REPORT OF ORGANISATIONAL AUDIT

IRRUNYTJU ARTS

NOVEMBER 2006

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- 1. I have been instructed by Desart Inc ("Desart") to carry out an organisation audit of Irrunytju Arts ("IA") according to certain terms of reference. These terms of reference form Appendix 1 of this report.
- 2. The report has been prepared on the basis of discussions with various stakeholders being individuals and organisations, examination of documents of IA held at Irrunytju and a consideration of various relevant articles and reports. The names of the stakeholders are set out in Appendix 2 of this report, the articles and reports in Appendix 3.
- 3. The report has been prepared in eight sections: some background facts are set out in the first section, providing "a snapshot" of IA; then follow five sections, one each in respect of the five specific terms of reference. There are two final sections: one of conclusions and another of recommendations.

1.1 General Background

- 4. The painting programme in the Women's Centre at Irrunytju commenced in about 2001 with the work of Amanda Dent. (Amanda Dent's work in establishing the Centre was the subject of a report by Nicolas Rothwell in the Australian newspaper dated 23 24 August 2003.)
- 5. It is an indication of the financial struggle to keep the programme afloat that, at least in its initial stages, the art centre had to sell second hand clothes to buy painting materials.
- 6. A further indication of the financial struggle has been the need to hold an auction of paintings to build up a trust fund which will in Amanda Dent's words "really save the centre" (Letter on file, Amanda Dent to Vivien Anderson).
- 7. The financial position of Irrunytju Arts has steadily improved: for the year ended 30 June 2001, there does not appear to have been any income from paintings but the second hand shop generated income of \$7,665.
- In contrast, for the year ended 31 December 2003, receipts for the sale of art works was \$194, 016.66 and, for the year ended 30 June 2006, receipts had increased to \$402,162. (The statement of income and expenditure on ICI's Arts for the year ended 30 June 2006 form Appendix 10 to this report.)
- 9. Apart from the financial success of IA, the reputation of a number of the artists, nurtured by IA, has spread nationally and internationally over that time.
- 10. Apart from sales figures, this is best indicated by the selection of Tommy Watson as one of eight indigenous Australian artists to be chosen to be permanently exhibited in the Musee du Quai Branly, established in Paris under the patronage of the French President.

1.2 Corporate Status of IA

- 11. "Irrunytju Arts" is a name without any legal status: IA was established in about 2001 under the auspices of Irrunytju Community Inc ("ICI"), which is the local government organisation or council at Irrunytju. ICI is incorporated in Western Australia under the provisions of the *Associations Incorporations Act 1987*.
- 12. IA continues to be unincorporated in spite of recommendations for its incorporation. (See for example the letter from Desart's ISBF Project Officer, Tim Acker, to the Community Development Advisor Rob Kopa at some time in 2003.)
- 13. Separate from the question of incorporation of the Arts Centre/Womens Centre is the question of the registration of "Irrunytju Arts" as a business name. A search of the ASIC database indicates that IA is not so registered. See recommendation below.
- 14. ICI holds executive meetings and general meetings as the need arises. I have had the opportunity to peruse minutes of ICI meetings held on the following dates: 24 November 2003, 5 March 2004, 19 April 2004, 27 April 2004, 20 July 2004, 24 August 2004, 10 November 2004, 11 November 2004, 13 December 2004, 21 March 2005, 5 July 2005, 9 November 2005, 19 January 2006, 21 July 2006 and 30 August 2006. (There were also some minutes dated "24/6" and "24th June"; it is not clear to which year these minutes relate.)
- 15. I was unable to see in the minutes any reference to a report by the treasurer of ICI on its finances mandated by sub-paragraph 18(c) of its constitution.
- 16. There has been instituted an "IA Arts Advisory Committee" and I have had the opportunity to peruse some of the minutes of some of the meetings which dealt with a range of relevant issues such as future exhibitions.

1.3 "Carpetbaggers"

- 17. A purchaser from an artist will seek to either hold a painting for enjoyment or to onsell it immediately or at some later time. Usually such on-selling results in a profit. The profit may be fair and reasonable or it may not. It may be unreasonable because the purchaser has paid less than a fair market value.
- 18. This is relevant because many of the stakeholders have made reference to "carpetbaggers". I take this to be a reference to a person, usually not an indigenous person, who seeks to obtain art from an artist who, in contracts terms, is at a disadvantage (in particular because of age and/or language and/or cultural orientation and/or poverty) at a price well below what that person knows or ought to know is a reasonable market price, with the intention of selling it on at a substantial profit.

- 19. To ensure that fair market value is paid, a retail price list is kept at the art centres. The list ranks each artist and gives a range for his or her works depending on the size of the canvas. This ranking is adjusted from time to time, depending on performance in the market. Such lists are part of a strategy to resolve conflicts of interest which may arise. (This is considered further below; see section 2.3.3.)
- 20. During my consultations with stakeholders allegations of carpet-bagging have been made. I have however, been given no direct evidence.
- 21. It should be pointed out that direct affidavit evidence of carpetbagging should result in the commencement of proceedings in the event of a carpetbagger's refusal to pay a fair market value.
- 22. It is not necessary in this context to set down the applicable law on unconscionable conduct.

2. Human Resources; specifically employment arrangements for Irrunytju Art Centre ("IAC") management and staff and the nature of any apparent conflicts of interest.

2.1 The Artists.

- 23. The most important human resource for IA is, of course, the artists themselves.
- 24. It may need to be stated for readers unfamiliar with traditionally oriented Western Desert communities that each of the artists reckons a kinship relationship with each of the other artists.
- 25. This shared kinship relationship affects the art and the traditional knowledge associated with the art.
- 26. I will say no more about this aspect of the art centre activity because it has been well expressed elsewhere (see for example Nicolas Rothwell "Dust to dust" in the Australian, 23 24 August 2003 and "irrunytju arts" by Mary Knights, June 2006, ISBN 0-6464599-1-0) but the communal nature of the art enterprise at IA as at other art centres represents an important factual background in understanding the nature of the human resources that result in the production of art at IA.
- 27. In addition to the communal dimension of the programme, there is the question of marketability and it appears that the operating costs of the art centres are largely met by the success of a few artists because the commissions from these artists form the majority of the income for the art centres.
- 28. Tim Acker as ISBF Project Officer for Desart expressed it in this way: "In common with many centres, Irrunytju Arts' financial success is dependent on older artists. Younger artists paint, but market demand is for the older artists" (Letter to ICI, undated, ca. mid - 2003)

29. The list of painters in the spreadsheet forming Appendix 5 has 174 names. This appears to be a more or less complete list; "irrunytju arts" by Mary Knights (op cit) has a smaller list of 25 which includes major "stars", Tommy Watson and Wingu Tingima.

2.2 Employment Arrangements for IAC management and staff prior to 30 August 2006

- 30. ICI is the employer of people who, apart from the artists themselves, provide services for the IA programme.
- 31. Several people have been so employed, either with grant funds provided by DCITA in the case of the Art Co-ordinator or through ICI's CDEP in the case of Hinerangi Tukere and other workers in the centre.
- 32. Hinerangi Tukere has been a key administrative person with IA, having worked with all three Art Co-ordinators.
- 33. Other people employed under the CDEP do some work around the centre as well as being artists at the centre. A list of the people so employed in August 2005 is included in the memorandum which forms Appendix 7.
- 34. It appears that the following people have been employed as Art Coordinator for the periods indicated:- Amanda Dent (2001 2003), Fiona Haasz (till July 2004) and Mary Knights (from January 2005 until August 2006).
- 35. I have not been able to find an employment contract for any of the Art Coordinators referred to above.
- 36. It is relevant that Mary Knights went on leave from some time in June although her contract terminated at the end of August 2006.

2.3 John Ioannou

- 37. I understand John Ioannou formed a relationship with several of the Western Desert painters in and around Alice Springs during the first half of this year.
- These painters included Tommy Watson, who has an established reputation (see paragraph 8), and Jorna Newberry who appears on the list of IA painters in Appendix 5.
- During June, July and August, Mr Ioannou visited Irrunytju and neighbouring communities on the basis inter alia of his relationship with Tommy Watson and Jorna Newberry.

2.3.1 ICI Contract with John Ioannou

40. At its meeting on 30 August 2006, the following resolution was passed:-

"John to become Irrunytju Arts Manager and Hinerangi to become co-ordinator Tabled: Mr Foster Seconded Mr Ferguson Carried: All in favour"

- 41. I submit that the effect of this resolution was to create a binding oral contract, evidenced only by this resolution itself, and therefore with implied terms and conditions.
- 42. The decision was made by six councillors. It is surprising that this decision was not referred to a full community meeting nor to the Arts Advisory Committee referred to in section 1.2 above.
- 43. Mr Foster, who was chairing the meeting referred to in the paragraphs above, advised me that he received payment from Mr Ioannou for work done. Mr Ioannou was unable to advise me of the nature of the work and advised me that it was an unreceipted cash payment. I have been unable to discover when this payment was made and it is unclear whether or not the payment was relevant to ICI's decision to enter a contract with Mr Ioannou.
- 44. I assume that the payment was well known at Irrunytju and that the conflict of duty and interest was so resolved.
- 45. I submit, however, that the existence of the payment should have been minuted and that such processes should be the subject of governance training in the future.
- 46. One of the implied terms of Mr Ioannou's contract was that he should have a right of possession and control of all and any art works produced or held in the IAC, with the exception of the Irrunytju Cultural Heritage Collection, in respect of which see below section 6.4.
- 47. This is a major contractual right and, given that IA has grown into a commercial operation with a revenue in excess of \$400,000, the absence of a written contract is extraordinary.
- 48. There are several matters that I might have been able to consider had there been the usual documentation of a contract, whether it had been a contract of service (i.e. direct employment of Mr Ioannou) or a contract for services (i.e. creating Mr Ioannou as an independent contractor), preceded by Ngaanyatjara Council's human resource processes.
- 49. These include, but are not necessarily limited to, a curriculum vitae with relevant referees, and a criminal record check.

50. Mr Ioannou has been open about his criminal record that is now more than 20 years in the past and relates to a heroin addiction and do not include any dishonesty offences. It is necessary for ICI either directly or through an agent to obtain a police check, as the standard contracts require.

1.3.2 Directorship of Ellin Pty Ltd

- 51. Mr Ioannou is the sole director and shareholder of Ellin Pty Ltd which trades as Agathon Gallery, a registered business name; Mr Ioannou also advises that he has a further business name "Eclecticon Arts". A company extract for Ellin Pty Ltd forms Appendix 13 to this report.
- 52. Mr Ioannou advises me that it is intended to appoint two more directors of Ellin Pty Ltd
- 53. Mr Ioannou has held two exhibitions during October and November: one in Melbourne of Tommy Watson's paintings from 17 October till 12 November 2006 and one in Sydney, a group show, from 3 – 29 October 2006. He appears to have conducted these exhibitions in his character as a director of Ellin Pty Ltd.
- 54. I have sought from Mr Ioannou further information as to what proportion of sales from these exhibitions will be paid to Irrunytju Arts.

2.3.3 "Apparent Conflicts of Interest"

- 55. As a matter of law, it is not relevant whether conflicts of interest and duty etc, are "apparent". It is relevant to inquire as to whether or not they are resolved.
- 56. There is prima facie an unresolved conflict between Mr Ioannou's duty to IA as its art centre manager and Mr Ioannou's interest as a director of Ellin Pty Ltd which is entering contractual arrangements with IA (or technically with ICI).
- 57. In order to consider whether or not the conflict of duty and interest is resolved it will be necessary to consider the past and the proposed patterns of trading and the level of disclosure to the artists whose work is or has been acquired and sold.
- 58. It has not prior to the preparation of this report been possible to ascertain the nature of past transactions between Mr Ioannou, IA/ICI, Ellin Pty Ltd and other artists (who may or may not have a past or on-going relationship with IA).
- 59. Similarly, it has not been possible to consider any proposed patterns of trading because there appears to be no documented strategy. For example, no business plan and no draft budget appear to have been prepared. Mr Ioannou has been given the opportunity to provide information about this but has not responded.

- 60. <u>The duty remains with Mr Ioannou to provide the necessary documentation in order</u> to resolve this conflict of duty and interest.
- 61. In the absence of a documented strategy including documentation of the informed consent of each and every artist, IA/ICI is leaving itself open to having its transactions impeached; in my view, each and every artist has grounds and standing to obtain court orders against ICI in respect of these transactions.
- 62. It is also instructive in this context to note the contractual restrictions on art centre co-ordinators. The "Pro-Forma Ngaanyatjara Art Centre Contract" for "Art Co-ordinators" which forms Appendix 3 to this report, includes at dot point 4 on page 2, the following provision:

"All art works purchased by the Art Coordinator must be declared and should be accompanied by the appropriate sales documentation. Such art works are not to be resold for profit within two years of the date of purchase. The Art Coordinator shall not deal privately in the works of [name of centre] Artists during the term of employment for personal gain."

- 63. There is thus a contractual constraint requiring resolution of the conflict of duty and interest, as well as the equitable constraint in respect of unresolved conflict of interest and duty.
- 64. There is also an absolute barrier against a co-ordinator adopting the character of a dealer. It is not in my view lawful to have the character of both an art centre coordinator and manager and to have the character of a dealer.
- 65. The coordinator owes a duty to artists to get the highest price for their work; a dealer has an interest in acquiring at the lowest possible price to maximise profit. This conflict of duty and interest is only able to be resolved by a person having both characters, ceasing to have one i.e. resigning as a coordinator or manager or ceasing to deal. The coordinator / dealer conflict is not one which can be resolved by full disclosure.

2.4 Hinerangi Tukere as Art Co-ordinator

- 66. The resolution of the ICI council on 30 August 2006 referred to above represents prima facie a promotion for Hinerangi Tukere.
- 67. It is unclear at this time whether Hinerangi will be employed on the same terms and conditions as previous Art Co-ordinators and therefore be paid through a grant from DCITA.
- 68. It is also unclear how her duties will be affected because I have been unable to identify any document that sets out how the IAC will be conducted under these new arrangements i.e. with an "Arts Centre Manager" as well as an "Art Coordinator".

69. Given that there has been reference to the arrangements set up by the resolution of 30 August 2006 as a "model ... [which] will waive federal funding for the arts centre", the absence of documentation by way of a business plan and a draft budget, indicating how Hinerangi Tukere will be employed, is a matter of grave concern.

<u>3 Financial Arrangements; specifically the flow of monies involving artists, Irrunytju Arts, Irrunytju Community, and Art Centre staff and management.</u>

3.1 Pattern of trading 2001 - 2006

- 70. As outlined above in paragraphs 5 and 6, there has been a dramatic growth in the amount of money generated from the arts centre from 2001 to the end of the last financial year.
- 71. During that time, there appears to have been two predominant contracts for the sale of IA paintings: direct sale from the art centre itself and sale on consignment from the art galleries.
- 72. In respect of direct sales, artists obtain 75% of such sale prices and IA retains 25%. However, recently, ICI has directed that the proportion of moneys to be retained from the sale of art works for materials etc should be reduced from 25% to 15%. (See direction from CDA ICI to Ngaanyatjara Council accounting service dated 24 October 2006.)
- 73. In respect of consignment contracts to galleries, the gallerist retains 40% of the sale price, 60% is returned to IA. Of this 60%, the artist receives 75% (i.e. 45% of the sale price) and IA 25% (i.e. 15% of the sale price).
- 74. Because of the short time frame for this audit, it has not been possible to establish the proportion of direct sales to consignment sales.
- 3.2 Financial position as of 30 September 2006
- 75. Although the 2005-6 figures show continuing growth, as noted above, the figures for the quarter ended 30 September 2006 show that income to IA has dropped pro rata: sale of art works for the September quarter are \$65,147 but quarterly sales should have been about \$100,540 on the basis of the 2005-6 figures i.e. there has been a 35% decrease in revenue for the quarter. (The statement of income and expenditure on ICI's Arts for the quarter ended 30 September 2006 form Appendix 10A to this report.)
- 76. Similarly, artist commissions have dropped from a pro rata quarterly figure in 2005-6 of \$72,361 to \$34,033 in the September quarter i.e. there has been a 53% decrease in artist commissions through this account for the quarter.

- 77. It is not clear whether any of the income from sale of paintings in this period derives from sale through Mr Ioannou's galleries.
- 3.3 Transactions since 30 August 2006 i.e. since Mr Ioannou's appointment
- 78. Mr Ioannou advises me that he been involved in the following transactions since he commenced performing his contractual duties.
- 79. He has advised me that he has made payments to seven artists totalling \$15,500 and that these payments have been receipted.
- 80. Mr Ioannou advises me that in addition to the payments referred to in the above paragraph, he has taken paintings from the art centre on 26 October 2006 and 2 November 2006. A copy of the list of these paintings is Appendix 11.
- 81. In addition to the paintings referred to in the above paragraph, Mr Ioannou advises me that there are an additional 12 14 paintings he has taken and that the paintings in both lists have been taken on a "60/40 basis". I take this to mean that Mr Ioannou's gallery interests will retain 40% of any sale price and that the balance of 60% will be divided on the agreed basis 75/25 between the artist and IA. I have written to Mr Ioannou seeking clarification in this regard and he has failed to respond.
- 82. With the exception of the list forming Appendix 11, no records relating to Mr Ioannou's transactions on behalf of IA have been provided to me.
- 83. It is not clear whether a proportion of any of the sales from the two exhibitions referred to in paragraph 49 above have been paid to IA's account.

3.4 Irrunytju Artists Charity Auction 11 August 2003 - Trust Fund

- 84. It appeared from the files that I perused at Irrunytju that an auction of paintings had been held during 2003 and that the proceeds of the auction are held on trust.
- 85. Vivien Anderson advises me that she is one of the signatories of this trust fund.

<u>3 Artist Empowerment and Self-determination; specifically the role artists have in</u> decision making in their Art Centre and achieving their aspirations for their Art Centre.

- 86. There are forums for IA artists to be involved in decisions affecting the operation of the arts centre. Mention has been made above (see paragraph 14) of the IA Arts Advisory Committee which had been convened by Amanda Dent, Fiona Haasz and Mary Knights.
- 87. It is clear from the minutes of these meetings that in respect of day-to-day conduct, artists using the centre have been consulted. It is also clear from the conversations

and from the ease with which people use the centre that they feel as though they control it.

- 88. Mention has also been made that there appears to have been no general consultation of artists in respect of Mr Ioannou's contract with ICI. (See section 2.3.1 above.)
- 89. If the arts centre had been incorporated with artists as members and executive committee, as Tim Acker recommended (see paragraph 10), artists would have been more broadly consulted in respect of Mr Ioannou's contract.
- 90. The desirability of incorporation notwithstanding, I did not during my visit to Irrunytju from 7 10 October 2006 detect any opposition to Mr Ioannou's appointment.

<u>4 Irrunytju Community Support; specifically the level of support available from the Irrunytju Community organisation and the need for formal understandings about artist representation, Art Centre infrastructure, staff housing and security.</u>

- 91. It was clear during my visit referred to in the section above, that the IAC enjoys broad community support.
- 92. The level of disputation within the community affecting the IAC is a matter of concern and must affect its operation.

<u>5 Artworks; specifically the documentation of art works, artist promotion and career</u> <u>development, marketing arrangements and the status of the Irrunytju Cultural Heritage</u> <u>Collection</u>.

5.1 Documentation of art works

- 93. I was briefed by Hinerangi Tukere in respect of documentation of art works and had the opportunity to interrogate the current Artist Management System 2.0 ("AMS"), which is a relational database utilising a Microsoft Access platform.
- 94. This was developed while Mary Knights was the co-ordinator and replaced a Microsoft Excel system.
- 95. In addition, to the AMS there is an Excel spreadsheet "import.xls" comprising all recorded paintings; I was able to use this spreadsheet to make a list of the Irrunytju Cultural Heritage Collection, as to which see below at section 5.4.
- 96. A copy of the spreadsheet forms Appendix 5 to this report
- 97. There were some further issues raised by my perusal of the "hard" files in the two filing cabinets. (These appeared to be the sum total of the hard files but I was subsequently advised that following a break-in during the period when Mary Knight

was co-ordinator, some files relating to Amanda Dent's period were stored in archive boxes.)

- 98. The further issues referred to in the previous paragraph were the subject of the memorandum to Hinerangi Tukere and John Ioannou and attachment thereto, dated 10 November 2006 which form Appendix 6 to this report.
- 99. I draw attention to the following matters: firstly, Vivien Anderson by letter dated 25 October 2006 has sought an on-going relationship with Irrunytju Arts.
- 100. Secondly, it does not seem possible to interrogate the paintings database to discover who is able to attest to the provenance of a particular work, in the sense of which *natural person* might attest.
- 101. Thirdly, I was advised by Mr Ngatai on arrival at Irrunytju that all files relating to IA were held in the Irrunytju Arts Centre ("IAC") and that there were none in the community office. In view of documents on the IAC files which were copies of documents sent to Mr Ngatai's predecessors as Community Development Advisor, this is surprising.

5.2 Artist Promotion and Career Development

- 102. Due to the short time frame for the preparation of this report, I am unable at this time to report further relevant facts beyond the evidence of artist promotion and career development that emerges as a clear inference from the success of IA and has already been reported herein.
- 103. It has already been noted that the communal dimension of the IAC programme has been an important feature of IA's success. See section 2.1 above. In the absence of a documented strategy, it is not clear that the full range of the artists who are and have been associated with the centre will continue to be so involved i.e. it is not clear that the operating costs of the of the IAC will continue to be subsidised by the more successful artists.

5.3 Marketing Arrangements

- 104. It appears that there have been a series of marketing strategies adopted by IA and other art centres in the vicinity.
- 105. In the case of IA, a key strategy has been the organisation of exhibitions. A large proportion of the paintings produced were sold through four capital city galleries Vivien Anderson in Melbourne, Gabriella Roy in Sydney, Brigitta Braun in Perth and Marshall Arts in Adelaide and the exhibitions organised by Desart in Alice Springs.

- 106. I note that Tim Acker recommended the development of on-line and e-commerce sales which he said had worked well for "other art centres that are equally remote" (See his letter to the Community Development Advisor Rob Kopa in mid 2003.)
- 107.It appears that on-line and e-commerce have not been used. Mary Knights in her notes about the centre expressed the view that "great work sells best through the galleries and mediocre work on the web gives the art centre a bad name." These notes form Appendix 9 to this report.
- 108. There have also been local sales. It is instructive to note that IA was constrained to publish an "Important Reminder Notice" evidently to expatriate staff working at Irrunytju to "remind their visitors that [a] condition of their permit [to visit Irrunytju] insists that they ... not acquire or seek to acquire any Aboriginal art, sacred objects or artefacts other than from an approved agency." It appears that some artists were in technical breach of their consignment agreements with IA.
- 109. Within the timeframe of this audit it has not been possible to ascertain the proportions of sales from different venues.

6.4 Status of Irrunytju Cultural Heritage Collection

- 110. I have checked the two available records of the ICHC: one is a computer record compiled from data on the computer at the art centre and the other is an annotated list in the form of a print-out in the hard files. The computer record forms Appendix 4 and the annotated print out forms Appendix 4A.
- 111. All the items on the print out are included in the computer record; there are three items that are on the computer record but not on the print out. They are indicated with an asterisk.
- 112. It seems therefore that nearly all the items in the ICHC were collected in 2002 and 2003.
- 113. I have been advised that some or all of this collection is being held in trust at Warburton. I have been further advised that Albertina Viegas is able to advise of the whereabouts of these items. My letter to her dated 9 November 2006 comprises Appendix 4C to this report.
- 114. I am instructed that there are also seven paintings left by Mary Knights in the IAC which were marked for the ICHC. A list of these forms Appendix 4D to this report.

7. Conclusion

115. I have set out above what I believe to be the relevant management and stakeholder issues at this time.

116. On the basis of the information provided to me, it is not possible to draw conclusions as to the "health and sustainability of the organisation." The future of the organisation will depend on the strategy to be adopted by the new management arrangements attendant on the decision of Irrunytju Council Inc on 30 August 2006. As has already been noted, there is scant documentation of this strategy.

This should be urgently addressed by IA/ICI because in my view, each and every artist has a cause of action in respect of the issue of conflict of duty and interest referred to above.

- 117. In conclusion, I would like to thank all parties for their co-operation with this organisation audit.
- 8. Recommendations
- 118. The terms and conditions of Mr Ioannou's contract with ICI should be clarified in writing.
- 119. A documented strategy for the Irrunytju Arts Centre should be developed as a matter of urgency, including for example, a business plan and a draft budget.
- 120. This strategy should include a mechanism for obtaining the informed consent of IA artists.
- 121. The conflict between Mr Ioannou's duty to IA and his interest in Ellin Pty Ltd should be resolved.
- 122. Governance issues for ICI which emerged incidentally to the organisation audit should be addressed.
- 123. "Irrunytju Arts" should be immediately registered as a business name and the interest in that business name transferred to the appropriate entity, to protect important intellectual property.
- 124. I note that stock in hand, being both materials like paint and canvas, and finished art work, should appear on the balance sheet in the annual financial statements, particularly since some of the finished work may be valuable property.
- 125. The administrative and policy issues raised in the memorandum forming Appendix 6 should be addressed. They are as follows:-
- 126. Firstly, what is the system for dealing with correspondence?
- 127. Secondly, what will be the response to Vivien Anderson who wishes to continue with existing arrangements and agreements?

- 128. Thirdly, how will IA/ICI pursue the DCITA funding submission for 2006/7 in respect of payment for the IAC Manager or Coordinator?
- 129. Fourthly, the computer records of art works should be reviewed so that it is clear which natural person has provided the Certificate of Authority in respect of any particular work.

Neil Bell 21 November 2006 APPENDIX 1 Terms of Reference

APPENDIX 2 Stakeholders

Appendix 3. Pro-Forma Ngaanyatjara Art Centre Contract" for Art Co-ordinators.

Appendix 4 Computer record of ICHC. (see section 5.4)

Appendix 4A Print out from hard files of ICHC. (see section 5.4)

Appendix 4B Copy of letter dated 9 November 2006 to Albertina Viegas

Appendix 4C [deleted]

Appendix 4D List of works provided to EO Desart by Mary Knights, October 2006.

Appendix 5 CD containing a spreadsheet recording all paintings done at IA and a list of painters

Appendix 6 Memorandum to Hinerangi Tukere and John Ioannou and attachment thereto, entitled "Issues re Hard Files" and dated 10 November 2006

Appendix 7 List of the people employed on the CDEP programme at Irrunytju on or about 15 August 2005.

Appendix 8 Copy of a retail price list used at IA is Appendix

Appendix 9 Mary Knight's notes on the operation of the arts centre.

Appendix 10 The statement of income and expenditure on ICI's Arts Account for the year ended 30 June 2006

Appendix 10A

The statement of income and expenditure on ICI's Arts Account for the quarter ended 30 September 2006

Appendix 11 List of paintings taken on 26 October 2006 and 2 November 2006.

Appendix 12 [deleted]

Appendix 13 Current Company Extract for Ellin Pty Ltd

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