



Art Gallery of Nova Scotia
Engaging People with Art

**Art Gallery of Nova Scotia
Annual Accountability Report
Fiscal Year 2012-2013**

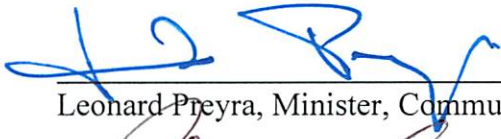
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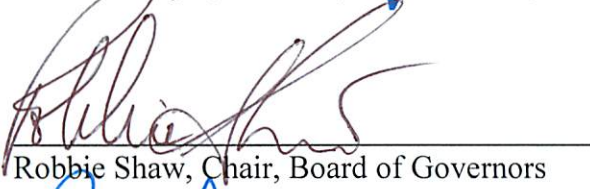
Accountability Statement

The accountability report of the Art Gallery of Nova Scotia for the year ended March 31, 2013, is prepared pursuant to the Provincial Finance Act and government policies and guidelines. These authorities require the reporting of outcomes against the Art Gallery of Nova Scotia's business plan information for the fiscal year 2012-2013. The reporting of the Art Gallery of Nova Scotia outcomes necessarily includes estimates, judgments and opinions by Art Gallery of Nova Scotia management.

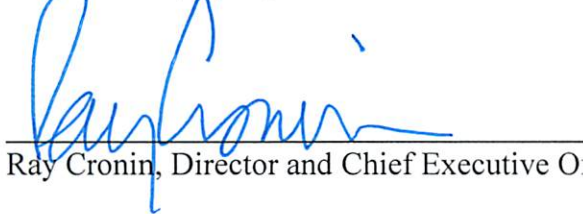
We acknowledge that this accountability report is the responsibility of Art Gallery of Nova Scotia management. The report is, to the extent possible, a complete and accurate representation of outcomes relative to the goals and priorities set out in the AGNS business plan for the year.



Leonard Preyra, Minister, Communities, Culture and Heritage



Robbie Shaw, Chair, Board of Governors



Ray Cronin, Director and Chief Executive Officer

Introduction

This accountability report describes our performance against the goals, priorities and outcomes as set out in the 2012-2013 business plan of the Art Gallery of Nova Scotia.

Our Strategic Goals

The AGNS has several areas of longer-term direction, including:

1. **Financial Sustainability:** *Continue to ensure that financial sustainability is a priority at all times.*

With financial sustainability, the AGNS will secure its role as a key driver in increasing the economic potential of Nova Scotia's cultural sector, acting as an economic engine for tourism, for the creative economy, for HRM, the Province, and the region.

2. **Stewardship:** *Preserve, promote, interpret and develop Nova Scotia's diverse visual arts culture and heritage.*

Preservation, interpretation and conservation of the Crown's art collection are ongoing priorities. As such, continuing to use the Permanent Collection as the foundation of our temporary exhibition program and the continued strategic acquisition of key objects that enhance our ability to tell Canada's stories with a Nova Scotia accent will be a priority in the coming fiscal year. So too will be the maintenance of a physical plant that can serve the needs of the Crown's art collection for the present and to plan for the needs that will develop for the future.

3. **Education:** *Facilitate life-long learning by providing greater access to Nova Scotia's visual arts culture and heritage and by providing programs that enhance the learning experience.*

While this is an ongoing process and many effective and popular programs are currently being offered, the long-term goal is to ensure that program enhancements and growth continue in a manner responsible to the needs of the Province's communities and visitors, while remaining financially self-sustainable.

4. **Governance and Accountability:** *Continue to function responsibly with transparency and adherence to proper policies and procedures.*

We will ensure that governance and accountability initiatives are being properly carried through, and that changes are made to reflect emerging realities where warranted.

The Core Business of the Art Gallery of Nova Scotia is the creation, accumulation and dissemination of knowledge through the visual arts. These are delivered through five distinct but interrelated functional areas, three of which fall under the purview of our Curatorial department, while our ancillary functions are the responsibility of the Finance and Operations and Development areas:

1. Collections and Conservation

AGNS acquires artworks for the permanent collection consistent with the mandate of the acquisition policy and of the AGNS Mission Statement. The Gallery maintains related library, film, website, video and resource support materials, along with institutional archival records pertaining to collections, exhibitions, and institutional history. AGNS ensures proper management of the collection through documentation, maintenance of records and research. The Art Gallery of Nova Scotia strives to ensure that the Province of Nova Scotia's collection is preserved and maintained in an environment that meets museum standards, while conducting conservation and restoration treatments using accepted museum practices.

2. Exhibitions

In the area of Exhibitions, AGNS is committed to our mission of bringing art and people together. In addition to our annual Sobey Art Award exhibitions, AGNS presents a wide range of art in our exhibition programs in Halifax, Yarmouth and across Nova Scotia through our travelling exhibition and outreach programs.

We are committed to building audiences for art and have a three-part strategy for doing so. The first is the continued growth of the Sobey Art Award, Canada's premiere prize for contemporary art, administered by the Art Gallery of Nova Scotia since its inception in 2002. The annual award of \$50,000 and accompanying exhibition is funded by the Sobey Art Foundation. The second is focusing on the richness of our permanent collection, creating exhibitions that highlight the breadth and depth of the Crowns' Art Collection and making it available on loan to institutions across the region, the country, and beyond our borders. The third part of our strategy is to build partnerships to broaden the reach of our art exhibitions, to tour exhibitions within the province, across the region and the country. To that end we actively seek partnerships to ensure that our projects (most of which focus on the art of Nova Scotia and of Atlantic Canada) are seen by as many audiences as possible.

We are committed to raising the profile of this region's art activity across the country, to developing exhibitions that examine the work of individual artists, and to a publication program that does justice to their work. Thematic exhibitions that we develop are drawn almost exclusively from our permanent collection and serve to complement the solo exhibition projects on view and in development. Our objective is to be a leader in the advancement of knowledge and understanding of visual art, and in the fostering of the careers of Canadian artists, with a focus on artists based in this region.

3. Education and Public Programming

AGNS has an ambitious Education and Public Programming strategy that focuses on both on-site and outreach activities. On-site activities surround the support and the interpretation of our temporary exhibitions programming and of our permanent collection exhibitions. Offerings include special exhibitions, the development of in-house didactic material in exhibitions, daily guided public tours, early childhood education programs, infant and toddler/parent programs, studio/gallery workshops for students and teachers, family programs, a large docent program in support of school visits, and the fostering of life-long learning with a series of lectures, films, artist talks, and other educational activities including access to archives, publications and study materials. We are committed to increasing our provision of education materials and services in French, including bilingual labels and publications as well as programs such as guided tours, films and lectures given in French.

Outreach activities involve many partnerships across the province that serve to further our mission of bringing art and people together. We work with educational institutions, libraries, social service agencies, hospitals and other community organizations in a wide array of programs.

4. Development and Auxiliary Services

This business function serves to financially maintain the operations of the AGNS and to encourage the public to visit the Art Gallery of Nova Scotia and engage in the visual arts.

AGNS creates market awareness by various public relations tools. AGNS promotes membership to the public. Membership generating revenues and creates a sense of ownership, helping to recruit volunteers who assist the Gallery in all aspects of its operations including fund raising, governance and program delivery. We publish a member's magazine, the AGNS Journal, produce a monthly e-newsletter and maintain an active web presence on our website, on Facebook and other social media.

The Gallery provides auxiliary services that benefit visitors and members while increasing Gallery funding. Services include membership, volunteer programs, a Gallery Shop, facilities rentals, Art Sales and Rental (a related society housed in our premises), and a café.

The Gallery maintains strict financial controls and accounting, ensuring transparency in our operations and fiscal responsibility across all our operations.

Progress and Accomplishments

We are pleased to report the achievement of many of our priorities and progress toward the rest. The following, listed by core business area, includes progress and status report for each priority.

Overall Priorities

Priority 1: Feasibility Study

The Provincial Government, ACOA and AGNS commissioned a Feasibility Study in 2011-2012 to explore the options and opportunities to build a new AGNS, and planning the next steps towards the implementation of the accepted recommendations of the Feasibility Study was a priority in our 2012-2013 Business Plan. **That study was successfully completed and its recommendations adopted by the Board of Governors.**

Priority 2: Strategic Plan

As part of the Gallery's ongoing commitment to governance and accountability, the Gallery set a priority for 2012-2013 of completing a five-year, rolling, strategic plan to assist the gallery in moving forward with clarity and transparency. **That study was completed and adopted by the Board of Governors in September, 2013.**

Priority 3: Enhancing the Visitor Experience

Core Business Area 1 – Curatorial (Collections Care, Exhibitions and Education)

Strategic Action 1: Collections Care

The current physical plant continues to have severe limitations as a secure art storage and display environment. Our priority for 2012-2013 was to: Improve institutional access to the collection and to facilitate use of the collection for exhibitions and research.

In 2012-2013 the gallery improved institutional access to the collection by following the storage plan and continuing the use of off-site storage to make the collection more accessible. We facilitated the use of the collection for exhibitions and research through the creation of 14 exhibitions in Halifax and Yarmouth, three of which toured to other venues in Nova Scotia and across North America, all of which were based in the permanent collections holdings of the AGNS, in some cases augmented by loans from other institutions or individuals.

Strategic Action 2: Acquisitions

Our priority for 2012-2013 was to integrate the AGNS Acquisitions Plan more fully into our Collections and Development Plans to streamline the budgeting process and to create predictable and sustainable Acquisitions budgets for the future.

This priority was achieved by cross-referencing the Acquisitions, Collections and Development Plans and by adding representation from the Development Committee to the Acquisitions Committee.

Strategic Action 3: Exhibitions

Develop a “Blockbuster” model with available resources around an exhibition that will appeal to a broadened public and increase visitation to the gallery.

This priority was achieved through the development and the successful presentation of Canadian Pioneers: Masterworks from the Sobey Collections. AGNS visitation for 2012-2013 increased by 30% over the previous year, largely on the strength of this blockbuster exhibition which was fully funded by the Sobey Art Foundation and by a publication sponsorship by Stewart McKelvey.

Strategic Action 4: Education

Improve access to the Crown's collection by continuing to increase French language services.

This priority was achieved by implementing French-language labels and signage in our temporary exhibitions over 2012-2013, and in our permanent collection exhibition, The View From the Atlantic. AGNS also published bilingual and French-language books, catalogues, and family guides to support our exhibition programming.

And:

Build future audiences by making guided tours of the AGNS free of charge to every student in the province.

This priority was achieved through the implementation of the Canaccord Free Access School Program, a sponsored program that ensured that every school, day-care and children's group was admitted free-of-charge to the AGNS during 2012-2013, including the provision of a tour guide and studio time if requested.

Core Business Area 2 – Finance and Operations

Strategic Action 1: Operations

Make the AGNS more consumer-friendly in terms of the competition for their leisure hours by changing its hours of public operating.

This priority was achieved by changing our operating hours to better reflect the leisure time of potential visitors; this was achieved through remaining open until 9 pm six nights a week in our peak season, and three nights a week in our slow season. Admission prices were reviewed and were held at 2011-2012 levels.

And:

Implement a fully integrated Point of Sale system that includes: Gift Shop, Membership, Admissions, Events and online services to all consumers.

This priority was not achieved due to delays in acquiring software licenses and hardware. This process is ongoing and will be completed in 2013-2014.

Core Business Area 3 – Development and Auxiliary Services

Strategic Action 1: Marketing:

Build audiences through streamlined branding tied to all core and ancillary services at AGNS in order to improve revenues and increase visitation.

This priority was not achieved due to a shift in operational priorities aimed at increasing fund development activities. Overall revenues were increased in 2012-2013 but the increases were due to other operational activities.

Strategic Action 2: Event Based Fundraising

A priority for 2012-2013 was to continue to grow the number of event based fundraising initiatives as well the net revenues of each over the next fiscal year. The Gallery will also work establishing the peak capacity for event based fundraising so that it can determine the market saturation point for AGNS fundraising events. Continuing to develop unique experiences at a variety of entry price points will enable the AGNS to appeal to a wide array of market segments in its event based fundraising strategy.

This priority was achieved through increasing our events based revenue for 2012-2013 by almost \$64,000, approximately 50% over budget.

Outcomes and Performance Measures

When preparing the Business Plan for 2012-2013 the Art Gallery of Nova Scotia established a number of measures in an effort to determine success in the goals we set out to achieve. The following indicates the original outcome expected; how it was to be measured; if it was achieved; and if not an explanation as to why.

Priority 1: Prepare Implementation Plan from Feasibility Study Recommendations

Outcome #1 – A determination if, whether and how the direction the Gallery will take in the future will include a new Art Gallery of Nova Scotia.

Measure: Adoption of the recommendations of the Feasibility study and incorporating these recommendations into the AGNS strategic plan.

What does this measure tell us?

The gallery needs a feasible and coherent plan for any future growth.

Where are we now?

The recommendations of the feasibility Study have been adopted by the Board and incorporated in the 2102-2017 Strategic Plan.

Where do we want to be?

We want to begin the implementation of the recommendations, beginning with the recommendations for the needed preparatory work for a Capital Campaign.

Priority 2: Complete a Five Year Strategic Plan

Outcome #1 – Fully integrate Strategic plan into future Business planning processes

Measure: Completion of a strategic plan approved by the AGNS Board of Governors

What does this measure tell us?

A five-year strategic plan will ensure consistency in our business planning year-to-year.

Where are we now?

The 2012-2017 Strategic Plan was adopted by the AGNS Board of Governors in September 2012.

Where do we want to be?

We want to incorporate the Strategic Plan into all of our planning processes, updating it as needed and as we achieve the goals set forth in the document.

Priority 3: Enhance Visitor Experience

Core Business Area 1 - Curatorial

Strategic Action 1: Collections Care

Outcome # 1 – Full implementation of storage plan established in 2010-2011.

Measure: Safe storage and display conditions

What does this measure tell us?

The safe storage and display of the permanent collection is a core aspect of our mandate

Where are we now?

We have implemented most aspects of the storage plan, and were on track for full implementation by early 2013-2014 before the building was closed by the fire marshal due to issues with the sprinkler system in May 2013.

Where do we want to be?

Once the building is re-opened, we want to work towards an integrated management system, with new collections management technology as well as integrated spaces that ensure long-term safekeeping of the collection. We want to finish moving stored collections off the gallery's fourth floor and into one of our storage spaces.

Strategic Action 2: Acquisitions

Outcome # 1 – A predictable Acquisitions budget year-to-year.

Measure: A plan for forward looking acquisitions' funding.

What does this measure tell us?

This measure tells us how successful we are being in one of the core areas of our mandate. The ability to target and to acquire major works also is a measure of our professionalism, our institutional reputation, and of our fundraising abilities.

Where are we now?

We have based our new acquisitions budget on prior year's receipts thus knowing in advance the amount of funding available.

Where do we want to be?

We wish to continue to build the collection judiciously, in all areas of our collecting mandate.

Strategic Action 3: Exhibitions

Outcome #1: Mounting a "Blockbuster" exhibition in 2012-2013 that increases Gallery visitation.

Measure: A target of 6,699 visitors, an increase of 2,533 or 60% over the previous year.

What does this measure tell us?

Meeting this goal means we are successfully providing audiences with programming that they want to see.

Where are we now?

This goal was met. *Canadian Pioneers: Masterworks from the Sobeys Collections* had 6802 paid visitors, an increase of 103 visitors over our target. Total visitation was 23306, and increase of 8201 visitors of the same period the previous year.

Where do we want to be?

We are committed to continuing to increase our visitation at the AGNS.

Strategic Action 4: Education and Public Programming

Outcome #1: 50% of permanent collection exhibitions having bilingual didactic material by end of the fiscal year.

Measure: Percentage of labels and signage presented in both official languages.

What does this measure tell us?

AGNS is committed to the goal of presenting our collections and programs in both official languages.

Where are we now?

We have achieved this goal. At the time of the temporary closure of Gallery North this spring, fifty percent of our permanent collection exhibitions included bilingual labels and didactic panels.

Where do we want to be?

We aspire to be fully bilingual in our labels and signage within three years.

Outcome #2: Secure corporate sponsorship funding for the Gallery's school tour programs.

Measure: Successful negotiations of contract with a corporate organization to sponsor the school tour program

What does this measure tell us?

This measure tells us that AGNS is successfully partnering with the private sector to deliver important aspects of our programming mandate.

Where are we now?

We have achieved this goal. The Canaccord Free Access School program provides free admission to the gallery, along with guided tours, to all school groups from Nova Scotia.

Where do we want to be?

We are where we would like to be, with a renewable sponsorship of this important program..

Core Business Area 2 – Finance and Operations

Strategic Action 1: Operations

Outcome #1: Extended hours during peak season to have a direct impact on the number of visitors to the Gallery

Measure: Increase in paid admission visitors to the Gallery over the peak season.

What does this measure tell us?

The successful completion of this measure tells us that we are successfully engaging with new audiences through making the gallery more accessible.

Where are we now?

We were partially successful in completing this measure. Attendance during the peak period was up 20% over the previous year, slightly off of our target of an 30% increase.

Where do we want to be?

We want to continue to build our attendance numbers, both during our peak season and throughout the rest of the year. Overall gallery attendance increased by 30% in fiscal year 2012-2013, a positive outcome for AGNS.

Outcome #2: Improved point of sale information gathering and online sales ability integrated with membership data to better forecast revenue and visitation trends.

Measure: Selection and implementation of a fully integrated Point of Sale system by end of December 2012.

What does this measure tell us?

The successful completion of this measure tells us that we are committed to using new technologies to better serve our visitors, and that we are striving to provide better customer service through enhanced information gathering and increased convenience for accessing goods and services.

Where are we now?

We were unsuccessful in completing this measure due to staffing changes and delays in coordinating the software and hardware and its integration into the Government IT system.

Where do we want to be?

We want to implement a new point of sale system in fiscal year 2013-2014.

Core Business Area 3 - Development and Marketing

Strategic Action 1: Marketing

Outcome #1: Improved AGNS Branding to build audiences.

Measure: Implementation of a streamlined marketing campaign to cover all service offerings.

What does this measure tell us?

This measure is an indicator of a commitment to increasing visitation and overall revenues through focusing resources on a concerted marketing effort.

Where are we now?

The gallery chose not meet this expectation. Marketing efforts were instead focused on promoting the Canadian Pioneers exhibition and on maximizing the impact of our Special Event fundraising. The Gallery was successful in increasing both visitation and overall revenues.

Where do we want to be?

The AGNS is committed to a rebranding exercise and concerted marketing strategy in the lead-up to our Capital Campaign and our next blockbuster exhibition.

Strategic Action 2: Event Based Fundraising

Outcome #1: Increased revenues from events as well as increased exposure for the Gallery to the Community at large.

Measure: An increase in special event revenues.

What does this measure tell us?

This measurement is an indicator of how successful our fundraising efforts are, permitting us to better focus the use of our staff and volunteer resources.

Where are we now?

This priority was achieved through increasing our events based revenue for 2012-2013 by almost \$64,000, approximately 50% over budget.

Where do we want to be?

The gallery wants to continue developing our events based fundraising, working with dedicated volunteers to ensure that our events are successful.

Most of the performance measures tend to measure activities and transactions as opposed to impacts. The AGNS could better demonstrate its value and benefits if the performance measures captured the benefits created – eg, measuring the education created, the knowledge of various arts, artists, social commentary, etc. The ultimate purpose of the AGNS appears to be education and edification so measuring those rather than the activities which lead to those outcomes would

be helpful. Also, measurement of the attainment of the purposes would show progression toward a destination which measuring transactions does not typically demonstrate.

**Art Gallery Of Nova Scotia
Annual Accountability Report
2012-2013 Fiscal Year**

	Budget 2012-2013	Actual 2012-2013	Variance	
Revenues				
Gallery operations				
Province of Nova Scotia Grant	2,046,000	2,046,000	-	
Admissions and memberships	186,041	150,438	(35,603)	(1)
Donations and other	392,350	425,302	32,952	(2)
Programming recoveries	542,600	935,112	392,512	(3)
Gallery recoveries	36,000	89,860	53,860	
Total Gallery operations	3,202,991	3,646,712	443,721	
Gallery Shop	236,134	214,536	(21,598)	
Endowment fund	81,100	180,136	99,036	(4)
Acquisition Fund	149,000	266,532	117,532	(4)
Total Revenue	3,669,225	4,307,916	638,691	
Expenses				
Gallery operations				
Salaries and benefits	1,972,923	1,981,599	8,676	
Building operations	736,070	272,568	(463,502)	(5)
Programming	621,240	854,305	233,065	(6)
Development and public relations	261,000	344,436	83,436	(7)
Western Branch	142,016	133,777	(8,239)	
Total Gallery operations	3,733,249	3,586,685	(146,564)	
Gallery Shop	208,160	187,273	(20,887)	
Endowment fund	22,000	19,670	(2,330)	
Acquisition fund	156,000	283,538	127,538	(8)
Total Expenses	4,119,409	4,077,166	(42,243)	
Net Operating Income (Loss)	(450,184)	230,750	680,934	
Amortization of tangible capital assets	-	48,397	48,397	
Surplus (Deficit)	(450,184)	182,353	632,537	

Notes:

- (1) Although Admission and membership revenue exceeded the previous year, revenue was down from budgeted projections. The variance is primarily volume driven.
- (2) Donations and other revenue are up from budget due to higher than anticipated special events revenue.
- (3) Programming recoveries increased due to higher than anticipated grants revenue (Canadian Heritage and Virtual Museum of Canada)
- (4) Increase due to unforeseen increases in Endowment Fund and Acquisition Fund revenues

- (5) Anticipated building operating expenditures of \$476,820 were transferred to the Department of Transportation and Infrastructural Renewal during 2012-2013.
- (6) Programming expenses increased due to expenditures in the museum assistance program and travelling exhibition expenses. However, both were recovered in revenue.
- (7) Development expense increased due to Special Event for the Sobey Art Award which was offset by revenue.
- (8) Due to higher than anticipated acquisitions and related administration fees in the Acquisition Fund.