



| Item | Description | Report | Item taken by | ACTION |
|------|---|----------|---------------|--------------------------------------|
| 1 | Welcome, apologies, and declarations of interest | | Chair | Note |
| 2 | Minutes 14 December 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: To be discussed at meeting | | 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 15 December 2017, held at 5.30pm at Mareel Meeting Room, Lerwick

Present:

Lorraine Hall (LH), Chair, Shetland Arts
 Ryan Stevenson (RSt), Vice Chair, Shetland Arts
 Robin Sandison (RS), Trustee, Shetland Arts
 Alan Skinner (AS), Trustee, Shetland Arts
 Olive Macleod (OM), Trustee, Shetland Arts
 Louise Garriock (LG), Trustee, Shetland Arts
 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), Head of Organisational Support, Shetland Arts
 Lois Sutherland (LS), Trainee Administrator, Shetland Arts (Minute Taker)

Apologies:

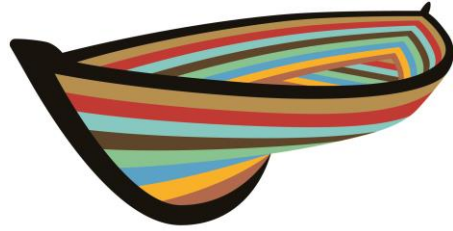
N/A

| 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. Income increased in October due to several popular gigs being held.</p> | |
| 4. | <p>General Managers Report</p> <p>GH took the board through the GM report providing further details noted below.</p> <p>GH provided information about the livestreaming to take place during Hogmanay.</p> <p>GH provided dates for 2018 board meetings.</p> | |

| Item | Topic | Action |
|------|--|--------|
| 5. | <p>Board Recruitment and Training</p> <p>OM and RS happy to be reappointed. DR proposed and AS seconded.</p> <p>Advertisement for new trustees to go out in January.</p> | GH |
| | | |
| 6. | <p>AOB</p> <p>AS asked that SADA apply to the Freelands Foundation for their new grant awards. GH agreed that this was worth pursuing and arranged a briefing session for AS and LM</p> <p>GH to pass on thanks to team for their work this year and wish them a Merry Christmas.</p> | GH |

Minute approved:

Lorraine Hall
Chair, Shetland Arts Development Agency



Shetland *arts*
MANAGEMENT ACCOUNTS
REPORT

DECEMBER 2017

INTRODUCTION

This report includes details the following:

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

MANAGEMENT ACCOUNTS

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

The key points from December 2017 are:

- Ticket sales were significantly above budget for the month. This was due to cinema sale being above budget and also the music programme in the month being very popular.
- The hire of rooms and equipment was below budget for the month due to less hires taking place in December 2017 compared to December 2016.
- Food and Beverage purchases are above budget for the month however this is partly to be expected due to the income also being above budget. Some of the overspend also relates to Bonhoga café costs for the prior month.
- Wages and salaries continues to be overspent this month. £2k of this relates to the payment of TOIL balances to café/bar staff relating to prior months. There continues to be 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. There was also a large number of Garrison shifts in December for the Pantomime which was mistakenly missed from the budget.
- Programme costs were above budget for the month due to an increased number of music events in the month. Both Hogmanay and Queen II were expensive events for us however they did generate a surplus. There were also a small number of invoices relating to Wordplay that were received in December which were not accrued into November.
- Travel and Subsistence was below budget due to only one event in the month requiring artist travel, also staff are reducing trips away by using video conferencing where possible.
- The Heat and Light costs for the month are above budget due to the SHEAP invoice for the quarter to 31 December 2017 being £2,500 more than expected. Following the receipt of this invoice the Head of Production has been in contact with SHEAP and an

engineer has visited Mareel and identified areas in our system where savings can be made.

Appendix 1

Date: 15/02/2018

Shetland Arts Development Agency

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Prior Year Report

From: Month 9, December 2017
To: Month 9, December 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 | 75,049.20 | 27.67 | 53,258.49 | 21,790.71 | 405,059.46 | 20.85 | 375,403.29 | 29,656.17 |
| Education and Training | 7,666.67 | 2.83 | 7,922.50 | (255.83) | 74,927.50 | 3.86 | 68,197.50 | 6,730.00 |
| Retail | 8,668.24 | 3.20 | 8,674.21 | (5.97) | 72,437.40 | 3.73 | 65,022.39 | 7,415.01 |
| Food and Beverage | 56,263.93 | 20.75 | 45,883.06 | 10,380.87 | 429,621.68 | 22.11 | 405,807.87 | 23,813.81 |
| Foyer | 14,858.96 | 5.48 | 13,763.23 | 1,095.73 | 84,475.88 | 4.35 | 92,436.08 | (7,960.20) |
| Box Office Commission | 336.67 | 0.12 | 382.09 | (45.42) | 6,625.18 | 0.34 | 2,870.45 | 3,754.73 |
| Gallery Commission | 1,053.85 | 0.39 | 2,241.75 | (1,187.90) | 3,386.11 | 0.17 | 4,633.65 | (1,247.54) |
| Hire of Rooms and Equipment | 9,352.29 | 3.45 | 9,543.29 | (191.00) | 52,656.43 | 2.71 | 50,956.30 | 1,700.13 |
| Screen Advertising Income | 1,155.16 | 0.43 | 1,264.15 | (108.99) | 11,784.11 | 0.61 | 9,986.97 | 1,797.14 |
| Gift Vouchers | 6,522.25 | 2.40 | 6,013.70 | 508.55 | 5,066.65 | 0.26 | 4,141.06 | 925.59 |
| Sponsorship | 0.00 | 0.00 | 0.00 | 0.00 | 500.00 | 0.03 | 27,725.75 | (27,225.75) |
| Donations | 0.00 | 0.00 | 0.00 | 0.00 | 1,513.66 | 0.08 | 966.92 | 546.74 |
| Grant Funding - SIC | 0.00 | 0.00 | 0.00 | 0.00 | 3,000.00 | 0.15 | 0.00 | 3,000.00 |
| Grant Funding - SCT | 55,368.83 | 20.42 | 57,906.50 | (2,537.67) | 498,319.50 | 25.64 | 521,158.50 | (22,839.00) |
| Grant Funding - Creative Scotland | 20,666.67 | 7.62 | 21,123.02 | (456.35) | 193,055.00 | 9.94 | 191,243.54 | 1,811.46 |
| Other Grants - Trusts and Foundations | 4,928.00 | 1.82 | 367.00 | 4,561.00 | 19,019.09 | 0.98 | 77,195.00 | (58,175.91) |
| Operating Lease Income - SIC | 7,500.00 | 2.77 | 7,500.00 | 0.00 | 67,500.00 | 3.47 | 67,500.00 | 0.00 |
| Other Income | 699.17 | 0.26 | 444.58 | 254.59 | 5,519.18 | 0.28 | 12,450.10 | (6,930.92) |
| Memberships Received | 1,106.25 | 0.41 | 810.00 | 296.25 | 8,707.50 | 0.45 | 8,610.00 | 97.50 |
| | <u>271,196.14</u> | <u>100.00</u> | <u>237,097.57</u> | <u>34,098.57</u> | <u>1,943,174.33</u> | <u>100.00</u> | <u>1,986,305.37</u> | <u>(43,131.04)</u> |
| Purchases | | | | | | | | |
| Food and Beverage Purchases | 20,722.73 | 7.64 | 16,867.91 | 3,854.82 | 154,333.77 | 7.94 | 170,690.69 | (16,356.92) |
| Foyer Purchases | 5,036.03 | 1.86 | 4,244.31 | 791.72 | 39,195.81 | 2.02 | 42,377.58 | (3,181.77) |
| Retail Purchases | 4,110.82 | 1.52 | 2,541.91 | 1,568.91 | 38,104.98 | 1.96 | 34,344.58 | 3,760.40 |
| Direct Costs | 2,153.52 | 0.79 | 1,439.07 | 714.45 | 7,806.43 | 0.40 | 3,777.88 | 4,028.55 |
| | <u>32,023.10</u> | <u>11.81</u> | <u>25,093.20</u> | <u>6,929.90</u> | <u>239,440.99</u> | <u>12.32</u> | <u>251,190.73</u> | <u>(11,749.74)</u> |
| Direct Expenses | | | | | | | | |
| Gross Salaries and Wages - Regular | 68,514.51 | 25.26 | 64,507.29 | 4,007.22 | 595,799.59 | 30.66 | 595,998.99 | (199.40) |
| Gross Wages - Casual | 19,965.13 | 7.36 | 22,555.37 | (2,590.24) | 155,887.33 | 8.02 | 178,971.16 | (23,083.83) |
| Employers NI | 5,697.62 | 2.10 | 5,766.60 | (68.98) | 46,784.05 | 2.41 | 48,979.12 | (2,195.07) |
| Employers Pensions | 12,027.41 | 4.43 | 8,302.39 | 3,725.02 | 99,034.75 | 5.10 | 68,152.67 | 30,882.08 |
| Recruitment Expenses | 356.00 | 0.13 | 0.00 | 356.00 | 1,984.50 | 0.10 | 2,857.80 | (873.30) |
| Employee Expenses | 494.29 | 0.18 | 317.25 | 177.04 | 3,453.14 | 0.18 | 1,495.92 | 1,957.22 |
| Training and Protective Clothing | 354.67 | 0.13 | 1,720.00 | (1,365.33) | 13,967.64 | 0.72 | 9,429.82 | 4,537.82 |
| Trustee Expenses | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 60.00 | (60.00) |
| Programme Costs - Project | 41,999.35 | 15.49 | 31,836.40 | 10,162.95 | 307,736.06 | 15.84 | 317,522.04 | (9,785.98) |
| Marketing Costs - Project | 4,020.38 | 1.48 | 1,955.81 | 2,064.57 | 19,935.12 | 1.03 | 21,762.72 | (1,827.60) |
| Licences | 4,241.36 | 1.56 | 3,933.93 | 307.43 | 27,395.14 | 1.41 | 33,945.62 | (6,550.48) |
| Film Transport | (30.92) | (0.01) | 101.32 | (132.24) | 946.61 | 0.05 | 1,943.96 | (997.35) |
| Hire of Equipment | 100.00 | 0.04 | 27.98 | 72.02 | 1,540.04 | 0.08 | 1,387.48 | 152.56 |
| | <u>157,739.80</u> | <u>58.16</u> | <u>141,024.34</u> | <u>16,715.46</u> | <u>1,274,463.97</u> | <u>65.59</u> | <u>1,282,507.30</u> | <u>(8,043.33)</u> |
| Gross Profit/(Loss): | <u>81,433.24</u> | <u>30.03</u> | <u>70,980.03</u> | <u>10,453.21</u> | <u>429,269.37</u> | <u>22.09</u> | <u>452,607.34</u> | <u>(23,337.97)</u> |
| Overheads | | | | | | | | |

Time: 08:56:19

Prior Year Report

From: Month 9, December 2017

To: Month 9, December 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 | 1,351.74 | 0.50 | 6,159.39 | (4,807.65) | 44,349.01 | 2.28 | 43,507.97 | 841.04 |
| Motor Expenses | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 401.67 | (401.67) |
| Rent, Rates and Insurance | 4,097.56 | 1.51 | 4,890.56 | (793.00) | 36,955.47 | 1.90 | 46,617.75 | (9,662.28) |
| Heat and Light | 10,663.48 | 3.93 | 7,218.19 | 3,445.29 | 64,287.54 | 3.31 | 60,685.86 | 3,601.68 |
| Operating Leases - Rent and Equipment | 8,933.31 | 3.29 | 9,298.73 | (365.42) | 79,336.32 | 4.08 | 84,748.31 | (5,411.99) |
| Repairs and Maintenance and Cleaning | 10,973.15 | 4.05 | 11,794.73 | (821.58) | 93,012.94 | 4.79 | 98,671.31 | (5,658.37) |
| Print, Postage and Stationery | 488.60 | 0.18 | 662.42 | (173.82) | 4,065.70 | 0.21 | 3,450.63 | 615.07 |
| Telephone | 746.70 | 0.28 | 750.02 | (3.32) | 7,053.07 | 0.36 | 6,570.15 | 482.92 |
| Computer Costs | 2,436.67 | 0.90 | 1,870.00 | 566.67 | 22,084.00 | 1.14 | 18,018.15 | 4,065.85 |
| Marketing Costs - Strategic | 580.35 | 0.21 | 450.22 | 130.13 | 8,147.66 | 0.42 | 6,937.02 | 1,210.64 |
| Website Costs | 250.00 | 0.09 | 0.00 | 250.00 | 4,606.79 | 0.24 | 3,965.25 | 641.54 |
| Subscriptions | 583.47 | 0.22 | 552.60 | 30.87 | 2,368.79 | 0.12 | (825.97) | 3,194.76 |
| Consumables | 729.92 | 0.27 | 2,331.91 | (1,601.99) | 7,548.37 | 0.39 | 15,216.44 | (7,668.07) |
| Sundry | 0.00 | 0.00 | (919.96) | 919.96 | 25.00 | 0.00 | 7,503.15 | (7,478.15) |
| Legal and Professional Fees | 2,420.83 | 0.89 | 748.67 | 1,672.16 | 17,622.00 | 0.91 | 10,129.14 | 7,492.86 |
| Till Differences | 52.61 | 0.02 | 51.07 | 1.54 | (25.54) | 0.00 | 321.04 | (346.58) |
| Bank Charges and Interest | 1,305.06 | 0.48 | 998.43 | 306.63 | 11,668.46 | 0.60 | 12,627.77 | (959.31) |
| Loan Interest | 479.12 | 0.18 | 328.84 | 150.28 | 3,939.91 | 0.20 | 3,047.68 | 892.23 |
| Bad Debt Written Off | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | (3.92) | 3.92 |
| | <u>46,092.57</u> | <u>17.00</u> | <u>47,185.82</u> | <u>(1,093.25)</u> | <u>407,045.49</u> | <u>20.95</u> | <u>421,589.40</u> | <u>(14,543.91)</u> |
| Net Profit/(Loss): | <u>35,340.67</u> | <u>13.03</u> | <u>23,794.21</u> | <u>11,546.46</u> | <u>22,223.88</u> | <u>1.14</u> | <u>31,017.94</u> | <u>(8,794.06)</u> |

Date: 15/02/2018
Time: 08:56:49

Shetland Arts Development Agency
Balance Sheet

Page: 1

From: Month 9, December 2017
To: Month 9, December 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 | 362.29 | 41,581.98 | |
| Debtors | (9,751.97) | 97,710.92 | |
| Deposits and Cash | (2,685.90) | 1,738.30 | |
| Bank Account | 0.00 | 197,002.78 | |
| VAT Liability | 5,886.08 | 0.00 | |
| | (6,189.50) | | 338,033.98 |
| Current Liabilities | | | |
| Creditors : Short Term | (122,879.09) | 447,482.93 | |
| Payroll Taxation | 1,823.06 | 20,872.37 | |
| Wages | 317.79 | 14,833.57 | |
| Bank Account | 78,728.95 | 0.00 | |
| VAT Liability | 0.00 | 22,095.29 | |
| | (42,009.29) | | 505,284.16 |
| Current Assets less Current Liabilities: | 35,819.79 | | (167,250.18) |
| Total Assets less Current Liabilities: | 35,819.79 | | 11,401,334.02 |
| Long Term Liabilities | | | |
| Creditors : Long Term | 479.12 | 121,165.60 | |
| Pension Liability | 0.00 | 924,000.00 | |
| | 479.12 | | 1,045,165.60 |
| Total Assets less Total Liabilities: | 35,340.67 | | 10,356,168.42 |
| 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 | 35,340.67 | 22,223.88 | |
| Previous Year Adj | | (7.00) | |
| | 35,340.67 | | 10,356,168.42 |

General Manager's Report

Date 26/10/2017

Board Decisions

NONE

For Information

Estates

- **Bonhoga**
 - Application for liquor licence to be made in March
- **Mareel**
 - Issues with building management system are being resolved with SHEAP
- **The Garrison**
 - Energy usage survey being commissioned
- **The Booth**
- **Other**

Operations

- Planning underway for revamp of Mareel Cafe Bar in May 2018
- Policies being reviewed by Law at Work
- New suite of contracts being issued
- Change in law regarding credit card charges

Key Dates for Trustees

- Scottish Opera Highlights 28/2
- Neil Georgeson - 22/3
- Mathew Bourne's Highland Fling
- Student Night 29/3
- Business Plan Launch 20/3 (Lunchtime) TBC

Numbers

| | Dec 17 | Nov 17 | Oct 17 | Sept 17 |
|---|--------|--------|--------|---------|
| Concerts / Screenings / Exhibition days | 353 | 349 | 391 | 396 |
| Audience attendances | 17,555 | 16,154 | 16,183 | 12,881 |
| Development Sessions | 87 | 222 | 139 | 134 |
| Participations | 682 | 1,598 | 761 | 1001 |

Streaming

Hogmanay Totals (incl Highlights) - Paid for by Event Scotland

Reach – 90,331

Video views – 32,520

Total time viewed – 37,320 min (25 days, 22 hours)

Fiery Sessions Totals - Paid for by Promote Shetland

Reach – 96,135

Video views – 10,922

Total time viewed – 33,044 min (22 days, 22 hours)

Funding

- **Creative Scotland**
 - Post CS RFO decision meeting on 19/2 - verbal update at meeting
 - Application to host a creative apprentice unsuccessful
- **Shetland Charitable Trust**
- **Highlands and Islands Enterprise**
- **Shetland Islands Council**
- **Other**
 - Climate Challenge Fund bid unsuccessful
 - Freelands Foundation Bid being submitted on 28/2