

Scottish Artists Union

Financial Statements

For the year ended 31 March 2017

Scottish Artists Union

Financial Statements

For the year ended 31 March 2017

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Scottish Artists Union

Office Bearers and Executive Committee Members For the year ended 31 March 2017

Office Bearers

| | |
|---------------|----------------|
| Janie Nicoll | President |
| Lynda Graham | Secretary |
| Sinead Dunn | Vice-President |
| Rowena Comrie | Treasurer |

Executive Members

Chris Biddlecombe

Chris Kelly

Lorna Mitchell

Fiona Pilgrim

Ben Owens

Joyce MacFarlane

Lois Green

Scottish Artists Union

Report of the Executive Committee to the Members of the Scottish Artists Union

- Membership at end March 2016 was 1382, membership in March 2017 was 1369 after revamp and clearing of membership was organized which highlighted inaccuracy of membership numbers.
- No new executive members joined the executive .
- Executive members Janie Nicoll (JN) continued as president, Sinead Dunn resumed position of Vice President, Lynda Graham continued as Secretary, (LG), Rowena Comrie (RC) continued as Treasurer, Chris Freemantle stood down.
- Office successfully continuing to function as a base for the administrator; a space for the monthly executive meetings; Union filing store; a phone link for members and enquiries (with answering service) and an address to securely receive all mail.
- On going assistance and advice to membership via meetings, email and phone communication.
- Continued work with European Council of Artists (ECA) regarding the Artists Resale Right and Exhibition Payment Right. The latter progressed through the auspices of the Nordic Alliance, Chris Biddlecombe (CB).
- SAU Rates of Pay continue to be endorsed by Creative Scotland and expected as part of criteria for applications to the Open Fund for Individuals and organisations. Recommended Rates increased by 1.5 % in line with public sector increases.
- SAU website continues to be updated and has high visitor numbers.
- Newsletters via Mailchimp sent to membership to keep updated with SAU activities and developments i.e. affiliation to GFTU, also through posts on Facebook community page, Twitter account and SAU Website.
- After a positive meeting with John McManus of BECTU, SAU got the go ahead for affiliation to GFTU. Affiliation began June 2016, for 6 month period, and reaffiliation for further year.
- Rights card created to be included with new & renewed memberships, outlining artists rights and organisations obligations.
- Commissioned research in the form of an Organisational Review advertised and appointed Hack Aye aka Jennifer Hunter to undertake the review.
- Research by LGr Information about volunteering added to SAU website.
- Continued support of Artists Union England (AUE).
- AGM on Thursday 22nd September 2016 at South Block, Glasgow, with Guest Speakers Doug Nicholls, GFTU via Skype ; Lorraine Simpson with results of SAU Membership Survey Report; Jen Hunter (Hack Aye) presenting findings from Organisational Review: and Ellie Harrison, "Solidarity and Exploitation".
- Christmas event - joint event on the 12th of December with SCAN Scottish Contemporary Arts Network, at Glasgow print Studio.
- Tim Alter of Alterledger, continues to work on SAU Accounting systems and account reconciliation. JN, RC continue to use Xero Accounting software.
- Renewed Associate membership of SCAN Network.
- Renewed associate membership of the Saltire Society, (in lieu of speakers fee) and used their office one meeting per year.
- SAU Project Manager advertised, interview s undertaken and Gordon Dickson (GD) appointed. Took up post mid March 2017 (fixed term contract to December 2017).

Financial

- Continued with Triodos Bank Account with £45,000 reserves.
- Purchased copy of Precarious Workers Brigade publication "Training for Exploitation".
- External Hard drive purchased for archiving material.
- Application submitted for STUC Learning Fund (£69K approx.) successfully awarded (£63K).

Scottish Artists Union

Report of the Executive Committee to the Members of the Scottish Artists Union

Events

- Fifth Annual Membership survey, facilitated by contracted researcher Lorraine Simpson, with extra questions about volunteering and internships. Results presented at AGM.
- Cultural Hustings. Wednesday 27th April 2016, for Scottish Parliamentary elections at Out of the Blue Drill hall, Edinburgh which was well attended, and included representation from all large political parties including Culture Secretary, Fiona Hyslop SNP MSP. Jim Tough from Saltire Society as chair. Artists invited to pose Questions to candidates & tweet about event.
- SAU Hack Events held in Glasgow and Edinburgh; meeting in Inverness, Hack Aye (JH) meetings with all Exec members.
Findings of the report presented at AGM and published on SAU website.
- JMc attended GFTU meeting at Quorn Grange Hotel (Artists Union England also attended).
- SD attended Transitions Out Of Art School Symposium at GSA.
- World Craft Café with launch of manifesto., attended by FP.
- LG attended the event hosted by David Mundell MP - Edinburgh's Summer Festivals and their contribution to the Scottish Economy. (11th August 2016)
- RC attended the CPGC at the Scottish Parliament. Theme - BBC Charter Renewal and Quality Drama Production, January 2017.
- JN took part in the Q & A panel for Ellie Harrison's talk 'The Glasgow Effect' at the GFT on 8th January 2017.
- JN gave a provocation at Engage Conference Birmingham (November 2016)
- RC, JMc, LG & JN attended Creative Scot/Visual Arts Review meetings – Open Sessions - Glasgow/Edinburgh/ Inverness.
- L Gr attended Grays School Of Art professional Practice event.
- SD & LG attended ACAS HR training.
- JN attended Artworks Living Our Values Masterclass

Key Closed Meetings Attended

- CS Craft sector review - RC meeting with Helen Voce.
- JN and CB attended meeting with Jeanie Scott re Best Practice guidelines and a fee framework for exhibitions. Aimed at organisations.
- JN and LG attended meeting with Janet Archer & Amanda Catto (Questions re the Open Fund).
- FP and RC met with Tim Alter (accountant) to discuss what we need to action before SAU employ new staff members.
- STUC meeting with John Slaven re STUCLearning Fund: JN, FP & Jen Hunter (JH).
- JN & RC meeting with David McDonald SNP councillor re Arts manifesto.
- 29th Nov - meeting with Creative Scotland re Visual Arts Sector Review: Leonie Bell And A. Catto.
- JN met up with Richard Whitby, AUE while visiting London on behalf of Engage. (February 2017)
- JN & GD met with Sarah Yearsley/ENGAGE and Seonaid Daly SCAN. Discussed – contracts, ROP and overlaps within the sector.

Key Correspondence

- *Letter sent to Janet Archer (JA) raising recent issues for our membership re the Open Fund*
- L Green drafter a letter to Moray Arts Centre re Volunteer Curator position (unpaid). Position became a paid post.
- Letter written with regard to choice of contractors for GSA/Mac building and their poor track record re blacklisting of Union members. SD.
- Irish Artists Union in contact requesting and in contact with CB.

Scottish Artists Union

Report of the Executive Committee to the Members of the Scottish Artists Union

Statement of Responsibilities

The Executive Committee are responsible for preparing the financial statements in accordance with applicable law and regulations. The Constitution requires the Executive Committee to prepare the financial statements for each year. The Executive Committee have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice. The financial statements are required by law to give a true and fair view of the state of affairs of the Union and of the surplus or deficit of the Union for that period. In preparing those financial statements, the Executive Committee are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Union will continue in operation.

The Executive Committee are responsible for keeping proper accounting records, for safeguarding the assets of the Association and for taking steps for the prevention and detection of fraud and other irregularities. So far as the Executive Committee is aware, there is no relevant audit information of which the Union's Auditor is unaware. Additionally, the Executive Committee have taken all necessary steps that they ought to have taken to make themselves aware of all relevant audit information and to establish that the Auditor is aware of that information.

Irregularity Statement

A Member who is concerned that some irregularity may be occurring, or have occurred, in the conduct of the financial affairs of the Union may take steps with a view to investigating further, obtaining clarification and, if necessary, securing regularisation of that conduct. The Member may raise such concern with such one or more of the following as it seems appropriate to raise it with; the Officials of the Union, the Trustees of the property of the Union, the Auditor or Auditors of the Union, the Certification Officer (who is an independent Officer appointed by the Secretary of State) and the police.

Where a member believes that the financial affairs of the Union have been or are being conducted in breach of the law or in breach of the rules of the Union and contemplates bringing civil proceedings against it the Union or responsible Officials or Trustees, he should consider obtaining independent legal advice.

Janie Nicoll
President

For and on behalf of the Scottish Artists Union

30 September 2017

Scottish Artists Union

Independent Auditor's Report to the Members of the Scottish Artists Union

We have audited the financial statements of the Scottish Artists Union for the year ended 31 March 2017 which comprise the Income and Expenditure account, the Balance Sheet and the related notes as set out on pages 7 to 11. The financial reporting framework that has been applied in these preparations 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 Republic of Ireland.

This report is made solely to the Union's members as a body, in accordance with Section 36 of the Trade Union and Labour Relations (Consolidation) Act 1992. Our audit work has been undertaken so that we might state to the Union's members 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 Union and the Union's members as a body, for our audit work, for this report or for the opinions we have formed.

Responsibilities of the Executive Committee and Auditors

As explained more fully in the Statement of Responsibilities, set out on page 5, the Executive Committee are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. 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 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 Union's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Executive Committee; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Executive Committee 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 Union's affairs as at 31 March 2017 and of its surplus 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 Trade Union and Labour Relations (Consolidation) Act 1992 (amended).

Scottish Artists Union

Independent Auditor's Report to the Members of the Scottish Artists Union

Opinion on report of the Executive Committee

In our opinion the information given in the Report of the Executive Committee for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns for our audit have not been received from branches not visited by us; 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.

Paul Marshall (Senior Statutory Auditor)
for and on behalf of Geoghegans
Chartered Accountants and Statutory Auditors
6 St Colme Street
Edinburgh
EH3 6AD

30 September 2017

Scottish Artists Union

Income and Expenditure Account For the year ended 31 March 2017

| | Notes | 2017 £ | 2016 £ |
|---------------------------------------|-------|---------------------|----------------------|
| Income | | | |
| Subscription received | 1b | 46,647 | 43,293 |
| Other income | 1c | 264 | 279 |
| Total income | | <u>46,911</u> | <u>43,572</u> |
| Expenditure | | | |
| <i>Development work/projects:</i> | | | |
| Annual conference costs | | 2,866 | 3,075 |
| Publicity and marketing | | 653 | - |
| Research and project expenses | | 7,813 | 2,888 |
| | | <u>11,332</u> | <u>5,963</u> |
| <i>Administration:</i> | | | |
| Telephone, print, post and stationery | | 3,070 | 2,180 |
| Rent, rates and insurance | | 12,560 | 11,572 |
| Travelling expenses | 1d | 1,194 | 1,355 |
| Administrator fees | 1e | 6,888 | 5,899 |
| Subscriptions | | 812 | 130 |
| Accountancy fees | | 2,767 | 1,950 |
| Audit fee | | 1,260 | 1,236 |
| Professional fees | | 713 | 227 |
| Bank charges | | 35 | 30 |
| Wages and staff training | | 758 | - |
| Other expenses | | 163 | 326 |
| | | <u>30,220</u> | <u>24,905</u> |
| Total expenditure | | <u>41,552</u> | <u>30,868</u> |
| Surplus for the year | | <u><u>5,359</u></u> | <u><u>12,704</u></u> |

There are no recognised gains or losses other than the surplus for the year, and no acquisitions or discontinued operations in the year.

Scottish Artists Union

Balance Sheet

For the year ended to 31 March 2017

| | Notes | £ | 2017 £ | 2016 £ |
|---|-------|-----------------|---------------|-----------------|
| Current assets | | | | |
| Debtors | 2 | 398 | | 424 |
| Cash at bank and in hand | | <u>93,258</u> | | <u>84,680</u> |
| | | 93,656 | | 85,104 |
| Creditors: falling due within one year | 3 | <u>(23,247)</u> | | <u>(20,054)</u> |
| | | | <u>70,409</u> | <u>65,050</u> |
| Net current assets | | | <u>70,409</u> | <u>65,050</u> |
| Funds | | | | |
| General fund | 4 | | <u>70,409</u> | <u>65,050</u> |
| | | | <u>70,409</u> | <u>65,050</u> |

Approved on behalf of the Board and authorised for issue on 30 September 2017.

Janie Nicoll
President

Rowena Comrie
Treasurer

Scottish Artists Union

Notes to the Financial Statements For the year ended to 31 March 2017

1. Accounting policies

a. Accounting convention

These financial statements have been prepared in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' ('FRS 102') as applicable to entities subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required and show a true and fair view.

The financial statements are prepared in sterling, which is the financial currency of the Union. Monetary amounts in these financial statements are amended to the nearest £.

The financial statements for the year ended 31 March 2017 are the first financial statements of the Scottish Artists Union prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". The date of transition to FRS 102 was 1 April 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

b. Subscriptions income

The majority of subscriptions are received in monthly instalments and most subscription income therefore relates to the year in which it was received. A proportion of subscription income – largely consisting of subscriptions paid annually rather than monthly – relates to future financial periods, and is therefore treated as deferred income and included in "Creditors falling due within one year".

c. Interest income

Interest income is recognised when it is probable that it will be received by the Union and the amount can be measured reliably.

d. Travel expenses

Executive Members are voluntary and do not received any remuneration but are entitled to reimbursement of reasonable expenses incurred while travelling on behalf of the Union. During the year 6 Executive Members totalling £1,182 were reimbursed expenses (2016: 9 Executive Members totalling £1,355).

e. Administrator fees

The Executive engage the services of part-time administrator, on a fee paying basis, for approximately 40 hours per month to maintain the membership records and issue membership cards.

f. Debtors

Debtors are recognised at the settlement amount due.

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Notes to the Financial Statements For the year ended to 31 March 2017

1. Accounting policies (continued)

g. Cash

Cash at bank and in hand indicates cash and highly liquid short term deposits with a maturing of these means or less.

h. Creditors and provisions

Creditors and provisions are recognised where the Union has a present obligation resulting when a past event that will probably result in a transfer of funds to a third party and the amount due to settle the obligation can be measured reliably. Creditors and provisions are normally recognised at their settlement amounts.

i. Financial instruments

The Union 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 at their settlement value.

| 2. Debtors | 2017 £ | 2016 £ |
|-----------------------|------------|------------|
| Rental deposit | 197 | 197 |
| Key deposit | 30 | 30 |
| Prepaid insurance | 120 | 116 |
| Accrued bank interest | 51 | 81 |
| | <u>398</u> | <u>424</u> |

| 3. Creditors falling due within one year | 2017 £ | 2016 £ |
|--|---------------|---------------|
| Subscriptions received in advance | 12,500 | 11,430 |
| Insurance | 7,234 | 6,830 |
| Administrators' fees | 639 | 551 |
| Audit fee | 1,845 | 1,200 |
| Print, post and stationery costs | - | 43 |
| Travel expenses | 477 | - |
| Accounts Payable | 365 | - |
| Other creditors | 69 | - |
| PAYE | 118 | - |
| | <u>23,247</u> | <u>20,054</u> |

Scottish Artists Union

Notes to the Financial Statements For the year ended to 31 March 2017

| 4. General funds | 2017 | 2016 |
|-------------------------|----------------------|----------------------|
| | £ | £ |
| At 1 April 2016 | 65,050 | 52,346 |
| Surplus for the year | <u>5,359</u> | <u>12,704</u> |
| At 31 March 2017 | <u><u>70,409</u></u> | <u><u>65,050</u></u> |