



Item	Description	Report	Item taken by	ACTION
1	Welcome, apologies, and declarations of interest		Chair	Note
2	Minutes 24 August 2017		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 14 th December 2017, 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

Minute of Meeting of Shetland Arts Development Agency Board of Trustees, Thursday 24 August 2017, held at 5.30pm at Mareel Meeting Room, Lerwick

Present:

Lorraine Hall (LH), Chair, Shetland Arts
 David Ramsay (DR), Vice Chair, Shetland Arts
 Robin Sandison (RS), Trustee, Shetland Arts
 Alan Skinner (AS), Trustee, Shetland Arts
 Louise Deyell (LD), Trustee, Shetland Arts
 Olive MacLeod (OM), Trustee, Shetland Arts
 Ryan Stevenson (RSt), Trustee, Shetland Arts (via telephone)
 David Ramsay (DR) Trustee, Shetland Arts (Skype)
 Lynne McHattie (LM) Trustee, Shetland Arts (Skype)

In Attendance:

Graeme Howell (GH), General Manager, Shetland Arts
 Kerry Eunson (KE), Finance Manager, Shetland Arts
 Helen Smith (HS), Administrator, Shetland Arts (Minute taker)
 Jayne Anderson, Director, A9 Partnership

Apologies:

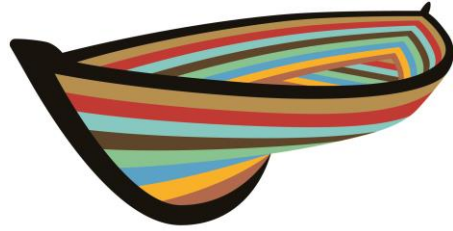
None.

Item	Topic	Action
1	<p>Welcome, Apologies & Declaration of Interest</p> <p>The Chair welcomed everyone to the meeting.</p> <p>There were no declarations of interest expressed.</p>	
2.	<p>Matters Arising</p> <p>The minutes of the last meeting were read and approved by OM and seconded by AS.</p>	
3.	<p>Finance</p> <p>KE went through the Management Accounts report. There has been a particular improvement in the level of bars and catering purchases in the year.</p> <p>2018/2109 Budgeting exercise had been started, with future scenario planning.</p>	
4.	<p>General Managers Report</p> <p>HISEZ report recommended no changes to the structure of SADA. Board agreed to look at this again in three years.</p> <p>Strategic Planning Map items, Creative Scotland survey etc, along with the SCT Review of trusts. Key things happening were that there was art form conversations for 2018, along with SADA rebranding planned for 2018-2019.</p>	

Item	Topic	Action
4. Cont	<p>GH also felt it was good for the Trustees to review the Purpose of the Trust. This would lead into the Creative Scotland Bid.</p> <p>Ryan asked if the Legal Structure was a part of the HISEZ review. If so the trustees may be happy to adopt this.</p> <p>GH also noted that Emma Campbell from Creative Scotland was now back from Maternity Leave.</p> <p>RFO – SADA would know the decision By December 2017.</p> <p>EKOS Consultants had had a meeting, this would be reporting back in November 2017.</p> <p>Screenplay Programme, Graeme is doing the launch in Hillswick in September.</p>	
5.	<p>Board Recruitment and Training</p> <p>More recruitment is planned for Autumn 2017.</p> <p>Helen Nisbet – if a Trustee has not attended 3 Trustee meetings in a row, a conversation needs to be had. GH has tried to keep in contact with her over email exchanges, she is very busy at her work at the moment.</p> <p>May suggest she step down as a Trustee, as she already knows that she cannot attend the meetings scheduled for the rest of the year. DR has made an effort to contact her while he was in London, but they did not manage to meet up. It might be good to keep Helen on as an Advisor. GH will approach her.</p>	GH
6.	<p>AOB</p> <p>GH said that the 2018 Board Meeting dates will be circulated soon. Scheduled to be the last Thursday of every month, but no meeting in July.</p> <p>21st September to be an information meeting to discuss Budget Options.</p> <p>Lorraine gave her apologies for the September meeting</p>	GH

Minute approved:

Lorraine Hall
Chair, Shetland Arts Development Agency



Shetland *arts*
MANAGEMENT ACCOUNTS
REPORT

AUGUST 2017

INTRODUCTION

This report includes details the following:

- Management accounts for August 2017 together with the year to date.

MANAGEMENT ACCOUNTS

The management accounts for August 2017 are included as Appendix 1. This report shows the results for May as well as the year to date compared to the same period in the prior year.

It should be noted that although screenplay had two days in September, it was easier to take all known income and expenditure in to August as that was when the majority of the festival was held. This means that the income for Fiddle Frenzy and Screenplay are all shown in August.

The key points from August 2017 are:

- Ticket sales were significantly under budget for the month mainly due to cinema income. Cinema income has been significantly under budget over the summer months, which is line with trends seen throughout the UK. The effect however has been greater here. For example one week in August was saw a 63% reduction in income based on the prior year at Mareel while the rest of the UK average was a reduction of 20%. The marketing department are currently doing further analysis on these figures to see if they can identify why there are such large differences. Management are considering the consequences of this under performance on other budgets to the end of the year.
- The ticket sales look slightly healthier as the income from Screenplay has been included in August due to the timing of the festival. At the time of budgeting it was expected to be more in September so the budgets were profiled with this in mind. There will be a variance against budget in September due to this.
- Fiddle Frenzy has generated a greater deficit than budgeted this year due to decreased ticket sales.
- Wages and salaries was overspent for the month. Some of this is due to the previously identified under budgeting of front of house staff. There has also been staffing issues in the café/bar resulting in additional hours having to be paid to the manager and supervisors at a rate of pay higher than an events assistant.

Prior Year Report

From: Month 5, August 2017
To: Month 5, August 2017

Chart of Accounts:

SADA Default Layout of Accounts

	<u>Period</u>				<u>Year to Date</u>			
	<u>Actual</u>	<u>Ratio</u>	<u>Prior Yr</u>	<u>Variance</u>	<u>Actual</u>	<u>Ratio</u>	<u>Prior Yr</u>	<u>Variance</u>
Sales								
Ticket Sales	61,503.73	26.71	87,295.51	(25,791.78)	217,037.45	20.34	212,486.25	4,551.20
Education and Training	7,666.66	3.33	7,642.50	24.16	44,260.83	4.15	37,347.50	6,913.33
Retail	10,235.85	4.44	8,167.48	2,068.37	39,670.24	3.72	32,462.88	7,207.36
Food and Beverage	50,270.06	21.83	52,473.12	(2,203.06)	240,557.14	22.54	238,412.89	2,144.25
Foyer	7,683.10	3.34	13,654.62	(5,971.52)	45,444.92	4.26	51,945.72	(6,500.80)
Box Office Commission	684.17	0.30	432.09	252.08	4,123.50	0.39	1,732.09	2,391.41
Gallery Commission	0.00	0.00	0.00	0.00	1,387.96	0.13	29.75	1,358.21
Hire of Rooms and Equipment	1,923.58	0.84	1,480.51	443.07	23,081.08	2.16	25,052.26	(1,971.18)
Screen Advertising Income	1,683.87	0.73	1,019.00	664.87	8,585.07	0.80	4,802.54	3,782.53
Gift Vouchers	(305.45)	(0.13)	(357.55)	52.10	(1,261.55)	(0.12)	(1,536.35)	274.80
Sponsorship	500.00	0.22	0.00	500.00	500.00	0.05	18,838.75	(18,338.75)
Donations	575.69	0.25	148.00	427.69	786.87	0.07	341.92	444.95
Grant Funding - SIC	0.00	0.00	0.00	0.00	3,000.00	0.28	0.00	3,000.00
Grant Funding - SCT	55,368.84	24.04	57,906.50	(2,537.66)	276,844.17	25.94	289,532.50	(12,688.33)
Grant Funding - Creative Scotland	21,000.00	9.12	21,200.64	(200.64)	110,055.00	10.31	107,620.52	2,434.48
Other Grants - Trusts and Foundations	2,810.00	1.22	8,546.00	(5,736.00)	7,764.02	0.73	16,998.74	(9,234.72)
Operating Lease Income - SIC	7,500.00	3.26	7,500.00	0.00	37,500.00	3.51	37,500.00	0.00
Other Income	430.00	0.19	0.00	430.00	3,188.07	0.30	10,524.49	(7,336.42)
Memberships Received	772.50	0.34	993.12	(220.62)	4,563.75	0.43	4,811.25	(247.50)
	<u>230,302.60</u>	<u>100.00</u>	<u>268,101.54</u>	<u>(37,798.94)</u>	<u>1,067,088.52</u>	<u>100.00</u>	<u>1,088,903.70</u>	<u>(21,815.18)</u>
Purchases								
Food and Beverage Purchases	16,275.22	7.07	22,740.60	(6,465.38)	84,323.84	7.90	106,967.30	(22,643.46)
Foyer Purchases	3,222.84	1.40	6,072.79	(2,849.95)	22,243.06	2.08	24,890.89	(2,647.83)
Retail Purchases	3,585.94	1.56	4,201.48	(615.54)	22,385.68	2.10	16,114.71	6,270.97
Direct Costs	72.10	0.03	82.45	(10.35)	3,853.63	0.36	958.29	2,895.34
	<u>23,156.10</u>	<u>10.05</u>	<u>33,097.32</u>	<u>(9,941.22)</u>	<u>132,806.21</u>	<u>12.45</u>	<u>148,931.19</u>	<u>(16,124.98)</u>
Direct Expenses								
Gross Salaries and Wages - Regular	66,043.49	28.68	66,498.31	(454.82)	332,815.54	31.19	331,436.28	1,379.26
Gross Wages - Casual	17,171.47	7.46	26,851.14	(9,679.67)	79,329.74	7.43	99,755.24	(20,425.50)
Employers NI	5,599.89	2.43	4,368.62	1,231.27	27,230.55	2.55	26,006.78	1,223.77
Employers Pensions	11,451.97	4.97	8,223.78	3,228.19	51,472.41	4.82	37,474.28	13,998.13
Recruitment Expenses	303.00	0.13	804.00	(501.00)	1,127.50	0.11	1,477.00	(349.50)
Employee Expenses	161.28	0.07	195.29	(34.01)	1,405.83	0.13	738.52	667.31
Training and Protective Clothing	1,608.33	0.70	45.00	1,563.33	6,893.97	0.65	1,910.95	4,983.02
Trustee Expenses	0.00	0.00	60.00	(60.00)	0.00	0.00	60.00	(60.00)
Programme Costs - Project	44,807.73	19.46	48,379.87	(3,572.14)	191,227.95	17.92	163,110.54	28,117.41
Marketing Costs - Project	3,294.72	1.43	4,170.82	(876.10)	10,318.75	0.97	14,634.05	(4,315.30)
Licences	2,759.28	1.20	3,752.15	(992.87)	13,988.65	1.31	18,150.48	(4,161.83)
Film Transport	82.24	0.04	(372.70)	454.94	568.44	0.05	651.90	(83.46)
Hire of Equipment	50.64	0.02	0.00	50.64	1,369.64	0.13	1,300.00	69.64
	<u>153,334.04</u>	<u>66.58</u>	<u>162,976.28</u>	<u>(9,642.24)</u>	<u>717,748.97</u>	<u>67.26</u>	<u>696,706.02</u>	<u>21,042.95</u>
Gross Profit/(Loss):	<u>53,812.46</u>	<u>23.37</u>	<u>72,027.94</u>	<u>(18,215.48)</u>	<u>216,533.34</u>	<u>20.29</u>	<u>243,266.49</u>	<u>(26,733.15)</u>
Overheads								

Time: 13:01:57

Prior Year ReportFrom: Month 5, August 2017
To: Month 5, August 2017

Chart of Accounts:

SADA Default Layout of Accounts

	<u>Period</u>				<u>Year to Date</u>			
	<u>Actual</u>	<u>Ratio</u>	<u>Prior Yr</u>	<u>Variance</u>	<u>Actual</u>	<u>Ratio</u>	<u>Prior Yr</u>	<u>Variance</u>
Travel, Subsistence and Entertainment	14,419.05	6.26	12,252.55	2,166.50	25,333.46	2.37	23,164.93	2,168.53
Motor Expenses	0.00	0.00	0.00	0.00	0.00	0.00	401.67	(401.67)
Rent, Rates and Insurance	4,044.96	1.76	5,483.45	(1,438.49)	20,489.86	1.92	27,034.53	(6,544.67)
Heat and Light	6,039.35	2.62	3,879.70	2,159.65	31,912.24	2.99	33,613.85	(1,701.61)
Operating Leases - Rent and Equipment	8,799.44	3.82	9,297.50	(498.06)	44,461.03	4.17	48,403.21	(3,942.18)
Repairs and Maintenance and Cleaning	9,240.34	4.01	8,505.31	735.03	42,893.23	4.02	48,936.57	(6,043.34)
Print, Postage and Stationery	214.18	0.09	359.39	(145.21)	2,253.22	0.21	1,675.61	577.61
Telephone	706.81	0.31	723.54	(16.73)	4,011.67	0.38	3,573.90	437.77
Computer Costs	2,436.66	1.06	1,979.30	457.36	12,183.33	1.14	9,459.30	2,724.03
Marketing Costs - Strategic	735.00	0.32	3,993.98	(3,258.98)	4,488.92	0.42	4,997.10	(508.18)
Website Costs	960.64	0.42	0.00	960.64	2,593.30	0.24	27.96	2,565.34
Subscriptions	223.76	0.10	221.85	1.91	1,260.09	0.12	(1,944.34)	3,204.43
Consumables	86.50	0.04	1,719.91	(1,633.41)	4,736.42	0.44	8,856.45	(4,120.03)
Sundry	0.00	0.00	0.00	0.00	25.00	0.00	288.72	(263.72)
Legal and Professional Fees	920.84	0.40	1,996.66	(1,075.82)	3,770.17	0.35	6,871.47	(3,101.30)
Till Differences	(7.41)	0.00	(79.32)	71.91	(92.51)	(0.01)	331.87	(424.38)
Bank Charges and Interest	1,216.84	0.53	2,039.67	(822.83)	6,254.38	0.59	7,242.49	(988.11)
Loan Interest	507.95	0.22	338.66	169.29	2,462.07	0.23	1,717.54	744.53
	<u>50,544.91</u>	<u>21.95</u>	<u>52,712.15</u>	<u>(2,167.24)</u>	<u>209,035.88</u>	<u>19.59</u>	<u>224,652.83</u>	<u>(15,616.95)</u>
Net Profit/(Loss):	<u>3,267.55</u>	<u>1.42</u>	<u>19,315.79</u>	<u>(16,048.24)</u>	<u>7,497.46</u>	<u>0.70</u>	<u>18,613.66</u>	<u>(11,116.20)</u>

Date: 23/10/2017
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Shetland Arts Development Agency
Balance Sheet

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From: Month 5, August 2017
To: Month 5, August 2017

Chart of Accounts:

SADA Default Layout of Accounts

	<u>Period</u>	<u>Year to Date</u>	
Fixed Assets			
Property	0.00	11,069,725.80	
Office Equipment	0.00	296,977.09	
Furniture and Fixtures	0.00	156,218.31	
Investments	0.00	1.00	
Pianos	0.00	42,800.00	
Artwork	0.00	2,862.00	
	0.00		11,568,584.20
Current Assets			
Stock	1,149.57	38,901.46	
Debtors	15,737.98	133,869.69	
Deposits and Cash	(304.36)	4,666.50	
Bank Account	0.00	24,660.72	
	16,583.19		202,098.37
Current Liabilities			
Creditors : Short Term	(87,871.07)	314,611.47	
Payroll Taxation	249.64	21,164.13	
Wages	(387.57)	13,399.54	
Bank Account	90,562.47	0.00	
VAT Liability	12,165.74	30,643.11	
	14,719.21		379,818.25
Current Assets less Current Liabilities:	1,863.98		(177,719.88)
Total Assets less Current Liabilities:	1,863.98		11,390,864.32
Long Term Liabilities			
Creditors : Long Term	(1,403.57)	125,422.32	
Pension Liability	0.00	924,000.00	
	(1,403.57)		1,049,422.32
Total Assets less Total Liabilities:	3,267.55		10,341,442.00
Capital & Reserves			
Capital & Reserves	0.00	11,469,323.37	
Funds	0.00	(211,371.83)	
Defined benefit pension fund	0.00	(924,000.00)	
P & L Account	3,267.55	7,497.46	
Previous Year Adj		(7.00)	
	3,267.55		10,341,442.00

General Manager's Report

Date 26/10/2017

Board Decisions

NONE

For Information

Estates

- **Bonhoga**
 - Application for liquor licence delayed due to no record of building completion certificate. Planning carry out archive searches
 - Replaced Hot Water tank
- **Mareel**
 - Fire door to left of revolving door not releasing cleanly, new mechanism ordered.
- **The Garrison**
- **The Booth**
- **Other**

Operations

- Mock evacuations programed now quarterly
- Clamping down on photography at gigs - photographers code of conduct issued
- Ongoing issues with cinema ID requests

Key Dates for Trustees

- Wordplay 2/11 - 5/11 - Launch Event 2/11
- Edinburgh String Quartet 15/11
- North Ness Boys with Freda Leask 8/12
- Maxie Baine Opening 17/11
- Hogmanay 31/12
- First Community Promoters tour 1/12 - 3/12

Numbers

	Sept 17	Aug 17	July 17	June 17
Concerts / Screenings / Exhibition days	396	413	438	376
Audience attendances	12,881	19,420	23,190	14,150
Development Sessions	134	192	62	83
Participations	1001	1784	773	814

	Q1	Q2	Total	Target	% Ach
Concerts / Screenings / Exhibition days	1,196	1,246	2,442	3,000	81.4%
Audience attendances	50,682	55,491	106,173	160,000	66.4%
Development Sessions	398	389	787	1,300	60.5%
Participations	4,519	3,558	8,077	9,000	89.7%

Fiddle Frenzy 2016/2017 Comparison

	2015	2016	2017	% Var 16-17
Total Number of tickets sold (inc packages)	792	849	731	-14%
Total Number of packages sold	85	64	46	-28%
Total Value of tickets (inc packages)	£39,750	£39,634	£29,466	-15%
Total Value of packages	£27,825	£22,500	£15,775	-30%
Total Number of tickets (exc packages)	667	679	616	-9%
Total Number of gigs	7	6	6	
Total Value of gig tickets sold	£9,990	£12,164	£10,076	-17%
Avg Value per gig	£1,427	£2,027	£1,679	-18%

Screenplay 2016/2017 Comparison

	2015	2016	2017	% Variance
Total number of tickets sold	2477	2914	3,063	+5%
Total Value of tickets	£18,609	£23,554	£18,563	-21%
Avg Ticket value	£7.51	£8.08	£6.06	-19.3%
Number of screenings/workshops/events	76	89	87	-2.2%
Avg Income per event	£245	£265	£213	-19.6%
Avg Attendance per event	33	33	35	+6%
Number ScreenCards Sold	22	24	26	+8.3%
Value of ScreenCards Sold	£1,980	£2,400	£2,600	+8.3%
Attendance at Free/Outreach Events	120	204	216	+5.9%
Attendance at Education Events	273	346	1,243	+259.2%

Notes

The variation in avg ticket value from 2016 to 2017 includes the Richard Hawley concert in 2016.

Funding

- **Creative Scotland**
 - Positive meeting with Lead Officer
 - Indications are now that we will get a decision in January
 - Bid being submitted to host the Gavin Wallace Literature Fellow for 2018
- **Shetland Charitable Trust**
 - SCT review of trusts delayed until April 2018
 - SCT review of 16/17 meeting 26/11
- **Highlands and Islands Enterprise**
- **Shetland Islands Council**
- **Other**
 - Bid being prepared for Climate Challenge Fund to pay for Bonhoga Improvements

