was a selection-box of arrangements that incurred raucous applause from an extremely engaged audience... That the Scottish Ensemble plays sublimely is almost not worth commenting on.”

Over their four-day visit, the Scottish Ensemble tutored around 75 local musicians and performed for over 700 Shetland residents across the isles. When they arrived home, the Scottish



Ensemble said: “We’ve returned windswept and exhilarated from four days on Shetland, during which we really did travel the length and breadth of this intriguing archipelago, dropped into the middle of an endless sea. Taking music with us to everywhere we went, we were rewarded with incredible views, warm Shetland welcomes and – every musician’s dream – enthusiastic, willing, curious participants.”

SADA Q1 16-17 KPI Summary

Key Performance Indicators 15/16	Concerts / Screenings / Exhibition days etc				Audience attendances				Development Sessions				Participations			
	Apr	May	Jun	Q1	Apr	May	Jun	Q1	Apr	May	Jun	Q1	Apr	May	Jun	Q1
Priority Area of Activity																
1. Youth Arts	0	0	2	2	0	0	238	238	0	4	10	14	0	49	68	117
2. Education & Learning	0	0	0	0	0	0	0	0	62	89	75	226	671	782	1010	2463
3. Arts & Well-being	0	0	1	1	0	0	15	15	18	19	20	57	63	52	35	150
4. Development & Support	0	0	0	0	0	0	0	0	0	0	1	1	157	265	229	651
5. Programme, Commissioning & Curation	347	383	384	1114	15108	14235	14234	43577	9	11	22	42	144	169	380	693
6. Broadcast, Recording & IP	0	0	0	0	0	0	0	0	11	28	14	53	77	163	159	399
Programme Total	347	383	387	1117	15108	14235	14487	43830	100	151	142	393	1112	1480	1881	4473
SCT Annual Target KPI				3,000				160,000				1,300				9,000