



INDEPENDENT AUDITOR'S REPORT

Art Gallery of New South Wales Foundation

To the Treasurer, Minister for the Arts and Trustees for the Art Gallery of New South Wales Foundation

Report on the audit of the financial statements

Opinion

I have audited the accompanying financial statements of the Art Gallery of New South Wales Foundation (the Foundation), which comprise the Statement by the Accountable Authority, the Responsible Persons' declaration, the Statement of comprehensive income for the year ended 30 June 2025, the Statement of financial position as at 30 June 2025, the Statement of changes in equity and the Statement of cash flows for the year then ended, and notes to the financial statements, including a Statement of Material Accounting Policy Information and other explanatory information.

In my opinion, the financial statements:

- have been prepared in accordance with Australian Accounting Standards
- presents fairly the Foundation's financial position, financial performance and cash flows
- have been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and Division 60 of the Australian Charities and Not-for-profits Commission Regulations 2022 (ACNC Regulations)
- have been prepared in accordance with clause 18 of the of the Taxation Administration (Public Ancillary Fund) Guidelines 2022 (the Guidelines).

My opinion should be read in conjunction with the rest of this report.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report.

I am independent of the Foundation in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants (including Independence Standards)' (APES 110).

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of public sector agencies
- precluding the Auditor-General from providing non-audit services.

I have fulfilled my other ethical responsibilities in accordance with APES 110.

I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Trustees' Responsibilities for the Financial Statements

The Trustees are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, the ACNC Act, the ACNC Regulations and the Guidelines. The Trustees' responsibility also includes such internal control as the Trustees determine is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Foundation's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar4.pdf. The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

- that the Foundation carried out its activities effectively, efficiently and economically
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.

Report on compliance with the Taxation Administration (Public Ancillary Fund) Guidelines 2022

Opinion

In addition, I have undertaken an audit to provide reasonable assurance on the Foundation's and its Trustees' compliance, in all material respects, with the requirements of the Taxation Administration (Public Ancillary Fund) Guidelines 2022 (the Guidelines) for the year ended 30 June 2025.

In my opinion, the Foundation and its Trustees have, in all material respects, complied with the requirements of the Guidelines.

My opinion should be read in conjunction with the rest of this report, including the inherent limitations.

Basis for Opinion

I conducted my audit in accordance with the Standard on Assurance Engagements ASAE 3100 'Compliance Engagements' (ASAE 3100) issued by the Auditing and Assurance Standard Board.

I believe that the evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Trustees' Responsibilities under the Guidelines

The Trustees are responsible for:

- complying with the requirements of the Guidelines
- the identification of risks that threaten compliance with requirements identified above being met and controls which will mitigate those risks and monitor ongoing compliance.

Independence and Quality Management

I have complied with the independence and relevant ethical requirements, which are founded on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The Audit Office of New South Wales applies Auditing Standard ASQM 1 'Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance Engagements or Related Service Engagements'. This Standard requires the Audit Office of New South Wales to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Auditor's Responsibilities under the Guidelines

My responsibility is to express an opinion on the Foundation's and its Trustees' compliance, in all material respects, with the Guidelines. ASAE 3100 requires that I plan and perform procedures to obtain reasonable assurance whether the Foundation and its Trustees have, in all material respects, complied with the Guidelines.

This audit involved performing procedures to obtain audit evidence about the Foundation's and its Trustees' compliance with the Guidelines. The procedures selected depend on my judgement, including the identification and assessment of the risks of material non-compliance with the Guidelines.

Inherent Limitations

Because of the inherent limitations of any compliance procedure, together with the Foundation's internal control structure it is possible that fraud, error or non-compliance with the Guidelines may occur and not be detected. My procedures have not been performed continuously throughout the period and were not designed to detect all instances of non-compliance.

An audit for the year ended 30 June 2025 does not provide assurance on whether compliance with the Guidelines will continue in the future.

Use of Report

The 'Report on compliance with the Taxation Administration (Public Ancillary Fund) Guidelines 2022' section of my report was prepared for the purpose of fulfilling the Foundation's reporting obligations under the Guidelines. I disclaim any assumption of responsibility for any reliance on this section of the report for any other purpose other than for which it was prepared.



Cassie Malone
Director, Financial Audit

Delegate of the Auditor-General for New South Wales

14 October 2025
SYDNEY

Statement by the Accountable Authority

In accordance with a resolution of the Trustees of the Art Gallery of New South Wales Foundation, we state that these financial statements for the year ended 30 June 2025:

- have been prepared in accordance with the Australian Accounting Standards and Interpretations, *Australian Charities and Not-for-profits Commission Act 2012* and Australian Charities and Not-for-profits Regulations 2022
- present a true and fair view of the Art Gallery of New South Wales Foundation's financial position, financial performance and cash flows.

The Trustee's also state that:

- the provisions of the *Charitable Fundraising Act 1991*, the Regulations under that Act and the conditions attached to the Charitable Fundraising Authority have been complied with by the organisation; and
- The financial statements have been prepared in accordance with the requirements of the Taxation Administration (Public Ancillary Fund) Guidelines 2022 (the PAF Guidelines) made under section 426-103 in Schedule 1 to the Income Tax Assessment Act 1953 and the Foundation has complied with the PAF Guidelines during the financial year ending 30 June 2025 .

Further, at the date of this statement , we are not aware of any circumstances that would render the particulars included in the financial statements to be misleading or inaccurate.



.....
B. Church
Chairperson



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J. Playoust
Deputy Chairperson

Dated: 9 October 2025

Responsible persons declaration under the *Australian Charities And Not-For-Profit Commissions Act 2012*

In the opinion of the Responsible Persons of the Art Gallery of New South Wales Foundation:

1. The financial statements and notes of the Art Gallery of New South Wales Foundation are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* , including:
 - (a) Giving a true and fair view of its financial position as at 30 June 2025 and of its performance for the financial year ended on that date; and
 - (b) Complying with Australian Accounting Standards and the Australian Charities and Not-for-profits Commission Regulation 2022; and
2. There are reasonable grounds to believe that the Art Gallery of New South Wales Foundation will be able to pay its debts as and when they become due and payable.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2022* .



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B. Church
Chairperson
Art Gallery of NSW Foundation



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J. Playoust
Deputy Chairperson
Art Gallery of NSW Foundation

Dated: 9 October 2025

Statement of comprehensive income for the year ended 30 June 2025

	Note	2025 \$'000	2024 \$'000
Expenses			
Operating expenses	2	183	178
Contributions to the Art Gallery of New South Wales Trust		3,185	3,398
Total expenses		3,368	3,576
Revenue			
Donations and bequests	3 (a)	2,036	781
Investment revenue	3 (b)	5,605	3,253
Total revenue		7,641	4,034
Net result for the year		4,273	458
Total other comprehensive income		-	-
Total comprehensive income		4,273	458

The accompanying notes form part of these financial statements.

Statement of financial position as at 30 June 2025

	Note	2025 \$'000	2024 \$'000
ASSETS			
Current assets			
Cash and cash equivalents	4	17,307	12,024
Receivables	5	170	204
Financial assets at fair value through profit and loss	6	50,462	51,443
Total current assets		67,939	63,671
Non-current assets			
Total non-current assets		-	-
Total assets		67,939	63,671
LIABILITIES			
Payables		15	20
Total current liabilities		15	20
Total non-current liabilities		-	-
Total liabilities		15	20
Net assets		67,924	63,651
EQUITY			
Accumulated funds		67,924	63,651
Total equity		67,924	63,651

The accompanying notes form part of these financial statements.

Statement of changes in equity for the year ended 30 June 2025

	Accumulated Funds	Total
	\$'000	\$'000
Balance at 1 July 2023	63,193	63,193
Net result for the year	458	458
Other comprehensive income	-	-
Total Comprehensive Income	458	458
Balance at 30 June 2024	63,651	63,651
 Balance at 1 July 2024	 63,651	 63,651
Net result for the year	4,273	4,273
Other comprehensive income	-	-
Total Comprehensive Income	4,273	4,273
Balance at 30 June 2025	67,924	67,924

The accompanying notes form part of these financial statements.

Statement of cash flows for the year ended 30 June 2025

	NOTE	2025 \$'000	2024 \$'000
Cash Flows From Operating Activities			
Receipts			
Donations and bequests received		2,036	781
Investment revenue received		4,654	3,535
Total receipts		6,690	4,316
Payments			
Contributions and other operating expenses paid		(3,373)	(3,567)
Total payments		(3,373)	(3,567)
Net Cash Flows From Operating Activities	8	3,317	749
Cash Flows From Investing Activities			
Proceeds from sale of investments		4,391	8,297
Purchase of investments		(2,425)	(9,175)
Net Cash Flows From Investing Activities		1,966	(878)
Net Cash Flows From / (used in) Financing Activities		-	-
Net (increase) / decrease in cash and cash equivalents		5,283	(129)
Opening cash and cash equivalents		12,024	12,153
Closing Cash And Cash Equivalents	4	17,307	12,024

The accompanying notes form part of these financial statements.

Notes to the financial statements for the year ended 30 June 2025

1 Statement of Material Accounting Policy Information

(a) Reporting entity

The Art Gallery of New South Wales Foundation (the Foundation) is a Public Ancillary Fund and a prescribed entity under the Government Sector Audit Regulation 2024. The Foundation operates one program to raise donations, invest the capital and make distributions to the Art Gallery of New South Wales Trust (the Gallery) for the acquisition of works of art. It is a not-for-profit entity, as profit is not its primary objective and it has no cash generating units.

The Foundation holds authority to fundraise under the provisions of the *Charitable Fundraising Act, 1991(NSW)*.

The financial statements were authorised for issue on 9 October 2025.

(b) Basis of preparation

The Foundation's financial statements are general purpose financial statements which have been prepared in accordance with:

- applicable Australian Accounting Standards and Interpretations
- the provisions of the *Charitable Fundraising Act 1991* and the regulations under the Act
- the *Australian Charities and Not-for-Profit Commission Act 2012* and Australian Charities and Not-for-Profit Regulations 2022
- Taxation Administration (Public Ancillary Fund) Guidelines 2022
- the requirements of the *Government Sector Finance Act 2018* (GSF) Act
- Treasurer's Directions issues under the GSF Act

Financial assets at 'fair value through profit or loss' are measured at fair value. Other financial statements items are prepared on an accrual basis and based on historical costs.

(c) Accounting standards issued but not yet effective

i) Effective for the first time in 2024-25

The accounting policies applied in 2024-25 are consistent with those of the previous financial year except as a result of new or revised Australian Accounting Standards.

The impact of these standards has not materially affected the financial statements of the Foundation.

ii) Issued but not yet effective

NSW public sector entities are not permitted to early adopt new Australian Accounting Standards, unless Treasury determines otherwise. It is not anticipated that the adoption of Australian Accounting standards issued but not effective will affect the financial statements of the Foundation.

Notes to the financial statements for the year ended 30 June 2025

	2025 \$'000	2024 \$'000
2 Expenses		
<i>Operating expenses</i>		
Audit fees - audit of financial statements	15	21
Bank and other charges	3	1
Fund management fees	165	156
	183	178
3 Revenue		
(a) Donations and Bequests		
Donations (fundraising income)	2,036	781
	2,036	781

Any donations received where the use of those funds is restricted under the conditions of the contribution to specific purposes are applied for those specific purposes. Costs of fundraising include all fundraising costs in accordance with the Act. Any surplus arising from fundraising appeals is applied to the charitable purposes of the Foundation. Donations received by the Foundation are used to fund acquisition of works of art.

(b) Investment revenue		
Interest	29	18
Dividend Imputation Credit	286	204
Distribution on investments carried at fair value	4,305	3,517
Net gain/(loss) on investments carried at fair value through profit and loss	985	(486)
	5,605	3,253

Recognition and Measurement

(i) Donations and bequests

Revenue is measured at the fair value of the consideration or contribution received or receivable. Donations collected, including cash and goods are recognised as revenue when the Foundation gains control of the asset. Bequests are recognised when the Foundation is notified of an impending distribution or the bequest is received, whichever occurs earlier. Non-cash donations and contribution of services shall only be recognised as income when the fair value can be reliably measured.

(ii) Investment revenue

Dividends and Distributions income is recognised when the Foundation's right to receive payment has been established.

Notes to the financial statements for the year ended 30 June 2025

	2025	2024
	\$'000	\$'000
4 Current assets - cash and cash equivalents		
Cash at bank	194	172
Cash within the investment portfolio	6,123	2,852
Short-term deposits within the investment portfolio	10,990	9,000
Total cash	17,307	12,024
5 Current assets - receivables		
Receivables	170	204

Receivables comprised investment dividend imputations refundable from the ATO.

6 Current assets - financial assets at fair value through profit and loss

(a) Financial Instruments

The Foundation holds the following financial assets at fair value through profit and loss:

Equities	7,989	6,915
Fixed Income (Bonds)	16,069	15,121
Managed funds	26,404	29,407
Total non current financial assets at fair value	50,462	51,443

(b) Financial Risks

The Foundation's investment portfolio and investment strategy is reviewed by the Finance Committee. The main risk arising from the Foundation's financial assets is market risk.

The Foundation is not materially exposed to concentrations of credit risk to a single trade debtor or group of debtors. No collateral is held by the Foundation nor have any financial guarantees been granted.

The Foundation has no loans or overdrafts and no assets have been pledged as collateral. The Foundation continues to meet its obligations as and when they fall due.

The following table summarises the impact of fluctuations on the investment portfolio in relations to changes in market prices:

	Change in Unit Price		Impact on Profit/Loss and Equity	
			\$'000	\$'000
Cash	+/-	1%	173	(173)
Equities	+/-	10%	799	(799)
Fixed Income (Bonds)	+/-	10%	1,607	(1,607)
Managed funds	+/-	10%	2,640	(2,640)

The Foundation has no interest bearing liabilities and therefore is not exposed to interest rate risk on borrowings.

Notes to the financial statements for the year ended 30 June 2025

(c) Fair value recognised in the Statement of Financial Position

All financial assets at fair value held by the Foundation are considered Level 1.

There were no reclassifications between levels during the period ended 30 June 2025 .

7 Restricted assets

Cash and Financial Assets comprise the following restricted amounts

	2025	2024
	\$'000	\$'000
Cash	17,307	12,024
Financial Assets	50,462	51,443
Total Cash and Financial Assets	67,769	63,671

The above funds represent monies received through bequests and donations, and are classified as restricted assets of the Art Gallery of NSW Foundation as they are either:

- subject to externally imposed restrictions (ie. donor conditions, bequest agreements or other contractual agreements) that sufficiently specify the manner in which the funds are to be used
- designated as restricted assets subject to limitations on use, based on management's assessment of donor intent.

8 Reconciliation of cash flows from operating activities to net result

Net cash flows used on operating activities	3,317	749
Net gain/(loss) on investments carried at fair value through profit and loss	985	(486)
(Decrease) / Increase in receivables	(34)	204
Decrease / (Increase) in payables	5	(9)
Net Result	4,273	458

Notes to the financial statements for the year ended 30 June 2025

9 Commitments

There are no capital expenditure commitments outstanding as at 30 June 2025 (nil in 2024).

10 Contingent liabilities & contingent assets

At the date of these statements, the Trustees are not aware of any material contingent assets or liabilities for the year ended 30 June 2025 (2024: Nil).

11 Related parties

The key management personnel of the Art Gallery of New South Wales Foundation are its Trustees. The Foundation's Trustees act in an honorary capacity and receive no compensation for their services.

No Trustee of the Foundation has received or become entitled to receive a benefit because of the contract made by the Foundation or a related body with the Trustee or with a firm of which the Trustee is a member, or with a company in which the Trustee has a substantial interest.

Contributions made to the Art Gallery of New South Wales Trust for the year ended 30 June 2025 were \$3,185,000 (2024 \$3,398,234). The Art Gallery of NSW Foundation is the Art Gallery of NSW Trust's major acquisition fund. The Art Gallery provides administrative support to the Foundation. The Foundation raises money from donations and bequests, invests this capital and then uses the earnings from the capital to make annual contributions to the Art Gallery of NSW Trust. These contributions primarily support the acquisition of artworks for the Trust's collection.

12 Events after the reporting period

There are no events which have occurred after the reporting period that would impact the financial statements.

End of audited financial statements