

contain names of people who have passed on.



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Chairperson's Message

Desart has been very busy again this year and I have really enjoyed being Chairperson of Desart again.

Desert Mob 2016 was really good with everybody there and everybody coming together to meet one another and share their art centre stories. It is plain that 'Culture Comes First' in every art centre

Lots of artists from everywhere came to the Barkly Artists' Camp this year to share their stories and talk about art. The Desart Art Worker Program is really important as art workers are a really important part of art centres – it is good that they are supported by artists and Desart with lots of workshops.

The 2017 Desart Conference had a good number of art centres attending. There were good presentations and everybody had a chance to speak up. The presentation about the Fake Art campaign was very important to everyone.

I liked working with the Desart Board members and I thank them for doing a good job this year supporting the art centres and working well with Desart.

Desart is doing a good job for art centres – a good job of the Money Story and a good job with funding. Desart staff work well together to support one another and all of the art centres. Thank you to Philip and Desart staff.



Chief Executive Officer's Message

Desart continues to strengthen its position as the peak body for Central Australian Aboriginal Art Centres. The success of Desart programming has consolidated our financial

position with new funding from private and public streams confirmed.

Additional support from the Australia Council both acknowledges and enables the continued success of Desart. With this significant support Desart is well positioned to implement the priorities of our 2016–2021 Business and Strategic Plan and recommendations from the Administration and Capability Review.

Through our partnership with the Tim Fairfax Family Foundation (TFFF), we can confidently continue to develop and strengthen our capacity building programs toward Aboriginal Indigenous art worker sector, through the delivery of targeted professional development.

Support through the Industry Skills Advisory Council (NT) provided Desart with the ability to develop a series of online training videos creating ongoing professional development opportunities within the arts centre. Desart is proud of the confidence of our programming from our membership and broader industry stakeholders demonstrated through new income sources being secured and the development of new projects. We recognise our responsibilities for ongoing purposeful improvement, which is the mark of any successful organisation and we continue to finesse and consolidate our existing services and support programs.

Through our extensive member consultations we identified key art centre requirements. This resulted in the need to scrutinise our own capacity, structure and administrative processes, which led to the *Administration and Capability Review*. The recommendations from which will ensure we remain relevant and responsive to our members' needs. The review has in turn been a trigger to examine other aspects of Desart which will begin late 2017 and will be aimed at the effective delivery of IT support services including the successful SAM Database and other business support programs.

Art being produced in Desart member art centres continues to strongly assert our regions place in the national arts landscape. Desart has strengthened its partnerships with key industry service organisations, to ensure our members are well informed of contemporary issues affecting our industry. Our partnerships with organisations including Arts Law, Copyright Agency and the Indigenous Art Code, remain strong and important conduits which we can have our collective needs and issues considered and addressed.

Chief Executive Officer's Message

Desart members are also represented in other peak arts organisations. Our long-standing partnership with the Darwin Aboriginal Art Fair, of which I am the current Deputy Chair and as a Cultural Advisory Committee member of the Tarnanthi Festival of Contemporary Aboriginal and Torres Strait Islander Art with the Art Gallery of South Australia.

Desart continues to grow our relationship with Araluen Arts Centre building each year on the growing popularity and cultural and industry significance of the Desart Symposium, Desert Mob and MarketPlace.

In April 2017 this year I was appointed co-chair with the internationally recognised curator Ms. Hetti Perkins to the Interim Steering Committee for the establishment of the National Indigenous Art Museum (NIAM) proposed for Alice Springs. A feasibility report will be delivered to the Northern Territory Government. I am excited at the prospect of the NIAM being established within the Desart region in recognition of the rich artistic practice and contributions that artists and art centres from central Australia have made.

Desart was very proud and honoured to partner with the Central Land Council (CLC) to develop and present the Vincent Lingiari Award to commemorate the 50th anniversary of the Gurindji walk off from Wave Hill Station and the 40th anniversary of the Aboriginal Land Rights Act (NT) 1976. Desart congratulates Marlene Rubuntja, awarded the Vincent Lingiari Award, and David Frank, awarded the Delegates Choice Award, and all the artists who submitted work for this landmark exhibition.

Desart would like to acknowledge the hard work and commitment to the organisation of Ms Mellisa Kramer for 6.5 years service. Mellisa's contributions to ensuring the integrity of Desart's administration and finance processes were highly valued and contributed greatly to the growth of the organisation

I would like to thank all the Desart staff who work tirelessly to support and deliver programs and services to our members and the Desart Board who, in particular to the Chairperson Jane Young, steady leadership and counsel is much appreciated and respected.

I look forward to working with our members, staff and board and all our stakeholders for the ongoing success of Desart.

Philip Watkins

Chief Executive Officer

Our Mission, Values and Goals

Our Mission

We are committed to supporting Aboriginal art centres, which provide autonomy, sustained growth and stability for Central Australian Aboriginal communities.

Our Values

Culture first: We see culture as the priority and foundation for all our work.

Diversity: We respect the cultural diversity inherent to Central Australian Aboriginal peoples and their communities.

Autonomy: We support the independence and autonomy of our art centre members.

Ethical: We work in a manner that is ethical and transparent.

Consultation: We ensure our work is based on consultation with Aboriginal artists and art centre staff.

Our Goals

One Mob, One Voice

Goal 1 - Represent and be a strong voice for art centres.

Strong Business

Goal 2 - Promote best practice management of art centres.

Goal 5 - Support art centres to acquire and maintain infrastructure and resources.

My Job, My Learning

Goal 3 - Increase employment and career pathways for Aboriginal people in the arts.

Our Art, Our Culture

Goal 4 – Promote Central Australian Aboriginal arts and culture.

About Desart

Desart is the Association of Central Australian Aboriginal Arts and Craft Centres. Established in 1992, incorporated in 1993, we now count as our members 41 independently governed Aboriginal Art and Craft Centres representing 8000 artists. We are governed by a 10 member Aboriginal executive committee elected from the membership regions and currently employ 7 staff, servicing a membership area of 1.221 million square kilometres.

We are a collective voice for Art Centres on matters of shared interest and deliver programs to members that support the development and maintenance of strong governance, administration and infrastructure. Each art centre has its own set of governance, business and individual staff needs. Building and supporting capacities in relevant and useful ways is our strongest challenge. We prioritise opportunities for our membership to market and promote their art and crafts locally, nationally and internationally and to further their ability to remain autonomous, sustainable Aboriginal businesses. Art centre members are community-based enterprises, owned and governed by Aboriginal people which provide economic, social and cultural benefits to their communities.

Our programs are developed and delivered on the principle of culture first and industry best practice through rigorous and ongoing consultation. We place emphasis on working together with our membership and key industry stakeholders including arts and Aboriginal community organisations, business, government and industry professionals. We maintain strong relationships with the Indigenous Art Code, Copyright Agency, Arts Law and Art Centre Peak Bodies, national and state arts agencies and Ninti One CRC – Art Economies Research Project. We have continued to build on established partnerships and nurture new relationships with relevant industry organisations to ensure our objectives are met.

We are a conduit through which art centre business operations (financial, human, physical infrastructure) are supported and strengthened. It is our aspiration to achieve a balance between Aboriginal cultural expressions (posited within a broader western arts market) and western systems of administration and governance.

About Desart

Our Board

Desart was incorporated in 1993 as a non-profit Aboriginal Association under the Northern Territory Associations Act. Members of Desart are Aboriginal-owned art centres, either as independent corporations, or as art centres which are activities of larger Aboriginal governed organisations.

Desart Executive Committee

The Desart Executive Committee comprises ten Aboriginal members: 2 each from five designated regions. Positions are declared vacant at the AGM, and commence from the next meeting of the board following the AGM. Below is a record of attendance for 2016-2017.

Record of 2016–2017 Desart Executive meeting attendance

Region	Member	Term ends at AGM	Meetings attended	Meetings held
Barkly	Vacant	2016	-	2
	Kathleen Rambler	2017	3	3
	Graham Beasley	2018	1	1
	Betty Conway	2016	1	2
Central Desert	Jane Young	2017	3	3
	Vacant	2018	-	1
Ngaanyatjarra West	Maime Butler	2016	0	2
	Mr Nelson (dec.)	2017	0	3
	Janet Forbes	2018	1	1
North West	Otto Sims	2016	0	2
	Isobel Major	2017	2	3
	Otto Sims (re-elected)	2018	1	1
APY South	Mr Douglas (dec.)	2016	2	2
	Tuppy Goodwin	2017	2	3
	Yaritji Young	2018	1	1

About Desart

Our Staff

Position	Team Member	Tenure
Philip Watkins	Chief Executive Officer	August 2011 - present
Mellisa Kramer	Administration and Finance Manager	February 2011 – June 2017
Sally Humm	Executive Administrator	June 2017 – present
Marlene Chisholm	Art Worker Program Manager	April 2013 – present
Joeanne Silverton	Administration Support Art Worker Program	May 2017 – present
Hannah Grace	Strong Business Program Manager (maternity leave December 2016 – July 2017)	April 2014 – present
Karin Riederer	Acting Strong Business Program Manager	March 2017 - August 2017
Jasper Coleman	Strong Business Program Officer	October 2016 – present
Bronwyn Taylor	SAM Project Manager	August 2015 - present

This financial year, Desart began transitioning to a new staffing structure to ensure we have the right capability mix to deliver on strategic initiatives and maximise opportunities in a timely manner. This was a key recommendation of the *Administration and Capability Review*.

Jasper Coleman joined the Strong Business Program in October 2016. Jasper has worked with a number of art organisations in support and voluntary roles.

Karin Riederer came back on board temporarily as Acting Strong Business Program Manager while Hannah Grace took maternity leave. Karin worked with Desart in 2012–2013, and has extensive experience in the arts industry, including as an art centre manager.

Joeanne Silverton joined the Art Worker Program in May 2017. Joeanne has worked in the arts for a number of years and most recently as an art worker at Tangentyere Artists.

Mellisa Kramer, Desart's long-serving Administration and Finance Manager, left at the end of the financial year. We thank her for her dedication and commitment and valuable contributions across her 6.5 years of service.

Sally Humm was appointed to the new role of Executive Administrator in June 2017. This position is responsible for supporting the CEO and Board, monitoring funding activities, and delivering on marketing and communication strategies. Sally is a skilled administrator with experience in the not-for-profit sector and local government.

Our Art Centres

APY South
Ernabella Arts
Iwantja Arts
Kaltjiti Arts
Maruku Arts
Mimili Maku Arts
Ninuku Arts
Tjala Arts
Tjungu Palya Arts
Walkatjara Art Uluru

Barkly Arlpwe Art and Culture Centre Artists of Ampilatwatja Nyinkka Nyunyu Art & Culture Centre

Bindi Mwerre Anthurre Artists
Greenbush Art Group
Hermannsburg Potters
Iltja Ntjarra Many Hands Art Centre
Keringke Arts
Papunya Tula Artists
Tangentyere Artists
Tapatjatjaka Art and Craft
Tjanpi Desert Weavers
Waltja Tjutangku Palyapayi

Central Desert

North West
Ikuntji Artists
Martumili Artists
Papunya Tjupi Arts
Warlayirti Artists
Warlukurlangu Artists

Yarrenyty Arltere Artists

Ngaanyatjarra West
Papulankutja Artists
Spinifex Art Project
The Minyma Kultjara Arts Project
Tjarlirli Art
Tjukurba Art Gallery
Warakurna Artists

ASSOCIATE MEMBERS

Artists of Areyonga (Utju Artists)

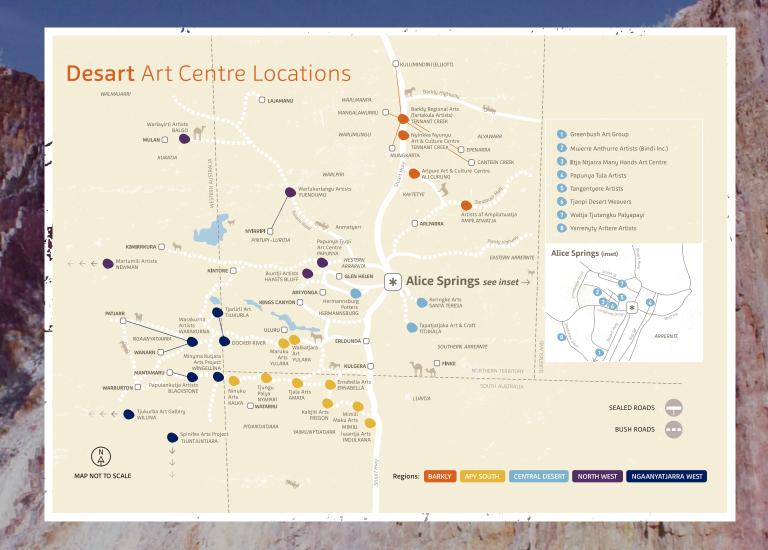
My Pathway representing:

- Atitjere
- Engawala
- Arlparra
- Ampilatwatja (with Artists of Ampilatwatja

Barkley Regional Arts representing:

- Canteen Creek Artists
- Epenarra Artists
- Kulumindini Arts
- Mangalawurru
- Mungkarta Artists
- Tartakula

Map of the Membership



Our Funding

As a non-profit organisation we rely on a variety of funding sources for our programs and core operations. In 2016–2017 Desart continued to be supported by the Commonwealth and Northern Territory governments, the Australia Council for the Arts, philanthropic and commercial sponsors. We are tremendously grateful to all our financial supporters noted below.

Commonwealth Government



The Indigenous Visual Arts Industry Support (IVAIS) program is vital funding for Desart's core activities, now encompassing Visual Arts and Crafts Strategy (VACS) funding. In June 2015, Desart secured funding through IVAIS for the five-year period to 2020. This ensures stability in staffing levels, allowing Desart to focus on delivering programs and services to our members.

In 2015 Desart was approached by the Ministry for the Arts to auspice grant funding under IVAIS on behalf of Hermannsburg Potters and this arrangement continued through 2016–2017.

Desart also continued to auspice funding on behalf of Tjarlirli Artists, under the Indigenous Employment Initiative (IEI). This funding is tied to our current IVAIS agreement, and it is set to expire in 2020.



In 2016–2017 Desart secured funding from the Australia Council for the Arts for our annual Desert Mob program with projects delivered September 2016

In April 2017 we secured Australia Council operational/program funding for 2017–2020. Through the significant support of the Australia Council, Desart is well positioned to implement the priorities of our 2016–2021 Business and Strategic Plan and recommendations from the Administration and Capability Review.

Our Funding

Territory / State Government

Proudly sponsored by
Northern Territory
Government

The Northern Territory Arts and Programs Strategy (NTAPS) continues to be fundamental to the delivery of Desart's annual program. Multi-year funding until December 2018 assists with operational expenses as well as the annual Desert Mob program.

Desart also received support through Tourism NT for the Desart website development to drive online traffic to the Desert Mob Exhibition; and NT Archives for historical research of Desart towards a commemorative 25-year book in development for 2018. Through its Community Champions Program, the NT Government also provided funds to Desart for a feasibility study for an art centre in Arlparra on behalf of artists in the Utopia region of the NT.



With funding from Arts Queensland through the Queensland Government, the Stories Art Money (SAM) design and layout upgrade was completed in 2017. This has improved usability and workflow within the database.

Our Funding

Philanthropic



In 2016 Centrecorp Foundation continued to support Desart in the delivery of Desert Mob, the Desart Art Centre Conference, and artists' workshops with new associate member, Artists of Areyonga.



In late 2016 Desart obtained seed funding for the newly completed Docker River art centre. Funding to source start-up materials and a salary for an art centre manager were matched by the Ministry for the Arts, giving this art centre a stable platform on which to commence operations.



Copyright Agency Cultural Fund continues to be a great supporter of Desart projects. In 2016, Copyright Agency Cultural Fund provided funding to produce the catalogue for the Vincent Lingiari Art Award exhibition Our Land Our Life Our Future, September 2016.



In January 2017, Desart sourced a grant from the Tim Fairfax Family Foundation to support the expansion of the Art Worker Program to build the capacity of Indigenous art workers in Central Australia. Professional development through accredited and non-accredited training, industry engagement and skills workshops are offered to art workers within Desart's membership through this grant.



The Industry Skills Advisory Council NT (ISACNT) supported Desart by providing advice and funds for the much-needed development of online videos for the SAM Database. The database is used by 80 Aboriginal and Torres Strait Islander art centres across Australia and funding was used to develop 32 videos that will enable remote and regional art centres to access clear and simple steps on how to complete each task within SAM.

Our Main Activities 2016-2017

The Desart program of activities is based on the principles of capacity-building, better business practices, leadership and good governance across the three tiers of art centre operations – directors, art centre staff and artists. These principles are put into practice through professional development opportunities, accredited and non-accredited training, and tailored workshops with professional facilitators, building networks, support and mentoring. Devised in consultation with Desart members, the content of the Desart program encompasses research, review, inquiry and industry better practice. Desart's annual program of activities is guided by the goals of the Desart Business & Strategic Plan 2016–2021.

Goal 1 - Represent and be a strong voice for art centres

Administration and Capability Review

Desart has undertaken significant growth over the last four years both in terms of staff workload and service offerings to its members. As a significant peak body in the Aboriginal art centre sector and with increasing demand to coordinate key projects, services and exhibitions (such as Desart Mob and further development of the SAM database), Desart has identified the need to expand its resource base to facilitate and satisfy such demand.

It is critical that Desart staff have the necessary skills and capability to not only meet current and future demand for Desart services, but to also be innovative and agile enough to anticipate future opportunities and be sufficiently capable to obtain funding for the successful delivery of services and projects.

With the above in mind, Desart has commissioned Nexia Australia to undertake the Administration and Capability Review to evaluate the current organisational structure, staff capabilities, communication and administrative processes, prior to determining the specific future organisational changes. The review was completed in early 2017 with the report outlining the current organisational structure, its identifiable shortcomings and highlights a series of recommendations to address such issues. In addition, a revised organisational structure and implementation plan has been developed to assist Desart to position the organisation in ways that capitalise on the current and future opportunities. It is anticipated that recommendations will be incrementally integrated into planning, operational and administrative processes over the next year.

Advocacy

Desart works closely with all tiers of government and industry stakeholders advocating on behalf of our member art centres, championing their importance and successes and addressing their challenges. We work consultatively with other industry service organisations, including the Indigenous Art Code, Office of the Registrar of Indigenous Corporations, Arts Law, the Copyright Agency and Creative Partnerships Australia to ensure our members have access to information and resources that meet their aspirations and needs.



Research

Desart continues to partner with the Cooperative Research Centre for Remote Economic Participation, ensuring the voices of our art centre members are evident in research outcomes, so that the research can better inform industry stakeholders and policy. A full list of research reports can be obtained from: www.crc-rep.com/research/enterprise-development/aboriginal-and-torres-strait-islander-art-economies/project-outputs

Goal 1 - Represent and be a strong voice for art centres

Partnerships



Araluen Arts Centre

In its ongoing partnership with the Araluen Arts Centre, Desart successfully delivered the 2016 Desert Mob Exhibition, Symposium and MarketPlace and advanced plans for the 2017 event.

Barkly Regional Arts



Desart continues to work closely with Barkly Regional Arts (BRA) in the delivery of arts activities to our five associate member art centres in their region. Operationally supported through BRA, the art centres situated in Canteen Creek, Epennarra, Mungkarta, Mangalawurru, Kulumindini, and Tartakula participate in most Desart events including art worker professional development, Desert Mob and artists' camps. It is through BRA that Desart strengthens relationships with the artists in these communities.

Batchelor Institute



A continued partnership in 2016–2017 for the Desart Aboriginal Art Worker Program to develop customised resources using Australian Qualification Framework standards at the certificate level and to deliver accredited training, focusing on the needs of Aboriginal art workers in their career pathways.

Central Land Council



In partnership with the CLC, Desart developed the inaugural Vincent Lingiari Art Award and accompanying Our Land Our Life exhibition to celebrate and commemorate the 50th anniversary of the Gurindji Wave Hill Walk Off and the 40th anniversary of the Aboriginal Land Rights Act (NT) 1976. The shortlisted artworks were exhibited at Tangentyere Artists.

Goal 1 - Represent and be a strong voice for art centres

External Representation

Desart staff have been active on the following boards and committees:

- Ninti One: Aboriginal and Torres Strait Islander Arts Economies Project Advisory Group
- Indigenous Art Code, Board Member (Desart CEO, Philip Watkins)
- Darwin Aboriginal Art Fair Foundation, Deputy Chair (Desart CEO, Philip Watkins).
- Tarnanthi Festival, Cultural Advisory Committee
- Australia Council Peer Assessment Panel
- National Indigenous Art Museum Steering Committee, Co-Chair (Desart CEO, Philip Watkins).

Arts Fairs / Conferences

Desart was present at:

- Cairns Indigenous Art Fair 2016: industry booth promoting the SAM Database
- Darwin Aboriginal Art Fair 2016: industry booth and donation to the fundraising auction
- MAP 2017 (Arts NT arts industry conference): the Art Worker Program Manager was a panel guest, discussing Aboriginal employment in the arts industry; other key Desart staff attended as delegates
- Arts Front First Peoples First: planning workshop, 2017.

Desart Strong Business Program

The Strong Business Program is an art centre sector capacity building program that is delivered through Matrix on Board Consulting (Matrix). In 2016–2017 the program had three focus areas:

- 1. Individual art centre manager support through provision of professional coaching,
- 2. Board support through a planned governance program and flexible contingency support, and,
- 3. Professional development program for art centre managers delivered through a series of workshops.

Professional coaching is available for art centre managers which is delivered over the phone in six one-hour sessions with an experienced coach. The content and issues discussed in the coaching are determined by the manager.

Art centre board members are offered governance and financial management training that is delivered on-site in community. The content of the Board Support training is determined by the art centre's board and manager..

Communication with our members

Desart touches base with members once a month via teleconference. This monthly phone forum is an opportunity for the membership to discuss any issues they are having and it is also a chance for Desart to report back to the membership on recent events and developments.

Desart conducts an annual art centre survey with our membership. This informs our priorities and areas of focus for the next twelve months. It is also an avenue for managers to tell us their professional development needs. We also survey our membership after Desart events such as the Desart Art Centre Conference and Desert Mob, to help us identify and address how we can improve our services.

Site Visits

Meeting with staff and artists in their art centres and communities is an important way we stay in touch with our membership and build supportive relationships. Onsite visits help us better understand the specific contexts in which our members are working. In 2016–2017, Strong Business Program staff visited Iwantja Arts, Mimili Maku Arts, Kaltjiti Arts, Ernabella Arts, Papulankutja Artists, Hermannsburg Potters, Tangentyere Artists, Iltja Ntjarra and Tjanpi Desert Weavers; and Tartakula (Tennant Creek), Mungkarta, Epenarra, Canteen Creek for Barkly Regional Arts planning,

Supporting Industry Organisations

At the 2017 Desart Conference we gave a platform for the Indigenous Art Code (IAC), Arts Law and the Copyright Agency to talk to our members, which was well received. Desart encourages ethical transactions between artists, art centres and the art market by supporting and promoting the Indigenous Art Code. By supporting IAC artists and art centres to have access to information about all legal and commercial aspects of art practice. Desart supports and creates opportunities for other industry service providers to connect with our members so art centres have direct access to current advice, information and legislation on issues such as the protection of artists' rights and knowledge, stories and imagery.

Strong Business Program Professional Development

The Strong Business Program Professional Development for Art Centre Managers was delivered as a three-day program in Alice Springs in early November 2016. Extensive consultation into potential content and the optimal time of year for delivery was undertaken by Desart. An online questionnaire was sent out to art centre managers in early 2016 and the results were incorporated in the program planning.

Topics flagged for delivery were:

- Understanding financial reports / financial management for managers
- Introduction to HR requirements for art centre managers
- Philanthropy
- Time management
- Frontline management / supervisor skills training
- Engaging board members
- Strategic marketing
- Managing ongoing professional development

The program design enabled external experts to be brought in to co-deliver workshops. Claire Thompson, an experienced HR consultant, delivered introductory HR requirements and Gwen Gaff (Creative Partnerships Australia) devoted a session to philanthropy.

This Strong Business Program Professional Development was attended by 11 art centre managers from Desart's membership.

'The workshops were all relevant and will strengthen my ability to manage the art centre.' - Feedback from art centre manager.

'The PD Program was very relevant because the presenters understood the context clearly and it was tailored to higher management issues. It added a new level of awareness in professional practice for me.' - Feedback from art centre manager.

Docker River - Tjarlirli Arts

In 2016 it was agreed that Tjarlirli Arts would manage the art centre in Docker River. Desart secured \$80,000 from the Central Land Council to support the provision and purchase of start-up equipment, materials and employment of a manager for six months.

Tjarlirli Art employed an assistant manager from June 2016 and officially opened the doors at Kaltukatjara (Docker River) Art Centre in September 2016. Both the manager and assistant manager are employed fulltime and subsidised by Tjarlirli Art.

Tjarlirli Art allocated one of its two art worker positions to Kaltukatjara Art in 2016 and as of June 2017, has a second position based at Docker River. More than 100 artists are painting regularly in Docker River. Artists have communicated a sense of pride and happiness at having their own functional facility in which to practice culture and fine art skills.

Mt Liebig (previously Watiwanu Artists), NT

In August 2016 Desart was invited by the artists of Mt Liebig, NT along with Papunya Tjupi to visit the community to discuss what art and cultural activities exist and how the artists would like to be serviced in the future. Indigenous Communities Volunteers (ICV) and Batchelor Institute (Visual Arts) also attended to scope out how they too could support these artists. Further meetings to progress discussions will be conducted in 2017 with Papunya Tjupi, Ikuntji Artists and Mt Liebig Community.

Areyonga (Utju) Community, NT

Desart worked with Suzi Lyon (Charles Darwin University, Visual Arts) to secure project funding for an art consultant to deliver a two-week professional arts development and painting workshop in August 2016. It was identified during these two weeks that an art centre feasibility study should be conducted in the region.

Utopia region, NT

In 2017 Desart was asked to conduct a feasibility study for an art centre in the Utopia region (NT). An outcome of this study is to equip artists and homelands residents of the region and community and industry stakeholders to make well informed decisions about the practicalities and viability of establishing an ethical and culturally safe community-governed art centre. The field work will continue into early 2018.

HR Program

The following human resources (HR) support and assistance is available to full members of Desart, at no charge:

- Art centre manager recruitment: reviewing position description, advertising, shortlisting, interviewing, contract negotiation, appointment of selected candidate and induction.
- · Art centre manager performance reviews: probationary and annual.
- Review of position descriptions plus two copies of the current Desart Art Centre Guidebook.

EASA Counselling service is available for art centre managers 24/7. Assistance is given to those who need crisis locum support as well as general HR advice and support.

In 2016–2017 Desart assisted three art centres to recruit new staff:

- Hermannsburg Potters art centre manager
- · Papulankutja Artists consultants, interim managers, art centre manager
- Papunya Tjupi art centre manager, studio facilitator.

Business Support and Mentoring

Art centre manager business support is delivered over the phone at a time that is convenient for the manager or on a site visit by Desart staff. If further expertise is required, Desart connects them to a network of experts in the industry and other service organisations.

Desart also encourages peer-to-peer support and learning at all of our industry events to help build and strengthen networks and capacity within the membership.

Desart provides training and resources to art centre managers to improve record-keeping, administration and business management throughout the year and at our Art Centre Conference in March and our Art Centre Managers' Professional Development event in November. Desart assists art centres to develop business plans by offering business plan workshops, templates and access to a database of consultants that can support the art centre board and managers to develop effective business plans.

Grant e-Blasts

Monthly grant e-blasts are sent to the membership to encourage art centres to apply for grants for projects and infrastructure.



Art Prizes e-Blasts

Monthly Art Prize e-blasts are sent to the membership to encourage art centres to enter into national and international art prizes to help build artists' careers.



Desart Art Centre Conference

The Desart Art Centre Conference is the annual event for art centre managers, directors, artists and art workers to connect, network, and engage with Desart staff, industry specialists, government agencies, supporting organisations and each other. The 2017 Conference was held 10–13 April and centred on the theme 'Art and Ethics'. It comprised of a three-day program of professional development workshops, presentations and discussions on current policy issues, initiatives and opportunities.

Overview of Conference Program

Day One: A full-day workshop aimed at frontline management staff and delivered by Rape and Domestic Violence Services Australia about understanding and responding to vicarious trauma in the workplace. Although the workshop was well attended and received, a majority of participants believed that information tailored to the unique circumstances of art centre management would be more useful.

Day Two: Open sessions included: Australia Council for the Arts: National Indigenous Arts and Culture Authority, Parrtjima Festival of Light, Artback NT: Desart Artists in Residency proposal, Art Centre Money Story: Discussions with Funding Bodies, Launch of the new SAM design, My Job – My Learning and Indigenous Art Code: Fake Art Harms Culture.

Closed sessions included: Art Centre Staff and 'What do Art Centre Managers need to support Art Worker learning?' as part of My Job – My Learning. Closed sessions are split into professional steams consisting of art centre staff and directors, artists and art workers. These are designed to allow more open discussion within peers that are more relevant.

Day Three: Presentations on Desert Mob Vision and Map, Media Training 101, National Indigenous Art Museum, Culture Centre and Indigenous Arts Trail, Copyright for Creators, ArtsLaw Australia, Indigenous Art Code website and Tools Launch, and a closed session for directors, artists and art workers.

Managers reported meeting new managers, meeting remote artists, planning for the year, networking with funding providers were excellent outcomes of the Conference.

'Top notch! Very professional yet all lectures felt relaxed enough that I wasn't embarrassed to ask a question. Really informative speakers. I wasn't aware of all the resources out there on offer for art centres, artists and managers. I now feel better equipped with the necessary contacts I can work with or ask advice from in regards to specific issues or projects.' – Feedback from art centre manager.

'I thought it was a great conference. The artists really enjoyed it and got a lot from meeting the other artists and learning about their projects. Also gained a lot of insight into their place as newer artists and their rights, responsibilities and goals for the future.' – Feedback from art centre manager.



Stories Art Money (SAM) Database

Desart has continued to promote, maintain and develop the SAM database on behalf of all art centres nationally. Art centre clients increased to 80 in the 2016–2017 period with the following key highlights:

New Design

With funding from Arts Queensland through the Queensland Government, the SAM design and layout upgrade was completed

in 2017. This has improved usability and workflow within the database.

Art Centre Tracking Tool

In conjunction with Ninti One / Arts Economies, Desart was able to upgrade the SAM Database to include the Art Centre Tracking Tool. The tool allows for art centres to include their financial audit report information in SAM. Dynamic reports are then able to be drawn from both SAM sales data and the business's financial audit information. This enables a holistic view of the organisation's financial position.



SAM Training Resources

- A resource page was developed on SAM that houses SAM and industry-related resources.
- A Guide to SAM Trainers was developed.
 It includes a training schedule, plans and resources.
- New manager's pack a 'welcome to SAM' manager's pack including an information sheet, the SAM manual and a SAM 10-Point Checklist for art centre managers.
- SAM training videos were developed with funding provided by ISACNT. These videos are housed on the SAM knowledge bank and include an avatar called 'Sam' who introduces and concludes each video.
- Desart's Art Worker Program staff assisted in customising SAM training resources and a SAM guide for art workers.

Digital Assets Project

Desart sought external advice on digital asset management within art centres and the SAM Database with funds from the Department of Culture and the Arts, Western Australia. Based on the outcomes we developed *A Guide to the Image Management in Art Centres*, a resource for managing digital assets within art centres.

Modifications

We are regularly improving SAM with upgrades to the database. Some of the new features were the ability to merge two artists' details; the removal of Listed/Unlisted – allowing people to view all categories at all times without having to check a box when making a consignment or sale; and Stocktake – the ability to stocktake both art centre and artist stock.

SAM Training

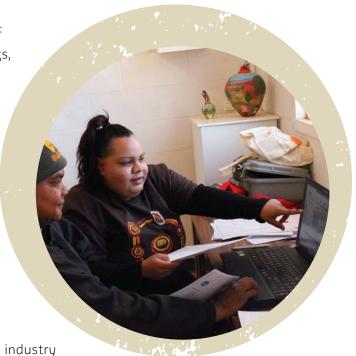
The following SAM training was conducted:

- Four group training sessions (Alice Springs, NT x 2, Cairns, Qld x 1 and Darwin, NT x 1).
 There were 80 participants from 50 art centres and three other organisations
- Two onsite training sessions, Geraldton WA x 1 and Alice Springs, NT x 1
- Online training via Skype with two art centres
- Two Train-the-Trainer workshops delivered with five participants, enabling them to go on to deliver SAM Training.

Communication

- Regular e-news is sent out to art centres, industry and bookkeepers/accountants to provide them with information about updates to the database, training and resources.
- Attendance at the Cairns Indigenous Art Fair to promote the new SAM design, provide information to current SAM clients and liaise with art centres about their current use of SAM.
- A survey was sent out in October 2016 to all SAM clients to seek information to guide the
 direction of the SAM billing process and support hours. This feedback informed how we
 delivered billing and support for the remainder of the financial year.

Desart continues to work with clients and programmers CompNet to deliver a quality product that ultimately enables art centres to work efficiently and effectively.



Desart Art Worker Program Educator Joeanne Silverton delivering SAM training to Beth Inkamala on site at Hermannsburg Potters

Aboriginal Art Worker Program

The Desart Art Worker Program has invested in the needs and aspirations of Aboriginal art workers for more than eight years. Since its inception in 2008, art workers have guided the program and articulated their needs. It has been through these contributions to the program that art workers themselves are furthering their own development and the success of an innovative program.

Aboriginal art workers are employed alongside artists and art centre managers in a number of roles. In 2016 it was identified that the art worker workforce was changing. We were seeing an increase in men's participation in the art centre workforce. From this increased participation came the need to expand the program, staffing and activities that Desart has proven benefit Aboriginal art workers. Desart also identified the need to diversify funding streams to ensure the continuity of the highly sought-after Aboriginal Art Worker Program. Desart successfully secured five years of funding (2017–2021) from the Tim Fairfax Family Foundation to expand the team, creating the new position of Art Worker Educator and increasing the support activities of the Art Worker Program.

The Art Worker Program offers both accredited and non-accredited training, mentoring, onsite art centre visits and training, an Industry Engagement Program, photography, camera and curatorial skills workshops and ongoing advocacy to support Aboriginal employment in art centres and career pathways for art workers.

Art Worker Professional Development and Training

Art Worker Professional Development Weeks are delivered by Desart in collaboration with Batchelor Institute. They offer art workers comprehensive and tailored accredited training courses, giving art workers opportunities to learn and develop English literacy and numeracy, computer digital technology and SAM database skills. In November 2016, 11 Art Workers from seven member art centres attended workshops covering Certificates I in Business BSB10115 and FSK10213 Skills for Vocational Pathways. In 2017, two workshops were delivered:

Workshop 1: A total of 13 art workers enrolled in Certificate I in Access to Foundation Skills, including one art worker who undertook the workshop training in community at their Batchelor training annexe. Art workers who attended the workshop participated in literacy and numeracy assessments and achieved competencies in the following units: FSKOCMO2: Engage in basic spoken exchanges at work; FSKLRGO4: Use basic strategies for work-related learning. All participants in the latter created and completed their own My Job My Learning Plan. The workshop was held across 3–7 April 2017.

Workshop 2: All seven art workers who attended this workshop (including one who undertook the workshop training in community at their Batchelor training annexe) achieved competencies in the following units: FSKRDG04: Read and respond to basic workplace information; Use digital technology for basic workplace tasks; Write basic workplace information. The workshop was held across 22–26 May 2017.

'The things that I learnt were how to read, write and speak up more. I learnt something about myself, team work and sharing ideas. Learning different ways about reflecting on my learning.' – Kathleen Rambler, Art Worker, Artists of Ampilatwatja.

'I'm going to learn and speak in English and make myself proud and the art centre.'

- Mantuwa George, Art Worker from Kaltjiti Arts & Craft, comment after Art Worker

Meeting to enrol in the Art Worker Professional Development Course.

The Art Worker Professional Development and Training Weeks continue to support art workers to learn and build skills and knowledge relevant to working in an art centre business. Additionally, it provides an invaluable opportunity for art workers to engage and network with peers throughout the Desart membership.



Art Worker Participation in Industry Engagement Internships

Desart's Industry Engagement Program aims to inform and support art workers in gaining broader arts industry knowledge. Participants in the program are introduced to a range of arts industry organisations and are provided with information, knowledge and skills. The program foundation is based on the need to know "what happens to our art when it leaves the art centre". Desart received seven applications from five art centres within our membership: 4xNT, 2xSA and 1xWA. A group of six female art workers participated in the week-long Industry Engagement program facilitated by the Art Worker Program Manager from 27 to 31 March 2017. They visited five art and cultural institutions in Adelaide: ACE Open; Flinders University Indigenous Collection, City Gallery and Shop; Kaurna Living Cultural Centre; Art Gallery of SA, and Art Lab.

Photography Workshops

Two photography workshops were delivered within the Central Desert and North West membership, involving five member art centres and attracting nine art worker participants. The workshops took place in the workplaces of individual / teams of art workers, supporting them to positively engage with the facilitator building on what they already know and can do when using a camera, photography and computer skills in a familiar space. This made it relevant and more meaningful, allowing art workers and the facilitator (professional photographer) to identify individual learning and workplace needs.

Workshop 1: Central Desert regional member art centres; a series of workshops were held from 28 February to 3 March at Tangentyere Artist Gallery, Ngurratjuta Iltja Ntjarra – Many Hands and Yarrenyty Arltere and facilitated by Rhett Hammerton.

Workshop 2: Remote NT art centres: Ikuntji Artists and Hermannsburg Potters participated in separate photography workshops from

26–29 June. The Ikuntji art workers were given the opportunity to learn how to take marketing and promotional images of the artists and art works (textiles and garments) created by their artists during textile workshops at Batchelor Institute. The art centre plans to use the outcomes of the workshop to market and promote the art works for future fashion and industry events such as the Darwin Aboriginal Arts Fair and Desert Mob.

Photography workshops were delivered by Steve Pearce.



Hayley Coulthard from Hermannsburg Potters participating in an Art Worker Photography Workshop

'I definitely enjoyed the Photography Training and I feel more confident holding the camera and taking photos of Artists and Paintings.' – Terazita Young, art worker, Tangentyere Artists.

'Art workers really need to work within their usual work environment when having workshops. It helps to contextualise the work and to understand why photography is needed in an art centre. It shows the arts workers the relevance of their job and how it is needed on an everyday basis. To bring in an external mentor and trainer means that the arts workers learn new skills and different perspectives about photography.' – Dr. Chrischona Schmidt, Art Centre Manager, Ikuntji Artists.

'Going out bush was a quick way to learn photography and tell the story in a different way...It was a good time to take photos with older ladies they were showing me which way, I listened and took photos. This was the first time I touched a camera and took photos.' – Katie Abbott emerging artist, Hermannsburg Potters.

Art Centre Visits and Training

Art centre onsite visits give Desart's Art Worker Program staff the opportunity to visit Aboriginal staff at their workplace and to continue building trusting relationships, mentoring and connecting with art workers, boards, artists and managers to promote and advocate for art worker employment and learning and to inform them of the Desart program and events for the year. It also creates opportunities for art workers to share about their jobs, aspirations, training needs, issues and to participate in the biannual Art Workers' Statistical and Job Audit data collection. Onsite training was also offered to art workers at Hermannsburg Potters in SAM, photography, camera and computer skills.



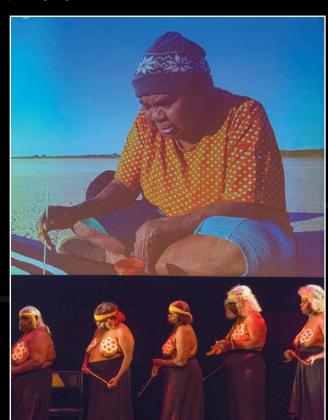
Goal 4 - Promote Central Australian Aboriginal arts and culture

Desert Mob

Once again, excellent and innovative artistic work was highlighted across the Desert Mob events in 2016. Presented in partnership with Araluen Art Centre, almost 1000 people attended the exhibition opening. A total of 253 art works from 31 Desart member art centres were exhibited, with 41% of the works selling on opening night alone.

The Symposium – stories from artists – is a forum for artists and art centres to share with a broad audience stories about their art, arts practice and art centre projects. At Desert Mob 2016, the nine Symposium presentations were:

- 'Our New Works' by Iltja Ntjarra Many Hands Art
- Tjanpi Desert Weavers and Warakurna Artists joining forces to celebrate the memory of the early days
- The Desart Photography Prize 2016
- Wilurarra Creative presenting their new book: Alanya: Ngaanyatjarra culture, life, health, design, fashion, beauty, art and music
- 'Beyond our Wildest Dreams' by Western Desert Nganampa Walytja Palyantjaku Tjutaku Aboriginal Corporation (Purple House)
- A textiles and wearable art fashion show
- Injalak Arts
- Video portraits by Iwantja Arts
- Vincent Lingiari Art Award 2016.



Papulankutja dancers

The MarketPlace saw hundreds of thousands of dollars being exchanged in the four hours of selling. The star in the art centres' crown for this event is that 100% of sales goes back to the art centres and artists as no commission is payable on sales, and art centres do not pay a fee for MarketPlace attendance as Desart subsidises venue costs. In 2016 MarketPlace sales translated to an injection of approximately \$180,000 in artist payments post MarketPlace, and approximately \$120,000 into art centre operations.

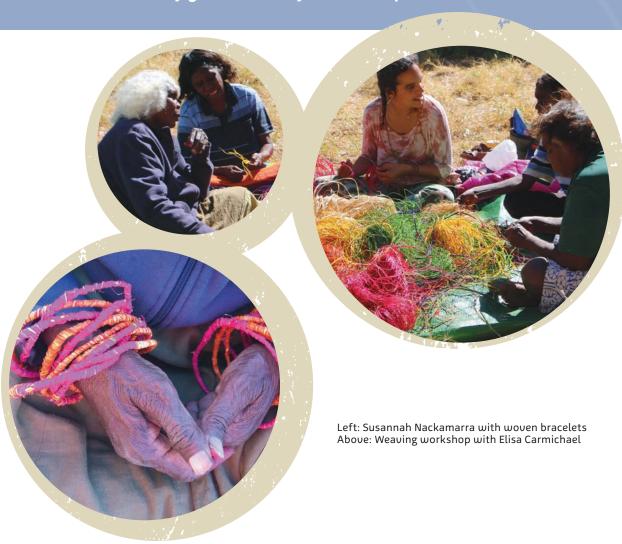


Goal 4 - Promote Central Australian Aboriginal arts and culture

Professional Development Opportunity for Artists – Barkly Artist Camp

The Barkly Artist Camp (BAC) is an annual event delivered by Desart and Barkly Regional Arts, comprising a three-day program of arts facilitation workshops and professional development activities for artists and art workers in the Barkly region. In 2016 the camp was held from 20 to 22 June which was the ninth annual event, and it attracted 20 artists from seven art centres. A Desart regional meeting was timed to coincide with the event, taking place on 22 June.

'Working with others and getting ideas from each other is good. Getting together and talking about art and culture with other people from other communities is really good.' – Barkly Artist Camp attendee.



Goal 4 - Promote Central Australian Aboriginal arts and culture



Desart has partnered with the Central Land Council to present the inaugural Vincent Lingiari Award and the accompanying Our Land, Our Life, Our Future Exhibition. The Vincent Lingiari Award commemorates the 50th anniversary of the historic Wave Hill Walk Off and 40 years since the Aboriginal Land Rights Act (NT) 1976 was enacted by the Australian Parliament.

On the 23 August 1966, Vincent Lingiari,
Gurindji leader and head stockman at Wave
Hill Station led workers and their families to
walk off the Wave Hill cattle station in protest
unjust working and living conditions. The walk off from

Wave Hill attracted national and international attention to the

atrocious treatment of Aboriginal peoples and the absence of Aboriginal peoples' rights to their traditional lands.

The Vincent Lingiari Award and Our Land Our, Life Our, Our Future exhibition honours the leadership, courage and strength of Vincent Lingiari and all those who have fought for our land rights.

The partnership between the Central Land Council and Desart has enabled the Desart member art centres and artists in the region to celebrate and participate in the commemoration of these significant land rights events.

Development of the project was initiated in the 2015–2016 reporting period culminating in the presentation of the award and exhibition at the Tangentyere Artists Gallery, Alice Springs in September 2017.

The Delegates Choice Award, determined by the 90 member CLC delegates was awarded to David Frank, Iwantja Arts for his work *Our Future* (2016). The major Vincent Lingiari Award was judged by Hetti Perkins and awarded to Marlene Rubuntja, Yarrentye Arltere for her soft sculpture *My future is in my hands* (2016).



Top: Marlene Rubuntja, *Our future is in our hands* (2016) Vincent Lingiari Award 2016 Right: David Frank *Our Future* (2016) Delegates Choice Award 2016

Goal 4 - Promote Central Australian Aboriginal arts and culture



Rhonda Unrupa Dick's photograph, *Traditional Inma* (*The Dance of Many Tribes*), winner of the 2016 Desart Photography Prize

2016 Desart Photography prize

In 2016 there were 12 entries in the Desart Art Worker Photography Prize, from seven Desart member art centres. The prize was judged by Nici Cumpston, Senior Curator of Aboriginal and Torres Strait Islander at the Art Gallery of South Australia, and Hayley Coulthard, artist and art worker with Hermannsburg Potters.

Rhonda Unrupa Dick was the winner of the 2016 Desart Art Worker Photography Prize with her image *Traditional Inma (The Dance of Many Tribes)*. Rhonda also won the 2012 Desart Photography Prize.

Goal 4 - Promote Central Australian Aboriginal arts and culture

Promotions

Website

The Northern Territory Government's Department of Business financial assistance for website development saw the launch of Desart's new website at the beginning of 2017. Cross-promotion between the website and social media is building stronger connections to our art centres and stakeholders by sharing art centre and industry news, Desart's programs and events.

The new website has an interactive map showing art centre members and a member-only access section to allow access to non-public resources. In the second half of 2016 there was an average 1500 visits per month on the old website. The launch of the new website in January 2017 saw an increase to an average of 2000 visits per month.

Consistent with previous years, there was a noticeable increase in website traffic around Desert Mob, particularly viewing the exhibition images.

Newsletter - The Desart MOB

Desart produces a quarterly newsletter that features art and short stories, highlighting services that Desart offers, key dates, grant deadlines and contacts. The Desart MOB is available on our website, and more than 1000 people subscribe to the electronic version, while over 500 printed copies are distributed nationally.

Brochure - Aboriginal Art Centres Central Australia

Desart's Aboriginal Art Centres brochure was updated to incorporate a revised map reflecting Desart membership changes. This version features a painting titled *Women's Ceremony and Bush Medicine* by Colleen Ngwarraya Morton 2015, Artists of Ampilatwatja.

Social Media - Facebook and Instagram

Desart's Facebook likes increased by 17% in 2016–2017. Facebook is used to connect with our members and a global audience, promoting our programs, job opportunities and the achievements and events of our member art centres. It also aims to expand the market for Aboriginal art, improve awareness of the industry's successes, and attract support for ethical purchasing.

Desart began using an Instagram account in 2017 to share behind-the-scenes shots of our programs and promote our services and achievements and those of our member art centres. We have 460 followers on Instagram. Desart is implementing a social media strategy to increase our followers across these platforms.

Advertising

Desart invested in targeted marketing with Arts Hub (stories promoting working in art centres and the Desert Mob Symposium), in the NT Government's Red Centre Arts Trail booklet, and sponsorship of the new edition of Art Collector's biennial Guide to Aboriginal Art Centres. We also partnered with Araluen Arts Centre to advertise Desert Mob 2017 in Artlink magazine.

Goal 5 – Support art centres to acquire and maintain infrastructure and resources

Art Centre Infrastructure

Desart continues to assess the needs of art centres and advocate widely for funding to meet the significant and often critical infrastructure needs of remote community art centres.

Desart has worked closely with the Hermannsburg Potters to assess infrastructure needs, and develop funding applications required for identified infrastructure needs. As result, funding has been granted that will see upgrades for the art centre starting in early 2019.

2016 saw the completion of the Docker River Art Centre and the Docker River manager and visitor accommodation. The Docker River Art Centre is being managed by Tjarlirli Arts as an outreach program. The completion of the art centre in Docker River has seen an outburst of creative activity in the community. In this financial year over 100 artists have participated in art and cultural activities at the art centre.

IT Service and Support

Desart's IT program is a valued service facilitated by our Strong Business Program. It enables art centre staff to focus on their business without the worry of troubleshooting complex IT issues. In 2016–2017 Desart's contractor for this service, Business Solutions Consultancy provided IT support for issues ranging from software installation, connectivity, backups and expert advice in procuring new equipment.



Desart Incorporated

Independent Audit Report to the members of Desart Incorporated

Report on the Audit of the Financial Report

Qualified Opinion

We have audited the accompanying financial report, being a special purpose financial report of Desart Incorporated (the Association), which comprises the statement of financial position as at 30 June 2017, the statement of income and expenditure and statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the statement by the management committee.

In our opinion, except for the effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial report of the Association for the year ended 30 June 2017 is prepared, in all material respects, in accordance with the Northern Territory Associations Act 2017.

Basis for Qualified Opinion

Completeness of income

The entity derives revenue from a number of sources, including membership fees, sales, service charges, administration and sundry items. The management committee has determined it is impracticable to establish controls over the collection of revenue, other than with respect to grant revenue, prior to entry into the financial records. With the exception of grant revenue, which we are able to verify, the evidence available to us regarding revenue was limited and our audit procedures had to be restricted to the amounts recorded in the financial records. Therefore, with the exception of grant revenue, we are unable to express an opinion as to whether the revenue presented in the financial report is complete.

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Association in accordance with the auditor independence requirements of the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 of the financial report, which describes the basis of accounting. The financial report is prepared to assist the Association in meeting the reporting requirements of Northern Territory Associations Act 2017. As a result, the financial report may not be suitable for another purpose. Our report is intended solely for the Association and should not be distributed to or used by parties other than the Association. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance

Management is responsible for the preparation and fair presentation of the financial report in accordance with the Northern Territory Associations Act 2017, and for such internal control as management determines is necessary to enable the preparation of the financial report is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is 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 conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

PERKS AUDIT PTY LTD
Chartered Accountants
Suites 3 4, Alice Springs Business Centre
8 Gregory Terrace
ALICE SPRINGS 0871

Peter J Hill Director Registered Company Auditor

Perks Audit

Dated this 2nd day of November 2017

Desart Inc

Disclaimer to the members of Desart Inc.

The additional financial data presented on pages 15-42 is in accordance with the books and records of the association which have been subjected to the auditing procedures applied in our statutory audit of the association for the financial year ended 30 June 2017. It will be appreciated that our statutory audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on such financial data and we give no warranty of accuracy or reliability in respect of the data provided. Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person (other than Desart Inc.) in respect of such data, including any errors or omissions therein however caused.

Perks Audit
Perks Audit Pty Ltd
Suites 3 4, Alice Springs Business Centre
8 Gregory Terrace
ALICE SPRINGS 0871

Peter J Hill Director Registered Company Auditor

Dated this 2nd day of November 2017 at Alice Springs

DESART INC.

STATEMENT BY THE MANAGEMENT COMMITTEE FOR THE YEAR ENDED 30 JUNE 2017

Your committee members submit the financial report of Desart Incorporated for the financial year ended 30 June 2017.

The names of the members of the committee of the association during or since the end of the financial

year are:

Otto Sims

Jane Young

Janet Forbes

Tuppy Goodwin

Kathleen Rambler

Maime Butler

Yaritji Young

Isobel Major

There were no significant changes in the nature of activities during the financial year.

The surplus (deficit) of the association for the year is: \$34,205

In our opinion:

- a)
 the accompanying financial statements as set out on the attached pages, being special purpose
 financial statements, are drawn up so as to present fairly the state of affairs of the Association as
 at the end of the financial year and the result of the Association for the year then ended;
- b) the accounts of the Association have been properly prepared and are in accordance with the books of account of the Association; and
- c) there are reasonable grounds to believe that the Association will be able to pay its debts as and when they fall due.

Committee member

Committee member

18 SEPTEMBER 2017

Date

DESART INC.

STATEMENT OF INCOME AND EXPENDITURE FOR THE YEAR ENDED 30 JUNE 2017

		2017	2016
	Notes	\$	\$
Grant income	10	1,569,577	1,517,386
Unexpended grant brought forward	8	329,152	934,785
Unexpended grant at year end	8	(326,515)	(329,152)
Other income	9	442,599	374,640
Employee benefits expense		(764,622)	(595,274)
Depreciation and amortisation expenses		(132,067)	(97,299)
Other expenses		(1,083,917)	(1,248,304)
Surplus (deficit) for the year		34,206	556,782
Accumulated funds at the start of the year		341,855	282,706
Transfer from reserves		112,680	70,817
Transfer to reserves			(568,450)
Accumulated funds at the end of the year		488,741	341,855

DESART INC.

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2017

		2017	2016
	Notes	\$	\$
CURRENT ASSETS			
Cash and cash equivalents	2	868,657	767,431
Trade and other receivables	3	58,910	53,332
Other current assets	4	10,720	13,608
		938,287	834,371
NON CURRENT ASSETS			
Property, plant and equipment	5	809,493	701,036
TOTAL NON CURRENT ASSETS		809,493	701,036
TOTAL ASSETS		1,747,780	1,535,407
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	6	293,467	113,182
Short-term provisions	7	37,110	33,114
Unexpended grants	8	326,515	329,152
TOTAL CURRENT LIABILITIES	_	657,092	475,448
NON-CURRENT LIABILITIES			
Long service leave provision	7a	26,500	29,975
TOTAL LIABILITIES	_	683,592	505,423
NET ASSETS		1,064,188	1,029,984
EQUITY	_		
Intangible asset reserve		63,498	126,997
Buildings Reserve		511,951	561,132
Accumulated funds		488,741	341,855
		1,064,190	1,029,984
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DESART INC.

STATEMENT OF CHANGES OF EQUITY AS AT 30 JUNE 2017

		Retained Earnings	Intangible Depreciation Reserve	Buildings Depreciation Reserve	Total
	Notes	\$	\$	\$	\$
Balance at July 2015		282,706	190,496		473,202
Grants funds expended				568,450	568,450
Other comprehensive income – Movement in reserves			(63,499)	(7,318)	(70,817)
Net operating profit		556,782			556,782
Tranfer to reserves		(568,450)			(568,450)
Transfer from reserves		70,817			70,817
Balance at June 2016	_	341,855	126,997	561,132	1,029,984
Annual depreciation / retained earnings		112,680	(63,499)	(49,181)	-
Net operating profit		34,206	, , ,	, , ,	34,206
Tranfer of capital grant expenditure	_				_
Balance at June 2017	_	488,741	63,498	511,951	1,064,190

DESART INC.

DETAILED STATEMENT OF INCOME AND EXPENDITURE FOR THE YEAR ENDED 30 JUNE 2017

Unexpended grants brought forward 8 329,152 9 Unexpended grants 8 (326,515) (3 Grants Income 10 1,569,577 1, 2,014,813 2,7 EXPENSES 270,516 Art centre subsidies 37,398 Artists camp 46,467 Auditors remuneration 8,000 Bad debts written off 2,702 Bank charges 2,765 Capital infrastructure – art centres 4,654 Cleaning 977	\$
Other revenue 9 442,599 3 Unexpended grants brought forward 8 329,152 9 Unexpended grants 8 (326,515) (3 Grants Income 10 1,569,577 1, EXPENSES 270,516 37,398 Art centre subsidies 37,398 46,467 Auditors remuneration 8,000 Bad debts written off 2,702 Bank charges 2,765 Capital infrastructure – art centres 4,654 Cleaning 977	7,6,0
Unexpended grants brought forward 8 329,152 9 Unexpended grants 8 (326,515) (3 Grants Income 10 1,569,577 1, 2,014,813 2,7 EXPENSES 270,516 37,398 Art centre subsidies 37,398 46,467 Auditors remuneration 8,000 8,000 Bad debts written off 2,702 Bank charges 2,765 Capital infrastructure – art centres 4,654 Cleaning 977	7, 6,0
Unexpended grants 8 (326,515) (3 Grants Income 10 1,569,577 1, 2,014,813 2,4 EXPENSES 270,516 Art centre subsidies 37,398 Artists camp 46,467 Auditors remuneration 8,000 Bad debts written off 2,702 Bank charges 2,765 Capital infrastructure – art centres 4,654 Cleaning 977	74,640
Grants Income 10 1,569,577 1, EXPENSES 2,014,813 2,4 Administration costs 270,516 37,398 Art centre subsidies 37,398 46,467 Auditors remuneration 8,000 Bad debts written off 2,702 Bank charges 2,765 Capital infrastructure – art centres 4,654 Cleaning 977	934,785
EXPENSES Administration costs 270,516 Art centre subsidies 37,398 Artists camp 46,467 Auditors remuneration 8,000 Bad debts written off 2,702 Bank charges 2,765 Capital infrastructure – art centres 4,654 Cleaning 977	29,152)
EXPENSES Administration costs 270,516 Art centre subsidies 37,398 Artists camp 46,467 Auditors remuneration 8,000 Bad debts written off 2,702 Bank charges 2,765 Capital infrastructure – art centres 4,654 Cleaning 977	517,386
Administration costs 270,516 Art centre subsidies 37,398 Artists camp 46,467 Auditors remuneration 8,000 Bad debts written off 2,702 Bank charges 2,765 Capital infrastructure – art centres 4,654 Cleaning 977	497,659
Art centre subsidies 37,398 Artists camp 46,467 Auditors remuneration 8,000 Bad debts written off 2,702 Bank charges 2,765 Capital infrastructure – art centres 4,654 Cleaning 977	
Artists camp 46,467 Auditors remuneration 8,000 Bad debts written off 2,702 Bank charges 2,765 Capital infrastructure – art centres 4,654 Cleaning 977	162,247
Auditors remuneration8,000Bad debts written off2,702Bank charges2,765Capital infrastructure – art centres4,654Cleaning977	32,540
Bad debts written off 2,702 Bank charges 2,765 Capital infrastructure – art centres 4,654 Cleaning 977	76,440
Bank charges 2,765 Capital infrastructure – art centres 4,654 Cleaning 977	5,000
Capital infrastructure – art centres 4,654 Cleaning 977	4,625
Cleaning 977	3,160
	110,995
	1,278
Conferences/Events 30,153	47,643
Consultancy fee 52,107	54,690
Depreciation 132,067	97,299
Desert Mob expenses 65,398	73,948
Electricity 6,800	9,660
Insurance 13,082	11,263
IT support 17,226	17,862
Legal costs 520	1,400
Marketing & promotion 47,310	25,507
Meeting expenses 39,680	40,894
Motor vehicle expenses 31,101	16,256
Postage 1,940	3,869
Printing & stationery 5,381	4,423
Project expenses 17,948	84,862
Recruitment 23,829	1,986
Rent 78,255	59,045
Repairs and maintenance 3,394	555
Salaries and wages 700,643	544,471
Stories Art Money expenses 83,575	171,700
Staff / Art worker training and welfare 69,978	17 1,700

DESART INC.

DETAILED STATEMENT OF INCOME AND EXPENDITURE FOR THE YEAR ENDED 30 JUNE 2017 (Cont'd)

		2017	2016
	Notes	\$	\$
Subscriptions		6,053	7,220
Superannuation contributions		63,979	50,803
Tax – Fringe Benefits		51,813	46,728
Telephone		11,461	10,214
Travelling expenses		51,335	25,412
Grants repaid	_	2,100	48,692
	-	1,980,606	1,940,877
NET OPERATING PROFIT		34,206	556,782
Accumulated funds at the beginning			
of the financial year		341,855	282,706
Transfer to reserves		-	(568,450)
Transfers from reserves		109,729	70,817
TOTAL AVAILABLE FOR APPROPRIATION	-	485,790	341,855
ACCUMULATED FUNDS AT THE END OF THE			
FINANCIAL YEAR	=	485,790	341,855

DESART INC.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

1 Significant Accounting Policies

Financial Reporting Framework

The entity is not a reporting entity because in the opinion of the directors there are unlikely to exist users of the financial statements who are unable to command the preparation of reports tailored so as to satisfy specifically all of their information needs. Accordingly, these "special purpose financial statements" have been prepared to satisfy the directors' reporting requirements under the NT Associations Act.

Statement of compliance

The financial statements have been prepared in accordance with the NT Associations Act and the recognition and measurement requirements, but not the disclosure requirements, specified by all accounting standards and interpretations.

The financial statements have been prepared on the basis of historical cost, except for the revaluation of certain non current assets. Cost is based on the fair values of consideration given in exchange for assets.

Significant Accounting Policies

Accounting policies are selected and applied in a manner which ensures that the resultant financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions and other events is reported. The following significant accounting policies have been adopted in the preparation and presentation of the financial statements:

Economic dependency

A significant volume of the organisation's revenue is from Government grants.

Employee benefits

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave, and long service leave when it is probable that settlement will be required and they are capable of being measured reliably.

Liabilities recognised in respect of employee benefits expected to be settled within 12 months, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Liabilities recognised in respect of employee benefits which are not expected to be settled within 12 months are measured as the present value of the estimated future cash outflows to be made by the entity in respect of services provided by employees up to reporting date.

Contributions to defined contribution superannuation plans are expensed when incurred.

Goods & Services Tax

Revenues, expenses and assets are recognised net of the amount of GST. Receivables and payables are recognised inclusive of GST. The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

DESART INC.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

Government Grants

Grants are recognised as revenue in accordance with the year to which they relate. Grants receivable for the current year but not received are accrued as a receivable, grants for future years, received in the current year are treated as a liability.

Where contributions recognised as revenues during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the reporting date, the amounts pertaining to those undischarged conditions are disclosed in these notes.

Unexpended grants at year end which are refundable to the funding body are transferred to current liabilities.

The balance of all grants which were received for a specific purpose and which remain unexpended at year end, is transferred to current liabilities.

Income tax

The organisation is not subject to income tax.

Leased Assets

Leased assets classified as finance leases are recognised as assets. The amount initially brought to account is the present value of the minimum lease payments.

A finance lease is one which effectively transfers from the lessor to the lessee substantially all the risks and benefits incidental to ownership of the leased property. Finance leased assets are amortised on a straight line basis over the estimated useful life of the asset.

Finance lease payments are allocated between interest expense and reduction of lease liability over the term of the lease. The interest expense is determined by applying the interest rate implicit in the lease to the outstanding lease liability at the beginning of each lease payment period.

Operating lease payments are charged as an expense in the period in which they are incurred.

Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation. Depreciation is provided on property, plant and equipment, including freehold buildings but excluding land. Depreciation is calculated on a straight line basis so as to write off the net cost of each asset over its expected useful life. The following rates are used:

Plant and equipment 15% to 40%

DESART INC.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

Provisions

Provisions are recognised when the entity has a present obligation (legal or constructive) as a result of a past event, it is probable that the entity will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

Revenue from the sale of goods is recognised when the entity has transferred to the buyer the significant risks and rewards of ownership and the amount of revenue can be measured reliably and it is probable that the related economic benefits associated will flow to the entity.

Revenue from a contract to provide services is recognised by reference to the stage of completion of the contract. Revenue from time and material contracts is recognised at the contractual rates as labour hours are delivered and direct expenses are incurred.

2 Cash And Cash Equivilants

Cash on hand	390	638
Cash at bank - Operational account	18,675	10,775
Cash at bank - ABA account	16,228	11,426
Cash at bank - Online Saver account	821,551	720,389
Cash at bank – Public Fund	9,403	24,203
Pay Pal Accounts	2,410	
	868,657	767,431
3 TRADE AND OTHER RECEIVABLES		
CURRENT		
Trade receivables	58,910	53,332
	58,910	53,332

DESART INC.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

		2017	2016
		\$	\$
4	OTHER ASSETS		
	CURRENT		
	Prepayments	10,720	9,865
	Prepaid credit cards	-	3,743
		10,720	13,608
5	PROPERTY, PLANT AND EQUIPMENT		
	Buildings	568,450	568,450
	Less accumulated depreciation	(56,499)	(7,318)
		511,951	561,132
	Leasehold improvements	213,825	-
	Less amortisation	(8,661)	-
		205,164	-
	Motor vehicles	56,048	56,048
	Less accumulated depreciation	(56,048)	(56,048)
		-	-
	Office furniture and equipment	54,451	45,914
	Less accumulated depreciation	(40,966)	(39,207)
		13,485	6,707
	Intangible	317,494	317,494
	Intangible accumulated depreciation	(253,996)	(190,497)
		63,498	126,997
	Furniture and fittings	47,425	33,989
	Less accumulated depreciation	(32,030)	(27,789)
		15,395	6,200
	Total Property, plant and equipment	809,493	701,036

DESART INC.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

	2017	2016
	\$	\$
6 TRADE AND OTHER PAYABLES CURRENT		
Goods and Services Tax	19,746	(4,537)
Trade creditors	44,809	63,706
Withholding taxes payable	10,384	4,802
Superannuation	-	4,230
Wages payable	20,433	8,894
Other employer expenses payable	9,570	44
Accrued charges	38,525	36,043
Grants in advance	150,000	
	293,467	113,182
7 PROVISIONS CURRENT		
Employee provisions	28,230	27,234
Auditors renumneration	8,880	5,880
	37,110	33,114
7a NON-CURRENT		
Long service leave provision	26,500	29,975
8 UNEXPENDED GRANTS		
MOA – Annual/ Multi Year	79,897	181,202
Arts NT - NTAPS	71,215	23,678
NT Government – History Grant	7,000	7,000
Tim Fairfax Family Foundation	39,528	-
Nt Gout – Chief Minister	28,446	-
ISACNT	22,068	-
DCA	8,740	13,562
Australia Council – Four Years Funding	55,594	-
Arts QLD	-	13,500
Central Land Council	14,027	59,143
Copyright Agency	-	10,000
Other		21,067
	326,515	329,152

DESART INC.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

	2017	2016
	\$	\$
9 OTHER REVENUE		
Interest Received	5,365	15,498
Stories Art Money Sales	66,910	71,689
Artwork sales	11,876	25,753
Other Revenue	15,355	11,882
Membership fees	10,920	10,920
Recoveries	86,349	64,303
Administration Fees	212,036	133,400
Donations	33,788	41,195
	442,599	374,640
10 GRANT INCOME		
MOA – Annual/Multi year (formally OFTA)	986,246	986,246
ARTS NT - NTAPS	222,232	212,184
Australia Council	197,744	-
ABA Funding	-	220,000
Tim FairFax Family Foundation	80,000	-
ISACNT	33,409	-
NT Gout - Chief Minister	28,446	-
Arts QLD	1,500	13,500
Dept of Business – NT Gout	-	9,091
Tourism NT	-	5,000
Copyright Agency	-	11,365
Central Land Council	20,000	60,000
	1,569,577	1,517,386



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Visual Arts and Craft Strategy
Northern Territory









