

Newcastle Art Gallery Foundation - Chair's Report

47th Annual General Meeting, 11 Nov 2024, City Hall.

This year the Foundation has been continuing to nurture support and anticipation for our reimagined Gallery, engaging with our members and supporter community and laying solid Foundations from which to grow philanthropic support for an expanded Newcastle Art Gallery.

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 opportunities for donors, members and stakeholders while the gallery is closed;
- Prudent financial management of donor funds under investment; and
- Strong Governance and Compliance processes.

Supporting the Newcastle Art Gallery Expansion

The Expansion Fundraising Campaign has achieved donations and pledges totalling close to \$12.23million including \$597k received this financial year. This means we are \$770k from achieving our \$13million goal. A huge thank you to all our members and donors who have stepped forward to be *Part of the Story* to build a cultural legacy for our City. We hope more people will take up this once in a lifetime opportunity as the building nears completion.

The Board has now transferred 80 percent of our committed funding including a record contribution of \$5.8 million in the 23/24 financial year. Payments have been made to align with construction milestones as set out in our Funding Agreement with the City of Newcastle. Construction progress has been closely monitored via a monthly written report and verbal briefing from Project Manager, Matt Bennett at our monthly Board meetings.

A significant milestone this year was the divestment of the Newcastle Gallery Redevelopment fund which represented a decade of community and corporate fundraising through Cathy Tate's Lady Mayoress fundraising dinners and other community fundraising. Members will recall the Foundation was custodian of these Funds for a decade, overseeing their growth from \$1.0 million to \$1.6 million in that time.

The Foundation, Cathy Tate OAM and many of the original donors were delighted to present the cheque to the City of Newcastle late last year followed by a celebratory morning tea in City Hall. Another project milestone earlier this year was the unveiling of a foundation stone by NSW Arts Minister John Graham to officially mark the construction phase of the new Gallery.

On behalf of the Foundation, I would like to thank the City of Newcastle, and recognise former Lord Mayor Nuatali Nelmes, Deputy Mayor Declan Clausen, Gallery Director Laretta Morton OAM and project manager Matt Bennett for their help and support during the year. The Foundation welcomes new Lord Mayor Cr Ross Kerridge and looks forward to continuing our constructive and positive working relationship with the City of Newcastle as we finally achieve our shared vision in 2025.

Supporting Newcastle Art Gallery Collection

The Foundation was very proud to donate a significant work of art by internationally acclaimed Quandamooka artist Megan Cope to the Gallery for a cost of \$120k. This gift was over and above the contribution to the expansion project and in line with the Foundation's commitment to support the growth of the Gallery Collection.



Kinyingarra Guwinyanba (Off Country) features 44 poles adorned with a bouquet of rock oyster shells, and will be suspended within the new central atrium of the Gallery and be visible from the ground and first floors as part of the Gallery's aim to put first nations first in the new building.

Foundation members, donors and guests had the opportunity to meet artist Megan Cope during a special preview event at New Annual Festival in September.

Engaging with Community

This year the Foundation has continued to offer events aimed at engaging and informing our community while the Gallery is closed. I will step through the events for this calendar year chronologically.

In February, our generous ambassadors, artists Lottie Consalvo and James Drinkwater hosted a fabulous lunch in their historic home and studio, Longworth House. Guests enjoyed a studio tour and were serenaded by pianist Terence Koo over a delicious lunch.

Nick Mitzevich, Director of the NGA and former NAG Director, continues to be an enthusiastic advocate for Newcastle Art Gallery. Following the success of our major 2023 Palettes and Paella event at the Creator Incubator artist space with Nick in 2023, in May the Foundation facilitated a follow up In Conversation event at the Newcastle Club with Nick interviewed by journalist and author, Scott Bevan. This inspiring and entertaining conversation introduced beautifully by Lauretta, was warmly received by Newcastle Club members, starting new conversations and resulting in additional donations to the Gallery expansion.

The Foundation hosted an information session in June presented by the Gallery Project Team and builders Hansen Yuncken. The visual Fly-through of the Gallery was launched at that event and has helped to build excitement amongst supporters and given supporters a clearer vision of planned Gallery interiors. This has been used at subsequent events and has screened at Civic Cinema screenings similar to the Be Part of the Story Vignettes produced by Karl Brandstater last year. We are now using these assets on Social media and looking into other avenues for their use to help build awareness of the Gallery expansion.

This year, we have continued to grow our **Sydney Friends of Newcastle Art Gallery** program. Building on the success of last year's Sydney Contemporary Art Fair VIP tour, we were again hosted by Lauretta on a tour around the Fair with artist talks from Izabela Pluta, Alex Seton, Brian Robinson and gallerist, Michael Reid. This event provides a wonderful opportunity to connect with Sydney members and donors with connections to Newcastle. Particular thanks to our Sydney-based director Emma O'Neill, Ian Andrews and member Mark Wakeley for their energy and enthusiasm in making these events such a success.

Our Shells & Art event held on 27th September, was a wonderful gathering of art lovers and Foundation supporters.

Thermidor Oyster Bar & Brasserie provided the perfect location to celebrate the launch of New Annual and the Foundation gift of Megan Cope's (*Off Country*) as mentioned earlier. Megan's work was the inspiration behind the Art Gallery's New Annual presence with their "Oyster House" pavilion on the foreshore.

Guests enjoyed a banquet lunch while hearing a delightful and fascinating in conversation with Lauretta and Megan.

Following lunch, guests were put to work at Newcastle Art Gallery's Oyster House pavilion 'Scrub Club' to scrub shells for use in a future artwork of Megan's.

Thank you to Foundation members and guests who purchased raffle tickets for the donated Broome pearl earring and pendant set kindly donated by Broome based jewellers Galwey Pearls. The raffle raised \$1200 and was won by member, Carol Ryan.

Thank you to the University Of Newcastle Gallery Wattspace and Gillean Shaw for hosting a wonderful Christmas event for the Foundation last year on Valerie Ryan's birthday. This year we look forward to Christmas drinks in the LockUp Art Space.

Thank you to our hard working Membership & Development Committee lead by Ian Andrews and Georgie Plenty, Gael Davies, Dawn Mullane, Lisa Robinson, Stewart McLennan, Emma O'Neill and Philanthropy Officer Alice Robson who work so hard to deliver these high quality events and ensure consistent communication to our members and donors.

Planning for the Future

The Foundation held a strategic planning session in March to develop the framework for a 3 year plan to support a larger more complex Gallery. We are working closely with the Gallery and our donors to develop the best pathway to achieve philanthropic support for the gallery into the future. In preparation for these changes, we have separated our Membership and Development committee into 2 subcommittees.

A Membership and Events committee for member events, community fundraising initiatives and growing our supporter community

and a **Donor Stewardship and Bequest committee** which focusses on nurturing and developing regular donors.

The expansion committee was formally disbanded following the strategic planning meeting. This committee served its purpose in providing strategic advice to the Board as we now focus on implementing our expansion funding plan and fundraising activities.

Finance & Investment

Prudent financial management of donor funds underpins the trust of our members and donors.

Our investment decisions are overseen by the Finance and Investment (F&I) subcommittee lead by Mark Stephens. Mark, Josh Walsh, Robert Henderson, Declan Clausen and I have continued to work closely with our investment advisors Ord Minnett to manage our investment portfolio. In addition to ongoing monitoring of our investments, the focus this year has been on managing the orderly transfer of quarantined expansion funds to the City of Newcastle in line with agreed construction milestones.

Josh will talk to our accounts in detail, but I did want to flag our high-level achievements. Foundation Trust's total asset base was at \$14.65 million at the end of the financial year down from \$18.8million last year due to the expansion payments to the City of Newcastle. Of course this has now further reduced given we have now transferred 80% of funds committed for the Gallery expansion. The Foundation Trust therefore easily exceeded its 4% Minimal Annual Distribution for the financial year.

As mentioned last year, the Finance and Investment Committee moved all funds designated for the Gallery Expansion into full capital protection positions - into cash or cash equivalents. These funds have been invested in term deposits with maturities matching the payment schedule agreed with the City of Newcastle. The timing of increasing interest rates has enabled some financial return on these funds while being Capital Protected.

Managing the investment of the ongoing funds held by the Foundation is now a major focus for the Finance and Investment Committee. We have invested these funds for regular income and medium to long term growth in line with our Investment Policy Statement.

Thank you to Mark, and Finance and Investment subcommittee members, Josh Walsh and Robert Henderson and our advisors Nick Wright and Lara Kable at Ord Minnett. A special thanks and acknowledgement to outgoing Ord Minnett advisor Nick Wright who recently announced he will be retiring at the end of this year. Nick has played a key role in managing our investment strategy for many years alongside our F&I committee. We are sure he will continue as a great friend of the Foundation during his next chapter.

Governance and Compliance

All our activities are supported by the work of our Governance and Compliance (G&C) Committee. The Committee includes Genevieve McMahon (Chair), Felicity Wardhaugh and Treasurer Joshua Walsh. The committee ensures best practice compliance with charities regulator the ACNC and all accounting and tax regulations.

This year the G&C has also been working through a full review of our internal policy manual.

Thank you again to Genevieve for overseeing the work of the committee supported by Josh and Felicity. The Foundation also benefits from pro bono support from Sparke Helmore Solicitors and we thank Julien Castaldi and Isabelle Hazell for their invaluable assistance.

2025 Priorities

Looking ahead to our priorities for 2025 and the reopening of Newcastle Art Gallery. As I mentioned earlier, our Strategic planning session in March last year has provided a roadmap for the next 3 years. The areas the Board will be focussing on are:

- **Supporting the Gallery towards reopening and beyond;** We will continue to work with the Gallery, the City of Newcastle, expansion ambassadors, members and the community to grow excitement and support for the expansion and achieve our philanthropic goal.
- **Assessing resourcing needs, capacity building and planning** to ensure the capacity of the Foundation to meet the changing needs of a larger, more complex Gallery.
- **From a Governance and Compliance perspective we** will continue to review our policies and procedures to ensure best practice compliance with our governing body the ACNC.
- Our new subcommittee structure will be focussing on innovative ways to **engage with donors and the community** and to leverage the community excitement as we approach the opening of the expanded Gallery. As committed members, you are the front line to help us encourage others to be part of this new chapter for the Arts in Newcastle.
- **Our finance and investment priorities will include** finalising the transfer of funds to the City of Newcastle for the expansion project while safeguarding and growing our funding base to support a larger Gallery.

Board of Directors 2024

I would like to officially thank the Board for their hard work and professionalism this year. It is a high performing, hard-working team of talented individuals who volunteer considerable time and energy. I have thanked our committee members throughout my report but would also like to pay tribute to Deputy Chair Gael Davies, Board Secretary Dawn Mullane and Treasurer Josh Walsh who not only have significant Office Bearer responsibilities but also work across a broad range of sub-committees. Thank you to Cr Declan Clausen for his contribution and commitment. Thank you also to our expansion committee which as mentioned earlier was disbanded earlier in the year to make way for a new structure to better support the new Gallery. Sincere thanks to Matthew Endacott and Judy Hart for their contribution to this committee over a number of years.

I would like to thank our sub-committee members. Stewart McLennan (DSBC) and Lisa Robinson (ME) and Robert Henderson (F&I) and Felicity Wardhaugh (G&C). As members, if you feel you have the relevant skills, time and energy, and are interested in joining any of our sub-committees, please get in touch with myself or a fellow director to discuss opportunities.

As the Constitution stands, all Board positions, excepting the City of Newcastle Council representative, Councillor Declan Clausen are vacated each year at the AGM. All of our current Directors are renominating this year. We have not received any new nominations for board positions.

Thank you to the Gallery and member community

A huge thank you to Laretta Morton OAM and the expanding Newcastle Art Gallery team for continuing to provide support for Foundation activities as we strive to engage current and potential supporters in innovative ways while the Gallery is closed.

The Foundation does not exist without the philanthropic support and involvement of our members and donors. On behalf of the Board, thank you for your ongoing commitment as we continue to work together toward our shared vision for a vibrant, modern, inclusive Newcastle Art Gallery for future generations.

Suzie Galwey,

Chair