

ARTS PROJECT AUSTRALIA ANNUAL REPORT 2006

STUDIO + GALLERY



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2006

ARTS PROJECT AUSTRALIA





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STUDIO AND GALLERY

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STEVEN AIZENBERG AT CONNECTED06 / ANNE LYNCH UNTITLED (FIGURES IN A PARK) 1996 PASTEL

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STUDIO AND GALLERY

ABOUT ARTS PROJECT AUSTRALIA

Arts Project Australia was founded in 1974 as an organisation dedicated to supporting people with disabilities to become practitioners in the visual arts and to promoting their work as integral to the broad spectrum of contemporary arts practice.

Since its inception, Arts Project Australia has continued to strive for excellence, both in the exhibitions presented and the quality of the innovative studio program. Artists come to the studio each week where they have the opportunity to work in an array of media within the visual arts such as drawing, painting, ceramics, textiles and animation. While the participants are supported by artworkers, there is a focus on the individual artist, their autonomy of artistic expression and sense of control and ownership over their work.

Exhibitions are integral to Arts Project Australia. The ground floor gallery stages a full annual program of changing exhibitions featuring work by artists from the studio as well as from the wider community. Arts Project Australia continues to be involved in many exhibitions locally, nationally and internationally and artists from Arts Project Australia are also represented in many private and public collections.

Arts Project Australia has a unique history and approach and has long been recognised as a model for innovative services for people with disabilities. It is committed to providing sustainable programs in an environment dedicated to visual arts practice.

MISSION

To support people with disabilities to become practitioners in the visual arts and to promote their work as integral to the broad spectrum of contemporary arts practice.

The following principles underpin the mission of the organisation:

- To provide the means by which people with disabilities can participate fully in the visual arts at their level of interest
- To promote and broaden the understanding of art by people with disabilities as integral to the broad spectrum of contemporary art practice amongst artists and the general public
- To support and provide high quality community based education, training and employment in the visual arts
- To focus on and support personal development, which will enhance and enrich their ability in arts practice and in other aspects of their lives
- To build an organisational culture that reflects the values of Arts Project Australia

PRESIDENT'S REPORT

This year has again been a busy year, with a very active studio and major exhibitions program. On an organisational level, we have focused on developing long term planning processes to ensure we are clear about our directions and are sustainable for the future.

In reviewing and formally adopting our new strategic plan, we have affirmed our mission, values and the model of Arts Project Australia. We have planned the main focus and priorities of the organisation for the next three years. These are: this year, to consolidate the activities and facilities of the organisation; next year, to focus on our programmes and activities; and in the third year, to explore new activities within our charter. We now have an annual business plan that is aligned with our strategic priorities, enabling us to be very clear about what we want to do and the resources we need to do it.

To support this work we are most grateful to our funding bodies, the State Government through the Department of Human Services, Northern Region (DHS); the Northern Metropolitan Region of Adult, Community and Further Education (ACFE); and the Commonwealth Department of Families, Community Services and Indigenous Affairs (FACSI). We are aware that in some respects we are different to other funded agencies and appreciate very much the working relationship we have with these departments, where the value of what we do is recognised with an openness to work together to ensure we meet all funding and service requirements.

Our thanks also to our financial supporters, the Industry Services Fund, the J.T. Reid Charitable Trusts, the Bruce and Jane Dyson Foundation and others who have provided us with valuable financial support. Our partnership with State Trustees has continued to develop this year with the connected06 exhibition moving to Federation Square giving wonderful public exposure to a large number of artists from across Victoria. These partnerships ensure that the work of Arts Project Australia artists and others is widely seen and appreciated.

The Board of Arts Project Australia has been a very effective team. This year we were joined by some new members, Jonah Jones, Norman Rosenblatt, Kay Ronoc and Dominik Kucera. With our new members, we represent a wide range of expertise and a strengthened

focus on the arts. I would like to thank them all for their willing contribution. Several times this year we have seen the value of a diverse and open board in finding our way through particularly difficult issues. I would also like to acknowledge the outstanding contribution of Sally Shrimpton, Vice President, who resigned in November after thirteen years on the Board.

On behalf of the Board, I would particularly like to thank Lena Cirillo for her work in leading the organisation. Lena has extraordinary energy, the highest standards in what she does and a strong philosophy and focus on the artists, their work and our relationship with the arts community. She manages a wide range of issues and always ensures that Arts Project Australia is presented professionally in whatever we do.

Our thanks also to all our staff, and particular welcome to the new staff who have joined us this year. The work at Arts Project Australia requires a wide range of skills and we appreciate how the staff combine their artistic practice with a strong sensitivity to the artists and the creative process and environment.

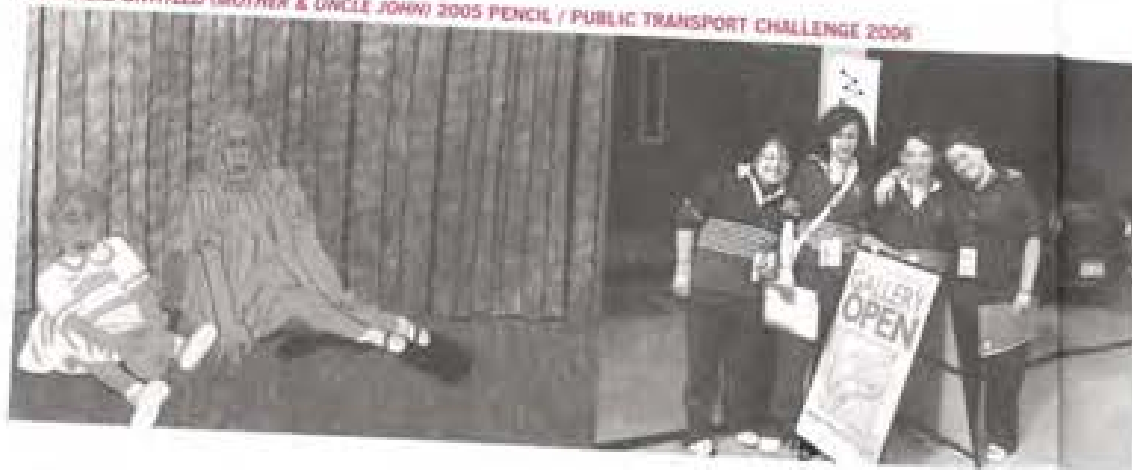
I would like to thank all the volunteers, members and others in the community of Arts Project Australia. This year we are keen to strengthen our membership and sense of community in the organisation and look forward to events to bring this particular group together.

This year we were very pleased to award Life Membership to people who have made an outstanding contribution to Arts Project Australia and its mission. It affirms the values, philosophy and commitment that has built the organisation to be what it is today. Cheryl Daye, Rita Mantell, Sally Shrimpton and Kitty Ginter all accepted Life Membership and we look forward to their continuing involvement in the organisation.

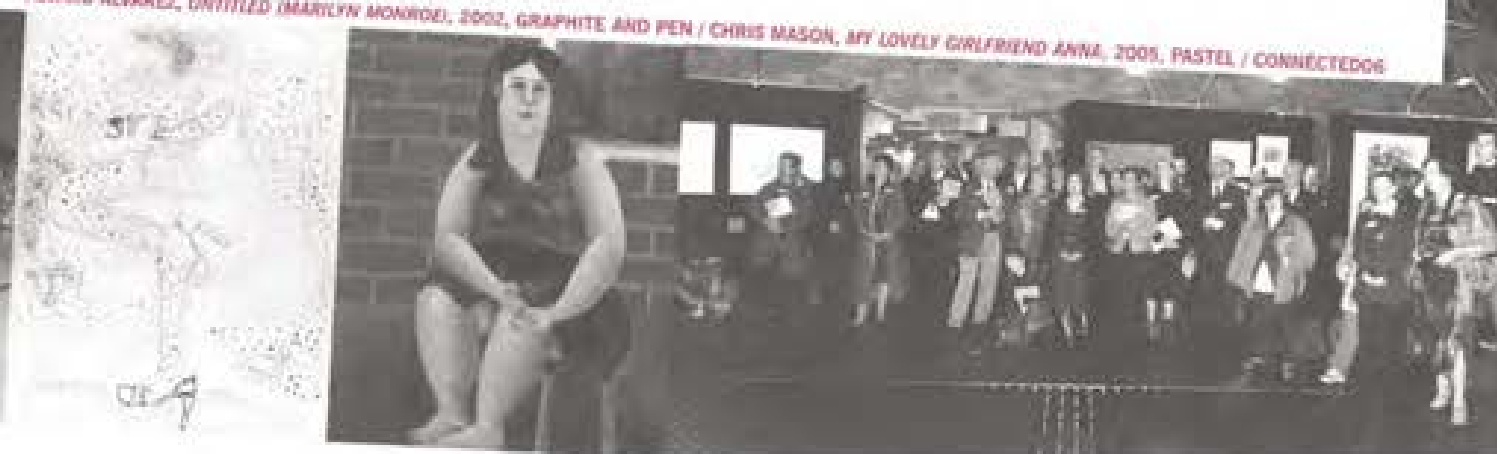
Our particular recognition to the artists at Arts Project Australia, for their enthusiasm, commitment and creativity and for the exciting and inspiring work they bring to us.

Heather M. Scovell
HEATHER SCOVELL
President

LISA REID UNTITLED (MOTHER & UNCLE JOHN) 2005 PENCIL / PUBLIC TRANSPORT CHALLENGE 2006



ALVARO ALVAREZ, UNTITLED (MARILYN MONROE), 2002, GRAPHITE AND PEN / CHRIS MASON, MY LOVELY GIRLFRIEND ANNA, 2005, PASTEL / CONNECTED06





LAURA AND VIVIAN SHEEHAN AT CONNECT06 / JODIE NORBLE LUCKY 2005 GOUACHE / FULLI ANDRINOPOULOS UNTITLED (PINK AND RED SHAPE WITH TEXT ON BRIGHT GREEN) 2005 PASTEL



DIRECTOR'S REPORT

It has been an exciting year for Arts Project Australia which has seen much joy, creativity and transformation through its vibrant community of artists. The artists who create distinctive bodies of work make it truly inspiring.

The past year has been a year of consolidation. Arts Project Australia has presented national and international exhibitions, delivered an innovative studio program and ensured our collections are developed and maintained. In addition, Arts Project Australia have committed to sustainability by building our resources and building relationships with our community of artists, our supporters and visitors.

This is the second year I have worked at Arts Project Australia and I feel inspired by the commitment and enthusiasm of the artists and want to thank them, their families and carers for all the support they give Arts Project Australia.

In the past year, we have strengthened the organisational capacity to expand opportunities for artists and have welcomed new staff including Camilla Bett, Marketing Coordinator. Thank you to all the staff for their ongoing support to the organisation and for their professionalism and sensitivity towards the studio participants in the administration, studio, marketing, archive and exhibition areas.

Thank you also to all the artworkers that bring their extensive skills, knowledge and commitment to the participants. I would like to thank Megan McEvoy, the Studio Manager, who has further strengthened the studio program. It is wonderful to see a strong team who are passionate, who are supporting the ongoing artistic expression and development of artists attending the studio and who are part of the broader arts community themselves.

I would like to thank the Board of Management for their dedication, guidance and support over the past year. I am grateful to the Board for the confidence displayed in my management style and skills. I also greatly appreciate all the volunteers who come from diverse backgrounds and have contributed extraordinary hours and energy over the past year.

We are continuing to strengthen our relationship with our gallery visitors and are developing ways to engage the broader community through presenting interstate and international exhibitions as well as connecting with people across the world through our online initiatives, including our eNews and our website. Arts Project Australia has received positive feedback from the artists who attend our programs, the arts industry, the general public, the media and funding bodies. The media coverage has ranged from local, mainstream print editorials and reviews to radio interviews and wonderful television coverage on the ABC Sunday Arts Program, based on a story about Leo Cussen, one of our participating artists.

We are grateful to our main funding providers, in particular the staff we work with from the Department of Families, Community Services and Indigenous Affairs (FaCSIA), Department of Human Services (DHS) and Adult, Community and Further Education (ACFE) for providing our organisation with the funds to support people with disabilities.

In September, a successful stakeholder function was held for our supporters at which we had a wonderful presentation by our guest speaker Laurence Joseph, Executive Director of The Gandel Charitable Trust. We would like to thank our philanthropic supporters, in particular Rosie Gilder, Jane and Bruce Dyson Foundation for supporting the Arts Project Australia

Permanent Collection. Thank you to the John T. Reid Charitable Trusts who made a contribution towards a new publication, a monograph celebrating the work of John Mackay North which will be produced in the new financial year. I would also like to thank all the individuals who have made private donations and businesses who have contributed in-kind support.

I thank all the art collectors, curators and other galleries who have supported Arts Project Australia artists and curated and supported the exhibitions program, in particular Stuart Purves, Director of Australian Galleries, and curators Peter Fay, Jacqueline Rose and Jasmin Stephens. Thank you to David Hurston from National Gallery of Victoria whose contribution to the Arts Project Australia Exhibitions Committee is greatly appreciated. I would also like to acknowledge the contribution of Jim Taylor and Godwin Bradbeer from RMIT who have supported Arts Project Australia artists attending life drawing sessions.

Strong partnerships have continued as Industry Fund Services (IFS) supported the exhibitions program presented in the Arts Project Australia gallery. State Trustees' and Arts Project Australia's collaboration and commitment to present connected06 successfully brought artists from all over Victoria together and showcased a diverse range of work at Melbourne's Federation Square. Thank you to Tony Fitzgerald, Managing Director, and Caroline Thurling from State Trustees and their team of staff for their professionalism and commitment to this project.

Exhibition highlights for the year include *The Grey Voice* at Tin Sheds Gallery, Sydney, *Leo Cussen and Various Artists* at Australian Galleries, Melbourne, representation at the Sydney Art on Paper Fair by Australian Galleries,

work presented in an exhibition at MADMusee, Leige, Belgium and selected artists works in *Home Sweet Home: Works from the Peter Fay Collection* at Dunedin Public Art Gallery, New Zealand. Thank you to all our supporters who have contributed to making our exhibitions a rich and diverse program of events.

Arts Project Australia is dedicated to building the capacity of the organisation and expanding opportunities for artists. Our commitment to sustainability was confirmed by the development and implementation of the 2005/6-2007/8 Strategic Plan and 2005/6 Business Plan, which were developed through various consultative processes. The Arts Project Australia Agreement 2005-2008 was negotiated with staff and certified by the Industrial Relations Commission in November 2005. Our commitment to our staff included implementing a positive staff appraisal and development system which supports and guides our fifteen skilled staff members. A Capital Improvement Plan was developed and priorities were identified.

The coming year promises many new and exciting developments and we look forward to sharing these with all our supporters. We will continue to exhibit engaging exhibitions and provide quality programs where the artists who attend Arts Project Australia and our audiences are inspired. Finally, I would like to acknowledge the warmth and creative contribution the artists make to Arts Project Australia and the broader community.

L Cirillo

LENA CIRILLO
Executive Director

LENA CIRILLO, JOHN BRUNBY MP AND TONY FITZGERALD
- STATE TRUSTEES AT CONNECT06



ALAN CONSTABLE UNTITLED (COW IN FIELD) 2005 ACRYLIC / CHRIS O'BRIEN, MOTORBIKE (HONDA) 2004 RADIATA PINE & ACRYLIC





TIM NOBLE IN STUDIO APRIL 2006 / JULIAN MARTIN NOT TITLED (JUNGLE SERIES 15) 2006 PASTEL / STUDIO, APRIL 2006

STUDIO MANAGER'S REPORT

I would like to congratulate the one hundred and fifty participants involved in the studio program for their inspired commitment and enthusiasm towards their art over the past twelve months. As you walk into the studio it is evident that the energy and individual process of the participants is the key to the studio's success.

There have been many valuable developments in the studio recently such as Alan Constable's imposing large canvas series dominating a central position. Working along side Alan is Steven Aizenberg engaged in small anatomical studies produced with delicate line in lead pencil. The contrasting approach to their artwork continues to confirm the individuality and aspirations of each participant.

The studio has continued to develop the Animation program run by Simone Sheehan. With the support of ACFE we have been able to improve the filming area with the installation of a new filming curtain and additional animation equipment. Simone has proven to be an invaluable artworker with a wealth of knowledge in the area of animation and, under her guidance, the participants are developing some very exciting new films.

We were pleased to be able to extend the very successful ceramic/3D program to a full day early in 2006. This enables more participants the opportunity to experience this 3-dimensional form of art making.

I would like to thank Simone Ewenson for her innovative approaches in the development of this program.

The outreach program at Plenty Residential Services has continued with success. Simone Ewenson's encouragement of the participants in using a more diverse range of mediums has been a positive shift in the development of their work. The RMIT life drawing class continues to be an invaluable opportunity for the participants. The ongoing exposure to tertiary level tuition and contact with a vibrant group of students from the class generates great enthusiasm, not to mention inspirational drawings.

We also saw the end of the twelve month NMIT program that proved a great success. The eight artists involved in the program from the art education department at NMIT developed a solid body of work over the year and were included in the *Wrapped* exhibition in the Arts Project Australia Gallery in December 2005.

There have been twelve excursions over the year in response to interests expressed by the participants. Some of these excursions have been to movies related to popular culture that inspire many of the participants' artwork. Visits were also undertaken to the National Gallery of Victoria to see specific major exhibitions, the Melbourne Museum to view such things as dinosaur bones and to an exhibition held at the Australian Centre

for Contemporary Art. Other excursions have included visiting artist studios and other commercial galleries.

I would like to express my gratitude to the artworkers for their continued efforts in searching out new and innovative approaches to support the participants. The artworkers regularly re-evaluate and assess all procedures in terms of 'best practice' and I would particularly like to thank Marieke Dench, Artworker Operations, who has been invaluable supporting and improving many systems and processes in the studio administration area. Marieke has also been instrumental in ensuring that participant focus groups are conducted and encourages feedback on issues related to their time spent in the studio.

I would also like to acknowledge the great work by staff members that have additional duties along side their artworker responsibilities. Firstly, Rachel Gorman, Artworker - Volunteer, who maintains a consistent and long-term group of committed volunteers. Also, Abi Temby, Artworker - OHS, who consistently reviews and updates the OHS policies and procedures in line with current legislation. Finally I would like to thank Tonia Rowe, Artworker - Materials, for ordering and maintaining the art materials stock in line with the participant requirements.

I would like to acknowledge and thank the artworkers who have left the organisation over the past twelve months. Trina Gaskell, Titus Cliff, Linda Judge, Claire

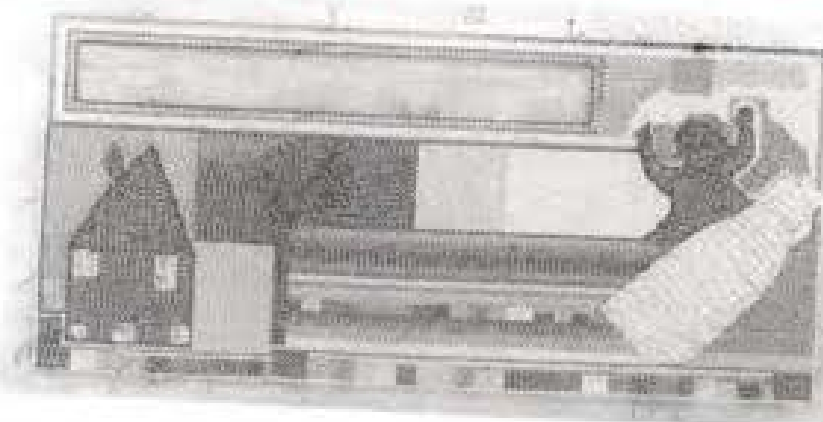
Lambe, Darren McDonald and Louise Paramor. Their input into the studio has been greatly appreciated and I am sure they will continue to keep in touch with Arts Project Australia.

I would like to welcome the new artworkers to the studio, Joanne Mott, Artworker - General/Outreach, Andrew Harry, Artworker - General (Casual) and Simone Ewenson, Artworker - Ceramic/3D.

Many thanks to the families and carers who support the participants in their studio involvement and also to Rochester - EDAR, Community Connection, Oakleigh Centre, Ivanhoe Diamond Valley SDS, Alpha Terrace, Milparinka, Naro, Onemda, Northern Support Services, Carinya, David House and Heatherwood School for their ongoing association. I would also like to thank all of the studio in-kind supporters who have provided valuable art materials for the participants. Finally, I would like to thank all the participants, staff and volunteers for their invaluable input into creating such a great studio environment and I look forward to the coming year with enthusiasm.

MEGAN MCEVOY
Studio Manager

FIGINA LONGHURST CHILD, SLIDE, PATTERN, COLOURS, SCHOOL, SUN 2005 COTTON THREAD & PASTEL /
SHIRLEY WARKE IN THE STUDIO 2006



RUTH HOWARD UNTITLED (BLUE CREATURE ON OLIVE GREEN) 2006 PASTEL /
JOHN NORTHE UNTITLED (EGYPT) 2005 PENCIL



WRAPPED INSTALLATION / NICK CAPALDO UNTITLED (SPACESHIPS & PLANET) 2005 GOUACHE

EXHIBITIONS AND COLLECTIONS REPORT

Over the past year, Arts Project Australia has been involved in a number of exciting and successful exhibitions at the Arts Project Australia Gallery as well as high profile national and international venues. These exhibitions included paintings, drawings and ceramics, reflecting the depth and aesthetic richness of the work produced by studio artists. This year, a number of artists from Arts Project Australia have also been included in public exhibitions and awards alongside established contemporary artists. Exhibitions are developed and managed by the exhibitions committee and we are grateful to David Hurston from the National Gallery of Victoria for his contribution on the committee.

This year eleven exhibitions were presented at the Arts Project Australia gallery, including a number of solo and group exhibitions. The Arts Project Australia staff exhibition and the annual end of year group exhibition both stood out being popular with our audiences.

It was also significant that this year's connected06 exhibition was held at Federation Square as it enabled us to reach a broader audience further enriching our community and its cultural activities. The partnership of Arts Project Australia and State Trustees continues to be a great success and we are also grateful for the support of the many other organisations that enabled this inspiring exhibition of sixty seven contemporary artworks. In particular, Arts Access, Art Unlimited, Noweung/Colour Gang, GV Centre, Monkami ATSS, Nadraaca ATSS, Northern Support Services, Prahran Mission and the Warrington Hostel.

This year, Arts Project Australia was included in the Public Transport Challenge. School groups had to make their way around Melbourne, on public transport, visiting nominated checkpoints and gathering information. This was a fun introduction to Arts Project Australia for younger audiences. Focused marketing initiatives, including eNews letters and media releases, have increased awareness of our activities in turn resulting in

stronger audience numbers and artwork sales. Further marketing initiatives are currently being developed to build on this public awareness.

Arts Project Australia also operates an artwork leasing program that leases artworks to corporate, private and public agencies.

The Arts Project Australia Permanent Collection provides access to selected artworks and heritage items for exhibition, education and research and is divided into three main categories.

- Sidney Myer Fund Permanent Collection comprises over four hundred drawings and paintings which formed the basis of two early landmark exhibitions organised by Arts Project Australia. The collection is named in recognition of the support given by the Sidney Myer Fund towards the documentation and conservation of the works from these exhibitions.
- The Arts Project Australia Art Collection, supported by the Dyson Bequest is an exciting collection providing for the documentation, preservation and conservation of a representative cross-section of work produced in the studio.
- The Arts Project Australia Historical Collection includes correspondence, documents, photographs, video, audiotapes, ephemera and publications pertaining to the history of Arts Project Australia.

The exhibition calendar for the next year promises to be just as exciting with a number of strong exhibitions and events planned. We look forward to further engaging our audience in all Arts Project Australia activities.

PATRICK O'CONNOR, TREASURER, AND LETTY O'CONNOR AT CONNECTED06



MARYANNE AGIUS UNTITLED (FIGURE ON WALL) 2004 PENCIL / SANDRA FIELDING MONKEY BOOK 2004 5 PAGES GOUACHE & GRAPHITE



ARTS PROJECT AUSTRALIA EXHIBITIONS:

REVEAL: WORKS BY ARTS PROJECT AUSTRALIA STAFF. 23 JUNE – 16 JULY 2005.

Usually, Arts Project Australia staff act as facilitators for studio participants, however, this exhibition allowed both staff and studio participants to share a common bond as fellow artists. Twelve staff members contributed to this exhibition that provided the opportunity to reveal their own diverse range of artwork. Several staff also presented an Artists' Talk to the artists attending the studio program. Curated by Clinton Greenwood.

Artists: Lena Cirillo, Titus Cliff, Marieke Dench, Tina Gaskell, Rachel Gorman, Clinton Greenwood, Linda Judge, Darren McDonald, Moya McKenna, Tonia Rowe, Simone Sheehan and Abi Temby.

ARTISTS' BOOKS: IMAGES COVERED AND STORIES TOLD. 20 JULY – 27 AUGUST 2005

Artists' books were created out of images made and stories written by artists who attend the studio program at Arts Project Australia. Seventeen artists participated in this exhibition which was opened by guest speaker Nick Doslov from Renaissance Bookbinding. Curated by Lena Cirillo.

Artists: Valerio Ciccone, Fulli Andrinopoulos, Sandra Fielding, Dorothy Berry, Fiona Longhurst, Scott Ferguson, Peter Ben, Julian Martin, Terry Williams, Peter Robert Thomas, Chris O'Brien, Jodie Noble, Barbara Ball, Steven Aizenberg, Catherine Staughton, Shirley Wake and Wayne Marnell.

DOUBLE TAKE. 31 AUGUST – 8 OCTOBER 2005

Eleven established and emerging external artists including Jon Campbell, Robert McHaffie, Simone LeAmon, Amanda Marburg, Louise Paramor, Jim Pavlidis, Geoffrey Ricardo, John Rylie, Lyndal Walker and Ieuan Weinman, were invited to co-exhibit their work alongside the interpretations of these works created by the artists at Arts Project Australia. Studio artists' images created works with a freshness and originality that has become the hallmark of work produced at Arts Project Australia. Curated by Linda Judge.

Artists: Lisa Reid, Steven Aizenberg, Jodie Noble, Paul Hodges, Julian Martin, Alvaro Alvarez, Cameron Noble, Alan Constable, Wayne Marnell and Samantha Ashdown.

SOUTH OF THE BORDER. 12 OCTOBER – 23 NOVEMBER 2005

South of the Border provided the unprecedented opportunity for our local audience to view first hand this select body of work on its return south from the Sydney Art on Paper Fair. Arts Project Australia has been a regular participant at the Fair and this year's spectacular collection of recent works was received with great acclaim. Curated by Megan McEvoy.

Artists: Alan Constable, Fulli Andrinopoulos, Timothy Williams, John North, Valerio Ciccone, Chris Mason, Catherine Staughton, Alvaro Alvarez, Anne Lynch, Leo Cussen, Julian Martin, Robin Prowman and Paul Hodges.

WRAPPED: SELECTED WORKS FROM THE STUDIO. 30 NOVEMBER – 16 DECEMBER 2005.

It has been a long-standing tradition at the end of each year to exhibit the works of all the artists who participate in the studio program at Arts Project Australia. As 2005 was wrapped up, we once again took the opportunity to celebrate the culmination of each artist's endeavours and achievements throughout the year in the Wrapped exhibition. With over 100 artists represented, a diverse array of works was included in a range of media. Curated by artworkers and Megan McEvoy.

Artists: Mark Adams, Maryanne Agius, Elizabeth Ah Mouy, Steven Aizenberg, Alvaro Alvarez, Michael Almond, Fulli Andrinopoulos, Samantha Ashdown, Henry Baker, Barbara Ball, Andrew Barbour, Geoffrey Barnett, John Bates, Des Beavis, Peter Ben, Dorothy Berry, Eric Bourne, Alex Bride, Alec Brimage, Peter Brook, Robert Brown, Michael Bugaja, Monica Burns, John Burton, Giuseppe Calcagno, Antonella Calvano, Dione Canzone, Nick Capaldo, Ricardo Cardinale, Kieran Carol, Debbie Chipperdon, Valerio Ciccone, Dianne Cilia, Daniela Clarke, Kerry Clarkson, Claude Condono, Ian Collins, Gavin Conabere, Alan Constable, Leo Cussen, Joyce de Jong, Maritza-Jane de la Ferte, Sam Dempsey, Ray Dempster, Jonathan Dickinson, Alana Dodd, Steph Doukas, John Duncan, Dawn Edwards, Bridie Fairman, Josephine Farrugia, Scott Ferguson, Sandra Fielding, Jack Foley, Martin Foster, Emma Gabrielle, Oliver Gamble, Nick Goudis, Joan Gowers, Toni Hangar, Brigid Harrahan, Debra Harrison, Valerin Hawkes, Kelvin Heffernan, Paul Hodges, David Holowko, David Honner, Ruth Howard, Miles Howard-Wilks, Shannon Hoy, Venuzza Iaconis, Angolina Italiano, Elizabeth Ivanoff, Chris Jackson, Honora Kearney, John Kirkbride, Mark Knox, Andrew Kocuba, Penny Kritikos,



WRAPPED INSTALLATION / ANNE LYNCH UNTITLED (FOUR BIRDS) 1994 PASTEL

Alan Liebe, Fiona Longhurst, Ann Lynch, Sam Lyons, Jessie McKinnon, Shannon Hoy, Michelle Maddock, Julia Manning, Wayne Marnell, Julian Martin, Chris Mason, Tiffany McBroon, Kaye McDonald, Belinda Meilington, Miranda Millane, Bernard Miller, David Mossop, Donald Muir, Bill Neville, Tim Noble, Jodie Noble, Cameron Noble, John North, Chris O'Brien, Peter O'Meara, Vicki Paldoussis, Michael Paul, Bethany Pedofly, Steven Perette, Robin Plowman, Helen Reddan, Lisa Reid, Terry Roadley, Patrick Robertson, Anthony Romagnano, Rebecca Scibilia, Kelly Seedsman, Kathryn Sharrock, Laura Sheehan, Mark Smith, Lisa Marie Snyman, Bradley Spencer, Joanne Spicer, Catherine Staughton, John Stow, Malcolm Sturrock, Georgia Sumerling, Valerie Talbot, Peter Robert Thomas, Chevie-Lee Thomas, Neil Thompson, Michael Tzanoscos, Ian Trevaas, Phillip Truett, Jenny Vawdrey, Barbara Veheary, Robert Vickery, Malcolm Vincent, Marion Vogt, Shirley Warke, Ida Warr, Wendy Watson, Peter Weatherly, Kevin Whate, Kelly Williams, Terry Williams, Jack Wilson, Steven Worrell, Stuart Wylie and Rebecca Zarb.

INTERLOOP: FIONA LONGHURST AND ANNE LYNCH. 30 JANUARY - 4 MARCH 2006.

Thread was the new chosen medium for two studio artists in an exhibition exploring the connections between the stitch and the drawn line. Curated by Tonia Rowe.

Artists: Fiona Longhurst and Anne Lynch.

LANDSCAPE. JOHN BATES. 30 JANUARY - 4 MARCH 2006.

This exhibition of painted landscapes was characterised by flat planes and brilliant colour. John Bates' strikingly delineated compositions are often based on landscapes, pared back to the barest of essentials, and evoking a silent stillness. Curated by Clinton Greenwood.

Artist included: John Bates.

SKYSCAPE. 9 MARCH - 8 APRIL 2006.

A collection of works on paper representing 10 artists, this exhibition explored possibilities of the sky as a principal generator of the image. Curated by Clinton Greenwood with support from Arts Project Australia staff.

Artists: Nick Capaldo, Dione Carzano, Dorothy Berry, Scott Ferguson, Anne Lynch, Peter Ben, Jack Foley, Paul Hodges, Catherine Staughton and Alan Constable.

WONDER-LANDS. 19 APRIL - 27 MAY 2006.

Three contemporary artists presented a world of wonder and fantasy; a world that is familiar, yet elusive. Curated by Marieke Dench, Abi Tomby and Rachel Gorman.

Artists: Maryanne Agius, Ruth Howard, and Laura Sheehan.

BLACK AND WHITE CAPTIONS.

1 JUNE - 8 JULY 2006.

Within Black and White Captions, artists conveyed intimate stories in a variety of forms. The narrative became a vehicle for expressing ideas that were beyond their real world. Curated by Megan McEvoy and Marieke Dench.

Artists: Dorothy Berry, Wayne Marnell, Miranda Millane, Robin Plowman, Terry Williams and Steven Worrell.

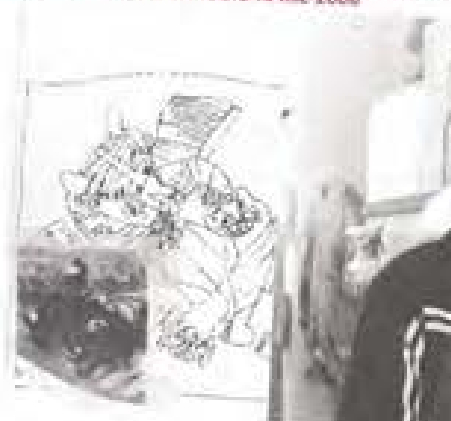
JULIAN MARTIN RECENT WORKS.

1 JUNE - 8 JULY 2006.

The work exhibited in this show introduced a small series of images recently completed. The works were void of any literal narrative reference point instead opting for a sustained investigation of pure colour and its tonal differences. Curated by Megan McEvoy and Marieke Dench.

Artist included: Julian Martin.

TIMOTHY WILLIAMS TIGERS 2001 MIXED MEDIA / VALERIO CICCONE STUDIO APRIL 2006



METROPOLITAN AND NATIONAL EXHIBITIONS:

50TH ANNIVERSARY OF AUSTRALIAN GALLERIES. 5 - 18 JUNE 2006

As part of the celebrations marking 50 years, Australian Galleries held a commemorative exhibition including artists who had contributed to their success. Amongst their regular artists, a few Arts Project Australia artists were included.

Artists: Alvaro Alvarez, Cameron Noble and Steven Worrell.

CONNECTED06. 13 - 21 MAY 2006

Federation Square Atrium, Melbourne

In partnership with State Trustees, the annual connected06 exhibition was a survey of 67 contemporary artworks addressing a diverse range of subject matter. This year exhibits were received from artists throughout Victoria. It was significant that this year's connected exhibition was held at Melbourne's Federation Square, allowing us to reach an even broader audience.

Artists: Maryanne Agius, Steven Aizenberg, Alvaro Alvarez, John Bates, Peter Ben, Dorothy Berry, Robert Brown, Michael Bugeja, John Buton, Dione Carzano, Valerio Ciccone, Leo Cussen, Scott Ferguson, Jack Foley, Kelvin Heffernan, Paul Hodges, Miles Howard-Wilks, Anne Lynch, Wayne Marnell, Julian Martin, Chris Mason, Cameron Noble, Jodie Noble, John North, Lisa Reid, Laura Sheehan, Catherine Staughton, Georgia Sumerling, Terry Williams, Timothy Williams, Steven Worrell, Tim McMahon, Susan Stripling, Laurence Milne, Candice Jones, Brandon Showell, Tanya Quattrochi, Noel Brennan, Len Watson, June Patterson, Bill Cook, John Noble, Paul Zyka, Lynette Gibbs, Anthony Romagnano, Linda Kaiser, Sophie Williams, Ian Morison, Andrew Maudo, Marcus Kent, Graeme Doyle, Sue Armstrong, Lucy Wilks, Christian Den Besten, Alan Treasure, Stephen Smith, Glenn Sinclair, Rhonda Johnson, Elroy Hendricks, Robert Rosmarin, Meredith Simmons, Fidelis Boyer, Lawrence Liccione, Andrew Knight and Larissa Alice MacFarlane.

LEO CUSSEN WITH SELECTED ARTISTS. 23 NOVEMBER - 12 DECEMBER 2005

Australian Galleries, Melbourne

Alongside Leo Cussen's exhibition was a selected survey of work by 32 other artists who currently share the studio. This exhibition was testimony to the great creativity and role of Arts Project Australia. Curated by Lena Cirillo and Megan McEvoy.

Artists: Leo Cussen, Alan Constable, Steven Perette, Chris Mason, Kelvin Heffernan, Anne Lynch, John North, Valerio Ciccone, Julian Martin, Barbara Veheary, Lisa Reid, Antonella Calvano, Wayne Marnell, Anthony Romagnano, Chris O'Brien, Terry Williams, Full Andrianopoulos, Steven Aizenberg, Georgia Sumerling, Michael Bugeja, Steven Worrell, Dione Carzano, Scott Ferguson, Robin Plowman, Joyce de Jong, Samantha Ashdown, Jodie Noble, Dorothy Berry, Timothy Williams, Jack Foley, Alan Liebe, Cameron Noble, Bruce Morrison, Fiona Longhurst, Cathy Staughton and Paul Hodges.

10TH SYDNEY ART ON PAPER FAIR.

28 JULY - 31 JULY 2005

Byron Kennedy Hall, Moore Park, Sydney NSW

Australian Galleries represented Arts Project Australia artists who were among 34 national and international exhibitors. The Sydney Art on Paper Fair (SAPPF) celebrated its 10th anniversary in July 2005 and has established itself as a significant event in Australia's art market. Curated by Megan McEvoy.

Artists: Julian Martin, Valerio Ciccone, Alan Constable, Lisa Reid, Paul Hodges, Full Andrianopoulos and Robin Plowman.

THE GREY VOICE. 23 JULY - 13 AUGUST 2005

Tin Sheds Gallery, The Faculty of Architecture, University of Sydney NSW

A studio artist was invited to exhibit his pastel drawings in The Grey Voice, a group exhibition in Sydney. Curated by Jacqueline Rose and Jasmin Stephens.

Artists: Vernon Ah Koe, Adam Cullen, Leo Cussen, Shirley Diamond, Alex Kershaw, Maria Kontis, John Mawumdjul, Andrew McQuillan, Jacqueline Rose and Louise Weaver.

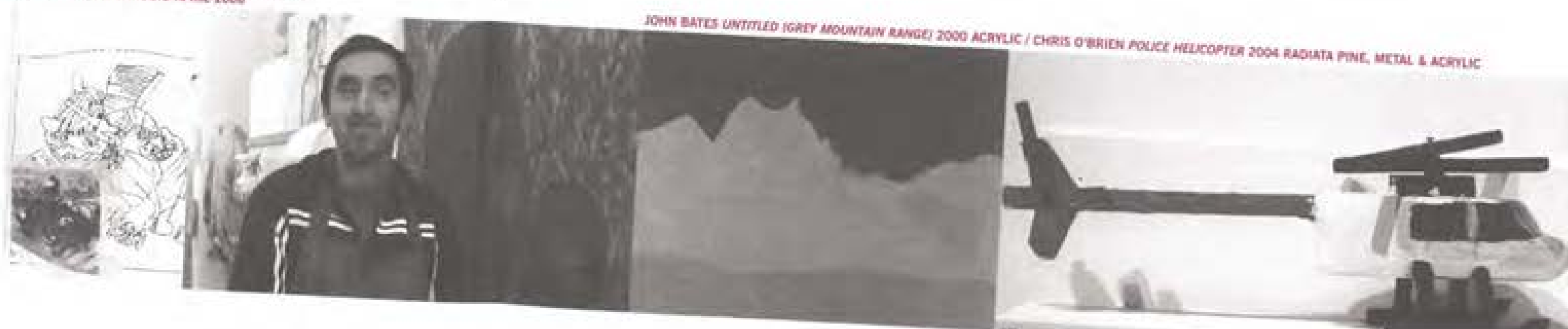
LAPPED. 3 SEPTEMBER - 23 OCTOBER 2005

Campbelltown Arts Centre

Lapped explored the dualities of the ocean's edge. Work by an Arts Project Australia artist was included in this exhibition at the new Campbelltown Arts Centre which was officially opened on 30 June 2005. Curated by Peter Fay.

Artist included: John Bates, Elaine Campaner, Fiona Hall, Saskia Leek, Tom Moore, Ricky Swallow, Toni Warburton, and Paul White.

JOHN BATES UNTITLED (GREY MOUNTAIN RANGE) 2000 ACRYLIC / CHRIS O'BRIEN POLICE HELICOPTER 2004 RADIATA PINE, METAL & ACRYLIC





LEO CUSSEN FRED & GINGER 2002 PASTEL / CHRIS MASON SINGAPORE AIRLINES 747 400 2004 ACRYLIC ON PAPER

INTERNATIONAL EXHIBITIONS:

HOME SWEET HOME: WORKS FROM THE PETER FAY COLLECTION.

9 JULY - 18 SEPTEMBER 2005

Dunedin Public Art Gallery, Dunedin, New Zealand.

Peter Fay has collected a number of artworks produced by artists attending the Arts Project Australia studio and a selection of these works were included in this inspiring exhibition. A National Gallery of Australia Travelling Exhibition, there were some 240 works in the show in a wide range of media.

AMOUR, GLOIRE ET BEAUTÉ.

18 FEBRUARY - 30 JULY 2005

MADMusée, Liège, Belgium

Amour, gloire et beauté (The Bold and the Beautiful) was a new exhibition from MADMusée's permanent collection, which included works by two artists from Arts Project Australia. This exhibition explored the universe of fashion, stars, spangles, celebrities, glamour and love as viewed by many international artists in studio programs for people with intellectual disabilities.



PAUL HODGES UNTITLED (AFTER BUNNY BY AMANDA MARBURG) 2005 CERAMIC

ARTS PROJECT AUSTRALIA

FINANCIALS

Financial Report

Profit and Loss Statement

Balance Sheet

Cash Flow Statement

Notes to the Financial Statements

Independent Audit Report

FINANCE REPORT

In line with the strategic plan of the association, the focus this year was on consolidating the financial strengths that have been developed over the past number of years. Once again, it is pleasing to report that the association's financial position remains strong. This strength is the result of the efforts of a committed staff, strong management and a dedicated Board of Management.

The accompanying financial statements outline in detail the income and expenditure during the last two years.

OPERATIONS

In the year ended 30 June 2006, total revenues increased by 9.6% (LY7.1%) to \$799,521. The primary sources of revenues were grants, sponsorships and art sales and they increased slightly ahead of expectations. This enabled the association to hold the level of fees charged at prior year levels. The operations recorded a surplus of \$74,227 in line with \$78,414 last year. This was ahead of plan.

BALANCE SHEET

The net worth of the association now exceeds \$1.26 million. Cash flows continue to be strong and underpin the Strategic Plan of the Association.

FUTURE

Since the financial year-end, the association has operated in line with the strategic plan. The association has repaid the bank loan with a resultant reduction in cash.

In conclusion, I would like to thank the management and staff for their energies and focus over the past year.



PATRICK O'CONNOR
Treasurer

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 30 JUNE 2006

	2006 \$	2005 \$
INCOME		
Grants Received		
Department of Human Services (DHS)	406,226.02	362,199.86
Department of Families, Community Services & Indigenous Affairs (FaCSIA)	125,758.00	134,954.56
Council of Adult, Community & Further Education (ACFE)	31,296.70	31,226.25
Total Grants	563,280.72	528,380.67
Exhibition/Artwork Sales	90,031.48	88,871.24
Studio Fees	59,083.40	80,510.11
Sponsorships/Philanthropic	81,180.15	22,467.72
Membership Fees	1,036.46	681.88
Overprovision recovered	-	2,585.11
Interest received	6,830.43	6,188.99
Profit on sale of assets	(1,922.00)	-
Total Income	799,520.64	729,685.72
EXPENSES		
Administration Expenses	22,862.24	13,502.12
Depreciation	28,977.00	23,977.00
Building & Equipment	61,352.11	38,961.02
Marketing & Public Relations	20,505.08	7,748.21
Postage & Telecommunications	15,412.46	10,237.21
Programs	82,046.29	107,307.12
Employment Expenses	477,253.32	430,592.73
Finance & Interest	16,885.48	18,946.68
Total Expenses	725,293.98	651,272.09
Profit from ordinary activities before income tax	74,226.66	78,413.63
Income tax revenue relating to ordinary activities	-	-
Net profit attributable to the association	74,226.66	78,413.63
Total changes in equity of the association	74,226.66	78,413.63
Opening retained profits	1,189,734.69	1,111,321.06
Net profit attributable to the association	74,226.66	78,413.63
Closing retained profits	1,263,961.35	1,189,734.69

Arts Project Australia Inc

BALANCE SHEET FOR THE YEAR ENDED 30 JUNE 2006

		2006 \$	2005 \$
CURRENT ASSETS			
Cash Assets			
Cash Assets	(Note 5)	538,191.85	327,005.54
Trade Debtors	(Note 6)	6,666.00	30,456.00
Prepayments	(Note 7)	-	145.00
Total Current Assets		544,857.85	357,606.54
NON-CURRENT ASSETS			
Property, Plant and Equipment	(Notes 8 & 15)	1,534,807.64	1,527,504.07
Total Non-Current Assets		1,534,807.64	1,527,504.07
Total Assets		2,079,665.49	1,885,110.61
CURRENT LIABILITIES			
Payables	(Note 9)	58,714.32	58,188.86
Current Tax Liabilities	(Note 10)	28,985.00	15,944.64
Current Provisions	(Note 11)	41,517.24	22,792.24
Other Current Liabilities	(Note 12)	233,956.36	52,753.00
Total Current Liabilities		363,172.92	149,678.74
NON-CURRENT LIABILITIES			
Interest-Bearing Liabilities	(Note 13)	452,531.22	545,697.18
Total Non-Current Liabilities		452,531.22	545,697.18
Total Liabilities		815,704.14	695,375.92
Net Assets		1,263,961.35	1,189,734.69
MEMBERS' FUNDS			
Reserves			
Accumulated surplus (deficit)	(Note 14)	1,263,961.35	1,189,734.69
Total Members' Funds		1,263,961.35	1,189,734.69

Arts Project Australia Inc

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2006

		2006 \$	2005 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Cash Receipts from Operations		793,575.75	697,910.00
Interest Received		6,830.43	6,189.00
Memberships		1,036.46	0.00
Cash Payments to suppliers and employees		(529,887.80)	(542,647.00)
Net Cash provided by (used in) operating activities	(Note 4)	271,554.84	142,505.00
CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		(1,922.00)	-
Purchase of property, plant and equipment		(36,280.57)	(61,389.00)
Net Cash provided by (used in) Investing Activities		(38,202.57)	(61,389.00)
CASH FLOW FROM FINANCING ACTIVITIES			
Repayments of borrowing		(22,165.96)	(23,033.00)
Net Cash provided by (used in) Financing Activities		(22,165.96)	(23,033.00)
Net increase (decrease) in cash held		211,186.31	58,083.00
Cash at beginning of the financial year		327,005.54	268,922.00
Cash at the end of the financial year	(Note 5)	538,191.85	327,005.00

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Associations Incorporations Act (Vic). The committee has determined that the association is not a reporting entity.

The financial report has been prepared in accordance with the requirements of the Associations Incorporation Act (Vic) and the following Australian Accounting Standards:

- AASB 112: Income Taxes
- AASB 1031: Materiality
- AASB 110: Events Occurring After Reporting Date
- AASB 117: Leases

No other applicable Australian Accounting Standards, Urgent Issues Group Consensus Views or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

The financial report has been prepared on an accruals basis and is based on historic costs and does not take into account changing money values, or except where specifically stated, current valuations of non-current assets.

The following material accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report:

- (a) **Income tax**
The association is exempt from income tax.
- (b) **Fixed Assets**
Leasehold improvements and office equipment are carried at cost less, where applicable, any accumulated depreciation.

The depreciable amount of all fixed assets are depreciated over the useful lives of the assets to the association commencing from the time the asset is held ready for use. Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

Fixtures and Fittings and Floor Covering have been reallocated to Plant & Equipment.

Land and building are to be independently revalued every 3 years. A commercial valuation was received during the 2005/06 financial year. The valuation amount has not been included in the financial statements as at 30 June 2006 (Note 15).

(c) Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to the entity, are classified as finance leases.

Finance leases are capitalised recording an asset and a liability at the lower amounts equal to the fair value of the lease property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the period in which they are incurred.

Lease incentives under operating leases are recognized as a liability and amortised on a straight-line basis over the life of the lease term.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006 (cont.)

	2006 \$	2005 \$
NOTE 2: REVENUE		
Operating Activities:		
Grants/Memberships	770,290.21	720,911.62
Interest revenue	6,830.43	6,188.99
Other operating revenue:		
- Overprovision recovered	-	2,585.11
- Sponsorships	22,400.00	-
	799,520.64	729,685.72

NOTE 3: PROFIT FROM ORDINARY ACTIVITIES

Profit (loss) from ordinary activities before income tax has been determined after:

Charging as Expense:		
Bad and doubtful debt	-	616.00
Borrowing costs	16,885.48	18,946.68
Non-Cash Items:		
- Depreciation	28,977.00	23,977.00
- Provisions	18,725.00	6,483.61
- Profit/Loss on sale of property, plant & equipment	1,922.00	-
Total non-cash expenses	49,624.00	30,460.61

NOTE 4: RECONCILIATION OF OPERATING PROFIT TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES

Operating Profit after Tax	74,226.66	78,414.00
Cash Flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
Depreciation	28,977.00	23,977.00
Loss on sale of property, plant & equipment	1,922.00	-
Changes in assets and liabilities:		
(Increase)/Decrease in prepayments	145.00	(145.00)
(Increase)/Decrease in trade debtors	23,790.00	(24,971.00)
Increase/(Decrease) in trade creditors and other payables	525.46	61,858.00
Increase/(Decrease) in provisions	31,765.36	3,371.00
Increase/(Decrease) in grants	110,203.36	-
Net Cash provided by (used in) operating activities	271,554.84	142,505.00

NOTE 5: CASH ASSETS

Bank accounts:		
- CBA Cheque A/c. 3138 1008 4602	419,414.11	213,729.92
- CBA Cash Management Trust	118,447.74	112,981.17
Other cash items:		
- Petty Cash	330.00	294.45
	538,191.85	327,005.54

Arts Project Australia Inc

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006 (cont.)**

	2006 \$	2005 \$
NOTE 6: RECEIVABLES		
Trade Debtors	6,666.00	30,456.00

NOTE 7: OTHER CURRENT ASSETS

Prepayments	-	145.00
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NOTE 8: PROPERTY, PLANT & EQUIPMENT

Freehold Land & Buildings	(at cost)	1,408,140.94	1,390,387.03
24 High Street - Plant & Equipment		124,959.13	96,632.07
Fixtures & Fittings	(Note 1b)	-	4,779.15
Floor coverings	(Note 1b)	-	25,290.91
Less: Accumulated depreciation (Note 1b)		-	(7,637.00)
Workshop Equipment	(at cost)	56,793.07	45,071.32
Office Equipment	(at cost)	51,215.50	57,094.59
Accumulated Depreciation W/Shop		(41,681.00)	(39,183.00)
Accumulated Depreciation O/Equip		(20,456.00)	(23,241.00)
Accumulated Depreciation P&E		(45,295.00)	(23,149.00)
Motor Vehicles	(at cost)	32,975.00	32,975.00
Accumulated Depreciation		(31,844.00)	(31,516.00)
Total Non-Current Assets		1,534,807.64	1,527,504.07

NOTE 9: PAYABLES

Unsecured:		
Trade Creditors	3,239.74	10,650.58
PAYG Payable	4,692.00	15,790.00
Superannuation Payable	3,116.85	4,924.98
Other Creditors	47,665.73	26,823.30
	58,714.32	58,188.86

NOTE 10: CURRENT TAX LIABILITIES

GST Clearing	28,985.00	15,944.64
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NOTE 11: PROVISIONS

Provision for Annual Leave	22,385.62	11,252.17
Provision for Long Service Leave	10,131.62	2,540.07
Other Provision	9,000.00	9,000.00
	41,517.24	22,792.24

NOTE 12: OTHER CURRENT LIABILITIES

Unexpended Grants	233,956.36	52,753.00
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Arts Project Australia Inc

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006 (cont.)**

	2006 \$	2005 \$
NOTE 13: INTEREST-BEARING LIABILITIES		
Unsecured:		
Community Support Fund	249,000.00	320,000.00
CBA Loan	203,531.22	225,697.18
	452,531.22	545,697.18

NOTE 14: MEMBER'S FUNDS

Opening Balance	1,189,734.69	1,111,321.06
Surplus (Deficit) for the year	74,226.66	78,413.63
Closing Balance	1,263,961.35	1,189,734.69

**NOTE 15: VALUATION OF FREEHOLD
LAND & BUILDINGS**

During the year, the Board of Management commissioned an independent Valuers report on the valuation of the freehold land and buildings held by the Association.

The valuation received, on a commercial operation basis was \$1,700,000.00, compared to the current carrying value of \$1,408,140.94.

The Board of Management have resolved to note the valuation, but not to adopt or incorporate the commercial valuation figure into the financial statements for the current financial year being reported.

Arts Project Australia Inc

STATEMENT BY BOARD OF MANAGEMENT

The Board of Management have determined that the association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the Board of Management, the financial report as set out on the previous pages

1. Presents a true and fair view of the financial position of Arts Project Australia Inc as at 30 June 2006 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that Arts Project Australia Inc will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Board of Management and is signed on behalf of the Board of Management by:

Heather M. Scovell
HEATHER SCOVELL
President


PATRICK O'CONNOR
Treasurer

Arts Project Australia Inc

INDEPENDENT AUDIT REPORT

SCOPE

We have audited the financial report, being a special purpose report, of Arts Project Australia Inc for the year ended 30 June 2006 as set out in the previous pages. The Board of Management is responsible for the financial report and has determined that the accounting policies used in Note 1 to the financial statements which form part of the financial report are appropriate to meet the requirements of the Associations Incorporation Act (Vic) 1981 and are appropriate to meet the needs of the members. We have conducted an independent audit of this financial report in order to express an opinion on it to the members of Arts Project Australia Inc. No opinion is expressed as to whether the accounting policies used are appropriate to the needs of the members.

The financial report has been prepared for the purpose of fulfilling the requirements of the Associations Incorporations Act (Vic). We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than which it was prepared.

Our audit has been conducted in accordance with Australian Auditing Standards. Our procedures include examination, on a test basis, of evidence supporting the amounts and disclosures in the financial report and the evaluation of significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with the accounting policies described in Note 1 so as to present a view which is consistent with our understanding of the Association's financial position, and performance as represented by the results of its operation and its cash flows. These policies do not require the application of all Accounting Standards and other professional reporting requirements in Australia.

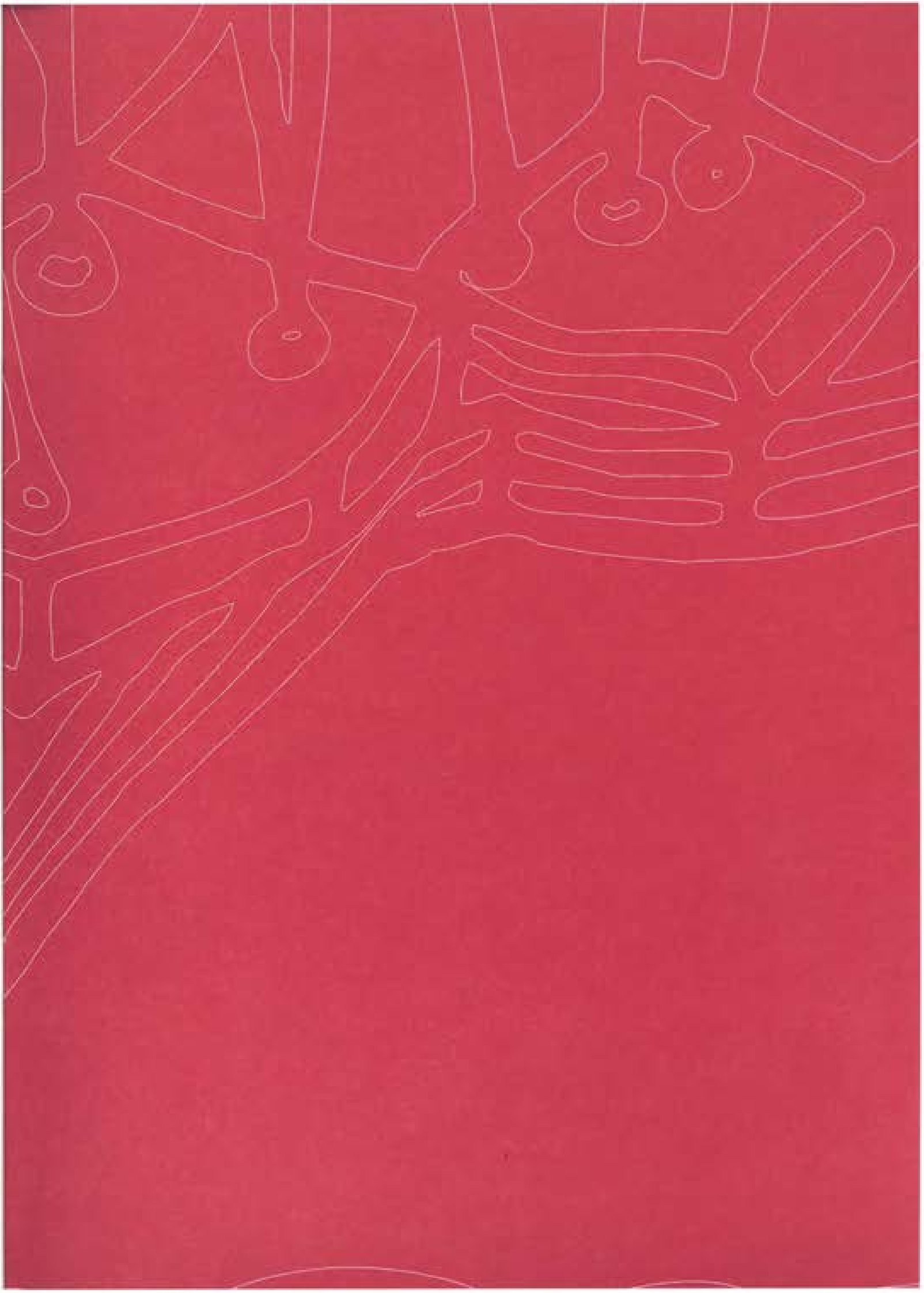
The audit opinion expressed in this report has been formed on the above basis.

AUDIT OPINION

In our opinion, the financial report of Arts Project Australia Inc presents a true and fair view of the financial position of Arts Project Australia Inc as at 30 June 2006 and the results of its operations and its cash flows for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements.



JAMES E. BABPAGE
Babbage & Co





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