

Art Gallery of Nova Scotia
Annual Accountability Report
for the Fiscal Year 2015-2016

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Accountability Statement

The Accountability Report of the Art Gallery of Nova Scotia for the year ended March 31, 2016, is prepared pursuant to the Finance Act and government policies and guidelines. These authorities require the reporting of outcomes against the Art Gallery of Nova Scotia's Business Plan for the fiscal year just ended. The reporting of the Art Gallery of Nova Scotia outcomes necessarily includes estimates, judgments and opinions by the Art Gallery of Nova Scotia management.

We acknowledge that this Accountability Report is the responsibility of Art Gallery of Nova Scotia management. The report is, to the extent possible, a complete and accurate representation of outcomes relative to the goals and priorities set out in the Art Gallery of Nova Scotia's 2015-2016 Business Plan.

Tony Ince, Minister, Communities, Culture and Heritage

Robbie Shaw, Chair, Board of Governors

Lisa Bugden, Interim Chief Executive Officer

Message from the Chair/CEO

On behalf of the board of governors of the Art Gallery of Nova Scotia (AGNS), I am presenting the 2015 -2016 Accountability Report.

Over the last year, the AGNS has examined its mandate and core functions, resulting in a better understanding of the gallery's contribution to the socio-economic well-being of the province. The gallery also engaged the board, employees, and a cross-section of members, volunteers, partners, and donors to redefine its mission and vision statement. The outcome of this process is a clear path forward and a focused plan with continued emphasis on engaging and welcoming new visitors, as well as longstanding supporters, to Nova Scotia's fine art museum.

The gallery is looking to the future. This year's Accountability Report demonstrates progress on priorities such as engagement, education and programming. The report also indicates areas that require focus to support the gallery in moving forward and developing a new home; an exciting gathering place for Nova Scotians and visitors alike.

Robbie Shaw,
Chair of the Board

Lisa Bugden,
Interim Director and CEO

Art Gallery of Nova Scotia Board

as at March 31, 2016

Robbie Shaw, Chair

Eric Sande, Vice Chair

Lisa Bugden, Interim Director and CEO,
ex-officio

Carol Dodds

Craig Thompson

Dee Appleby

Floyd Dykeman

Francene Cosman

Joan Keith

John Volcko

Patricia Pace

Rod McCulloch

Sadira Jan

Sally Warren

Tara Larsen

ABOUT US

Mission

To stimulate a meaningful connection with art, through stewardship of its professional collection, partnerships, exhibitions, education and programming.

Vision

The Art Gallery of Nova Scotia is at the heart of artistic and cultural energy in Atlantic Canada. We invite, inspire, and engage diverse audiences to join us in exploring the world through art.

Our Mandate

The Art Gallery of Nova Scotia (AGNS) falls under the portfolio of the Department of Communities, Culture and Heritage (CCH). The department is responsible for the preservation, celebration, and growth of all things cultural – from the arts, dance and music to archives, museums and the libraries, as well as Nova Scotia's natural heritage, linguistic expression, and more.

The AGNS serves a very specific function within the department's arts investment portfolio. The gallery has the mandate to acquire, preserve, interpret, and exhibit the Government of Nova Scotia's art collection. The gallery aligns with departmental objectives such as community and development of local artists through its programming and exhibitions, and relationships with regional, national, and international galleries and art museums.

Financial results 2015-2016

<i>As at March 31</i>	Budget	Actual	Variance
Revenue			
Operating	3,247,100	2,916,441	(330,659)
Programming	609,450	564,491	(44,959)
Gallery Shop	46,000	146,135	100,135
Endowment fund	51,750	812,465	760,715
Acquisition Fund	---	229,864	229,864
Total Revenue	3,954,300	4,669,396	715,096
Expenses			
Salaries and benefits	2,184,194	1,977,746	(206,448)
Programming	776,444	648,198	(128,246)
Administration	378,750	355,829	(22,921)
Commun. & marketing	326,350	273,045	(53,305)
Acquisitions	---	251,869	251,869
Western branch	209,223	223,637	14,414
Gallery Shop	18,000	146,321	128,321
Building Operations	14,500	11,682	(2,818)
Total Expenditures	3,907,461	3,888,327	(19,134)
	46,839	781,069	734,230
Amortization of tangible capital assets	46,415	32,813	(13,602)
Annual Surplus	424	748,256	747,832

Notes to financial results:

The AGNS had an operating surplus of \$748 thousand. Operating revenue was \$2.9 million, a decrease of \$330.7 thousand or 10% compared to budget. Sponsorship revenue was \$284.0 thousand below budget and donations were \$70.7 thousand below budget as the gallery continues to build capacity in its development department.

Programming revenue was less than budget primarily due to less than anticipated revenue from the Sobey Art Award which was offset by a corresponding reduction in expenditures. Acquisition revenue is not budgeted as all amounts received are from donations or grants that cannot be identified at the time the budget is created.

Budget figures anticipated the closure and relocation of the gallery shop which reopened ahead of schedule. Although revenues exceeded budget, expenditures were also higher than anticipated.

As part of the ongoing fiduciary responsibility of the Board, the endowment fund investments were reviewed and reallocated within the portfolio. As a result of the sale of some of the pooled funds, a gain was realized of \$580.7 thousand. Although this gain was created over a number of years, it is not recognized on the statement of operations until realized. This is a one-time occurrence and not expected to be an on-going revenue source. In addition, there were several large donations made to both the endowment and acquisition funds.

Due to revenue shortfalls in the operating account, expenditures were reduced. These savings were achieved through not filling vacant positions and general savings in all programs.

Introduction

This accountability report describes our performance against the goals, priorities, and outcomes as set out in the 2015-2016 Business Plan of the Art Gallery of Nova Scotia and adjusted for the significant planning that took place over the past year.

Planning and Operating Context

The gallery is overseen by a board of governors appointed by Executive Council and made up of volunteers. The involvement of the AGNS board of governors is paramount in developing community awareness of the gallery's mission and in representing and interpreting the value of the AGNS to community, government, corporate, and other funding agencies. The board acknowledges the competency role as advocates and fundraisers for the activities of the Art Gallery of Nova Scotia.

The AGNS is the primary institution for the preservation and collection of visual art in Nova Scotia, with a collection of over 17,500 artworks. The AGNS presents a wide range of art in our exhibition programs in Halifax, the Western Branch, and across Nova Scotia through our travelling exhibition and outreach programs. The gallery is committed to building audiences for art. To do this, the gallery focuses on the richness of the permanent collection, creating exhibitions that highlight the breadth and depth of the people's art collection and making it available on loan to institutions across the region and the country, and beyond our borders. The AGNS serves a central role in presenting Nova Scotia's art to the country, Canadian contemporary art to wider audiences in Canada, and Canadian art to the world.

The 2015-2016 fiscal year has been a year of transition for the gallery. The AGNS welcomed a new interim Director and CEO to lead the gallery through these changes. After 13 years as lead institution, the prestigious Sobey Art Award has moved to the national Gallery. The expertise developed in house remains and will be used to advance the gallery's reputation in the realm of Canadian Contemporary Art.

The current environment places many challenges on the gallery in sourcing revenues to fund exhibitions and programs. Most cultural organizations in Canada experiences these challenges. Although the gallery receives a grant from the Province through the Department of Communities, Culture and Heritage, this represents about 55% of our required funding. The remaining \$1.8 million must be sourced through donations, partnerships and earned revenue. The lack of predictability of these funds is an ongoing concern for the gallery.

The physical plant is also of great concern for the gallery as flooding, leaking windows, a leaking roof and system failures in the last few years have challenged the gallery to attract visitors, large-scale traveling exhibitions and the associated sponsorship and donations.

Although the gallery attempts to minimize the impact to the public, these issues have necessitated flexibility in our exhibition schedules and cancellation of some shows.

Over the past year the gallery engaged the Board, volunteers, donors and partners to redefine the organization's mission and vision statement. Through consultation with these key stakeholders the gallery has developed the mission and vision which clearly articulates its focus for the future. Based on this clarity and direction, the gallery is developing a comprehensive plan for the next 5 years. Through this, development work continues on defining and refining the best performance indicators to be used to measure our success.

As part of our on-going business planning, the gallery is concentrating on three priority areas: Engagement and Experience; Education and Programming; and Stewardship.

Strategic Overview

With more than 17,500 works, Nova Scotia's permanent collection of art is an incredible resource and a wonderful reflection of the people, the culture, and the heritage of Nova Scotia. The purpose of the AGNS is to build, protect, and present the people's collection of art so Nova Scotians and visitors alike can explore and discover the province's place in the world through art.

The gallery's activities continue to have considerable breadth and depth including: research, art acquisitions, significant exhibitions, outreach and educational programming, partnership projects, and art loans to other museums.

Among the highlights of 2015-16 were several memorable exhibitions, including John Greer: retroActive and the Last Art College. Both exhibitions generated national and international attention. During the course of 2015-2016, the AGNS presented over 20 exhibitions in Halifax and the Western Branch in Yarmouth. The gallery also curated and collaborated on four exhibitions that toured different parts of the province and across the country.

Measuring Performance

Through our review of our mission and vision, the Art Gallery of Nova Scotia has identified three strategic outcomes.

Education and Programming

A key part of the mandate of the AGNS is to exhibit works of art, that is, to make them available to public view. Our mission of stimulating meaningful connection with art takes this to another level. It is our goal to engage Nova Scotians in a discussion about their collections and the vibrancy of the cultures in their communities, and to provide a model of excellence to inspire Nova Scotians to ever-greater achievements in the arts.

Outcomes to be achieved

Nova Scotians enjoy vibrant, culturally rich lives (enriched through visitation or involvement in education and programming at the AGNS).

Goals

Education initiatives and programming through the AGNS will:

- enhance education, health, and wellness outcomes and support the development of young children
- engage more students and early adopters (preschoolers and primary to grade 3 students) across the province
- welcome and assist in the resettlement of new Nova Scotians and contribute to more-resilient, socially economically viable communities
- engage the expertise and talent of more Nova Scotian artists.

Results

In 2015-2016, the gallery's docents provided over 5,636 students with wonderful educational experiences in Halifax and Yarmouth. For those unable to come to the gallery, the AGNS partnered with schools and other organizations to bring ArtReach and creative learning experiences to 17 communities across the province. The gallery also provided a range of artist-lead programming focused on children and families such as: March-Break and Summer Art Classes, as well as Family Sundays.

The gallery was honoured to continue partnering with Autism Nova Scotia to offer Autism Arts in Halifax and Yarmouth and pleased to work with the Alzheimer's Society and the Berkley to provide Artful Afternoon for people with dementia and their partners in care. Another important health-related partnership was forged in the last year, creating Art from the Heart. This pioneering program was developed in conjunction with the Aboriginal Children's Hurt & Healing Initiative (ACHH), and demonstrates the power of art to assist children and youth in finding ways to express their hurt so they can be healed.

The gallery prepared for a second installment of 4thWall, a collaboration with the Michelle Jean Foundation and Youth Art Connections engaging young artists between 18 and 30 to explore issues of social justice through art. The gallery also celebrated 15 years in partnership with Phoenix Youth, providing young people with open studio time to explore art, build confidence and connect with community.

During the fiscal year, the gallery continued working with immigrant settlement partners and built on this experience to partner with TD in developing art kits to assist in the resettlement of Syrian refugees across the region. The gallery also

partnered with Halifax City Libraries and the YWCA to host a women's conversation group, once again, using art as a bridge to common understanding.

Engagement and Experience

A prime indicator of the importance placed by Nova Scotians on the activities of the AGNS is their direct engagement in those activities through visiting the gallery or through the gallery's outreach programs. The AGNS is creating an institutional culture that puts the visitor, and visitor services, at the forefront of our activities and planning, in order to more fully deliver on our mission.

Outcomes to be achieved

Nova Scotia benefits from engagement with art and culture.

Goals

Engagement and experience with the AGNS will:

- warmly welcome Nova Scotians and attract more and diverse visitors to the gallery
- ensure that more Nova Scotians understand the relevance, and appreciate the value, of their art gallery and the province's permanent collection
- stimulate a meaningful experience while visiting the AGNS
- create an easy, holistic, technology/social media-based experience
- drive partnership and broader involvement/investment in the gallery

Results

Through technology and digital media, the gallery extended its reach and connected directly with long-time supporters and new audiences. The introduction of an enhanced website provided the gallery with a more robust platform to share information and engage members and new gallery goers. The new site generated 97,164 unique visitors, down from last year. Website visits showed a decline from last fiscal, however, it was important to note the site was in transition for several months. There was steady growth in twitter followers and facebook "likes" over the last year. The gallery hired a marketing communications specialist with experience in the arts and culture who developed a new Blog, Beyond the Frame. Featuring a variety of content, the Blog quickly generated 5,524 unique page views. Early analysis indicates these new tools are helping the gallery reach farther and develop stronger connections with existing and new visitors.

A new e-commerce platform also assisted in enhancing the visitor experience. The platform allows gallery goers to purchase and renew memberships online and makes it more convenient and faster to make donations or register for programs. Selected merchandise is already available with more and new items coming on stream shortly.

Membership at the gallery grew by 7.3 % to 2,390 with Family Memberships growing by the largest margin across all categories. Visitation was up by 30% in Yarmouth, but down slightly in Halifax, due primarily to lower than usual attendance at city-wide events such as Nocturne. Family admissions grew by 166%.

The gallery initiated a number of demographic specific events to connect with different audiences in 2015-2016. ArtParty, presented by TD, is the gallery's after-hours experience hosted by the Young Patrons Circle. Over 1,255 people attended four separate events.

New ways to engage our visitors are currently being developed. Significant time was spent over the last year redesigning our lobby and re-introducing a café for our patrons; re-vamping the Gallery Shop to showcase work by artisans tied to our exhibitions and permanent collection works; training staff, a new POS system, website and e-commerce; and a far stronger digital presence. The gallery will be piloting a Maud Lewis Experience, specifically designed to engage tourists and reacquaint visitors to the iconic Nova Scotian artist.

Stewardship

The gallery is entrusted with the protection, preservation, and presentation of Nova Scotia's permanent art collection. The gallery also receives an operational grant from the province as well as sponsorship and donations from individuals and the private sector. It is important that the gallery be a responsible steward of the permanent collection and of the funds provided to operate and deliver programs and experiences to Nova Scotians and visitors.

Outcomes to be achieved

The AGNS is a responsible steward of the province's permanent collection and uses sound fiscal principles to provide sustainable funding for programming exhibitions.

Goals

Stewardship by the AGNS will:

- provide exceptional care, exhibition, and cultivation of the province's permanent collection of art
- provide sound fiscal management of the funds provided to deliver on the gallery's mandate
- deliver confidence to members, sponsors, and donors that their investments and gifts are well managed and used for their intended purpose
- build a case for support of a new gallery

Results

The gallery put a lot of emphasis on stewardship in 2015-2016. In addition to fostering relationships with donors and sponsors, the gallery defined stewardship as the custodial responsibility it has to acquire, care and present the more than 17,500 works in the permanent collection and the public funds provided to do so.

The gallery views financial stability as a critical measure of its ability to effectively manage its operations and prepare for a potential new gallery. The improved financial position is primarily due to the rebalancing of assets in the gallery's endowment fund, resulting in a large capital gain realized and recorded as revenue on the 2015-2016 financial statements. Management also paid close attention to cost containment and compliance with financial policies and saw sponsorship revenue double and fundraising revenue increase by 9.7% over the previous year.

The AGNS hired a new Chief Advancement Officer to examine the gallery's development practices; to expand capacity; and prepare for a capital campaign.

Through the leadership of the Acquisitions Committee, the gallery added 208 works to the permanent collection with a total appraised value of \$1 million. This includes six works from the Winkworth Collection of Historic Canadiana as well as the purchase of works from six Nova Scotian artists. These acquisitions were made possible through the Canada Council for the Arts and our leading donors and patrons.

Significant progress was made on converting the gallery's obsolete collections management system to a new database. The gallery successfully applied for funding from Heritage Canada and received matching funds from a generous long-time donor.

Conclusion

These results were made possible by the mindset, ambitions, and values that guide the gallery and are directly linked to the work of its governors, staff, and volunteers and the generous support of its members, donors, and the Province of Nova Scotia.

The AGNS continues to build on its long tradition of excellence, while recognizing the prudence required to balance its budget, the gallery will continue to take on exciting new initiatives and maintaining its position as a leader among cultural initiatives.

Performance Scorecard 2015-2016

Outcome: Nova Scotians enjoy vibrant, culturally rich lives (enriched through visitation or participation in education and programming at the AGNS)

Measure	Trends		Result
Number of people participating in school health and wellness programs.	2010-11	6,008	In 2015-2016, 8,090 individuals participated in various educational, health and wellness programs. This represents a 26.5% increase over the prior year. (target 10% increase)
	2011-12	4,613	
	2012-13	5,351	
	2013-14	5,959	
	2014-15	6,395	
	2015-16	8,090	
Program survey rating by teachers and partners.			Work to develop and implement a survey to measure teacher and partner satisfaction is currently underway and therefore this measure cannot be reported at this time.

Outcome: Nova Scotia benefits from engagement with art and culture

Measure	Trends		Result
Attendance level	2010-11	40,606	Attendance in 2015-2016 was 43,507 at both galleries, a decline of 5% or 2,300 people. This is primarily due to lower than usual attendance at city-wide events like Nocturne (target 10% increase).
	2011-12	40,112	
	2012-13	50,481	
	2013-14	46,274	
	2014-15	45,836	
	2015-16	43,507	
Number of visitors to the website	2010-11	83,347	The number of visitors to the website declined to 97,164 in 2015-2016 although the site was in transition for several months. Significant growth was seen in twitter followers and Facebook 'likes' (target 10% increase).
	2011-12	81,886	
	2012-13	92,567	
	2013-14	96,825	
	2014-15	102,257	
	2015-16	97,164	
Repeat engagement in program/ visitor satisfaction.			Work to develop and implement a survey to measure visitor satisfaction is currently underway and therefore this measure cannot be reported at this time.

Outcome: The Art Gallery of Nova Scotia is a responsible Steward of the province’s permanent collection, using sound fiscal principles to provide sustainable funding for programming and exhibitions

Measure	Trends		Result
Level of funding from donations and sponsorships	2010-11	\$106,781	Donations and sponsorship funding in 2015-2016 was \$243,339. Although funding from sponsorship alone grew 117% year over year, overall there was a decline in total funding of 26%. This was due to several large donations received in 2014-2015 which skewed the baseline significantly.
	2011-12	\$280,021	
	2012-13	\$232,017	
	2013-14	\$183,613	
	2014-15	\$330,649	
	2015-16	\$243,339	
Number of works acquired consistent with the AGNS acquisition policy			The policy is currently being reviewed and should be finalized in the fall of 2016.
Works publicly available through display, online and on tour.			A new collections database is currently being installed which will allow us to collect base data and monitor performance. The new database is expected to be online in August 2016.