

Newcastle Art Gallery Foundation - Chair's Report AGM 2021



One year on from our inaugural Zoom AGM, we are once again meeting virtually due the pandemic. However, this year we are delighted to be coming to you from the Gallery standing in front of this magnificent work by Dr Christian Thompson, the 2021 gift of the Foundation. While it has been a challenging year, it has also been an historic year for the Newcastle Art Gallery and its supporter communities. The long-awaited Gallery expansion looks set to commence in 2022; finally delivering Newcastle, the Hunter and New South Wales, the Gallery it deserves.

Guiding Principles

The Foundation has remained focused on its guiding principles:

- A trusted independent source of funding and advocacy support for Newcastle Art Gallery
- Providing meaningful engagement with our members and stakeholders.
- Prudent financial management of donor funds under investment
- Strong governance and compliance processes

Newcastle Art Gallery Expansion

I am delighted to say that we are confident that this time next year, the Newcastle Art Gallery expansion will be underway. This is the culmination of more than 14 years of perseverance, advocacy and fundraising from across the spectrum of the Gallery supporter community including the Gallery Society, Foundation and the Lord Mayor's Expansion Working Party. I would like to thank and acknowledge the City of Newcastle, in particular Lord Mayor Nuatali Nelmes for her leadership in recognising the importance of this physical and cultural infrastructure for our community and the future of Newcastle.

While we are still hopeful for support from other levels of Government, we commend the City of Newcastle for endorsing an alternative funding pathway to bring this project to fruition. Gallery Director Loretta Morton and her team have worked tirelessly on expansion planning while continuing to curate a series of challenging and uplifting exhibitions and programs to engage the public in these difficult times.

I can't speak about the expansion without mentioning the Valerie and John Ryan bequest. Valerie's incredible act of generosity in gifting half the residue of her estate allowed the Foundation to step forward at the beginning of last year with its \$10million commitment. This

without doubt has been a catalyst for reengaging all levels of Government in the project. Her transformational gift will enrich the arts and cultural life of our city and region for generations to come. We look forward to celebrating the life and legacy of Valerie and John Ryan in the Gallery on 4 December and we hope to see many of our Foundation members at the event.

City of Newcastle Memorandum of Understanding

The Foundation and the City of Newcastle signed a new Memorandum of Understanding in October. This important document lays down the principals of the working relationship between our organisations including our \$10million commitment to the expansion and our ongoing efforts to fundraise a further \$2.5million to ensure we deliver the revitalised, world-class Gallery our community, and our collection, deserves. This MoU will provide a solid foundation for continuing our constructive working relationship with the City of Newcastle.

Member engagement

We started the year strongly with several member events. This included a new member welcome event in the gallery followed by a celebration of Oceanic Art and culture in the home of artist and Foundation member Sophie Mill. We were also fortunate to host a special Foundation Member Preview of local Artist, Rachel Milne's, *Nest* exhibition. Unfortunately, our planned events in the second half of this year have been rescheduled for 2022. However, as I mentioned we are delighted to be ending the year with a celebration of the Valerie and John Ryan Bequest, with Val and John's family in conjunction with HMRI.

I am also very pleased to report that despite the pandemic and limited opportunities to meet face-to-face, the Foundation achieved its annual new member target and tripled our donations. We look forward to welcoming and acknowledging new members at events in 2022.

A huge achievement this year has been the launch of our new and improved website. The new user-friendly interface makes it easier for our supporter community to apply for Foundation membership, make donations and access the latest Foundation news and events. It also contains our member honour role and a list of the artworks donated through the Foundation. It has also improved our ability to manage and integrate member data with our database. I would like to thank Ian Andrews for his tireless work on this and our other online projects.

Thank you to our hard working Membership & Development Committee lead by Ian Andrews and Georgie Plenty, Gael Davies, Dawn Mullane and Lisa Robinson.

Contribution to the Collection

The Foundation is a proud contributor to growing Newcastle Art Gallery's renowned collection. This financial year we again contributed \$50,000 towards acquisitions for the

Gallery including two large thought-provoking works. Anne Zahalka Sea bird colony from Admiralty Rocks with turbulent seas and Lord Howe Island 2019 andour major acquisition which you also see behind us today; Good Country by Christian Thompson. Both of these stunning works are currently on display in the Gallery and I encourage you all to come in to experience them in person.

Strong investment results

Our total asset base grew to \$11.6 million at the end of the financial year from \$2.6million last year due to the Valerie and John Ryan Bequest and sound investment decisions. The Expansion Fund, finished the year at \$1.5 million a 50% gain since the Foundation assumed responsibility for these funds in 2014.

These strong results justify our strategy of balancing capital protection and growth and stand us in good stead regardless of global market volatility. Our members should be aware that all of our investments are with a long term view and we expect them to build in value over time while also providing annual income. We retain a significant portion of our investments in cash as part of our risk management strategy and to ensure ready access to support the Gallery.

The decision last year to engage Ord Minnett to provide investment advice and operational support for our investment portfolio has proved prudent given the increase in funds under our care following the Valerie and John Ryan Bequest. The General Foundation Trust Fund continues to be invested in a balanced portfolio in line with our investment policy to ensure our core assets grow over time for the benefit of the Gallery. The Expansion Fund is invested with a conservative approach with a greater focus on capital protection.

The Board is committed to maintaining an investment base of at least \$3million so that we can continue to provide substantial levels of support for a larger Gallery post expansion. We also hope to continue to encourage philanthropic benefaction from the community from like-minded individuals and organisations who wish to support the growth of an iconic, free public institution which contributes so much to the economic, social and cultural life of our region.

Congratulations to our Finance and Investment subcommittee Mark Stephens, Joshua Walsh and Rob Henderson on their sound management of our portfolio during this time of significant change in the scope of our investments.

Governance and Compliance

As always our activities are underpinned by the tireless work of our G&C Committee; Felicity Wardhaugh and Joshua Walsh. The committee has an ongoing commitment to best practice compliance with charities regulator the ACNC and all accounting and tax regulations.

The G&C Committee has played an active role in facilitating the distribution of the Valerie Ryan estate in order to maximise its value for the Foundation. The committee was closely involved in the drafting and execution of the revised Memorandum of Understanding with the City of Newcastle and has also continued the ongoing review process designed to align our activities with ACNC best practice.

2022 Priorities

Looking ahead to our priorities for 2022. We will have a strategic planning meeting following our Board appointments today.

- **Expansion planning and fundraising;** We will continue to work with the Gallery and our members and supporters towards raising the final \$2.5million required to build a world class gallery for Newcastle. As a major funding partner we will work closely with the City of Newcastle to ensure the efficient delivery of an expanded gallery.
- **Governance and Compliance policy review** to ensure best practice compliance with our governing body the ACNC and overseeing all external stakeholder agreements.
- **Resourcing and succession planning** to ensure the strength and viability of the Foundation Board. We are looking to recruit a Philanthropy Officer to support the volunteer Board as we enter this busy and exciting period for the gallery.
- **Build and maintaining our membership and donor base** - Our M&D and Board will be focussing on new and innovative ways to continue to engage with members, the arts community and the Gallery. As members you are our greatest asset. If you know of anyone who has an interest in art and shares our belief that an art gallery is an essential part of the wellbeing and economic life of our city and region, please encourage them to join or let us know so we can invite them to one our events or meet with them personally.
- **Investment strategy** - Continuing to oversee our investments to safeguard and grow our expanded funding base and the responsible transfer of funds towards the expansion project as required.

Board of Directors 2021

As the Constitution stands, all Board positions, excepting the City of Newcastle Council representative, Councillor Declan Clausen, are vacated each year at the AGM.

I am delighted that all our board members are renominating this year as it will be beneficial to be entering this busy period with an experienced Board. We continually re-assess skills gaps as a part of our annual Strategic Planning session. We greatly welcome new nominations so please don't hesitate to approach myself or another board member if you are interested in becoming more closely involved in the Foundation.

I would like to officially thank the Board for their hard work, professionalism, adaptability, and good humour this year. It is a high performing team of impressive, skilled individuals who donate considerable time and energy. I have thanked our committee members throughout my report but would also like to acknowledge Deputy Chair Gael Davies, Board Secretary Dawn Mullane and Treasurer Josh Walsh.

I would also like to acknowledge our sub-committee members for their invaluable contributions. It has been wonderful to welcome Judy Hart onto the expansion committee. Lisa Robinson, M&D, Matt Endacott, Expansion committee and Robert Henderson, F&I committee. It has been a pleasure to welcome Deputy Mayor Cr Declan Clausen onto the Board as our CN representative this year. As members, if you feel you have the relevant skills, time and energy, and would like to join any of our sub-committees, please get in touch.

THANK YOU

A huge thank you to Laretta Morton and the Newcastle Art Gallery team for your ongoing support of the Foundation's activities. Congratulations on keeping the doors open as much as possible so we have all been able to continue to experience our wonderful collection. This year has again highlighted the importance of the Gallery to the social and cultural fabric of our region.

Finally, the Foundation does not exist without the generous support and engagement of our members. Our thanks go out to you all as we continue to work together to grow a vibrant Newcastle Art Gallery. We look forward to seeing many of you in person at our December celebration in the Gallery.

Suzie Galwey

Chair Newcastle Art Gallery Foundation