

8.13. Joint Strategic Plan Review 2019/20 for Nutcote

AUTHOR: Rebecca Aukim, A/Director Community & Library Services

ATTACHMENTS: Review of Joint Strategic Plan; Nutcote's Annual Report 2019/20; Nutcote's AGM Minutes 2019/20; Letter from Nutcote Board January 2021

PURPOSE:

To report on Nutcote's 2019/20 Review of the Joint Strategic Plan with Council and to consider the Trust's request that the lease for Nutcote (5 Wallaringa Avenue) be renewed under the same terms and conditions.

EXECUTIVE SUMMARY:

May Gibb's Nutcote house museum, outbuildings and grounds were purchased by Council in 1990 and have been managed by The Nutcote Trust since 1993. The strategic direction of the organisation is through a Volunteer Board with operational matters delivered by the museum's manager/curator, weekend casuals and volunteer guides, gardeners and tea shop and gift shop staff. Each financial year Nutcote completes a Joint Strategic Plan review and provides Council their annual report.

Over the past four years (pre-COVID-19) the average number of visitors to Nutcote annually has been 7,000.

Before COVID-19, Nutcote staff had developed an education program which encouraged special interest groups to visit Nutcote. These included garden talks for garden groups and architecture talks for architecture students as well as coffee mornings. These offerings proved very successful. With the arrival of COVID-19, many bookings had to be cancelled and deposits refunded.

During COVID-19 Nutcote staff developed an online shop and worked on ways to continue to engage people via social media. Nutcote was able to reopen in early June. To manage the requirement for smaller numbers and space for social distancing, staff set up an online booking system. To encourage people to visit, Devonshire Tea was offered as an add-on. To Nutcote's delight this brought in a new cohort of visitors aged 25-50 who were keen to have high tea in the garden.

Following the Annual General Meeting in January 2021, The Nutcote Trust wrote to Council requesting that their lease be renewed under the same terms and conditions. The lease is due to expire in early 2023.

Despite Nutcote's difficult year they have been able to satisfy the requirements of the Joint Strategic Plan with Council. Since the Joint Strategic Plan commenced in 2008 successive Nutcote Boards have met all the requirements of Council.

FINANCIAL IMPLICATIONS:

Under the terms of the lease, Council is responsible for the maintenance of the Nutcote property and surrounding grounds costing \$38,400 annually, including rates.

Council contributed a cash subsidy of \$40,900 in 2019/20 which went towards Nutcote's operating costs and to sharing the cost of business and public liability insurance premiums (Council's contribution is approximately 50%).

After three successive years of deficits, Nutcote ended 2019/20 with a surplus of \$27,687. The majority of this is due to JobKeeper payments for three Nutcote staff when Nutcote was required to close March to June and to a higher than usual number of government grants. These grants offset significant falls in income from sales (\$27,708) and admissions fees (\$14,847) a downturn that will continue into 2021-22.

In 2019/20, rent from the Trust-owned, residential flat at 2A Wallaringa Avenue contributed \$42,000 towards the Nutcote Trust's operations (staff wages). 2A Wallaringa Avenue is not part of Council's lease of Nutcote (5 Wallaringa Avenue) to the Trust.

RECOMMENDATION:

- 1. THAT** the 2019/20 review of Nutcote's Joint Strategic Plan be noted.
- 2. THAT** the lease for May Gibb's Nutcote house museum, be renewed for another 15 years with the lease broken into three lots of five, with each five-year option being exercised by mutual agreement.

LINK TO COMMUNITY STRATEGIC PLAN

The relationship with the Community Strategic Plan is as follows:

4. Our Social Vitality

4.3 North Sydney supports lifelong learning

4.4 North Sydney's history is preserved and recognised

BACKGROUND

5 Wallaringa Avenue, Neutral Bay (known as May Gibbs' 'Nutcote')

In her will, the Australian Children's author and illustrator May Gibbs, left her family home known as "Nutcote" to UNICEF. At the time UNICEF could not own property, so the house and contents were auctioned in 1970. Later owners were interested in demolishing the house and developing the site. In 1987, concerned relatives and friends of May formed the May Gibbs Foundation and succeeded in having the house of Nutcote protected by a Permanent Conservation Order. It was also placed on the Register of the National Estate. Council purchased the property in 1990, after attempts at national fund-raising and efforts to interest the State and Federal Governments in the purchase had failed to raise the necessary funds.

Council leased the house to The Nutcote Trust, who then set up May's home as a House Museum. The original lease was executed on 28 April 1993 and was for a 15-year lease with an option to extend another 15 years. The option was exercised, and the lease is now due to expire in early 2023.

The property is protected by a Permanent Conservation Order (No 505) and is on the Register of the National Estate.

The Patron of Nutcote is Her Excellency the Honourable Margaret Beazley AC QC, Governor of New South Wales and Mr Dennis Wilson.

2A Wallaringa Avenue, Neutral Bay

In 1992, with funds donated by the public around Australia, The Nutcote Trust purchased 2A Wallaringa Avenue, a 1950s apartment block directly across the road from 5 Wallaringa Avenue with a view to using the building as office space and to establish a gallery, an education facility and an artist in residence facility. The block consisted of two residential apartments, two car spaces and common area on the ground floor. Only the office space eventuated.

In 2003 Council purchased one of the units to settle debts owed to Council by the Trust, the Council having taken over the initial loan for the purchase of the apartment block from the Australian Scholarship Fund when it fell due. The Nutcote Trust still retains ownership of the other apartment.

The ground floor car spaces and common area have been converted for use as office space for the Nutcote Curator, a Boardroom and Nutcote Archives. A Deed exists between Council and the Nutcote Trust to permit the space to be used in this way.

CONSULTATION REQUIREMENTS

Community engagement will be undertaken in accordance with Council's Community Engagement Protocol.

DETAIL

May Gibb's Nutcote house museum, outbuildings and grounds were purchased by Council in 1990 and have been managed by The Nutcote Trust since 1993. The strategic direction of the organisation is through a Volunteer Board with operational matters delivered by the museum's manager/curator, weekend casuals and volunteer guides, gardeners and tea shop and gift shop staff. Each financial year Nutcote completes a Joint Strategic Plan review and provides Council their annual report. Over the past four years (pre-COVID-19) the average number of visitors to Nutcote annually has been 7,000.

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During COVID-19 Nutcote staff developed an online shop and worked on ways to continue to engage people via social media. Nutcote was able to reopen in early June. To manage the requirement for smaller numbers and space for social distancing, staff set up an online booking system. To encourage people to visit, Devonshire Tea was offered as an add-on. To Nutcote's delight this brought in a new cohort of visitors aged 25-50 who were keen to have high tea in the garden.

Due to COVID-19 around 80% of Nutcote's volunteers have not been able to return to Nutcote as these volunteers are either at a vulnerable age and/or had health issues. Consequently, the full-time staff member and two casuals have been managing the tours, tending the historic gardens, cleaning, and running the tearoom and giftshop.

Lease to expire in 2023

Following the Annual General Meeting in January 2021, The Nutcote Trust wrote to Council requesting that their lease be renewed under the same terms and conditions. The lease is due to expire in early 2023.

Despite Nutcote's difficult year they have still been able to satisfy the requirements of the Joint Strategic Plan with Council. Since the Joint Strategic Plan commenced in 2008 successive Nutcote Boards have met all the requirements of Council.

Correspondence from the Trust provided with this report seeks renewal of the lease under the same terms and conditions. In support of this the Trust writes:

“Nutcote Trust is managed by a volunteer Board. The Board secures employment and volunteer commitments to ensure proper maintenance of grounds and delivery of services in line with these agreements. The renewal of our lease is critical to the makeup of our Board, our management of employment and volunteer commitments and how our entire limited resources will be deployed during both the expiry tail of the existing lease and beyond.”

In its correspondence, the Trust addresses difficulties it envisages if Council is considering a shorter lease and asks if it can be advised of Council's final position by 15 March 2021.

The process if Council does not renew the Lease

Should Council for any reason decide not to renew the lease, then the Trust would be required to vacate Nutcote on its expiry in 2023. As the Trust was established to “Save Nutcote for the Nation” it would likely take steps to dissolve. Under legislation and as spelled out in its Constitution (2017), as a charitable institution, the Trust assets would need to be transferred to another charitable body with similar objectives that is, they could not be transferred to Council.

Council would then determine the future of Nutcote, within the limits set down by the permanent conservation order.

Appendix 1

May Gibbs' Nutcote**Review of the Joint Strategic Plan 2019-20**

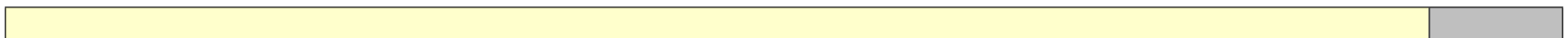
MANAGEMENT OBJECTIVES	Complies
<ul style="list-style-type: none"> to manage the centre for community use in accordance with the overall objectives of the Community Strategic Plan 	Yes
<ul style="list-style-type: none"> to manage the centre in accordance with the Nutcote Strategic Plan 2017-2021 	Yes
<ul style="list-style-type: none"> to manage the centre in accordance with the aims and objectives of Council's Community Centres Policy 	Yes
<ul style="list-style-type: none"> to provide and maintain a high-quality community centre which meets the needs of the local and wider community 	Yes
<ul style="list-style-type: none"> to cater for people with disabilities within the physical constraints of the centre 	Where possible
<ul style="list-style-type: none"> to provide for public safety 	Yes
<ul style="list-style-type: none"> to ensure the Joint Strategic Plan is flexible and able to evolve with changing community attitudes 	Yes
<ul style="list-style-type: none"> to be prepared to look beyond the Centre's immediate locality, through maximising existing resources, to enable delivery of outreach services where appropriate and needed 	Yes

Appendix 1

May Gibbs' Nutcote**Review of the Joint Strategic Plan 2019-20**

Specific Goals	Achieved
<p>Goal 1 Access, Inspiration and learning</p> <p>Objective 1 Deliver well organised, welcoming and consistently high levels of visitor services at Nutcote Museum</p> <p>Objective 2 Develop education and learning programs for schools and other groups</p> <p>Objective 3 Create physical access to Nutcote for all ages and abilities</p> <p>Objective 4 Deliver public programs</p> <p>Objective 5 Create Exhibitions and publications</p>	<p>Developed Education programs</p> <p>Held exhibitions</p>
<p>Goal 2 Community engagement</p> <p>Objective 1 Broaden and grow our audiences</p> <p>Objective 2 Inspire volunteers' contributions to Nutcote</p> <p>Objective 3 Strengthen ties with local communities</p> <p>Objective 4 Strengthen and revise Friends of Nutcote Program</p> <p>Objective 5 Expand our digital presence</p>	<p>Developed a new website and online shop</p> <p>Held local community events.</p>
<p>Goal 3 Conservation and Curatorship</p> <p>Objective 1 Promote key conservation projects</p> <p>Objective 2 Enhance collections management program</p> <p>Objective 3 Share our specialised knowledge with museum community</p> <p>Objective 4 Acquire new collection material</p>	<p>Acquired new Collection material and have restored damaged collection items</p>
<p>Goal 4 Organisational stability</p> <p>Objective 1 Financial Management</p> <p>Objective 2 Diversify Funding base</p> <p>Objective 3 Develop staff skills and training</p> <p>Objective 4 Risk Management</p> <p>Objective 5 Develop/review governance policies and operational procedures</p>	<p>Staff studied to update skills</p> <p>Operational procedures developed</p>

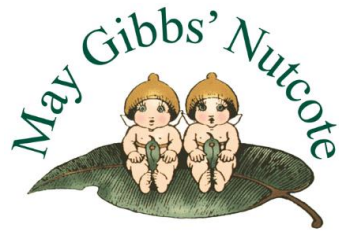
Appendix 1



May Gibbs' Nutcote

Review of the Joint Strategic Plan 2019-20

NOTES ON FINANCES				
Grants	NSC	Other		
	\$40,900			
Turnover	Year	Income	Expenditure	
	2019/20	\$27,687 surplus	194,903	
Sustainability	Year	Result	Endowment Fund	Funded liabilities
	2015/16 (18 months)	(\$15,781) deficit	\$346,833	\$24,399
	2016/17	(\$10,793) deficit	\$352,428	\$12,826
	2017/18	\$(6,265) deficit	\$360,209	\$13,490
	2018/19	\$21,342 surplus	\$366,940	\$20,800



**ANNUAL REPORT
2019/20 FINANCIAL YEAR**



OUR PEOPLE

Patron

Her Excellency the Honourable Margaret Beazley AC QC, Governor of New South Wales and Mr Wilson.

Board Directors

Hulya Yilmaz	Chair
Johanna Bagot	Treasurer
MacLaren North	Company Secretary
Stephanie Lake	Director
David Langley	Director
Fiona Reilly	Director
Susan Kennedy	Director, resigned 4 May 2020

Volunteers

Ingrid Anderson	Makiko Furlong	Nicola Onslow
Doris Avis	Dick Gall	Jennifer Pink
Eve Bagnall	Judy Howe	Sue Randle
Semra Baptis	Melian Jarvis	Jill Rivers
Nona Barclay	Fiona Johnstone	Marg Simonsen
Robeyne Beaumont	Dorothy Kelly	Brooks Simsar
Jacqui Brooks	Peter Kelly	Katherine Smith
Norman Coffey	Robyn Kremer	John Stanbridge
Marion De Courcay	Therese Lake	Marlene Turner
Anne Edmonds	Linda Newcomb	Robyn Vidler
Linda Evans	Adela Ngui	Julie Webber
Andrea Evers	Stephanie Ngui	Jeannette Williamson
Edwina Feilen	Angela Nymalm	

Employees

Stephanie Lake	Manager Curator
Rebecca Burdge	Administrator/Bookkeeper
Olivia Partridge	Casual Education Officer and Museum Assistant
Sharyn Stebnickki	Casual Museum Assistant
Rebecca Turnbull	Casual Museum Assistant

Our Supporters

Thank you to all Nutcote supporters including North Sydney Council, McGrath Neutral Bay, Bunnings Warringah Mall and Stanton Library North Sydney.

A big thanks also to the individuals who donated to Nutcote in 2019/20 FY including Jane Brummitt, Rondalyn Dupen, Therese Lake, Ferg Brand, , Mary Melot, Katherine Hopcroft, Nona Barclay, Penny Curry, Graham H McGowan and John T Hamilton.

Honorary Life Friends

Her Excellency Professor Marie Bashir	Yvonne Hyde
Bronte Bentley-Gibbs & Henry Bentley	Peter Kingston
June Bowman	Christobel Mattingley
Julie Gibbs	Elizabeth Parker
Ann Haddon	The Shand Family
Jean Hart	Maureen Walsh

Life Friends

Ruth Banfield	Jean Hart
Michael & Caryl Billingham	Katherine Hopcroft
Charlene Bradley	C Kay
Jane Brummitt	Therese Lake
Patricia Burgess	Judi Lipp
Linda Deall	Elizabeth Parker
Laurel Dyson	Caro Webster
Christine Fraser	Helen Wood
Anne-Marie Gardiner	Caroline Minogue



GOVERNANCE

May Gibbs' Nutcote is registered with the Australian Charities and Not-for-profits Commission (ACNC).

CHAIR'S REPORT

We are delighted to present this report for the year ending June 2020. This year has been challenging for us all in ways that no one could have foreseen. We started the year with great optimism, energised and equipped to further our ambitions of extending our reach within the community. Our plans were first hindered by the devastating bushfires. The thick, relentless smoke that filled the Sydney air kept some visitors away for a considerable part of the summer. As time went by and floods replaced droughts, we soldiered on, hoping we had seen the worst of it and for a brief period, Nutcote resumed business as usual.

Then the pandemic hit. Our community, like all communities across the world, was impacted. Our operations were severely disrupted. Nutcote was closed once again, barely back to business by the end of the financial year. We are all still navigating through this new world that is shaping around us.

Having said that, we are pleased to report that Nutcote steered through this unprecedented turbulent year relatively well due to the resilience, dedication and commitment of our core volunteers, staff and the board. While closed to the public, we were able to switch our limited resources to some long-awaited maintenance projects as well as newly identified needs like enhancing online capability.

The board sincerely thanks everyone that contributed during this difficult year, and I would personally like to thank the board too. The board convened virtually and more frequently, dealt with matters that were never envisaged, and did so professionally and efficiently. As a result of these efforts, Nutcote was able to participate in the JobKeeper programme and secure additional grants, both critical to our financial outcome.

Stephanie Lake, our Manager Curator and board director, was of course the key to our success and the board would like to thank Stephanie and her team for all their hard work and tireless commitment to Nutcote. Our treasure that is Nutcote, is truly a reflection of their efforts, one that we hope makes May Gibbs proud.

We would also like to take the opportunity to once again thank North Sydney Council. We work very closely with the council, their contribution both financially and non-financially, is essential to our operations and is greatly appreciated. North Sydney Council have continued to be a pleasure to deal with, and it's been particularly comforting to have their support and guidance continue steadfast in a world otherwise disrupted.

This year the board welcomed David Langley as a new director and said farewell to Susan Kennedy. Susan's contribution was greatly appreciated and we wish her well. The board otherwise remained unchanged and Nutcote is also grateful for the stability of this board during this turbulent period.

Looking ahead, we will keep steering with agility and resilience, and hope to get back on track with our plans as and when our communities safely allow us to do so.

Stay safe everyone.

Hülya Yilmaz
Chair

MANAGER CURATOR'S REPORT

The last year has been a challenging year and it has led to big changes in the way we deliver services at Nutcote. For the last six months the staff and I have had to change our operational daily activities but this has led to some opportunities, especially in finding a new audience to Nutcote by offering special Devonshire Tea and tour events at Nutcote.

It is a great joy to work alongside the staff and volunteers at Nutcote. Their hard-work, enthusiasm, and commitment to celebrating May Gibbs and her life at Nutcote is inspiring and resulted in many achievements over the last year. Including an enchanting Christmas Carols inside the house, our big fundraising event the "Gumnut Fair" and the many afternoon teas we held throughout the year.

Before COVID -19 the operational priority was to develop and run educational programmes for primary and high school students. We also started to work on virtual plans to ensure students from all over Australia could visit Nutcote even if it is online.

We were also working on bringing different groups in to visit Nutcote. This included running special talks (for example a garden talk for garden groups, an architecture talk for Architecture students etc). This was a success and we had a number of groups booked ready to visit.

Whilst we were closed the staff undertook a complete clear out of the house and oiled the floors, and waxed the furniture as well as washed all soft furnishing, kitchen items etc. We worked on repairing and replacing the curtains in the house as they are now 30 years old and some were very damaged.

We also developed the online shop and started to sell our merchandise on social media. As people could not visit Nutcote, we worked on different ways to engage a virtual audience. We developed virtual jigsaws, story-times etc. see <https://www.instagram.com/p/CFVszHLDpGt/>

During closure I had time to focus on my curatorial role, researching the garden at Nutcote which is half the tour of Nutcote. I read through the many letters that are held in the Shand collection at NSC to see what plants May and her husband had planted as well as the issues they found. Her husband kept details of the garden including information such as "planted 140 phlox in the garden".

I have also been researching May's comic strip Bib n Bub, which she wrote for national newspapers from 1924 till 1967 (when she was 90). In the 20s and 30s these were very popular and influential. However, because she "was a woman and did not have to support a family" May Gibbs was paid 8 times less than males such as Jim Banks who wrote the comic 'Ginger Meggs. May Gibbs is actually Australia's longest running comic strip illustrator/author.

Covid-19 has affected visitor numbers and income for Nutcote. We are also limited by the restricted numbers we are allowed on the property at any one time during the pandemic. We set up pre-booked tours with add-on of a "Gumnut Tea" (high tea) or a Devonshire Tea. Interestingly this has brought in a whole new audience including people who have no knowledge of May Gibbs from people wanting local experiences from backgrounds such as Japan, Taiwan, Russia, Italy, France, Switzerland, and India but also younger visitors age who are wanting a high tea in a garden.

It has been a challenge for the staff and also for volunteers over the last half a year. We recognise that it is a very stressful time for everyone and try to deal with each one with compassion and patience. We are working hard at the day to day running of Nutcote which includes much more cleaning due to the Covid-19 rules. We have got to know many locals who now come in to chat as they are lonely but also locals have started to shop at Nutcote or visit the tearoom as they feel it is safe here. Sadly over the last year

three volunteers have passed away as well as May Gibbs' niece and another family member plus 2 neighbours who were both big supporters of Nutcote. It has truly been a very sad time and they will all be very much missed.

I take this opportunity to thank the Nutcote Board, North Sydney Council and our dedicated Friends of Nutcote for all you have done to support May Gibbs' Nutcote, our staff, volunteers and myself over the last year.

The passion for May Gibbs' work, home and garden in the community ensures that Nutcote's relevance and legacy will inspire many generations to come.

Stephanie Lake
Manager Curator



TREASURER'S REPORT

Profit and Loss

Nutcote made a profit of \$27,687 in 2020 (up from 2019 reported profit of \$21,342). As in previous years reported operating profit includes government grants, and for the period March – June 2020 JobKeeper payments for three Nutcote staff (while Nutcote was closed in line with NSW government COVID-19 pandemic guidelines).

Revenue

Total revenue year on year \$222,590 is slightly up from 2019 total revenue of \$215,977. In 2020 rent received from 2A Wallaringa Ave was slightly up from the previous year (\$42K vs \$38K in 2019), while admissions, gift shop sales and donations were slightly down on 2019. Lower revenues from admissions, sales and donations may also reflect the closure of Nutcote to the public March – June 2020 in line with COVID-19 requirements. JobKeeper payments for staff during this period, as well as government grants for the 2020 year came to a total of \$80K (of the ~\$223K total).

Expenses

Overall expenses for Nutcote are steady year on year at \$195K which includes cost of goods for the gift shop and tea room, employee benefits, depreciation and other overheads. Employee benefits were slightly up on previous years (\$121K in 2020 vs \$114K in 2019) reflecting increased payments to casual employees, who continue to provide valuable support to the Manager Curator. Insurance costs and accounting costs remain steady year on year, with cost of goods sold slightly up in 2020 (\$33K vs \$29K in 2019). North Sydney Council continued to support Nutcote insurance costs with a payment of half the insurance costs (received in the 2021 financial year).

Balance Sheet

Assets

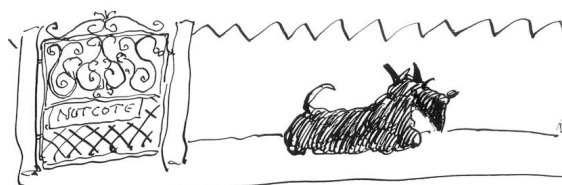
Nutcote's cash balance continues to be very healthy in 2020, with an endowment fund balance of \$374K, up from \$367K in 2019. Cash at bank has been helpful in pre-payments of employee wages prior to reimbursement by the ATO as part of JobKeeper payments to not-for-profits such as Nutcote. Nutcote qualified for JobKeeper on the basis of revenue declines greater than 15% as a result of COVID-19 pandemic business closure in March – June 2020.

Liabilities

As in previous years, Nutcote's liabilities include GST, superannuation and accrued annual leave entitlements.

Overall, despite the COVID-19 pandemic Nutcote has returned a profit once again in 2020. This is only possible due to the continued strong support from our volunteer community and the North Sydney Council, the commendable efforts of our staff during the global pandemic, and government grants received.

Johanna Bagot
Treasurer



OTHER IMPORTANT INFORMATION

ACKNOWLEDGMENTS & THANK YOU

Corporate & community partners

Bunnings Warringah Mall, Stanton Library and North Sydney Council.

Legal Advisors

People + Culture Strategies

HOW YOU CAN HELP

Volunteer your time

We are always looking for volunteers who can help guide in the house, help in the tearoom, help in the garden, help with graphic design, help with administration and help with events. Email volunteers@maygibbs.com.au for more information.

Make a donation

Donations can be by sending us a cheque made payable to 'The Nutcote Trust'. Please contact us if you need more information.

Become a Friend

Leave a bequest

Support an event or fundraising activity

Become a corporate partner

Email admin@maygibbs.com.au for more information on how you can help.

Other ways you can help our cause

May Gibbs left the Copyright of her books to two Children's Charities Northcott Society and The Cerebral Palsy Alliance. By purchasing items in our gift shop or purchasing "The Gumnut Babies" or "Snugglepote and Cuddlepie" you will not only keep May's legacy alive but also the Royalties will benefit these charities. By visiting Nutcote you can see May's beloved Nutcote with a "long, long garden" you will see where May did her drawings in her studio.

Nutcote as well as Charlene Bradley raised a large sum of money to have May's work digitised for the State Library of NSW. You can go to their website <http://www.sl.nsw.gov.au/stories/may-gibbs> to have a look at her art work and also see her manuscript for Snugglepote and Cuddlepie.

Stanton Library at North Sydney also has information regarding May's life and can be visited in person or online http://www.northsydney.nsw.gov.au/Library_Databases/Heritage_Centre

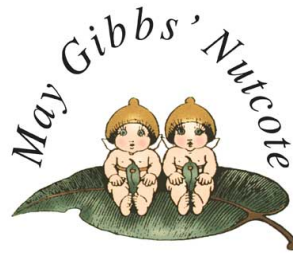
CONTACT US

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www.instagram.com/maygibbsnutcote/





Minutes of the 2020 Annual General Meeting of Nutcote Trust Pty Ltd

held at:

Time: 3:00 pm

Date: Wednesday, 25 November 2020

Place: Stanton Library, 234 Miller Street, North Sydney

Items

1. Welcome

Meeting formally opened 3:07pm

The Acknowledgement of Country was read

In attendance:

Representatives of North Sydney Council (shareholder): Martin Ellis & Rebecca Aukim each Delegate (Proxy) of the shareholder

Nutcote: Hulya Yilmaz (Chair), MacLaren North (Secretary), Fiona Riley (Acting Treasurer), David Langley (Director), Stephanie Lake (Manager Curator)

Rick Watkins, Auditor

Apologies: Johanna Bagot (Treasurer), Ken Gouldthorp (NSC General Manager), Jilly Gibson (Mayor)

2. Minutes of Previous Annual General Meeting & Matters arising

The Minutes of the 2019 Annual General Meeting were reviewed and accepted. There were no matters arising, only to note that many of the actions agreed were not progressed due to covid.

3. Report by the Chair

HY spoke to the Annual Report, which was formally presented.

NUTCOTE TRUST PTY LTD

5 Wallaringa Avenue Neutral Bay Sydney NSW 2089 Australia

Telephone 02 9953 4453 ABN 13 003 963 148

www.maygibbs.com.au

May Gibbs' Nutcote: an enduring celebration of an iconic Australian

The Nutcote Trust is a charity registered with the ACNC with Deductible Gift Recipient status.

The Chair formally thanked Martin Ellis, who is retiring from NSC, and wished him all the best.

4. Report by the Acting Treasurer

FR spoke to the report.

It was noted that while Nutcote was in profit for 2020, this can largely be ascribed to JobKeeper and a higher than usual number of government grants, several of which are tied to specific purposes. So while there was a paper surplus, the majority of that is pre-allocated by the purposes of the grants.

Visitation and shop turnover were down due to COVID restrictions.

5. Adoption of Audited Financial Statements for 2019/20

The Audited Financial Statements were presented and accepted.

ME queried the amount of equity in the accounts which the Auditor clarified.

6. Retirement and Election of Directors

“That pursuant to and in accordance with clause 15.5 of the Constitution, Mr David Langley, Director, retires and is elected as a Director pursuant to clause 11.6(b) of the Constitution.”

7. Other business

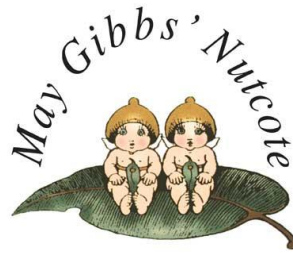
Renewal of the lease between NSC and Nutcote Trust.

The Trust notes the lease is nearing expiry and will be seeking its renewal under the same terms and conditions. It was noted there has been a high degree of Board turnover and this uncertainty will not help. A short-term lease will unnecessarily distract the Board’s priorities in the future. A letter is to be sent to NSC in preparation of the NSC February 2021 report recommendations to progress this issue.

The endowment fund and budgeting were briefly discussed.

Hayes Street ferry signage is progressing, other promotional opportunities as discussed last year were noted.

Meeting closed 3:37pm



23 January 2021

Ken Gouldthorp
General Manager
North Sydney Council
200 Miller Street
North Sydney 2060

Dear Ken,

This letter is in relation to our lease agreement with you, for the management of Nutcote, May Gibbs' home in Neutral Bay.

The council purchased Nutcote in 1990 and soon after entrusted it to us, Nutcote Trust, via a lease agreement. Our original agreement, executed 28 April 1993, was for a 15-year lease with an option to extend another 15 years. This option was subsequently exercised and our landmark agreement is now nearing final expiry and requires attention.

It is our desire, as the lessee, to renew the lease in the same terms and conditions and we would be grateful if North Sydney Council could confirm their intentions by **15 March 2021**.

The property is protected by a Permanent Conservation Order (No 505) and is also on the Register of the National Estate. We trust you agree that the property is managed well, duly mindful of public interest, the council's interest and May Gibbs' legacy, all in line with our agreements with North Sydney Council. Our latest review of the Joint Strategic Plan will be presented to council shortly, the Board hopes you will agree we are meeting Council's and the community's expectations.

Nutcote Trust is managed by a volunteer Board. The Board secures employment and volunteer commitments to ensure proper maintenance of grounds and delivery of services in line with these agreements. The renewal of our lease is critical to the makeup of our Board, our management of employment and volunteer commitments and how our entire limited resources will be deployed during both the expiry tail of the existing lease and beyond.

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May Gibbs' Nutcote: an enduring celebration of an iconic Australian

The Nutcote Trust is a charity registered with the ACNC with Deductible Gift Recipient status.

As you can appreciate, the Board's focus is now on the lease and Nutcote Trust's future is dependent on the outcome of the renewal. We will need considerable warning should the lease not be renewed to ensure everyone is given due notice of the change in operations that will inevitably follow. Likewise, a short-term lease may mean the Trust will need greater resourcing in the future as we will need to at least re-negotiate such leases more regularly from here on in. Furthermore, short-term leases will by nature create more uncertainty and thereby risk which, from our perspective, will unnecessarily distract our attention and will be less efficient. For instance, we may face the additional risk of missing lease expiry over time especially should there be turnover on the board. Accordingly, we would appreciate urgent warning if North Sydney Council are indeed considering a shorter lease.

To re-iterate, we are a volunteer Board, and would greatly appreciate your understanding with regard to our limited time and availability. A longer-term lease would greatly assist with our management of this particular risk. Our staff, volunteers and the Board will all benefit from clarifying our lease arrangement going forward, and the longer the term, the greater the elimination of this risk.

As already mentioned, we would be more than happy to renew the lease for the same term as previously agreed, i.e. a 15-year lease with an option to extend another 15 years, and for the reasons previously mentioned, the longer the term, the better. To that end, we would be thrilled with a perpetual agreement or an automatic renewal agreement, with a mutually acceptable termination notice. If this is something North Sydney Council could consider, please let us know and we can discuss further.

We work very closely with you, regularly report to you and thereby understand you have all the information you need to make your recommendation in your February report and ask that this renewal be a part of that report. Please let us know if you need anything further from us. We look forward to hearing from you soon.

Yours sincerely,



Hulya Yilmaz
Chair
Nutcote Trust Pty Ltd