



LSA ANNUAL GENERAL MEETING 2016

TREASURER'S REPORT AND ANNUAL ACCOUNTS

SUMMARY

2015 was a transition year for the LSA. Following the closure of Gallery150 in Livery Street, a lengthy negotiation with Warwick District Council was finally concluded when the Trustees signed the lease for East Lodge in January of this year.

In line with its constitution, Gallery150 financial assets were transferred to the LSA in October 2015, amounting to £10,465.

A bigger and better Art in the Park saw higher cash turnover in 2015 than in 2014, but as planned in 2014, resulted in a close to break even overall result, compared with £3,379 adverse result in 2014.

Excluding the special item of G150 assets transfer, our receipts less expenditure in 2015/16 of £4,685 adverse is primarily the result of two factors:

1. Art in the Park receipts were spread over 2014/15 and 2015/16 financial years, whereas costs were almost entirely seen in 2015/16.
2. Start up costs for East Lodge, in respect of legal fees, and initial refurbishment and decoration, were incurred in February of this year.

It should be noted, when reading the accounts, that the 2014/15 numbers were for a 15 months period, following re-alignment of our financial year and AGM timings. From this year onwards the financial year is from 1st April to 31st March.

With the funds injection from G150, we have a good cash balance, but East Lodge is not yet forecast to break even. More work is required to create additional fund raising opportunities.

ART IN THE PARK

Building on the lessons learned from 2014, when the net costs incurred by the LSA for running the event were an unsustainable £3,379, the 2015 event was planned from the outset as a cost neutral event. Thanks to the tireless work of Carole Sleight, the project manager, much more sponsorship income was achieved, covering all the expenses of running the event, which was a great success.

From this year onwards, Art in the Park will now be operated by separate charity. This relieves the LSA of considerable commitment and financial risk, whilst ensuring the event continues to be a regular feature on the Leamington Spa calendar. To ensure our on-going interests are represented, our Chair is on the operating committee.

MEMBERSHIP SUBSCRIPTIONS

As you will see from the Membership Secretary's report, membership numbers fell during 2015, resulting in a 14% reduction in income year on year, or £722. It is anticipated that this has now stabilised, following the launch of East Lodge.

ARTSPACE

ArtSpace costs this year are lower than for 2015, partly because there were only 2 issues in that period, compared to 3 in the previous 15 months period, but also because the resourcing activity is now being fully realised. A typical issue of ArtSpace, with distribution, now costs in the order of £1,200 compared with the prior sourcing which was up towards £2,000.

EAST LODGE

The Lease for East Lodge was signed in January of this year. Negotiation with WDC was difficult and lengthy, but it was important for the LSA to ensure there was no over-commitment or excessive financial risk in this major undertaking.

Our lease is for 3 years in line with normal WDC practice, but there is a 6 month break clause if we wish to terminate. WDC have also given us the first 6 months rent free, which is why no rent is shown in the summary accounts. Rental payments will commence this month (July 2016).

Overall start up costs for East Lodge were £2,177 accruing from:

- legal fees
- boarding the walls to ease hanging of artwork
- repainting and other preparation
- rework to studio 4
- minor equipment purchase

It is to be expected that more investment will be required in the coming months to ensure we maximise the opportunities.

Unlike the G150 project, which was essentially rent free and had the benefit of good passing customers, our current forecast is that as a project, and when all the costs are stabilised, East Lodge will not yet achieve break even, and more work is required over the coming months to generate extra income.

SUMMER SHOW

In 2015, without G150 to host it, the Summer Show went back to Warwickshire College. This gave us additional costs by way of space rental and insurance, and we awarded 3 prizes of £150 each. Entry fees were held at previous levels, but we managed to secure sponsorship from Aspect Consultants in Leamington, which overall ensured the show was cost neutral.

Tony Cartwright

Treasurer
Leamington Studio Artists
Registered Charity No. 1147593

13th July 2016