25 Annual 26 Report

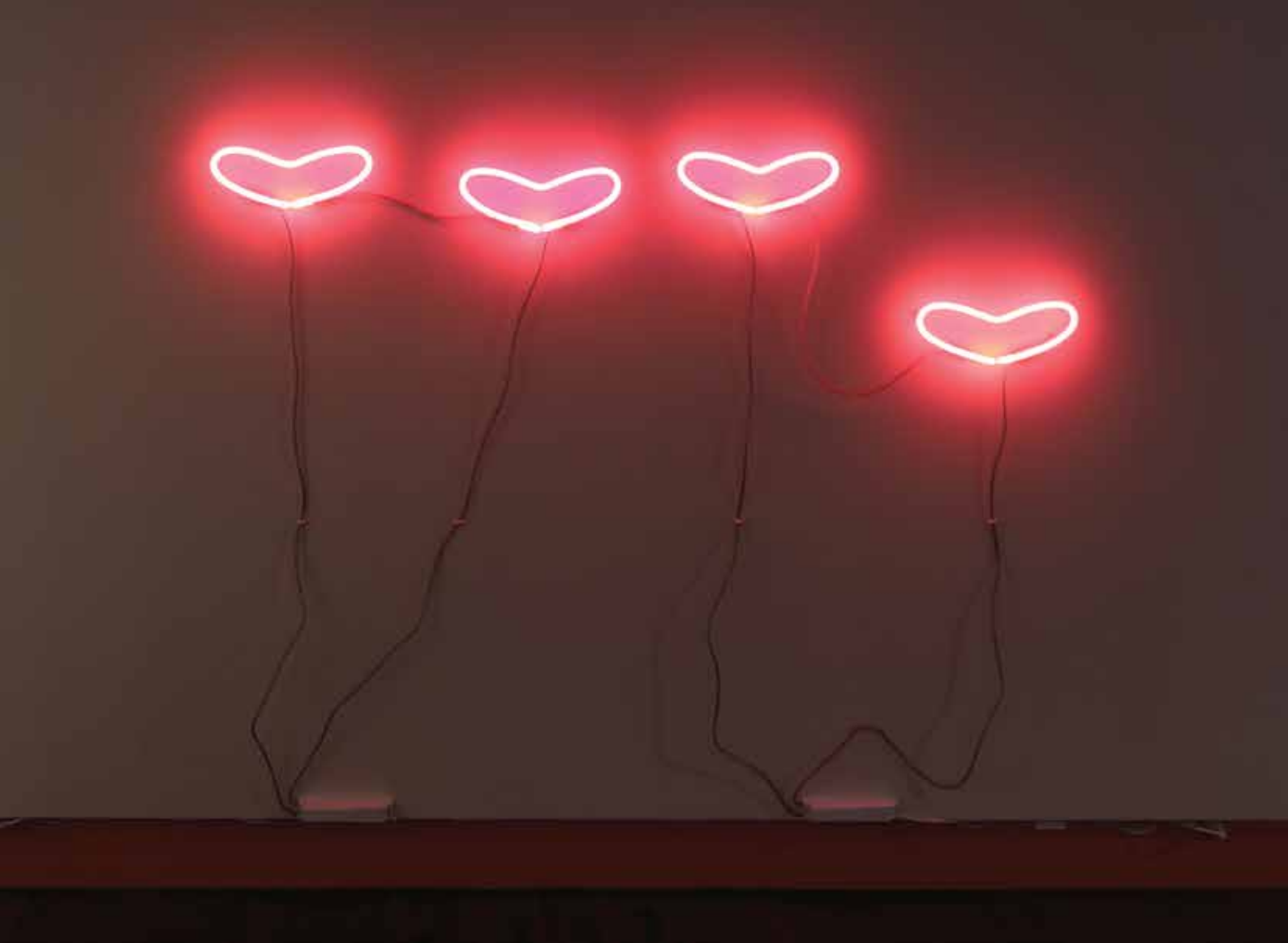
TE ARATOI
O WHAKATŪ
THE SUTER
ART GALLERY



Mihi

E te Tī, e te Tā, e huihui mai nei ki te reo karanga o Te Ara Toi o Whakatū, tēnā koutou. Ki ō tātou mate huhua e hingahinga mai nei i roto i ngā tau, ngā marama, ngā wiki, tae noa ki tēnei rā — haere, haere, haere atu rā. Ki a koutou ngā tirohanga kanohi kua hoki atu ki te Ao Wairua, moe mai, okioki ai.

Ka hoki ki te hunga ora, ki a tātou e hui nei mō tēnei Hui ā Tau, ka mihi mahana ki a koutou katoa. Nō reira, tēnā tātou katoa.



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Ko te pouāranga – Jane Du Feu

In the past year, many within our Iwi and the wider community have passed. It is important to acknowledge, with deep respect, those who were steadfast supporters and friends of The Suter. Their contributions and presence are deeply valued. We farewell them and honour their memory.

Ko Te Pouāranga continues to operate in partnership with Te Tai Ao Iwi Komiti of Te Pupuri Taonga o Whakatū. This forum provides an essential mechanism for The Suter to keep the Iwi Komiti regularly informed of gallery activities and to seek guidance on matters requiring a bicultural perspective. The alignment of membership across both entities has streamlined Iwi representation and strengthened continuity of advice.

The Komiti previously met quarterly; however, as the volume of kaupapa requiring Iwi input increased, meetings were shifted to a six weekly cycle. This change has been challenging to maintain due to shifts in membership, and the effectiveness of the current schedule continues to be reviewed.

Director Toni MacKinnon has brought a refreshing and forward looking approach to the role, reinforcing the importance of Te Ao Māori within the gallery environment. Her leadership has supported innovative strategies to enhance the visibility, presence, and celebration of Māori art across exhibitions and programmes. There is a shared commitment to creating more opportunities for Māori artists from the local community to be represented and celebrated at The Suter.

Chairperson's report

The past year has been a challenging one for The Suter Gallery, reflecting the broader economic pressures being experienced across our community. The cost of basic operations has continued to rise, in many instances at a rate greater than the increase in local government grant support. At the same time, contributions from some of our traditional benefactors have reduced, reflecting the difficult economic climate and the pressures being faced by individuals, businesses and philanthropic organisations.

These circumstances have required the Board and management to make some difficult decisions. We have undertaken a careful review of expenditure and sought opportunities to reduce costs while maintaining the Gallery's essential role within the region. This has meant reconsidering expenditure in areas that were once regarded as core activities, including exhibition costs and staffing levels at the public interface. These decisions are not taken lightly, as we recognise the importance of maintaining The Suter's role as an accessible public gallery, with a strong exhibition programme, education and public engagement at its heart.

Against this background, it is particularly pleasing that government funding has continued to support the Gallery's important education programme. This assistance enables schools to bring students to The Suter to experience art in a gallery environment and to participate in art education activities. Providing young people with meaningful access to art and creative experiences remains one of the Gallery's most important contributions to the community, and we are grateful for the continued recognition and support of this work.

We have also been encouraged by the community's willingness to support the Gallery through fundraising initiatives. The contribution of approximately $25,000 from the art auction was a valuable addition to our resources during a difficult financial year. While modest in the context of the Gallery's overall operating requirements, it demonstrates the goodwill and commitment that exists within our community and provides an important reminder of the value people place on The Suter.

I would like to acknowledge the dedication of our team, volunteers, supporters and fellow Board members. Their commitment has enabled The Suter to continue delivering its cultural and educational role despite the financial challenges we face.

Looking ahead, financial sustainability will remain a key priority. We will continue to seek efficiencies, strengthen relationships with funders and supporters, and explore new opportunities for partnership and revenue generation, while remaining focused on the Gallery's core purpose and its importance to the region.

The challenges are real, but so too is our commitment to ensuring that The Suter remains a vibrant and accessible cultural institution for our community and future generations.

Director's report

A year of art, audiences, and ambition

Te Aratoi o Whakatū The Suter Art Gallery exists to connect people with art, ideas, and the cultural heritage of Te Tau Ihu. Our ambition is to be a gallery that is relevant to the people of this region, while presenting work of national significance and caring for a collection that belongs to future generations.

This year we continued to build towards that ambition. We presented a programme that brought leading artists from Aotearoa and overseas into conversation with artists from our own region; increased opportunities for children, young people and adults to engage with art; and continued the work of building a financially sustainable organisation.

None of this happens without the people who support The Suter. We are grateful to our volunteers, supporters, sponsors, councils, artists, educators, partners, and audiences who contribute their time, expertise, and resources.





Our principal funders

The Suter is grateful for the ongoing support of our principal funders, Nelson City Council te Kaunihera o Whakatū and Tasman District Council te Kaunihera o te Tai o Aorere.

Their investment makes it possible for The Suter to provide free public access to art, care for a significant collection, deliver education and public programmes, and present a strong exhibition programme for the people of Te Tau Ihu.

Nelson City Council
Te Kaunihera o Whakatū

tasman district council
Te Kaunihera o te tai o Aorere

89,012 visitors

4,699 students

8,000 visitors to the theatre

A gallery/ theatre/café for everyone

Free public access remains central to our purpose. Nelson City Council and Tasman District Council provide 58% of The Suter's operating income, making it possible for us to offer free access and deliver a public programme for the region.

Our audiences are central to how we think about The Suter. We want people to see The Suter as a place they can return to regularly - whether they come to see an exhibition, bring their children, attend an event, take part in a class, hear an artist speak, or simply spend time with art. This year, over **89,012** people came through our doors for one of those reasons.

This year **4,699** school students visited the gallery through our education programme. We continued to offer art classes for children and adults, alongside artists' talks, performances and public events.

Over **8,000** members of our community have performed, watched, learned and engaged in the Suter Theatre.

Highlights of our programme were our partnership with **Nelson Arts Festival, Adam Chamber Music Festival, Footnote New Zealand Dance, Nelson Fringe Festival, Cultural Conversations, Fua Creative** and **Nelson Jewellery Week**, as well as artists' talks and other opportunities to meet artists and engage more deeply with exhibitions.

Beyond the gallery, we have also continued to build relationships with organisations such as **Otago Polytechnic School of Art, Nelson Marlborough Institute of Technology, Motueka Arts Council and The Refinery ArtSpace** - and partnered with **The Dowse Art Museum, Objectspace Auckland, Te Manawa Art Gallery,** and **Makers 101.**



Multiples: Christopher Ulutupu

A nationally significant programme

Our exhibition programme is an important part of our role as a regional gallery. We want audiences in Nelson to have access to artists, ideas, and exhibitions they might otherwise have to travel elsewhere to experience.

Across the year, 12 exhibitions brought together works from The Suter's collection, artists from Te Tau Ihu, nationally significant artists, and touring exhibitions developed through partnerships.

The programme ranged from contemporary photography, moving image and sculpture, to ceramics, painting, textiles, and works from the collection. It also created opportunities to connect established artists with emerging practices and local audiences.

Wayne Youle: *Back in Five*

Curated by Dr Chelsea Nichols of The Dowse Art Museum, *Back in Five* brought together sculptural works by Wayne Youle, exploring identity, time, and personal history.

The exhibition added another strong contemporary Māori and New Zealand voice to the programme and demonstrated the value of curatorial partnerships between institutions.

Christopher Ulutupu: *Multiples*

Multiples was a major presentation of Nelson artist Christopher Ulutupu's photographic and moving-image practice.

Drawing on family, popular culture, performance, and Pacific experience, Ulutupu's work considers identity as layered, relational, and continually evolving. The exhibition brought a substantial contemporary practice to Nelson and extended The Suter's programme of nationally significant contemporary art.

The exhibition also connected with the wider arts community through a live performance of *Dreaming of Lulu* as part of the Nelson Fringe Festival.

The Suter Art Collection as a living resource

The Suter's collection is one of our greatest assets and a responsibility held in trust for future generations.

This year we continued to use the collection actively - not simply preserving it, but bringing it into the gallery so that audiences can see, question, and understand the art held here.

We Are Young: Childhood in Photography brought together photographs of tamariki in Aotearoa from the late nineteenth century to the present, including works by Gary Blackman, Marti Friedlander, Ans Westra, Laurence Aberhart, Athol McCredie, Anne Noble, Evelyn Macpherson, Bruce Connew, Russ Flatt, Edith Amituanai, and Tia Ranginui.



Detail of *Planted*; a collection show

Planted explored the recurring role of plant life in art, bringing together works across photography, film, sculpture, and painting from the nineteenth century to the present.

Fired Forward: Ceramics from the Collection focused on one of the strengths of The Suter's holdings — ceramics and the history of studio pottery and contemporary clay practice in Aotearoa.

Importantly, *Fired Forward* also looked ahead. Alongside significant works already held in the collection, we commissioned new artists to create works that will become part of the collection. These new acquisitions place contemporary voices in conversation with the gallery's history and ensure the collection continues to reflect the artistic life of Te Tau Ihu.

Giles Panting: *Fray*

In *Fray*, Giles Panting used stitch, fabric, and the sewing machine to examine ideas of status, power, and the legacy of empire.

Drawing on the historical symbolism of European lace and heraldic design, Panting transformed familiar decorative forms into a meditation on narratives of power and their gradual unravelling.

Gabbee Stolp: *Washed Up*

Tasmanian artist Gabbee Stolp presented new hand-crafted works combining jewellery, textiles, and sculpture. The exhibition extended The Suter's programme beyond Aotearoa and introduced audiences to a distinctive contemporary material practice.

Stuart and Kate Newby: *What song is this?*

Father and daughter, Stuart and Kate Newby, brought two generations of making into dialogue. Kate Newby's internationally recognised, site-responsive practice was presented alongside Nelsonian Stuart Newby's four decades of work in ceramics and his contribution to Aotearoa's studio pottery tradition.

Robyn Kahukiwa: *Tohunga Mahi Toi*

Tohunga Mahi Toi presented the powerful work of Robyn Kahukiwa, whose practice centres Māori identity, strength, storytelling, and intergenerational knowledge.

The exhibition provided audiences with an opportunity to encounter an important body of Māori art and ideas grounded in mātauranga and lived experience.



Being financially sustainable

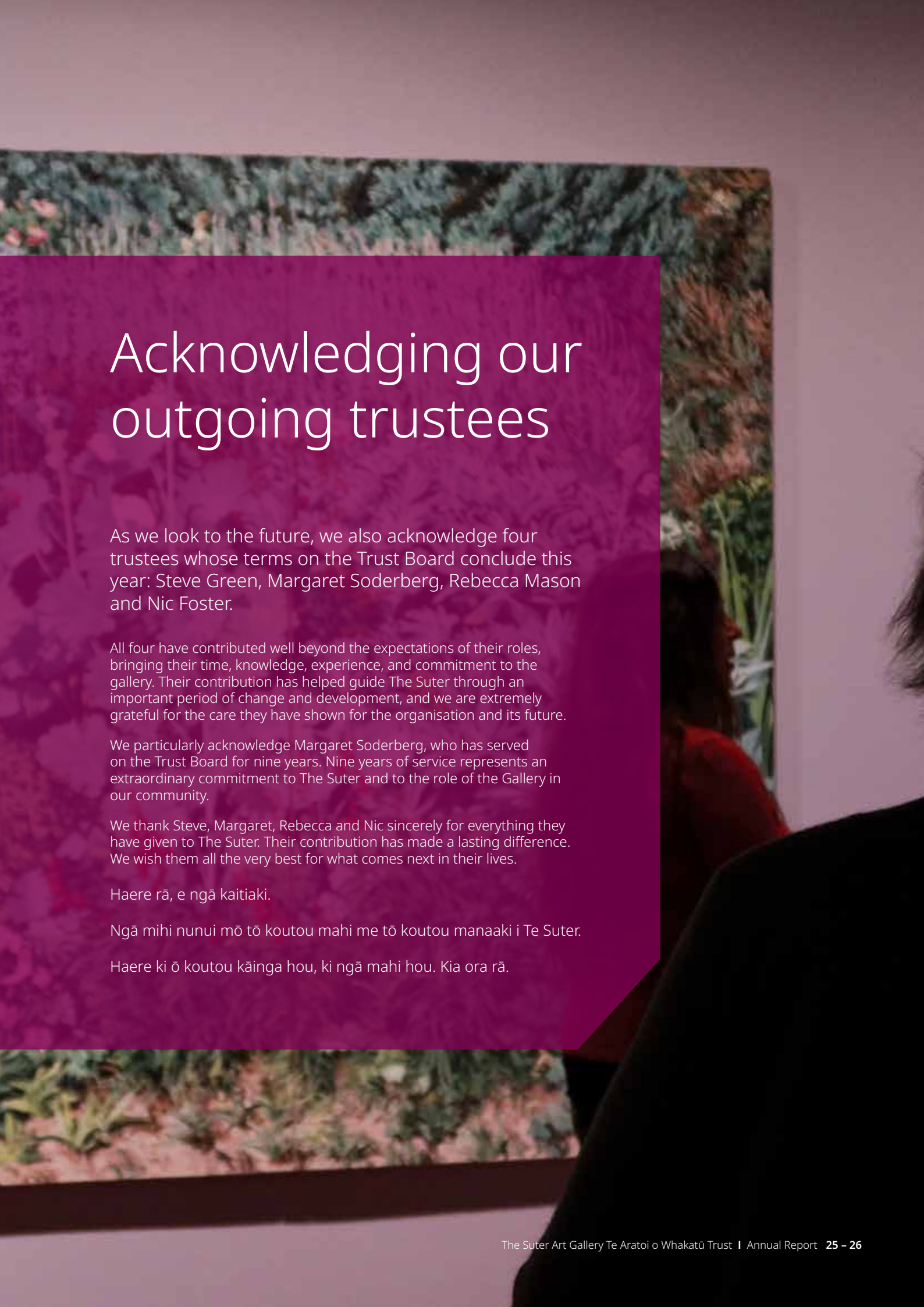
Public galleries have a responsibility to be ambitious about what they offer, and realistic about what it takes to deliver it.

Council funding remains fundamental to The Suter, but it does not cover the full cost of operating the gallery. Financial sustainability is therefore an important part of our strategy - not separate from our artistic and public purpose, but necessary to support it.

During the year, we continued to strengthen our commercial income, our fundraising, sponsorship and philanthropic relationships. New sponsors included Webbs and The Nelson Suter Art Society, alongside longstanding supporters, including Joe and Kay Pastorius Waller, The Blumhardt Foundation, JBWere, and NBS.

Our retail operation has also continued to evolve, with a stronger focus on artists, design, and products that connect with the gallery's exhibitions and collection.

The work ahead is significant. We need to continue developing new sources of income while protecting the things that make The Suter valuable to the community: free access, strong exhibitions, education, collection care, and opportunities for people to engage with art.



Acknowledging our outgoing trustees

As we look to the future, we also acknowledge four trustees whose terms on the Trust Board conclude this year: Steve Green, Margaret Soderberg, Rebecca Mason and Nic Foster.

All four have contributed well beyond the expectations of their roles, bringing their time, knowledge, experience, and commitment to the gallery. Their contribution has helped guide The Suter through an important period of change and development, and we are extremely grateful for the care they have shown for the organisation and its future.

We particularly acknowledge Margaret Soderberg, who has served on the Trust Board for nine years. Nine years of service represents an extraordinary commitment to The Suter and to the role of the Gallery in our community.

We thank Steve, Margaret, Rebecca and Nic sincerely for everything they have given to The Suter. Their contribution has made a lasting difference. We wish them all the very best for what comes next in their lives.

Haere rā, e ngā kaitiaki.

Ngā mihi nunui mō tō koutou mahi me tō koutou manaaki i Te Suter.

Haere ki ō koutou kāinga hou, ki ngā mahi hou. Kia ora rā.

The people behind The Suter

The Gallery is a small organisation with a large public role. Our staff, volunteers, and the wider community make it possible to deliver our programmes every day.

We are particularly grateful to our volunteers, whose contribution supports the gallery across visitor services, events, administration, and the many practical jobs that keep a public gallery running.

We thank Susan Bruce, Sue and Dave Hamilton, Elizabeth Gould, Ainslie Riddoch, Dru Mason, Brenda Peach, Wendy Lyon, Brian Nelson, Jennie Warr, Ellie Fijn, Jo Kahl, and Cynthia McKenzie for the time and energy they have given to The Suter this year.

We also acknowledge the artists, lenders, educators, contractors, partner organisations, and supporters whose work sits behind every exhibition and programme.

A Gallery that is nationally relevant, locally connected and financially sustainable.

Looking ahead

The next stage for The Suter is about focus and ambition.

We want to reach more people, particularly those who do not currently see the gallery as a place for them. We want to continue bringing significant artists and ideas to Nelson and giving local artists a platform. We want to make better use of the collection and ensure it continues to grow. And we need to build the financial strength to sustain this work over the long term.

Our ambition is straightforward: **a Gallery that is nationally relevant, locally connected and financially sustainable.** That is the work ahead.

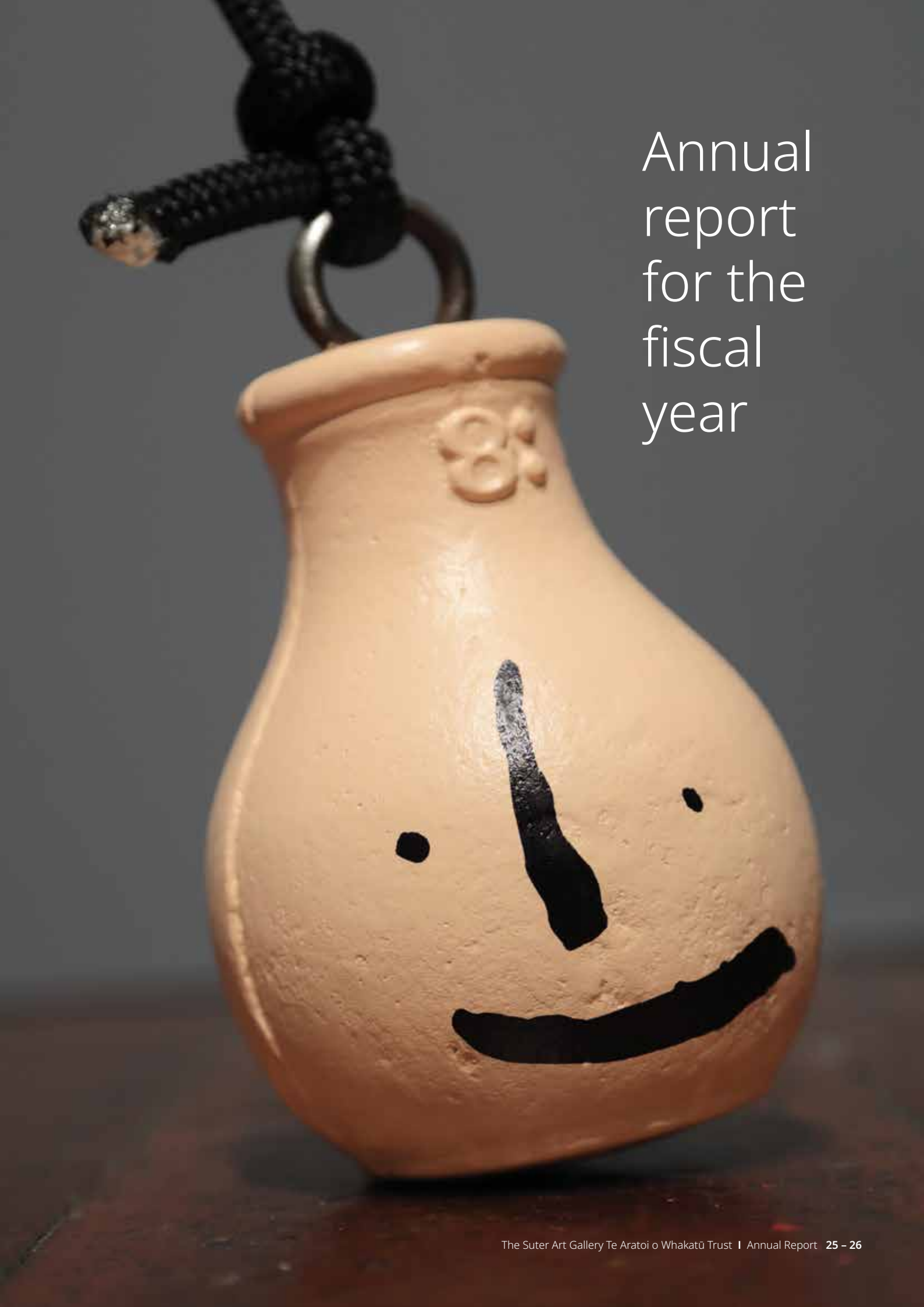


Mau kaki from Pākhekoheko, 2025 Keri -Mei Zagrabelna (purchased)

New acquisitions

This year we continued to grow the collection, adding new works that reflect the breadth of contemporary practice and strengthen its relevance to the artistic life of Te Tau Ihu and Aotearoa.

1. Robert Johnson (gifted by the Campbell Family)
2. Sea Lion of the Sub-Antarctic Islands, 2025, Craig Potton (gift of the artist)
3. *French Curve Pendant*, 2023 Craig McIntosh (purchased)
4. *Mau kaki from Pākhekoheko*, 2025 Keri-Mei Zagrobelna (purchased)
5. EC06559 Evelyn Page *Jug Dahlia*s, 2023, Paul Maseyk (purchased)
6. *Delaware Bay* and *Waimea Inlet*, no date, Pérrine Moncrieff (Gifted by Friends of the Haven)
7. *Still Life with Lace Curtains and Tapestry*, c.1980s, Helene Carkeek (gift of the artist)



Annual report for the fiscal year

THE SUTER ART GALLERY TE ARATOI O WHAKATŪ TRUST

Statement of comprehensive revenue and expense

For the year ended 30 June 2026

	Note	Actual 2026 $	Budget 2026 $	Actual 2025 $
Revenue				
Revenue from non-exchange transactions	4	997,616	1,108,682	991,849
Revenue from exchange transactions	5	453,148	412,706	486,709
Total revenue		**1,450,764**	**1,521,388**	**1,478,557**
Expenditure				
Personnel costs	6	702,235	712,392	722,892
Retail and marketing		48,121	60,950	56,056
Exhibitions		104,038	110,297	112,033
Governance		65,265	77,300	73,961
Building and facilities		311,811	265,850	274,612
Depreciation		436,290	446,313	436,898
Other	7	275,002	235,500	236,635
Total expenditure		**1,942,763**	**1,908,602**	**1,913,088**
Subtotal operating surplus/(deficit)		**(491,999)**	**(387,214)**	**(434,531)**
Revenue from unrealised market adjustments		181,507	176,130	122,437
Collection impairment expense		-	-	(399,657)
Operating surplus/(deficit)		**(310,492)**	**(211,084)**	**(711,750)**

THE SUTER ART GALLERY TE ARATOI O WHAKATŪ TRUST

Statements of changes in net assets/equity

For the year ended 30 June 2026

Opening equity	19,295,252	20,007,002
Surplus/(deficit) for the period	(310,492)	(711,750)
Closing equity	**18,984,760**	**19,295,252**

The Trust accepts responsibility for the preparation of the annual financial statements and the judgements used in these financial statements.

The Trust's 2026 financial statements are authorised by the Trust.

Stephen Green
Chairperson

16 September 2026
Date



Rebecca Mason
Trustee

16 September 2026
Date



THE SUTER ART GALLERY TE ARATOI O WHAKATŪ TRUST

Statement of financial position

As at 30 June 2026

	Note	Actual 2026 $	Actual 2025 $
Current assets			
Cash and cash equivalents	8	82,387	80,486
Trade and other receivables		40,511	22,368
Other current assets	9	26,651	117,525
Specific purpose investments		2,470,748	2,375,617
Total current assets		**2,620,297**	**2,595,996**
Non-current assets			
Collection	10	7,648,586	7,642,587
Property, plant and equipment	11	7,895,847	8,313,241
Other	16c	975,420	1,000,900
Total non-current assets		**16,519,853**	**16,956,728**
Total assets		**19,140,150**	**19,552,724**
Liabilities			
Current liabilities			
Trade and other payables	12	112,540	216,883
Employee entitlements		23,283	27,128
Income in advance		19,567	13,462
Total current liabilities		**155,390**	**257,473**
Total liabilities		**155,390**	**257,473**
Net assets		**18,984,760**	**19,295,252**
The Bishop Suter Trust equity			
Equity		18,984,760	19,295,252
Total Trust equity		**18,984,760**	**19,295,252**

THE SUTER ART GALLERY TE ARATOI O WHAKATŪ TRUST

Statement of cash flows

For the year ended 30 June 2026

	Actual 2026 $	Actual 2025 $
Cashflows from operating activities		
Sales of goods and services	365,913	411,778
Grants and donations	961,909	959,017
Interest	892	2,831
Payment to employees	(634,925)	(625,616)
Payment to suppliers	(761,024)	(849,915)
Net cash flows from operating activities	**(67,235)**	**(101,905)**
Cash flows from investing activities		
Purchase of property, plant and equipment	(23,350)	(11,270)
Purchase of collection assets	(5,999)	(12,052)
Cash items from investing activity	98,485	72,781
Net cash flows from investing activities	**69,136**	**49,459**
Net increase/(decrease) in cash and cash equivalents	**1,901**	**(52,446)**
Cash and cash equivalents at beginning of period	**80,486**	**132,932**
Cash and cash equivalents at end of period	**82,387**	**80,486**

Notes to the financial statements

For the year ended 30 June 2026

1. Reporting entity

The Suter Art Gallery Te Aratoi o Whakatū Trust (the Trust) is a charitable trust incorporated in New Zealand under the Charitable Trusts Act 2005 on 5 April 2008 and is domiciled in New Zealand. The Trust is controlled by Nelson City Council as a Council Controlled Organisation as defined under section 6 of the Local Government Act 2002, by virtue of the Council's right to appoint the Board of Trustees.

The financial statements of the Trust are for the year ended 30 June 2026. The financial statements were authorised for issue by the Trust on 16 September 2026.

2. Statement of compliance

The financial statements of the Trust have been prepared in accordance with New Zealand Generally Accepted Accounting Practice (NZ GAAP). They comply with Public Benefit Entity Standards Reduced Disclosure Regime (PBE Standards RDR) as issued by the New Zealand External Reporting Board (XRB).

The entity is eligible to report in accordance with Tier 2 PBE Accounting Standards on the basis that it does not have public accountability and annual expenditure does not exceed $30 million.

The entity is deemed a public benefit entity for financial reporting purposes as its primary objective is to provide services to the community for social benefit and has been established with a view to supporting that primary objective rather than a financial return.

3. Summary of accounting policies

3.1 Measurement base

The financial statements have been prepared on a historical cost basis, except for various assets and liabilities that have been measured at fair value. The accrual basis of accounting has been used unless otherwise stated and the financial statements have been prepared on a going concern basis.

3.2 Presentation currency

The financial statements are presented in New Zealand dollars. All values are rounded to the nearest dollar except when otherwise stated.

3.3 Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year, the impact of new and amended standards and interpretations applied in the year was limited to additional note disclosures.

3.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the entity and revenue can be reliably measured. Revenue is measured at the fair value of consideration received.

Revenue from non-exchange transactions

Grants

Council, government and non-government grants are recognised as revenue when they become receivable unless there is an obligation to return the funds if conditions of the grant are not met. If there is such an obligation, the grants are initially recorded as grants received in advance and recognised as revenue when conditions of the grant are satisfied.

Revenue from exchange transactions

Other revenue

Products held for sale are recognised when a product is sold to the customer.

Rendering of services is recognised by reference to the stage of completion of the transaction at balance date, based on actual service provided as a percentage of actual services to be provided.

Where art works are donated in the Trust for nil consideration, the fair value of the work is recognised as income.

Interest income is recognised using the effective interest method.

Dividend income is recognised when the right to receive payment has been established.

Volunteer services received are not recognised as revenue or expenditure as the Trust is unable to reliably measure the fair value of the services received.

3.5 Income tax

The Trust has been granted Charitable status by the Inland Revenue Department, and therefore is exempt from income tax.

3.6 Leases

Operating leases – An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Payments made under operating leases are recognised in the surplus or deficit on a straight line basis over the term of the lease.

There are no incentives attached to the leases.

3.7 Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short term highly liquid investments with original maturities of 3 months or less, and bank overdrafts.

3.8 Debtors and other receivables

Debtors and other receivables are initially measured at fair value and subsequently at amortised cost less any provision for impairment.

3.9 Inventories

Inventories are held at the lower of cost or net realisable value. Any Trust published inventory remaining after 1 year is written off.

3.10 Property, plant and equipment

There are prior period comparatives which have been reclassified to make disclosure consistent with the current year.

Additions and subsequent costs

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to the Trust and the cost of the item can be measured reliably.

In most instances, an item of property, plant and equipment is recognised at cost. When an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value when control over the asset is obtained.

Disposals

Gains and losses on disposal are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposal are recognised in the statement of comprehensive income.

Subsequent costs

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to the Trust and the cost of the item can be measured reliably.

Depreciation

Depreciation is provided on a straight-line basis on all property plant and equipment at rates that will write-off the cost of the assets to their estimated residual values over their useful lives. The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

Buildings	50 years (2%)
Improvements	20 years (5%)
Furniture and fittings	16 years (6.25%)
Computer equipment	1–5 years (20%)

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year-end.

Impairment of property, plant and equipment

Property, plant and equipment are reviewed for impairment at each balance date. When impairment is recognised, the recoverable value of the asset is estimated, an impairment loss is recognised and the carrying value of the asset is reduced to its recoverable amount.

Impairment loss is recognised in the Statement of Comprehensive Income.

3.11 Collection

The opening balance of the collection is the deemed cost at market valuation at the commencement of the Trust. Items purchased for the collection are recorded at cost. Items donated to the collection are valued at the time of purchase and recorded at valuation. In accordance with NZ IPSAS, the Trust will apply an impairment test to the collection each year. The collection is not depreciated.

3.12 Employee entitlements

Liabilities for salaries and annual leave are recognised in surplus or deficit during the period in which the employee provided the related services. Liabilities are measured at the amounts expected to be paid when the liabilities are settled, within 12 months of balance date.

3.13 Goods and Services Tax (GST)

All items on the financial statements are stated exclusive of GST, except for receivables and payables, which are stated on a GST inclusive basis. Where GST is not recoverable as input tax then it is recognised as part of the related asset or expense.

3.14 Financial instruments

Financial assets and financial liabilities are recognised when the Trust becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognised on settlement date. Financial instruments are initially measured at fair value plus directly attributable transaction costs, except for instruments measured at fair value through surplus or deficit, for which transaction costs are recognised in surplus or deficit.

Financial assets

Financial assets are subsequently measured at amortised cost, fair value through other comprehensive revenue and expense, or fair value through surplus or deficit, based on the Trust's management model for the assets and their contractual cash flow characteristics.

Amortised cost

Financial assets are measured at amortised cost when they are held to collect contractual cash flows and those cash flows are solely payments of principal and interest. The Trust's financial assets at amortised cost comprise cash and cash equivalents and trade debtors and other receivables. These assets are subsequently measured using the effective interest method, less any expected credit loss allowance.

Fair value through surplus or deficit

Financial assets that do not meet the criteria for amortised cost or fair value through other comprehensive revenue and expense are measured at fair value through surplus or deficit. The Trust's externally managed investment portfolio is measured in this category. Changes in fair value are recognised in surplus or deficit when they arise.

Fair value through other comprehensive revenue and expense

The Trust did not hold financial assets in this category at 30 June 2026.

Financial liabilities

Financial liabilities are subsequently measured at amortised cost using the effective interest method. The Trust's financial liabilities at amortised cost comprise trade creditors and other payables and accrued expenses.

Impairment

The Trust applies the expected credit loss requirements of PBE IPSAS 41 to financial assets measured at amortised cost. Loss allowances are recognised in surplus or deficit and reviewed at each reporting date.

3.15 Significant accounting judgements, estimates and assumptions

In preparing financial statements, management may be required to make judgements, estimates and assumptions that affect application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Revision to accounting estimates, if any, reflect historical experience and other factors considered reasonable in the circumstances. Areas where judgements, estimates and assumptions may have a material effect are:

Impairment of assets or cash generating units carrying values, financial assets and liabilities “fair value”, valuation of collection assets, useful lives’ and residual values, and provisions.

Revisions to accounting estimates are recognised in the year in which the estimate is revised and in future years affected and related information in the relevant accounting policy and or note to the accounts.

		Actual 2026 $	Actual 2025 $
4	**Non-exchange revenue**		
	Sponsorships, donations, bequests	69,429	106,291
	Grants - NCC	811,113	793,698
	Grants - TDC	93,071	90,360
	Other non-exchange revenue	24,003	1,500
		997,616	**991,849**
5	**Exchange revenue**		
	Retail	128,023	173,560
	Facilities revenue	139,839	144,001
	Life long learning	72,599	69,153
	Interest and dividends	77,009	75,817
	Other exchange revenue	35,678	24,177
		453,148	**486,709**
	Total revenue	**1,450,764**	**1,478,557**
6	**Personnel costs**		
	Salaries and wages	667,146	619,532
	Employer contributions to defined contribution plans	20,719	18,556
	Other personnel costs	14,370	84,804
		702,235	**722,892**
7	**Other expenses**		
	Audit fees	40,087	34,593
	Insurance	81,661	87,570
	Other	153,254	114,473
		275,002	**236,635**
8	**Cash and cash equivalents**		
	Cash at bank and on hand	75,828	63,967
	Other funds	6,559	16,519
		82,387	**80,486**

		Actual 2026 $	Actual 2025 $
9	**Other current assets**		
	Operations term deposit with maturity more than 3 months	-	-
	Depreciation due - Nelson City Council	-	-
	GST receivable	18,348	30,637
	Inventory	8,303	5,227
	Other debtors	(0)	-
	Prepayments	-	81,661
		26,651	**117,525**

10 Collection assets

The Collection is accounted for using the cost model. The opening balance at the commencement of the Trust was established as deemed cost. Purchased works are subsequently recognised at cost and donated works at fair value on acquisition, less any recognised impairment losses. The Collection is not depreciated.

An independent fair market valuation of the entire Collection at 26 June 2025 was $14,511,765. This valuation does not represent the carrying amount recognised in the financial statements: increases above carrying amount are not recognised under the cost model, while impairment losses are recognised where applicable. The 2025 valuation resulted in an impairment loss of $399,657, giving a carrying amount of $7,642,587 at 30 June 2025; valuation increases of $3,872,393 identified in other items were not recognised. In June 2026, the independent valuer confirmed the 2025 valuation remained materially appropriate at 30 June 2026, with no major market movement and no updated full valuation required. No further impairment was recognised at 30 June 2026.

Carrying amount 1 July	7,642,587	8,023,009
Additions	5,999	19,235
Impairment	-	(399,657)
Total collection	**7,648,586**	**7,642,587**
Carrying amount 30 June	**7,648,586**	**7,642,587**

11 Property, plant and equipment

2026	Opening NBV	Additions/disposals	Depreciation	Closing NBV
Land	442,000	-	-	442,000
Landscaping	262,107	-	23,118	238,989
Buildings	7,397,253	1,981	372,903	7,024,351
P&E	211,881	16,915	40,270	190,508
WIP	-	-	-	-
	8,313,241	**18,896**	**436,290**	**7,895,847**

2025	Opening NBV	Additions/disposals	Depreciation	Closing NBV
Land	442,000	-	-	442,000
Landscaping	285,225	-	23,118	262,107
Buildings	7,765,378	4,415	372,541	7,397,253
P&E	246,609	6,511	41,240	211,881
WIP	2,275	(2,275)	-	-
	8,741,487	**8,651**	**436,899**	**8,313,241**

As at 2026	Cost	Acc Depn	NBV
Land	442,000	-	442,000
Landscaping	462,357	223,369	238,989
Buildings	10,866,588	3,842,237	7,024,351
P&E	659,744	469,236	190,508
WIP	-	-	-
	12,430,689	**4,534,842**	**7,895,847**

		Actual 2026 $	Actual 2025 $
12	**Trade and other payables**		
	Creditors	53,978	183,181
	Accrued expenses	58,562	33,702
		112,540	**216,883**
13	**Employee entitlements**		
	Employee entitlements	23,283	27,128
14	**Financial instruments**		
	The carrying amounts of financial instruments presented in the statement of financial position are classified under PBE IPSAS 41 as follows.	x	x
	Other financial assets measured at fair value through surplus or deficit comprise the externally managed investment portfolio. Fair value is based on market values reported by the external investment manager/custodian at balance date, using quoted market prices and other observable market inputs where available.		
	At 30 June 2026 the Trust had no financial liabilities measured at fair value through surplus or deficit (2025: nil). The Trust's principal financial instrument exposures are credit risk on cash and receivables, liquidity risk on payables, and market risk on the externally managed investment portfolio.		
	Financial assets		
	Amortised cost		
	Cash and cash equivalents	82,387	80,486
	Trade debtors and other receivables	1,034,279	53,006
	Other financial assets	-	-
		1,116,665	**133,492**
	Fair value through surplus or deficit		
	Cash and cash equivalents	-	-
	Trade debtors and other receivables	-	-
	Other financial assets	2,470,748	2,375,617
		2,470,748	**2,375,617**
	Net gain on financial assets measured at fair value through surplus or deficit	181,507	122,437
	Financial liabilities		
	Creditors	53,978	218,748
	Accrued expenses	58,562	33,702
		112,540	**252,450**

		Actual 2026 $	Actual 2025 $
15	**Commitments and contingent liabilities**		
	The Trust has a non-cancellable operating lease for its photocopier. The current FUJIFILM agreement commenced in May 2026 for a term of 48 months.		
	Non-cancellable operating leases are payable as follows:		
	Less than one year	1,587	2,685
	Between one and five years	4,498	2,685
	More than 5 years	-	-
		6,085	**5,370**
	There were no contingent liabilities as at 30 June 2026 (2025: nil).		
	There were no capital commitments as at 30 June 2026 (2025: nil).		
16	**Related party transactions**		
	The following transactions were carried out with related parties:		
a)	**Income from related parties**		
	Nelson City Council (NCC) - Grants, hireage and shop sales	836,594	793,698
	Trustee and close-family donations, sponsorships and auction purchases	300	-
		836,894	**793,698**
b)	**Purchases from related parties**		
	Nelson City Council purchases	17,389	12,372
		17,389	**12,372**
c)	**Balances receivable from related party**		
	NCC receivable for the depreciation grant funding - current portion	-	-
	NCC receivable for the depreciation grant funding - long-term portion	975,420	1,000,900
		975,420	**1,000,900**

		Actual 2026 $	Actual 2025 $
17	**Key management compensation**		
	Key management personnel compensation includes the following expenses:		
	Salaries and other short term employee benefits	142,804	139,050
	Other long term benefits	-	-
		142,804	**139,050**
18	**Governance expenses**		
	Trustee fees		
	Trustee fees – total	**54,485**	**64,395**
	Other governance expenses	**10,781**	**9,567**
		65,265	**73,961**

19 Events after balance date

There were no material events after balance date requiring separate disclosure in the financial statements.

2025 comparative: No events occurred after balance date that affected the Trust as a going concern.

20 Comparatives

There are prior period comparatives which have been reclassified to make disclosure consistent with the current year.



Audited statement of service against performance goals

Performance measure	Performance against measure

GOAL 1: To be a vibrant visual arts destination of national importance

Our communities have access to a range of social, cultural, educational and recreational facilities and activities.

Honour the kaupapa of the MoU with Ko Te Pouaranga (KTP) and The Suter.

3.1.1 A minimum of 100,000 visits per annum to The Suter

- **Report twelve monthly: Not achieved** - 89,012 onsite visits were recorded against the annual target of 100,000.

3.1.2 Customer satisfaction survey ratings indicate at least 85% satisfaction1

- **Report twelve monthly: Achieved** - Customer satisfaction survey results exceeded the target, with 93% of respondents rating their experience with The Suter 8 out of 10 or higher (target: at least 85% satisfaction).

3.1.3 Honour the kaupapa of the Memorandum of Understanding with Ko Te Pouāranga [KTP]: KTP input to programmes, projects, collection, and policy development, Codevelop at least 1 toi Māori exhibition / project per annum

- **Report twelve monthly: Achieved**
  - KTP meetings held as per annual schedule.
  - KTP Representative on The Suter's Collection committee.
  - The original target of 1 co-developed toi Māori exhibition with KPT was revised with advice from KTP. "The Suter will collaborate on 3 toi Māori shows annually however, not exclusively with KTP."
  - KTP input into Collection Policy review.

Performance measure	Performance against measure

GOAL 2. To excite, engage and inform our community through art experiences

Our communities have opportunities to celebrate and explore their heritage, identity and creativity.

Our communities have access to a range of social, cultural, educational and recreational facilities and activities.

3.2.1 A programme of 10-15 regularly changing exhibitions are mounted during the year

- **Report twelve monthly: Achieved** - 11 exhibitions were opened during this period.

3.2.2 Provide learning experiences for 4000 Nelson/Tasman school students (ELC) 5 from 25 schools- based on The Suter's programmes and resources

- **Report twelve monthly:** Achieved – 4,699 students attended ELC educator led classes at The Suter 1 July 2025 – 30 June 2026.

3.2.3 Provide a minimum of 80 activities that Make Art Matter[2]

- **Report six monthly: Achieved** - 165 activities that make art matter including; artist talks, panel discussions, workshops, after school art classes, adult art classes, and opening events.

[1] >85% of surveyed visitors "recommend visiting The Suter to others" rated on a scale 1-10

[2] These include after school art classes, adult art classes, events, workshops, openings both on and off site

Performance measure	Performance against measure

GOAL 3: To ensure a sustainable future

Our communities are healthy, safe, inclusive and resilient. **Our infrastructure is efficient, resilient, cost effective and meets current and future needs.** **SoE: Good Employer obligations.** **SoE: Health and Safety obligations.** **SoE: Non-Council financial contribution to meet operational costs.** **SOE: Carbon footprint reduction.**	**3.3.1 Undertake an employee satisfaction survey with the first year serving as a benchmark** • **Report twelve monthly:** The employee satisfaction survey was not completed during FY2026 due to competing organisational priorities and resource constraints. **3.3.2 No significant health and safety incidents and no staff hours lost to injury** • **Report twelve-monthly: Achieved** - No significant health and safety incidents and no staff hours lost to injury **3.3.3 Meet budget for exchange revenue** • **Report twelve monthly: Achieved** – Exchange revenue was $453,148, compared with the budget of $412,706. **3.3.4. Use Council carbon footprint monitoring tool to monitor progress with mitigations** • **Report twelve monthly: Not Achieved** - Energy consumption was not measured during the reporting period. Efficiency improvements were budgeted in 2026.

Performance measure	Performance against measure

GOAL 4: To embrace the past and preserve our cultural and artistic heritage

Our communities have opportunities to celebrate and explore their heritage, identity and creativity.	**3.4.1 Develop and adopt a collection strategy** • **Report twelve monthly: Not Achieved** - Collection strategy recommended by Trust Board and Kou Te Pouaranga Komiti and awaiting Nelson City Council approval. **3.4.2 Fewer than one incident causing irreparable damage** • **Report twelve monthly: Achieved** - No instances of damage to the collection in the period FY2026.

Financial overview

For the year ended 30 June 2026

Overall financial performance

For the year ended 30 June 2026, total revenue was $1.451 million, $70,624 or 4.6% below the Statement of Intent budget of $1.521 million. Total expenditure was $1.943 million, $34,161 or 1.8% above budget.

This resulted in an operating deficit before unrealised market movements of $491,999, compared with a budgeted deficit of $387,214. After recognising unrealised investment market gains of $181,507, the Trust recorded a final deficit of $310,492, compared with a budgeted deficit of $211,084, an adverse variance of $99,408.

The result reflects lower non-exchange revenue, higher building and facilities expenditure, and a $16,094 specific impairment loss on receivables. These pressures were partly offset by higher exchange revenue, including stronger investment interest and dividend income, unrealised investment market gains slightly above budget, and expenditure below budget across personnel costs, retail and marketing, exhibitions, governance and depreciation.

Revenue detail

Total revenue was $1,450,764, compared with a budget of $1,521,388, an adverse variance of $70,624 or 4.6%.

Revenue from non-exchange transactions was $997,616, compared with a budget of $1,108,682, an adverse variance of $111,066.

Revenue from exchange transactions was $453,148, compared with a budget of $412,706, a favourable variance of $40,442. Exchange revenue reported in the financial statements includes interest and dividend income of $77,009.

Retail revenue remained below budget during the year, while facilities-related revenue and investment income helped offset the shortfall.

Expenditure detail

Total expenditure was $1,942,763, compared with a budget of $1,908,602, an adverse variance of $34,161 or 1.8%.

Other expenditure was $275,002, compared with a budget of $235,500, an adverse variance of $39,502. This includes a $16,094 specific impairment loss on receivables recognised at 30 June 2026.

Building and facilities expenditure was $311,811, $45,961 above budget. Electricity costs were approximately $28,800 higher than budget, primarily reflecting the electricity supply contract finalised after the FY2026 budget had been prepared. Repairs and maintenance expenditure was also affected by unbudgeted equipment repairs during the year.

These additional costs were partly offset by expenditure below budget across personnel costs, retail and marketing, exhibitions, governance and depreciation.

Unrealised market movements

Unrealised investment market gains were $181,507, compared with a budget of $176,130, a favourable variance of $5,377. These are non-cash valuation movements and may fluctuate with investment market performance.

Net result

The Trust recorded a deficit of $310,492 for the year, compared with a budgeted deficit of $211,084, an adverse variance of $99,408.

Financial position

Cash and cash equivalents at 30 June 2026 were $82,387, compared with $80,486 at 30 June 2025.

Specific-purpose investments increased by $95,131 to $2,470,748.

Total liabilities decreased from $257,473 to $155,390, primarily reflecting lower trade and other payables at balance date.

Net assets at 30 June 2026 were $18,984,759, compared with $19,295,251 at 30 June 2025.

Cash flows

Net cash outflow from operating activities was $67,235, compared with an operating cash outflow of $101,905 in the prior year. Net cash inflow from investing activities was $69,136, compared with $49,459 in the prior year. Overall, cash and cash equivalents increased by $1,901 during the year, from $80,486 at 1 July 2025 to $82,387 at 30 June 2026.

From a strategic perspective, the financial results show the organisation had the financial resilience to continue delivering exhibitions, education programmes and community engagement despite ongoing funding pressures. Financial discipline protected the Trust's ability to fulfil its public purpose.

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Independent Auditor's Report
To the readers of The Suter Art Gallery Te Aratoi O Whakatu's financial statements and performance information for the year ended 30 June 2026

The Auditor-General is the auditor of The Suter Art Gallery Te Aratoi O Whakatu (the Trust). The Auditor-General has appointed me, Michael Lee, using the staff and resources of the Crowe New Zealand Audit Partnership, to carry out the audit of the financial statements and performance information on his behalf.

Opinion

We have audited:

- the financial statements of the Trust that comprise the statement of financial position as at 30 June 2026, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date and the notes to the financial statements that include material accounting policy information and other explanatory information on pages 1 to 16; and
- the performance information that consists of the statement of service performance for the year ended 30 June 2026 on pages 17 to 19.

In our opinion:

- the financial statements of the Trust present fairly, in all material respects, its financial position as at 30 June 2026, and its financial performance and cash flows for the year then ended, in accordance with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Accounting Standards Reduced Disclosure Regime issued by the New Zealand Accounting Standards Board.
- the statement of service performance accurately reports, in all material respects, the Trust's actual performance compared against the performance targets and other measures adopted for the year ended 30 June 2026, and has been prepared, in material respects, in accordance with section 68 of the Local Government Act 2002 (the Act).

Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the *Responsibilities of the auditor* section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Trustees for the financial statements and the performance information

The Board of Trustees is responsible on behalf of the Trust for preparing financial statements that are fairly presented and comply with generally accepted accounting practice in New Zealand in accordance Public Benefit Entity Accounting Standards Reduced Disclosure Regime issued by the New Zealand Accounting Standards Board. The Board of Trustees is also responsible for preparing the performance information contained in the statement of service performance of the Trust in accordance with the Act.

The Board of Trustees is responsible for such internal control as it determines is necessary to enable it to prepare financial statements and performance information that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the performance information, the Board of Trustees is responsible on behalf of the Trust for assessing the Trust's ability to continue as a going concern. The Board of Trustees is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to liquidate the Trust or to cease operations, or there is no realistic alternative but to do so.

The Board of Trustees' responsibilities arise from the Local Government Act 2002.

Responsibilities of the auditor for the audit of the financial statements and the performance information

Our objectives are to obtain reasonable assurance about whether the financial statements and performance information, as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers, taken on the basis of these financial statements and performance information.

For the budget information reported in the financial statements and performance information, our procedures were limited to checking that the information agreed to the Trust's statement of intent.

We did not evaluate the security and controls over the electronic publication of the financial statements and performance information.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements and performance information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Trustees.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board of Trustees and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related

disclosures in the information we audited or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern.

- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We evaluate the overall presentation, structure and content of the performance information, including the disclosures, and assess whether the performance information achieves its statutory purpose of enabling the Trust's readers to judge the actual performance of the Trust against its objectives in its statement of intent.

We communicate with the Board of Trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other Information

The Trustees are responsible for the other information that it presents alongside its financial statements. We have not been provided with the other information at the date of our audit report.

Our opinion on the financial statements and the statement of performance does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements and the statement of performance, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements and the statement of performance or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of the Trust in accordance with the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* as applicable for audits of public interest entities issued by the New Zealand Auditing and Assurance Standards Board.

Other than in our capacity as auditor, we have no relationship with, or interests in, the Trust.



Michael Lee
Crowe New Zealand Audit Partnership
On behalf of the Auditor-General
Nelson, New Zealand
16 September 2026



TE ARATOI _
O WHAKATŪ
THE SUTER
ART GALLERY

The Suter™ Art Gallery
Te Aratoi o Whakatū

Art Gallery | Café | Shop | Theatre

Physical Address:
208 Bridge Street, Nelson, 7010

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Phone: +64 03 548 4699
Email: info@thesuter.org.nz
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Opening Hours: 9:30am - 4:30pm daily

The Suter™ Art Gallery is grateful for the continuing support of the following:

Principal Funder: Nelson City Council

Funding Support Organisations:
Ministry of Education (LEOTC),
Tasman District Council.