

Cameron MacLeod - cameron.mac@gmail.com - 45477699
Magnhild Øen Nordahl - magnhildnordahl@gmail.com - 90790539

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ALDEA BUDGET & COMMENTS DEVELOPMENT REPORT

~ EXPENSES START-UP ~

all costs are in Norwegian kr

| | Actual Costs to Date | Upcoming Costs | Final Costs | Original Budget | Slimmed Down Budget | Cost Difference Slimmed Down Budget & Final Costs |
|--|----------------------|---------------------|---------------------|---------------------|-----------------------|---|
| Planning and development costs | 440,664 kr | 107,500 kr | 548,164 kr | 1,363,921 kr | 763,787 kr ▲ | 215,623 kr |
| Administrative Development Coordinators 40% | 163,070 kr | 20,000 kr | 183,070 kr | 200,491 kr | 400,982 kr ▲ | 217,912 kr |
| Financial Consulting Services Frekhaug Regnskap | 0 kr | 30,000 kr | 30,000 kr | 50,000 kr | 50,000 kr ▲ | 20,000 kr |
| Intern Prosjekteringsgruppe / Byggleder | 4,410 kr | 0 kr | 4,410 kr | 175,430 kr | 175,430 kr ▼ | 171,020 kr |
| Ekstern konsultasjon prosjektering | 144,375 kr | 32,500 kr | 176,875 kr | 200,000 kr | 137,375 kr ▼ | -39,500 kr |
| Gebyr forhåndskonferanse BK ifm utredning bruksendring | 0 kr | | 0 kr | 6,250 kr | 0 kr | 0 kr |
| RIBr - Brannteknisk konsultasjon | 0 kr | 2,500 kr | 2,500 kr | 37,500 kr | 12,375 kr ▼ | 9,875 kr |
| Gebyr arbeidstilsynet | 0 kr | | 0 kr | 18,750 kr | 0 kr | 0 kr |
| Konsultasjon ansvarlig arkitekt ARK | 144,375 kr | 30,000 kr | 174,375 kr | 125,000 kr | 125,000 kr ▼ | -49,375 kr |
| Konsultasjon maskinplassering verksted C.Dahm | 0 kr | 0 kr | 0 kr | 12,500 kr | 0 kr | 0 kr |
| Software Development | 28,809 kr | 25,000 kr | 53,809 kr | 738,000 kr | 0 kr ▼ | -53,809 kr |
| Building Costs | 595,583 kr | 1,181,932 kr | 1,777,515 kr | 3,449,889 kr | 1,765,000 kr ▲ | -12,515 kr |
| 1st Floor Workshop | 10,017 kr | 599,932 kr | 609,949 kr | 1,259,389 kr | 967,500 kr ▼ | 357,551 kr |
| Taking down and building up new walls | 0 kr | 150,000 kr | 150,000 kr | 100,000 kr | 100,000 kr ▼ | -50,000 kr |
| Expanding room with brannklassifisering E60 | 0 kr | 0 kr | 0 kr | 20,000 kr | 0 kr | 0 kr |
| Installation of new HC toilets and sink | 0 kr | 31,000 kr | 31,000 kr | 120,000 kr | 120,000 kr ▲ | 89,000 kr |
| Electrical Instillations | 10,017 kr | 60,000 kr | 70,017 kr | 135,000 kr | 202,500 kr ▼ | 132,483 kr |
| Tile trackers on equipment | 0 kr | 15,000 kr | 15,000 kr | 10,000 kr | 0 kr ▲ | -15,000 kr |
| Ventilation (balansert ventilasjon) | 0 kr | 40,000 kr | 40,000 kr | 350,000 kr | 105,000 kr ▲ | 65,000 kr |
| Installation of exhaust system for metal machines | 0 kr | 35,000 kr | 35,000 kr | 260,000 kr | 260,000 kr ▲ | 225,000 kr |
| Installation of exhaust system for wood machines | 0 kr | 43,932 kr | 43,932 kr | 80,000 kr | 80,000 kr ▲ | 36,068 kr |
| Reconfiguration fire alarm system | 0 kr | 70,000 kr | 70,000 kr | 20,000 kr | 100,000 kr ▼ | 30,000 kr |
| New Lights | 0 kr | 40,000 kr | 40,000 kr | 40,000 kr | 0 kr ▼ | -40,000 kr |
| Smart devices to install on machines in workshop | 0 kr | 40,000 kr | 40,000 kr | 50,190 kr | 0 kr ▼ | -40,000 kr |
| Smart locks | 0 kr | 30,000 kr | 30,000 kr | 14,199 kr | 0 kr ▼ | -30,000 kr |
| Painting surfaces | 0 kr | 45,000 kr | 45,000 kr | 60,000 kr | 0 kr ▼ | -45,000 kr |
| Security system | 0 kr | | 0 kr | 0 kr | 0 kr | 0 kr |
| 1st Floor Gallery/ Project Space | 0 kr | 145,000 kr | 145,000 kr | 258,000 kr | 40,000 kr ▼ | -105,000 kr |
| Taking down and building up new walls | 0 kr | 30,000 kr | 50,000 kr | 80,000 kr | 0 kr ▼ | -50,000 kr |
| Electrical Instillations | 0 kr | 15,000 kr | 15,000 kr | 20,000 kr | 0 kr ▼ | -15,000 kr |
| Ventilation (balansert ventilasjon) | 0 kr | 0 kr | 0 kr | 100,000 kr | 0 kr | 0 kr |
| Reconfiguration of fire alarm system | 0 kr | 0 kr | 0 kr | 10,000 kr | 10,000 kr ▼ | 10,000 kr |
| New Lights | 0 kr | 10,000 kr | 10,000 kr | 15,000 kr | 0 kr ▼ | -10,000 kr |
| Smart locks | 0 kr | 0 kr | 0 kr | 3,000 kr | 0 kr | 0 kr |
| Painting surfaces | 0 kr | 25,000 kr | 25,000 kr | 30,000 kr | 30,000 kr ▼ | 5,000 kr |
| New Door | 0 kr | 65,000 kr | 65,000 kr | 0 kr | 0 kr ▼ | -65,000 kr |
| 5th Floor | 0 kr | 0 kr | 0 kr | 617,500 kr | 0 kr | 0 kr |
| 6th Floor | 528,850 kr | 72,000 kr | 600,850 kr | 527,500 kr | 300,000 kr ▼ | -300,850 kr |
| Taking down and building up new walls | 381,357 kr | 0 kr | 381,357 kr | 150,000 kr | 150,000 kr ▼ | -231,357 kr |
| Labour | 245,496 kr | 0 kr | 245,496 kr | 50,000 kr | 50,000 kr ▼ | -195,496 kr |
| Material | 135,281 kr | 0 kr | 135,281 kr | 100,000 kr | 100,000 kr ▼ | -35,281 kr |
| Electrical Instillations | 143,903 kr | 0 kr | 143,903 kr | 125,000 kr | 125,000 kr ▼ | -18,903 kr |
| Ventilation | 0 kr | 0 kr | 0 kr | 125,000 kr | 0 kr | 0 kr |
| New lights | 0 kr | 0 kr | 0 kr | 37,500 kr | 0 kr | 0 kr |
| Reconfiguration fire alarms | 0 kr | 0 kr | 0 kr | 12,500 kr | 12,500 kr ▲ | 12,500 kr |
| Smart locks | 0 kr | 10,000 kr | 10,000 kr | 12,500 kr | 12,500 kr ▼ | 2,500 kr |
| Painting surfaces | 3,590 kr | 0 kr | 3,590 kr | 65,000 kr | 0 kr ▼ | -3,590 kr |
| Installation Water Heater | 0 kr | 62,000 kr | 62,000 kr | 0 kr | 0 kr ▲ | -62,000 kr |
| 7th Floor | 56,716 kr | 365,000 kr | 421,716 kr | 787,500 kr | 457,500 kr ▲ | 35,784 kr |
| Taking down and building up new walls | 56,716 kr | 190,000 kr | 246,716 kr | 312,500 kr | 312,500 kr ▼ | 65,784 kr |
| Labour | 21,694 kr | 150,000 kr | 238,453 kr | 200,000 kr | 200,000 kr ▲ | -38,453 kr |
| Material | 34,694 kr | 40,000 kr | 74,694 kr | 100,000 kr | 100,000 kr ▼ | 25,306 kr |
| Equipment | 328 kr | 0 kr | 328 kr | 12,500 kr | 12,500 kr | |
| Electrical Instillations | 0 kr | 100,000 kr | 100,000 kr | 125,000 kr | 62,500 kr ▼ | -37,500 kr |
| Ventilation | 0 kr | 0 kr | 0 kr | 37,500 kr | 0 kr | 0 kr |
| New lights | 0 kr | 0 kr | 0 kr | 65,000 kr | 0 kr | 0 kr |
| Smart locks | 0 kr | 10,000 kr | 10,000 kr | 15,000 kr | 0 kr ▼ | -10,000 kr |
| New kitchen | 0 kr | 10,000 kr | 10,000 kr | 37,500 kr | 0 kr ▲ | -10,000 kr |
| Plumbing costs new kitchen and toilet | 0 kr | 40,000 kr | 40,000 kr | 82,500 kr | 82,500 kr ▼ | 42,500 kr |
| Painting surfaces | 0 kr | 15,000 kr | 15,000 kr | 112,500 kr | 0 kr ▼ | -15,000 kr |
| Workshop Costs Excluding Renovation | 484,240 kr | 877,500 kr | 1,361,740 kr | 3,657,386 kr | 1,139,636 kr ▼ | -222,104 kr |
| Salaries and development costs | 158,034 kr | 212,500 kr | 370,534 kr | 365,798 kr | 365,798 kr ▼ | -4,736 kr |
| Workshop Development Administration first year average 20 % | 100,000 kr | 50,000 kr | 150,000 kr | 100,246 kr | 100,246 kr ▲ | -49,754 kr |
| Workshop Manager Development first year average 35% | 53,625 kr | 82,500 kr | 136,125 kr | 175,430 kr | 175,430 kr ▲ | 39,305 kr |
| Digital workshop development first year average 10% | 0 kr | 50,000 kr | 50,000 kr | 50,122 kr | 50,122 kr ▲ | 122 kr |
| Research trips, staff training and technical consultation | 4,409 kr | 10,000 kr | 14,409 kr | 30,000 kr | 30,000 kr ▼ | 15,591 kr |
| Market research and marketing | 0 kr | 20,000 kr | 20,000 kr | 10,000 kr | 10,000 kr ▼ | -10,000 kr |
| New Equipment Costs | 254,966 kr | 630,000 kr | 884,966 kr | 1,021,588 kr | 653,838 kr ▼ | -231,128 kr |
| Purchase of Shopbot CNC milling machine (incl. tax plus transport) | 0 kr | 300,000 kr | 300,000 kr | 271,000 kr | 271,000 kr ▼ | -29,000 kr |
| Purchase of lazer cutter from Alvøen | 0 kr | 0 kr | 0 kr | 180,000 kr | 0 kr | 0 kr |
| Purchase of Hand power tools and smaller workshop equipment | 81,216 kr | 70,000 kr | 151,216 kr | 212,000 kr | 159,000 kr ▼ | 7,784 kr |
| Purchase of Machines for Woodworking | 173,750 kr | 70,000 kr | 243,750 kr | 139,000 kr | 104,250 kr ▼ | -139,500 kr |
| Computer and admin equipment for workshop manager | 0 kr | 30,000 kr | 30,000 kr | 25,000 kr | 30,000 kr | 0 kr |
| Purchase of Machine Parts (saw blades, knives etc) | 0 kr | 10,000 kr | 10,000 kr | 0 kr | 0 kr ▲ | -10,000 kr |
| HTC VIVE BUSINESS EDITION | 0 kr | 0 kr | 0 kr | 10,374 kr | 10,374 kr ▲ | 10,374 kr |

| | | | | | | |
|--|---------------------|---------------------|---------------------|---------------------|-----------------------|--------------------|
| OMEN HP DESKTOP PC WITH ACCESSORIES | 0 kr | 0 kr | 0 kr | 23,259 kr | 23,259 kr ▼ | 23,259 kr |
| Blackbelt 3D Printer | 0 kr | 150,000 kr | 150,000 kr | 105,000 kr | 0 kr ▲ | -150,000 kr |
| EINSCAN-PRO Screen | 0 kr | 0 kr | 0 kr | 36,000 kr | 36,000 kr ▲ | 36,000 kr |
| Eizo ColorEdge Monitor 19,955 | 0 kr | 0 kr | 0 kr | 19,955 kr | 19,955 kr ▼ | 19,955 kr |
| Moving of wood and metal machines | 71,241 kr | 10,000 kr | 81,241 kr | 70,000 kr | 70,000 kr ▲ | -11,241 kr |
| Upgrade safety parts on machines according to EU's maskindirektiv | 0 kr | 25,000 kr | 25,000 kr | 50,000 kr | 50,000 kr ▼ | 25,000 kr |
| Value of donation on machines and other equipment from Khib | 0 kr | 0 kr | 0 kr | 2,150,000 kr | 0 kr | 0 kr |
| Gallery costs excluding renovation | 0 kr | 25,000 kr | 25,000 kr | 187,500 kr | 31,250 kr ▼ | 6,250 kr |
| Technical equipment for gallery (screens, projectors, speakers etc.) | 0 kr | 25,000 kr | 25,000 kr | 125,000 kr | 0 kr ▲ | -25,000 kr |
| Furniture and other interior for gallery | 0 kr | 0 kr | 0 kr | 62,500 kr | 31,250 kr ▲ | 31,250 kr |
| IT Equipment all floors | 170 kr | 61,250 kr | 61,420 kr | 64,499 kr | 64,499 kr ▼ | 3,079 kr |
| Admin Computers | 0 kr | 31,250 kr | 31,250 kr | 31,250 kr | 31,250 kr | 0 kr |
| Wireless Routers x 4 | 0 kr | 15,000 kr | 15,000 kr | 8,249 kr | 8,249 kr ▲ | -6,751 kr |
| Misc | 170 kr | 15,000 kr | 15,170 kr | 25,000 kr | 25,000 kr ▼ | 9,830 kr |
| Overlapping Flaggfabrikken Costs | 103,601 kr | 10,000 kr | 113,601 kr | 0 kr | 0 kr ▼ | -113,601 kr |
| Print Lab Rental | 15,446 kr | 0 kr | 15,446 kr | 0 kr | 0 kr ▼ | -15,446 kr |
| Residency | 88,156 kr | 10,000 kr | 98,156 kr | 0 kr | 0 kr ▼ | -98,156 kr |
| Administrative Costs | 6,850 kr | 1,000 kr | 7,850 kr | 0 kr | 0 kr ▼ | -7,850 kr |
| Amenities | 0 kr | 0 kr | 0 kr | 0 kr | 0 kr | 0 kr |
| Registration and Bank Fees | 6,165 kr | 1,000 kr | 7,165 kr | 0 kr | 0 kr ▼ | -7,165 kr |
| Misc | 324 kr | 0 kr | 324 kr | 0 kr | 0 kr ▼ | -324 kr |
| Misc equipment collection | 8,658 kr | 0 kr | 8,658 kr | 0 kr | 0 kr ▼ | -8,658 kr |
| Damage Deposit LandLord - Doesn't Include | 0 kr | 126,700 kr | 126,700 kr | 0 kr | 0 kr ▼ | -126,700 kr |
| TOTAL STARTUP EXPENSES | 1,639,766 kr | 2,390,882 kr | 4,030,648 kr | 8,723,195 kr | 3,764,172 kr ▼ | -266,476 kr |
| 20% Risk on Startup Costs | | | 806,130 kr | | | |

FINAL STARTUP EXPENSES 4,836,778 k

~ REVENUE START-UP ~

all costs are in Norwegian kr

| | Received Funding |
|---|-------------------|
| Bergen Kommune - Profesjonelle Kunst | 50,000 kr |
| Kulturrådet - Rom for kunst | 2,000,000 kr |
| Kulturrådet - Utstyrstøtte Fellesverksteder | 150,000 kr |
| Fylkeskommune - Kulturbygg med regionale funksjonar | 1,000,000 kr |
| Bergen Kommune - profesjonell kunst og kultur | 500,000 kr |
| Kulturrådet - Utstyrstøtte Fellesverksteder | 200,000 kr |
| Flaggfabrikken Funding Transferred | 261,000 kr |
| Accounts | 231,000 kr |
| Unpaid Print Lab Costs | 30,000 kr |
| LandLord Contribution | 315,000 kr |
| 1st Floor Front Door Gallery | 65,000 kr |
| Electrical 7th Floor | 50,000 kr |
| Toilet 7th _Floor | 50,000 kr |
| Fire Alarm System | 150,000 kr |
| 1st Floor | 50,000 kr |
| 6th Floor | 50,000 kr |
| 7th Floor | 50,000 kr |
| Income Studio Renters - first 3 months rent | 139,011 kr |
| Reselling Machines | 50,000 kr |
| VAT Returned Based on Incoming Expenses | 171,767 kr |

TOTAL STARTUP REVENUE 4,836,778 k

BALANCE 0 kr

~ OTHER REVENUE ~

| | |
|---|--------------|
| Value of donation on machines and other equipment from Khib | 4,350,000 kr |
| Unpaid Administration Work - 2017 @ 300kr per hour, plus Aldea employee tax | 1,103,571 kr |

TOTAL OTHER REVENUE 5,453,571 kr

Comments to Budget

The spreadsheet is setup using 6 columns to present an :

1st. Cost Description

2nd. All our costs that we have had to date.

3rd. All our predicted upcoming costs

4th. Our projected final costs are all the costs we had to date combined added to our predicted upcoming costs

5th. This column represents our original budget with all the necessary costs to achieve the full aspirations of the project.

6th. Our slimmed down budget was designed to operate within our secured funding.

7th. The difference between the slimmed down budget and our projected final costs. It represents how accurate we have been in predicting costs thus far. Costs in green are costs that will be less at the end of the development period and red are costs that are more expensive.

Costs and income relating to the 1st floor workshop/gallery will be subject to VAT regulations and are included in the budget without VAT. Costs relating to 7th and 6th floors we will not have VAT regulations on and are included in the budget with VAT.

We will breakdown the costs in all the categories that we feel need explanation. If there is a need for clarification that we do not comment on please let us know and we are happy to clarify.

EXPENSES

Administrative Development Coordinators 40%

The administrative coordinator position is the director Cameron MacLeod and Magnhild Øen Nordahl.

We have not taken out the full amount of our salary in the developmental process of Aldea but Cameron has worked 2815 hours and Magnhild has worked 500 hours in 2017. This does not include the hours in 2016 in preparation for the project meetings, grant writing, marketing etc. which are also not included in the budget.

Software Development

The software development thus far have gone to the development of the website which has not yet. Presently a temporary website has been put in place to maintain the exposure of Aldea. We will expand software development to control smart locks and other online payments systems if the funding we have applied for to is granted.

Building Costs

The building costs refer only to the building of walls, ventilation, plumbing, electrical costs, and security systems. We had a head start in our building process as we were given permission to build in

the space by Khib 3 months before our contract with the landlord commenced. As our landlord is also giving us 3 months of free rent during the building process we have six months in total to complete the development of Aldea without having to pay rent. The permission to build before the date of contract commencement did create some additional costs because we became responsible for demolishing some of the previous construction left by Khib which otherwise would have been Khib's responsibility.

We also had decided to employ our own carpenters instead of hiring contractors. Our construction employees primarily consisting of art installation technicians and architecture graduates from Bergen Architecture University. This decision was threefold: We would be able to reduce our costs of labour, disburse more funds back into the cultural community and introduce future workshop users to the workshop throughout the building process.

1st Floor Workshop

The predicted costs in relation to the building of the workshop have reduced due to our de-installation of the exhaust systems in Khib to be reused in building our own exhaust systems. We have also decided to use more of the existing electrical system which is sub optimal but can be used and has dropped our projected costs.



Original walls from inside of front floor.



August 1st, Back Wall Taken Down



November 9th, Most Equipment in Place



Wood Workshop: November 1st

1st Floor Gallery/Project Space

The costs in the gallery have increased from our slimmed down budget due to the need to rebuild the wall between the gallery and the workshop as it will need to be double width in order to protect from sound from the workshop. Another cost that was unexpected are the main double doors to the gallery which will need to be replaced as to give visibility into the gallery from the street and insulate the gallery space as the existing doors are not sealed properly. Our landlord has agreed to take on the costs of replacing this door and is shown as a revenue in the budget.



Original 1st Floor Storage of Khib that will become Gallery/Project Space. The Steel Doors that need to be replaced are in the center of the image.



The Gallery/Project Space November 9th.

The 5th Floor

We have decided not to include the 5th floor in the first phase of development as we do not have sufficient funds to rebuild all three floors. We do maintain the option to rent in 2019 and will attempt to raise funds to develop these studios in 2019.

The 6th Floor

The 6th floor had some studios already built which in our original budget only required some small changes in order to make it suitable for studios. Costs on this floor were much higher than expected due to numerous factors. In exchange for early building permission from Khib we incurred the costs of demolishing the 6th floor. This included removing the ventilation system and concrete ramp, which then created costs in relation fixing the walls where the ventilation had been which created a lot of extra work. Because the floor was extended between C.Sundsgate 53 and 55 when Khib was renting the premises the electrical and plumbing infrastructure was shared between the buildings. When the buildings were sealed off between each other we lost some power and water. In order to re-establish these utilities unexpected costs have been incurred but shared in part with the landlord. The only work left on the 6th floor left is the cost of reconnecting the plumbing. 6 of the 9 studios on this floor are presently rented and artists have moved in. The other studios are currently been used as office and storage spaces during the construction process.



6th Floor - Original studio floor for Khib professors



6th Floor - Original studio floor for Khib professors



6th Floor - Final construction October 1st



6th Floor - Final construction October 1st



6th Floor - Original Kitchen



6th Floor - Final Kitchen - October 1st



6th Floor - Studio used for storage during building - November 9th

The 7th Floor

The 7th Floor was completely demolished before we began the building and all of the electrical and water supply was gone (it was attached to the 6th floor plumbing). We are building studios from scratch on this floor but have figured out several cost saving strategies to keep costs low. The 7th Floor building is presently 60% complete in terms of building new walls. The kitchen, electrical, plumbing, storage and toilets still need to be installed. The floor will be finished December 1st. We have signed for 5 of the 8 studios on this floor, expect to have all the studios filled for move in artists by December 1st.



7th Floor original studio space for students.



7th Floor after Khib demolishes walls.



7th Floor - November 9th building under construction



7th Floor - November 9th, Building under Construction



7th Floor - November 9th, Building under Construction

Workshop costs excluding renovation

80% of the workshop equipment was donated but Khib and much of the workshop development costs thus far have been in the moving of machines. Another cost was the purchase of some of the equipment from Khib. We placed most of the wood workshop equipment in early August and it has been in use for the construction process. We have also permitted access to the machines for external projects by experienced users before the opening date in order to get some practical experience in running the workshop.

In addition to the donated machines and equipment from Khib we also purchased various metal working tools and equipment in an auction of BVM shipyard that went bankrupt. We received high quality used equipment at a fraction of the cost but also received a lot of equipment that we will not use as the much of the equipment was bought in bulk lots.

Overlapping Flaggfabrikken Costs

Flaggfabrikken - Center for Contemporary Art was dissolved in April of 2017 and all activities and assets were moved into Aldea. Aldea took over responsibility of running all of Flaggfabrikken's activities including the running of the print lab and the residency program. These costs were covered by the funding moved into Aldea from the Flaggfabrikken accounts after dissolution.

REVENUE

Landlord Contribution

The original agreement with the landlord was that we would cover any construction costs that would arise including utilities but is a few exceptions as there has been costs that were hidden or that we could not predict due to extraordinary circumstances in the building. The landlord has agreed to take on some of the costs related to these hidden expenses in the construction project.

Studio Renters

As we have been able to move in with 3 months of free rent the studio rent that we will receive from October 1st till January 1st on the 6th floor and the rent from December 1st till January 1st on the 7th floor will be used in the development process.

Re-Selling Machines

As we received many equipment/tools we cannot use from the shipyard auction (as we had to buy in lots) and we may not have enough room to support all the equipment from Khib we hope to sell part of our equipment.

Vat Returned

The Vat that we can have returned to us based on our actual costs to date have been included as revenue.

OTHER REVENUE

This is revenue not included in the budget. We have included donated machines and our unpaid work hours for 2017 as revenue in the project.

ALDEA DEVELOPMENT TIMELINE

