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ARTS LAW CENTRE OF AUSTRALIA

ANNUAL REPORT

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President's Report

The Hon. Justice George Palmer



2007

In my 2006 report I wrote of the uncertain environment in which organisations such as Arts Law compete for and with the demands on the public purse, and the resultant need for the Board to identify and pursue strategies to increase the revenue base, to sustain the current service levels and to assist in meeting its obligations from any future growth.

Despite being a difficult year with uncertainty over funding issues, Arts Law was once again able to fulfill its obligations, to exceed expectations and meet performance indicators across the panoply of its services.

This was due in no large part to the reputation Arts Law enjoys in the legal, arts and local/national communities in which it works. When approached by Arts Law to be involved jointly – to partner – in a project, it is rare such approval is not forthcoming. I would like to highlight several successful partnerships which have been initiated to assist Arts Law to achieve our aims and realize our vision.

Education is a large component of Arts Law's brief, and often strains resources to deliver programs locally and nationally.

To that end Arts Law Week Sydney 2007 is a splendid example of partnering, with funding provided by the City of Sydney, the launch generously hosted by Freehills, the keynote address delivered by High Court Justice Michael Kirby AC CMG, and the unstinting support from the legal profession, arts organizations and peak bodies who gave of their time and talents as presenters in support of local artists.

Similarly, Arts Law Week Victoria is a successful collaboration between Arts Victoria, the Victorian Arts Law Consortium – a group of peak bodies committed to ensuring the local arts community has access to quality legal information and education – the Victoria Law Foundation, Melbourne law firms & lawyers, organizations and venues.

In November *Artists in the Black (AITB)*, Arts Law's Indigenous service, in partnership with the national law firm DLA Phillips Fox - who provided two lawyers from their Perth office - visited the Kimberley to take instructions and draft wills for Indigenous artists. The funding for this initial, innovative and exciting project was provided by the Myer Foundation and one of the art centres, with the support of the Copyright Agency Limited (CAL). Such was the success that future trips are planned for 2008.

2007 saw the retirement of Vivien Johnson and Robynne Quiggin from the Board, and I extend the thanks of the Board and staff to them both for their contribution. I must also express my sincere gratitude to my fellow Board members for their contribution during the year.

Whilst 2008 will pose many of the same challenges, I have no doubt these will be met by the commitment of management and staff, with the continued assistance from the Australian legal profession, and the dedication of our volunteers be they lawyers, note takers, or students.

The Board of Arts Law is committed to supporting the aims, goals, and its people in meeting these challenges.

Justice George Palmer
President

Executive Director's Report

Robyn Ayres



2007

After 5 years as the Executive Director, I am still excited by the work Arts Law does for Australia's arts community, but even more amazed by the creative output of the country's artists. Working in the arts does not get easier, with most artists and arts workers receiving insufficient recognition and financial reward for their efforts. In this environment I am extremely grateful for the outstanding commitment of the staff at Arts Law and their efforts to provide a service of excellence. Everyone at Arts Law believes strongly in the importance of the arts and how essential they are to our everyday existence. Arts Law is also fortunate to have a tremendously supportive board of directors who are all exceptional in their own right, as is the *Artists in the Black* reference group.

The work of Arts Law is indicative of the strong pro bono support Arts Law received in 2007. This comes from many individual lawyers, law firms and a few accountants, around the country. Arts Law and our clients are very privileged to benefit from this wealth of expertise which we estimate to be worth up to a million dollars each year.

In 2007 the *Artists in the Black* service and its Indigenous clients also benefited from the considerable pro bono support with a number of Indigenous cases finally being settled after lengthy negotiations.

Artists in the Black was recognised internationally with Trish Adjei, our Indigenous lawyer, being invited to present on the Indigenous panel of experts at the World Intellectual Property Organisation's (WIPO) intergovernmental meeting on traditional knowledge in Geneva in July. This was the first time in several years that an Indigenous person from Australia had addressed this forum.

Whilst maintaining ongoing funding for the *Artists in the Black* service has been challenging, with the Australia Council reducing its support, the evaluation of services received from Indigenous clients has been extremely high with 100% of clients responding that the service met their needs; they would use the service again; that it was delivered in a sensitive way; and they would recommend it to others. Our work with Indigenous artists all over the country makes us all the more determined to keep this service going to ensure their rights are protected and that Australia gets serious about protecting Indigenous cultural heritage.

In 2007 the education program for Indigenous and non-Indigenous artists was extensive reaching 2808 participants with 106 presentations delivered around the country. Successful Arts Law Weeks were held in Sydney, Victoria, the Gold Coast, and Adelaide and for Indigenous artists in far northern Queensland and the northern rivers area in NSW.

With the election of a new federal Government comes the promise of the introduction of resale royalty rights, a right which Arts Law has lobbied long and hard for. We hope to see resale rights introduced in 2008.

Robyn Ayres
Executive Director

Arts Law

The Arts Law Centre of Australia (Arts Law) is the national community legal centre for the arts. Arts Law is a not for profit company limited by guarantee. Arts Law was established with the support of the Australia Council in 1983 to provide specialised legal and business advice and referral services, professional development services and advocacy for artists and arts organisations.

Arts Law provides legal advice and information on a wide range of arts related legal and business matters including contracts, copyright, business structures, defamation, insurance, employment and taxation to artists and arts organisations across all art forms.

The majority of Arts Law subscribers are individual arts practitioners – including visual artists, authors, new media artists, performers, musicians, composers, writers, film and documentary makers, choreographers, graphic designers and set designers.

Mission

Arts Law envisages an arts community which understands their legal rights, has sufficient business and legal skills to achieve financial security, and is able to carry out their arts practice in a non-exploitative environment. Arts law will continue to provide low cost, practical, specialist legal services and resources (including advocacy, publications and education) to equip artists and the cultural sector to achieve this vision.

Values

In achieving our vision, the work of Arts Law is guided by the values of excellence, accessibility, empowerment and integrity.

Goals

Legal Advice, Resources and Referrals

To provide accessible, timely, high quality and practical legal advice to artists and arts organisations. This will include well-targeted and worthwhile professional development services, resource materials and referrals.

Advocacy and Law Reform

To provide targeted, quality advocacy on law and policy reform, to assist artists, the Government and the public more broadly to understand both the needs and value of the creative sector.

Artists in the Black

To develop the legal advice services and resources provided by *AITB* so it is effective, well-known and delivers essential legal and professional development services for the Indigenous arts sector.

Communications and Marketing

To position Arts Law as a valued national legal resource for the cultural sector.

Human and Physical Resources

To sustain an efficient team committed to the mission and goals of Arts Law through a collaborative working environment.

To maintain the office, furniture and equipment in order to meet the needs of the organisation.

Governance

To develop and maintain an experienced, committed and effective board in order to ensure that Arts Law complies with all governance requirements and maximises the ability of Arts Law to generate income.

Arts Law's governance should also address the relationship with the *AITB* service and Reference Group.



Arts Law's President, Justice George Palmer and Patron, Justice Michael Kirby with Arts Law staff, Katherine Giles (left), Robyn Ayres and Alida Stanley at the launch of Arts Law Week Sydney 2007 hosted by Freehills.

© C Moore Hardy 2007.

Funding

Arts Law gratefully acknowledges the financial assistance and investment of:

The Commonwealth Government through the Australia Council, for the Arts its arts funding and advisory body



The New South Wales Government through Arts NSW



The Australian Film Commission



Arts Victoria



The State of Western Australia through Arts WA in association with the Lotteries Commission



Arts SA



Phonographic Performers Company of Australia



Acknowledgement and thanks must go to the following people, organisations and law firms for their significant contribution to Arts Law during the year:

Copyright Agency Limited (CAL) for its grant to run the national Artists in the Black education program

Myer Foundation

WalterTurnbull for pro bono accounting advice and assistance to Arts Law legal staff.

Steven J Miller & Co for pro bono advice and the continued provision of assistance to Arts Law legal staff.

Lexis Nexis for sponsoring Arts Law's subscription to their online publications.

Victoria Law Foundation for support of Arts Law Week Victoria 2007, and the publication of *Answers for Artists* for artists from culturally and linguistically diverse backgrounds.

City of Sydney for funding Arts Law Week Sydney 2007

Freehills for hosting the launch of Arts Law Week Sydney 2007

Special thanks to the many individuals, organisations and law firms who have made a significant contribution to Arts Law during the year, many of whom are listed later in this report.



Achievements

2007

- Provision of **2199** telephone legal advices by Arts Law legal staff for the period January to 31 December 2007.
- Provision of **296** face-to-face legal advice night (LAN) consultations by pro bono panel lawyers for the period January to 31 December 2007.
- Increasing the panel of pro bono lawyers willing to provide advice and other assistance to clients of the Arts Law to **240**.
- Ongoing provision of a highly successful **Artists in the Black** service despite funding uncertainties.
- Partnering by accounting firm WalterTurnbull in the provision of pro bono tax and accounting advice.
- **Arts Law Weeks** held in Sydney (NSW), Melbourne (Victoria), the Gold Coast (Qld), Adelaide (SA), and for Indigenous artists in northern rivers NSW, Torres Strait Islands and far north Queensland.
- A comprehensive education program which delivered 106 seminars or workshops in **40** different geographical reaching over **2800** participants in, of which **424** were Indigenous.
- Increasing the size of the Arts Law Print Commission, to a limited edition of 30 prints, in view of the number of professionals who have made a significant pro bono contribution to Arts Law during 2007. The print entitled "Mythologies" is by Tasmanian artist Noni Gander.
- Arts Law attended WIPO's intergovernmental meeting on traditional knowledge and Trish Adjei, *Artists in the Black's* Indigenous lawyer presented on the Indigenous panel of experts.
- Resources developed by *Artists in the Black* were placed on WIPO's Database of Codes, Guidelines and Practices providing resources for Indigenous communities internationally.
- Publication of resource for artists from culturally and linguistically diverse communities entitled *Answers for Artists* which is available in Arabic and Chinese languages. This was funded by the Victoria Law Foundation.
- The pilot phase of the Kimberley Indigenous Wills project was successfully carried out at the Mowanjum Arts Centre in Derby WA. 22 wills were drafted for Indigenous artist with the assistance of 2 lawyers from DLA Phillips Fox (Perth).

Staff

2007

Executive Director	Robyn Ayres
Senior Solicitors	Delwyn Everard
	Katherine Giles
	Rebecca Laubi
Solicitor	Serena Armstrong
Solicitor	Suzanne Derry
Indigenous Solicitor	Patricia Adjei
Administration Manager (Part time)	Garey Campbell
Financial Manager (Part time)	Mary Egan
Administrative Officer	Melanie Donat
Administrative Officer	Caroline Lai (commenced April 17)
Other Staff	
Senior Solicitor	Alida Stanley (until August 31)
Solicitor	Alison Patchett (until May 18)
Solicitor on secondment	Deborah Doctor - Allens Arthur Robinson (until August 10)
Aboriginal Information/Liaison Officer	Blanch Lake (until October 11)
Administrative Officer	Naomi Jacobs (until March 21)



Back Row: (L to R): Garey Campbell, Robyn Ayres, Mel Donat, Rebecca Laubi, Caroline Lai
Front Row: (L to R): Suzanne Derry, Serena Armstrong, Trish Adjei
Photograph by Evelyn Liang

Patrons

Patrons of Arts Law are eminent persons in the law and the arts, and reflect the standing Arts Law enjoys in the community.

Current Patrons are:

Robyn Archer AO	The Hon Justice David Angel
Jan Chapman AO	The Hon Justice Terence Buddin
Deborah Cheetham	Julian Burnside QC
Ian David	The Hon Jerrold Cripps QC
The Hon Peter Garrett AM MP	The Hon Elizabeth Evatt AO
David Gulpilil AM	The Hon Justice Malcolm Gray RFD
Roger Knox	The Hon Justice Michael Kirby AC CMG
Frank Moorhouse AM	The Hon David Levine RFD QC
Professor Sally Morgan	The Hon Justice John Mansfield
Margaret Olley AC	The Hon Acting Justice Jane Mathews AO
David Page	Shane Simpson
Rachel Perkins	The Hon Antony Whitlam QC
Peter Sculthorpe AO	
William Yang	



Justice Michael Kirby AC CMG, Arts Law Patron, performing hip hop at the Fusion event launching Arts Law Week Victoria 2007. Photograph by Rachel Dare.

Victorian Advisory Council

Arts Law provides over 20% of its services to Victorian artists and organisations. To assist in the development of much needed resources to continue this level of assistance, the Victorian Advisory Council has been established.

Comprising high profile legal luminaries, the members are:

The Hon Justice Peter Heerey	Chair
Peter Chalk	Blake Dawson
Mark Dreyfus QC	
The Hon Justice Alan Goldberg AO	
Assoc Professor Andrew Kenyon	Centre for Media and Communications Law, Melbourne University
Stephen Stern	Corrs Chambers Westgarth

Artists in the Black reference group

A Reference Group has been established from the Indigenous community to provide support and guidance throughout the course of the project.

The current members of the group are:

John Harding (Chair)
Robynne Quiggin (resigned 23 April 2007)
Kev Carmody
Kevin Dolman
Carol Innes
Dr Irene Watson

National Legal Advice, Referral and Mediation Services

The focus of all of the work of Arts Law is to ensure that the creative and cultural sector of Australia have access to practical, specialist legal services and resources.

Arts Law provides legal advice on a wide range of legal and business issues affecting artists and the cultural sector including copyright, contract, moral rights, performers rights, trade marks, passing off, trade practices, confidentiality, employment, defamation, business structures, privacy, insurance, censorship and taxation. The way we do this is through our free national telephone legal advice service to the arts community and, for Arts Law subscribers, extended legal advice service, national face-to-face legal advice Legal Advice Nights and pro bono referrals. Arts Law also provides referrals to our panel of mediators on a fee for service basis.

In 2007 the number of occasions on which telephone advice was provided was 2199, a small decrease upon the previous year. This in no way reflects a drop in demand but rather the difficulty in developing our services without an increase in resources. For example, to provide Arts Law Week Sydney requires us to reduce advice services during the same week. The number of free telephone advices provided in 2007 is set out in Tables 1 and 2 below.

Table 1: Telephone Advice by Arts Sector

Telephone Advice	2006	2007
Film / Video/TV/Broadcasting	361	280
Community Arts	54	95
Literature	225	203
Performing Arts	137	154
Music	394	337
Multi Media	30	50
Visual Arts and Crafts	590	507
Design	37	48
Miscellaneous	594	525
TOTAL	2422	2199

Table 2: Telephone Advice by State/Territory

Telephone Advice	2006	2007
ACT	41	42
NSW	1328	1151
NT	59	55
OS	-	10
QLD	120	151
SA	87	96
TAS	51	40
VIC	515	504
WA	176	150
Total	2422	2199

Range of Problems

Arts Law deals with a significant number of legal problems presented by each caller. In 2007, of the 2199 legal advices provided the solicitors dealt with 2654 different legal problems. Table 3 sets out the number and range of legal problems dealt with in 2007.

Table 3: Legal Advice by Category

Description	Totals
Administrative Law	3
Agency	8
Bailment	6
Business Name	35
Business Structure incl. assns, charities, corps	68
Business Structure: Partnership	30
Censorship & Obscenity	8
Character Merchandising	2
Commercial Lease	5
Confidentiality	62
Contract: General	356
Contract: Infringement	71
Contract: Review	217
Copyright: Collecting Societies	42
Copyright: General	541
Copyright: Infringement	234
Copyright: Licensing	150
Debt	55
Defamation	70
Employment incl. discrim, super, workers comp	36
Estate Planning/Wills	19
Funding incl. government, private	3
ICIP	31
Insolvency	1
Insurance	55
IP: Design Registration	23
IP: Patent	8
IP: Trade Mark	76
Local Government	5
Mediation	10
Moral Rights	110
Other	101
Performers' Rights	40
Personal Property	4
PPCA	2
Privacy	23
Remedies	12
Sale of Goods incl. droite de suite	10
Sedition	3
Tax incl. GST, income, sales, stamp duty	36
Torts incl. negligence, trespass	10
Trade Practices & Passing Off incl. misleading	79
Total	2654

Referrals

Arts Law made 736 referrals during 2007.

Referred to	Number
Lawyers (private/ CLCs/Legal Aid/ Law Access	577
Arts organisations	95
Insurers	29
Government agencies	35
TOTAL	736

Legal Advice Nights

Subscribers to Arts Law can attend Legal Advice Nights for face-to-face advice, or telephone consultations for up to two hours with experienced specialist lawyers who are on Arts Law's panel. Subscribers are entitled to up to 6 sessions per year. Lawyers from large corporate and boutique firms, as well as government and in-house lawyers, volunteer for the national Legal Advice Nights panel. In 2005 Arts Law had an extensive national panel of 240 pro bono lawyers. In 2007 the number of Legal Advice Night face-to-face consultations provided was 296, a small increase over 287 provided in 2006

Face-to-face Legal Advice Nights (LANS) operate in Sydney, Melbourne, Adelaide, Hobart, Perth, Darwin, and Canberra. Subscribers in other cities and regional areas can access extended telephone advice with lawyers on our panel.

Table 4 shows the number of Legal Advice Night consultations by State and Table 5 by Arts sector.

Table 4: LANS by State/Territory

Legal Advice Nights	2006	2007
ACT	12	2
NSW	190	188
NT	7	8
QLD	3	11
SA	9	7
TAS	3	7
VIC	50	57
WA	13	16
TOTAL	287	296

Table 5: LANS by Arts Sector

Legal Advice Nights	2006	2007
Film / Video/TV	50	43
Community Arts	14	18
Design	6	8
Literature	36	30
Performing Arts	15	18
Music	78	83
Multi Media	3	11
Visual Arts and Crafts	75	72
Miscellaneous	10	13
TOTAL	287	296

Arts Law Subscribers

To access the assistance available from Legal Advice Nights individuals or organisations must become Arts Law subscribers. Subscribers are also entitled to discounts on all of Arts Law's publications and receive the quarterly newsletter, ART+law.

Table 6: ALCA subscribers by STATE & TYPE

State	Totals	Commercial	Individual	Non Profit
ACT	19	1	12	6
NSW	402	20	319	63
NT	67	0	15	52
QLD	86	4	68	14
SA	52	2	36	14
TAS	12	0	10	2
VIC	132	9	102	21
WA	75	4	47	24
TOTALS	845	40	609	196

The majority of Arts Law subscribers are individual arts practitioners – including visual artists, new media artists, performers, musicians, composers, writers, choreographers, graphic designers, film and documentary makers, and set designers.

Information and Publications

Publications

Arts Law produces a range of publications each year including a quarterly newsletter ART+law, information sheets, checklists and guides, sample contracts and seminar papers. In addition, Arts Law contributes to a range of external publications.

Information Sheets

Arts Law's information sheets are made freely available on the website, enabling arts practitioners from throughout Australia to easily access up-to-date information. The range of information sheets has been expanded in 2007 to cover the following topics:

Agency agreements
Classification and Censorship
Confidential Information - Protecting Your Ideas
Contracts: An Introduction
Contracts: a glossary of jargon
Copyright information and letter of demand
Copyright Collecting Societies
Debt Recovery: Letter of Demand (all States/Territories)
Debt Recovery: Small Claims Procedure (all States/Territories)
Defamation
Direct licensing guidelines: Sound recordings
Do I Need a Film Location Release?
Employee or contractor
Exclusion clauses, disclaimers and risk warnings
Legal issues for bloggers
Letter of demand for Trade Mark infringement
Mediation Service
Moral rights infringement and letter of demand
Organising a festival
Patents
Performers' Rights
Privacy and the Private Sector
Protecting Your Designs
Protecting your Professional Name
Sedition laws in Australia
Street Photographers Rights
Superannuation and Contract for Services
Trade Marks
Unauthorised Use of Your Image

Checklists and Guides

The following checklists and guides are available free to Arts Law subscribers:

Artist-Gallery Checklist

Business Partnership Checklist

Displaying Visual Arts on the Internet

Live Music Performance – Booking gigs

Music Management Checklist

Music Publishing Checklist

Music Recording Agreements Guide

Short Film Competition – Producer's guide

Sponsorship Agreements Guide

Sample Contracts

Arts Law also produces a range of sample contracts, which come with explanatory notes. There are currently 36 sample agreements available, covering a range of arts sectors including a suite of agreements for the visual arts and crafts, for low budget film/video, for community broadcasting and for music. Over the last 12 months Arts Law has continued to update the agreements as needed to ensure they are current and as useful as possible.

New Publications

In 2007 Arts Law produced the following new publications:-

Answers for Artists - a bilingual resource for artists in English/Chinese and English/Arabic. This is a free resource which has been well received by multicultural organisations and communities.



Answers for Artists available in Chinese and Arabic

ART+Law

Arts Law produces a quarterly newsletter providing information on current legal issues affecting arts practitioners.

In 2007 ART+law covered topics including:

- The new fair dealing exception for parody and satire (Sally McCausland)
- Moral right of integrity (Christine Hutchison)
- Performers rights and audio visual performers (Jaqua Page)
- Legal issues when documenting artwork that involves crime (Anna-lea Russo)
- Displaying visual art on the internet (Lindsay Johnson)
- Newspapers and moral rights (Donald Richardson)
- Rights over second life content (Przemek Kucharski)
- Uniform defamation laws explained (Deborah Doctor)

Arts Law subsequently places many of the articles from ART+law on its website.

External Publications

Arts Law regularly contributes articles to legal and arts periodicals including the Media and Arts Law Review, NAVA Quarterly, Alternative Law Journal, and various newsletters for arts organisations.

Website

Arts Law's website www.artslaw.com.au is a well-utilised resource and information service, complementing our legal advice and professional development activities. The website contains the range of Arts Law's information sheets, as well as articles which cover the different art sectors.

In 2007, Arts Law had over 1,270,988 hits to it's website, showing a steady increase in people accessing the site.

Hits & Circulation	2007
Jan - March	326,021
April - June	329,417
July - September	311,569
October - December	303,981
TOTAL	1,270,988



Deborah Doctor (left), solicitor on secondment from Allens Arthur Robinson with Arts Law Administration Officer, Mel Donat.

Education Program

In 2007 Arts Law continued its program of lectures, workshops and seminars on topical issues concerning law and the arts in order to increase awareness of basic legal issues affecting artists and arts organisations. In doing so we aim to reduce the need for legal advice on commonplace issues eg “What is copyright?” and to focus on delivering legal advice to artists with more complex problems.

In 2007 Arts Law reached over 2800 creative people around Australia, including 424 Indigenous participants. We visited 40 different geographical locations, provided 106 seminars, of which 33 were for Indigenous artists. We held Arts Law weeks in Victoria, Adelaide, the Gold Coast and *AITB* weeks in northern rivers NSW and Torres Strait Islands and far north Queensland.

Lectures for Tertiary Institutions

Arts Law continued to run its lecture program, presenting at the following universities and art schools during the year:

- SAE College
- National Art School
- Sydney College of the Arts
- Monash University Arts School
- University of Tasmania Art School
- Nepean TAFE students
- Brookvale TAFE students
- Design Centre Enmore TAFE

Lectures covered topics such as copyright, contracts, moral rights, design law and online issues. Most of these lectures are provided on a fee-paying basis.

National Seminar Program

In addition to the lecture series, Arts Law provided an extensive national seminar program, including the following events:

- Arts Law Week Gold Coast
- Arts Law Week Victoria
- Arts Law Week Adelaide
- *AITB* Arts Law Week northern rivers NSW with Arts Northern Rivers
- *AITB* Arts Law workshops with Viscopy and Umi Arts Qld
- Paddington Markets seminar series
- Pilot for Kimberley Wills project in Derby WA

Many of the events were delivered in partnership with other organisations, which assisted with the promotion of the events with many of the events being free or low cost. Arts Law notes that the Indigenous component of the education program has been made possible through a funding partnership with the Copyright Agency Limited (CAL).

Artists in the Black

In 2007 Arts Law delivered its 4th year of targeted legal service to Indigenous artists and their organisations through the *Artists in the Black* service (*AITB*). The service plays an important role in providing legal advice; information and education to Aboriginal artists, communities and their organisations who would otherwise experience difficulties in accessing culturally sensitive legal advice services and information.

Arts Law employs 2 Indigenous staff, Trish Adjei, in the lawyer's position and until late 2007, Blanch Lake, as the information/liaison officer. The service provides:

- Direct legal advice to individual Indigenous artists on their arts law problems;
- Information and education about arts law issues to ensure Indigenous artists are informed about their legal rights;
- Casework services in matters identified to have a public interest component; and
- Advocacy on the need for Australian laws to provide better protection of Indigenous cultural heritage.

Legal Service Provision

The *AITB* staff work with the other Arts Law staff to provide enhanced services to the Indigenous community. In 2007 *AITB* provided 163 legal advices, drafted wills for 22 artists and provided casework services in 20 matters. In order to provide an appropriate service, it is noted that many of the advices provided to Indigenous clients are significantly more resource intensive than other legal advices. This is in view of the amount of contact as well as time spent with the client.

Casework assistance

A unique aspect of *AITB* is the ability to provide limited casework to clients where their matter involves a public interest aspect. Most of the cases relate to the unauthorized reproduction of individual artists work as well as moral infringements. Arts Law would not be able to offer case work assistance without the pro bono support of the major law firms. The following firms provided pro bono assistance to *AITB* in 2007:

- Allens Arthur Robinson
- Baker & McKenzie
- Blake Dawson
- Clayton Utz
- DLA Phillips Fox
- Freehills
- Gilbert + Tobin
- Minter Ellison
- Ward Keller (NT)

Education

Over time we have recognized the valuable role education plays in informing artists of their legal rights. In 2007 we provided 33 *AITB* presentations to 424 Indigenous attendees. Our experience demonstrates that the request for legal advice increases after we have visited a region and artists and their representatives are able to put Indigenous faces to the *AITB* service. The education program is made possible with support from Copyright Agency Limited (CAL).

Advocacy

The education work also informs our advocacy work as we become privy to the issues of concern that we would not otherwise be aware of if we did not have the opportunity to visit communities. There are many issues affecting the Aboriginal art industry. In 2007 the Senate Inquiry into Indigenous arts and crafts industry reported its findings in *Indigenous Art - Securing the Future*. *AITB* lawyer Trish Adjei and Executive Director Robyn Ayres gave evidence to the Senate Inquiry highlighting the issues we experience first hand delivering the *AITB* service. This report highlighted the need for better protection of Indigenous cultural heritage, the need for communal moral rights legislation, the need for training of art centre staff, as well as a Code of Conduct for dealers in the Indigenous art trade. In all, the report made 28 recommendations. The experience of *AITB* shows the following changes should be implemented as Government policy:

- Need for protection of Indigenous cultural heritage at a national level, preferably through sui generis legislation;
- Effective international protection of Indigenous cultural heritage preferably through the development of a treaty; and
- Resale rights for Indigenous artists (and non-Indigenous artists).

The expertise of *AITB* was recognised in 2007 with Trish Adjei being invited to Geneva to present on the Panel of Indigenous Experts at the World Intellectual Property Organisation (WIPO) when it convened the 11th session of the Intergovernmental Committee which is examining the need for international protection of Traditional Cultural Expressions, Traditional Knowledge and Genetic Resources. Arts Law also had observer status at the ICG meeting so was able to make interventions during the discussions on traditional cultural expressions.



Trish Adjei at WIPO
Intergovernmental Committee
meeting on traditional
knowledge in Geneva July 2007
© Arts Law 2007, photo by
Robyn Ayres

Publications

AITB continues to distribute its 4 comic information sheets developed with Streetwize Communications. They deal with copyright, moral rights, contracts and Indigenous culture and intellectual property (ICIP). In addition there are 4 other information sheets on governance, certificates of authenticity, licensing and business structures. *AITB* has developed some specific contracts and a will for Indigenous artists. The *AITB* publications are also available on our website in the Indigenous area.

Funding

Arts Law was initially able to establish the *AITB* service through funding provided by the Commonwealth Government through the Australia Council for the Arts when it funded the service in 2004. However the funding for the service was reduced by the Australia Council in 2007 and will be decreased further so that if *AITB* is to continue beyond 2009 alternative sources of funding will need to be obtained.

This will not an easy task and is to be contrasted to an environment where the Government has shone the spotlight on the need to resource Indigenous artists to deal with the legal and business issues relevant to their arts industry. Whilst the need for the *AITB* service is continually growing, our capacity to deliver the service is being diminished as the result of funding decisions. We are therefore appreciative of the support provided by Arts NSW, the Copyright Agency Limited (CAL) through its cultural fund which has made the *AITB* education program possible, and the Myer Foundation for its support of the Kimberley Wills Project.

Trish Adjei running an *AITB* workshop in Cardwell Queensland
© Viscopy 2007
Photo by Chris Richardson



Case Studies

demonstrating our achievements



Emu © Mandy Davis. Reproduction in black & white with the permission of the artist.

Mandy Davis and ‘Emu’ painting

Artists in the Black client, Mandy Davis, has received a settlement from the other party for their infringement of her copyright and her moral rights. The case is a great example of how *AITB* works. The Indigenous artist contacts *AITB* and we harness the support of a major law, in this case Clayton Utz, who works to achieve an outcome for our client.

Mandy Davis is a successful artist from the Worimi people from the Great Lakes district in Northern NSW. Davis has been painting since 1990 and several of her works have been licensed by companies and government agencies. She had national and international exhibitions. Davis saw her painting, ‘Emu’ (Work) copied onto a commercial vehicle without her permission.

The main issue was the copyright infringement of her Work, coupled with the moral rights infringements of the rights of integrity and of attribution. The company distorted the Work onto the commercial vehicle, the colours were changed and there was no attribution of Davis as the original creator. These actions were hurtful to Davis as her designs and artworks illustrate her cultural beliefs and values and her connection to her ancestors. After several letters of demand, and no resolution of the matter, legal proceedings were commenced in the Federal Magistrates Court. Before the matter went to hearing, further discussions resulted in agreement to remove the infringing artwork from the vehicles and the company’s website, as well as a financial settlement. The terms of the settlement were confidential.

Artists in the Black appreciated the support of Clayton Utz who took the matter on a pro bono basis. This matter was run by senior associate, Nicholas Tyacke and IP litigation partner, Peter Knight. Richard Cobden SC, was also engaged to represent Mandy Davis, if the matter proceeded to court. Clayton Utz donated a large 140 pro bono hours! Not only does this matter demonstrate how pro bono work makes a difference, it also illustrates how the copyright laws can successfully protect Indigenous cultural integrity in some cases.

Victor Cusack

Arts Law was able to assist sculptor Victor Cusack in his dispute with Hornsby City Council (HCC) and Westfield. Victor contacted Arts Law in late 2005 for assistance, after his kinetic water sculpture located in the Florence Mall surrounded by the Westfield shopping Centre in Hornsby NSW, was damaged during a renovation and upgrade of the Westfield shopping centre. The sculpture entitled “Man, Time, and the Environment” is an eight metre high, 21 tonne bronze, glass and stainless steel environmental sculpture incorporating three water clocks of ancient (modified) design and a 17 note Carillon, all mounted on a rotating barge. All the mechanisms are water powered. The huge central pendulum clock has the same time cycle as ‘Big Ben’ and a considerably larger pendulum weight, and keeps accurate time within 1.5 minutes over 2 months.

In his book *Public Sculpture in Australia* (1995), Michael Hedger described the sculpture as:

“Australia’s most recent major fountain ranks as its most unique... The fountain is of cast bronze, (cast by Cusack at his Sydney foundry), stainless steel and plate glass, and the scale and the extraordinary combinations provide a work of surprising harmony. Cusack’s environmental sentiments are readily apparent and the local Council’s initiative in commissioning such a work is visionary.”

Victor was unable to persuade either the HCC or Westfield to fix the sculpture and return it to working condition. Victor felt that leaving the sculpture in such a bad unworkable condition was a derogatory treatment of the work and that it was having a negative impact on his reputation as an artist. Victor was advised that he has the moral right of integrity and that the work should be restored to its original working condition.

Arts Law advised Victor of his legal rights under the moral rights provisions of the Copyright Act and applied to Public Interest Law Clearing House (PILCH) for a pro bono lawyer to represent Victor in his negotiations with HCC and Westfield. As a result, Peter Banki from the firm Banki Haddock Flora was enlisted to assist Victor.

As Victor stated, in a letter to Arts Law dated 15 February 2008:

“I am convinced that the sculpture would never have been repaired without Arts Law’s considerable help in giving their opinion and soliciting PILCH’s help to find Peter Banki as a pro bono lawyer (a delightful, skilled, intelligent person). These voluntary combined efforts have been superb, definitely the major factor contributing to accelerating the repair after nearly 4 years of procrastination. It has been a significant experience watching the efforts of many privately motivated public-spirited people and government supported organizations (including the Sculptors Society) overcome this injustice and deprivation of public property, to achieve ultimate success.”

As a result of Arts Law assistance, and the negotiations undertaken by Peter Banki, Victor’s sculpture was restored to its original working condition. This particular case illustrates the importance of moral rights and the effective way they can be utilised to protect both an artwork and the artist’s reputation.



“Man, Time & the Environment”
by Victor Cusack

Westfield Shopping Centre
Hornsby

Advocacy And Law Reform

- To provide targeted, quality advocacy on law and policy reform, to assist artists, the Government and the public more broadly to understand both the needs and value of the creative sector.
- Use variety of strategies to lobby for changes needed to improve position of arts and arts organisations in Australia.
- Partner with arts organisations with similar lobbying aims to provide a more effective voice for the arts.

Advocacy Subcommittee

The Arts Law Advocacy Subcommittee comprised of Board members (Professor Jill McKeough and Robynne Quiggin) and staff members. The year's work was carried out in accordance with its 2007 Advocacy Plan.

The advocacy work involved proactive work as well as responding to issues as they arose.

Submissions

Arts Law made the following submissions to Governments and other bodies.

Better Protection of Indigenous artists and Indigenous Cultural Heritage

- Senate Inquiry into Indigenous arts and craft industry. Arts Law made a submission and gave evidence to inquiry in 2007.
- Arts Law provided feedback to NAVA on National Indigenous Commercial Code of Conduct which NAVA are developing in partnership with ANKAAA and Desart.
- Arts Law attended the WIPO meeting on Traditional Cultural Expressions and traditional knowledge with Arts Law having observer status at the WIPO Intergovernmental committee meetings.

Resale rights

Arts Law made a submission to the Labor Party on the need for resale rights if elected. This was included in Labor's arts policy and is on their legislative agenda in 2008.

Censorship Issues

Arts Law made a submission about the new classification laws dealing with terrorist material and their potential chilling effect.

Privacy

Arts Law also made submissions to the Privacy Inquiries of the NSW Law Reform Commission as well as the Australian Law Reform Commission. We are concerned about the potential impact a right of privacy will have on freedom of expression in Australia.

Section 65 – Exception to copyright protections for sculptures in public places

Arts Law made a submission to Government on removing exception to copyright protection provided for sculptures in public places. Arts Law also met with representatives from the Attorney General's Dept about this issue.



(L to R) Katherine Giles (Senior Solicitor, Arts Law) with fellow presenters, Phil Scott, Sally McCausland (SBS) and Kate Gilchrist (ABC Legal), at CLE on parody and satire presented at Freehills during Arts Law Week Sydney 2007.

We note the pro bono support provided by Phil, Sally and Kate.

© C Moore Hardy 2007.

Volunteers and Pro Bono Assistance

Volunteers and pro bono lawyers are integral to the provision of Arts Law services. The Arts Law volunteers perform the following valuable tasks:

Volunteer Lawyers

Arts Law receives considerable pro bono assistance from the legal profession in addition to the national face-to-face legal advice night service. Some of the services provided by our volunteer lawyers include the provision of advice to our lawyers when a matter is outside our expertise; writing articles for Art+Law, as well as reviewing our sample contracts and other publications.

An extremely valuable way that a law firm can provide such assistance is through secondments to Arts Law. In 2007 Allens Arthur Robinson seconded Deborah Doctor to Arts Law for six months.

Other examples of pro bono assistance in 2007 include:

- Freehills (Sydney) hosted the launch of Sydney Arts Law week 2007, including hosting a CLE for lawyers as part of the week;
- DLA Phillips Fox provided 2 lawyers for a week to assist the *AITB* will drafting project for Indigenous artists in the Kimberley;
- Various lawyers and firms provided presentations during Arts Law Weeks in Sydney, Melbourne and Adelaide;
- DLA Phillips Fox assisted with Arts Law's free telephone advice service

Panel Lawyers

The lawyers who provide pro bono advice to Arts Law's subscribers at our Legal Advice Nights are referred to as Panel lawyers. In 2007 Arts Law had a panel of 240 lawyers throughout Australia ranging from large corporate law firms, government and in-house counsel, boutique law firms and individual practitioners. The Legal Advice Night service is an important part of the legal services provided by Arts Law and we acknowledge the significant contribution made by the legal profession to the arts community in this regard.

Arts Law thanks the law firms and legal practitioners who participated in the Arts Law national face-to-face Legal Advice Night program and other pro bono work and advice.

South Australia

Shaun Berg	Hunt & Hunt
Michael Steele	Hunt & Hunt
Bill Morrow	Norman Waterhouse

Queensland

Andrew Cardell-Ree	Clayton Utz
Alex Griffith	Hillhouse Burrough McKeown Lawyers

ACT

Durham Grigg	Tres d'Marque IP
Leonie Kennedy	Bradley Allen Lawyers
William McCarthy	Bradley Allen Lawyers

Northern Territory

Carolyn Walter	Ward Keller Lawyers
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Tasmania

Susan Larsen	Dobson Mitchell & Allport Lawyers
James Holt	Dobson Mitchell & Allport Lawyers
Joan Roberts	Dobson Mitchell & Allport Lawyers
Bethany Sharman	Dobson Mitchell & Allport Lawyers

Victoria

Angelo Karamanis	Monash University
Kris Darmody	Marshalls & Dent Lawyers
Stefano Del Monaco	Monaco Lawyers
Sue Morgan Dethick	Herbert Geer & Rundle Lawyers
Jerry Gomez	ABC Legal Services
Bethany Jones	Media Arts Lawyers
Taryn McCamley	Mallesons Stephen Jaques
Ross McCaw	Barrister
Michaela Montgomery	Herbert Geer & Rundle Lawyers
Wendy Ng	DLA Phillips Fox
Andrew Panna	Barrister
Matthew Rogers	Media Arts Lawyers
James Samargis	Barrister
Darren Sanicki	Marshalls & Dent Lawyers
Chaman Sidhu	Lonely Planet Publications
Stephen Stern	Corrs Chambers Westgarth
Kai-Li Tan	DLA Phillips Fox
Victor Tse	Victor Tse & Associates
Michael Tucak	MSTucak Legal
David Vodicka	Media Arts Lawyers
Frances Weelahan	Corrs Chambers Westgarth
Dr. Mark Williams	jdrlegal Pty Ltd
Gillian Wong	National Australia Bank

Western Australia

June Kenny	Dwyer Durack Lawyers
Jamie Lyford	Elevation Partners Pty Ltd
Michael Paterson	Michael Paterson & Associates
David Stewart	Minter Ellison
Stephanie Faulkner	Jackson McDonald Lawyers

New South Wales

Mathew Alderson	Gray & Perkins
Troy Alderson	DLA Phillips Fox
Charles Alexander	Minter Ellison
Andrew Ailwood	Allens Arthur Robinson
Amanda Andrezza	Allens Arthur Robinson
Morris Averill	Activision Asia-Pacific
Dianne Banks	Gilbert + Tobin
Sydney Birchall	Freehills
Melanie Bouton	Freehills
Stephen Boyle	Australian Film Commission
Delia Browne	Copyright Advisory Group
Rob Brown	DLA Phillips Fox
Sonia Borella	Holding Redlich
Penny Campion	Energy Australia
Alan Chalmers	Gadens Lawyers
Alec Christie	DLA Phillips Fox
Michael Cooley	Gilbert + Tobin
David Curtain	AWB Limited
Kai Dang	Blake Dawson
Sandy Dawson	Barrister
Deborah Doctor	Allens Arthur Robinson
Michelle Eadie	Minter Ellison
Michael Easton	Brett Oaten Solicitors
John Fairbairn	Clayton Utz

Mark Firth	RUPA
Marcus Fowler	ABC Legal Services
Craig Glaizer	
Robert Gibson	John Fairfax Holdings
Tim Gole	Gilbert + Tobin
Melissa Goode	Freehills
Adrian Goss	Australian Consolidated Press
Matthew Hall	Swaab Attorneys
Sonia Haskins	Mallesons Stephen Jaques
Calum Henderson	Deacons
Sara Hofman	University of Sydney
Tomithy Holden	Allens Arthur Robinson
Ant Horn	Nickelodeon
Alice Hume	Gilbert + Tobin
Michele Imlay	Granada Productions
Terri Janke	Terri Janke and Co.
Moses Kakaire	Simpsons Solicitors
Peter Karcher	Gray & Perkins
Katarina Klaric	Stephens Lawyers and Consultant
Richard Lancaster	Barrister
Raena Lea-Shannon	Frankel Lawyers
Peter Le-Guay	Thompson Playford
Jim Lennon	Middletons
Cass Matthews	Austar
Lindsay McGregor	Holding Redlich
John McGruther	John A McGruther Solicitor
Mary-Jane McKerihan	Singtel Optus Pty Ltd
Naomi Messenger	Swaab Attorneys
Judith Miller	DLA Phillips Fox
Alexandra Milca	ASIC
Clare Mirabello	TressCox Lawyers
Michael Montgomery	Clayton Utz
Peter Mulligan	Henry Davis York
Jules Munro	Simpsons Solicitors
Michael Naphthali	Swaab Attorneys
Danh Nguyen	Westpac Banking Corp
Andrew Nolan	Thompson Playford
Maureen Noonan	
Georgina Ogden	Clayton Utz
David Orwell	Brett Oaten Solicitors
Zero Partos	
Shane Paterson	Home Wilkinson Lowry
Gary Penny	Gary Penny Lawyers
Anthony Poole	Foxtel
Phillip Roberts	Gillard Consulting Lawyers
Tony Roberts	Macquarie Bank
Gary Rogers	Blueprint Law Pty Ltd
Suanne Russell	St George Bank
Adam Simpson	Simpsons Solicitors
Veronica Siow	Allens Arthur Robinson
Craig Smith	Freehills
Claire Stanwix	DLA Phillips Fox
Amalia Stone	Freehills
James Talbot	Southern Star Group
Maki Takken	Deacons
Deborah Tobias	Hillman, Laxon & Tobias Lawyers
Mandy Van Del Elshout	ABC Legal Services

Stephen Von Muenster Von Muenster Solicitors & Attorneys
Hamish Watson Stevenson Watson
Sarah Whitaker Colgate-Palmolive Pty Ltd
Jane Wilson Henry Davis York

Referral Services

In addition to referrals to Arts Law panel lawyers (on both fee for service and pro bono basis), we also provide referrals to other professionals where Arts Law is unable to assist further. Arts Law maintains panels for referrals to Accountants, Insurers and Mediators. These professionals provide services on a paid basis but often at a reduced rate for Arts Law's subscribers.

Arts Law gratefully acknowledges the support of the following.

Accountants

Liam Taylor WalterTurnbull
Steven Miller Steven Miller & Co

Legal Advice Night Assistants

Arts Law plays a key developmental role via our volunteer legal assistant program. In Melbourne, Canberra and Sydney legal assistants sit in and take notes at the Legal Advice Night sessions, benefiting from the expertise of the panel lawyers and gaining a better understanding of the legal issues facing the creative sector.

In 2007 there were 14 LAN assistants, and our gratitude extends to:

Serena Armstrong
Claire Bothwell
Mandy Chapman
Deborah Doctor
Angela Frisina
Vanessa Grunstein
David Hamilton
Christine Hutchinson
Meera Karan
Kristy Mellor
Kathryn Mitchell
Melody Ng
Marie Sheriff
Louise Vickers

Volunteers

Arts Law has a daytime volunteer program for law students, law graduates as well as for qualified lawyers. Volunteers perform a variety of tasks; including general administration duties, research, assisting with the provision of legal advice, note taking of legal advices and writing articles for ART+law.

In 2007 there were 8 day time volunteers, and our thanks go to:

Joel Bartlett Lizzie Fuller
Mandy Chapman Victoria Houston
Suzanne Derry Lucy Schnierer
Jason Dullow Anna-lea Russo

Student Placements

Arts Law has a well-established student placement program with the law school at University of Sydney. 2004 saw the implementation of a similar program with University of New South Wales. Students are required to work at least one day per week as part of their course requirements. Depending upon our capacity, Arts Law also accepts law graduates completing their College of Law requirement for practical legal training prior to admission to the NSW Supreme Court.

In 2007 Arts Law had the following student placements.

Winifred Ho	Law placement, UNSW
Christine Hutchison	Law placement, La Trobe University, Victoria
Kathryn Mitchell	Master of Laws, American University Washington DC USA
Anna-lea Russo	Law placement, University of Wollongong

Governance

Arts Law aims to develop and maintain an experienced, committed and effective board in order to ensure that Arts Law complies with all governance requirements and maximises the ability of Arts Law to generate income. Arts Law's governance should also address the relationship with the *AITB* service and Reference Group.

Our 3 main initiatives in this regard are:

Further develop Board and *AITB* Reference Group policies and procedures

Source qualified and skilled Board members to fill board vacancies at Arts Law

Marketing and fund-raising committee set work plan and targets to increase ability to maximise income for Arts Law

In 2007 the following subcommittees met regularly to assist Arts Law in its work:

Advocacy Subcommittee

(combined board and staff committee) 3 meetings

Board representatives Jill McKeough

Finance Subcommittee

(combined board and staff committee) 3 meetings

Board representatives Steven Miller (Hon Treasurer)

Indigenous Reference Group

Board representative Robynne Quiggin
(Chair of Reference Group)

Company Particulars

Board	President	The Hon. Justice George Palmer
	Vice President	The Hon. Justice Peter Heerey
	Honorary Treasurer	Steven Miller
Directors		Megan Brownlow
		Peter Griffin
		Shauna Jarrett
		Professor Vivien Johnson (resigned 23 April 2007)
		Professor Jill McKeough
		Robynne Quiggin (resigned 23 April 2007)
Company Secretary		Robyn Ayres
Registered Office		The Gunnery 43-51 Cowper Wharf Road Woolloomooloo NSW 2011
Accountants		Steven J Miller & Co PO Box 635 Leichhardt NSW 2040
Auditors		Walter Turnbull Level 17 55 Clarence Street Sydney NSW 2000



Arts Law Centre of Australia

ABN 71 002 706 256 / ACN 002 706 256

Level 1, The Gunnery, 43-51 Cowper Wharf Road,
Woolloomooloo NSW 2011 Australia

Phone: +61 2 9356 2566 Fax: +61 2 9358 6475
artslaw@artslaw.com.au www.artslaw.com.au

FINANCIAL REPORT

ARTS LAW CENTRE OF AUSTRALIA

ABN 71 002 706 256

FOR THE YEAR ENDED
31 DECEMBER 2007

FINANCIAL
STATEMENTS

DIRECTORS' REPORT

The directors of the Arts Law Centre of Australia Ltd present their financial report on the company for the financial year ended 31 December 2007.

Directors

The names of directors in office at any time during or since the end of the year are as below. The directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Peter C Heerey

Jill P McKeough

Shauna Jarrett

Steven J Miller

Vivien J Johnson (resigned 23/4/07)

George A Palmer

Megan Brownlow

Robynne Quiggin (resigned 23/4/07)

Peter G Griffin

Company Secretary

The following person held the position of company secretary at the end of the financial year:

Robyn K Ayres – Executive Director of Arts Law Centre of Australia Ltd.

Principal Activities

The principal activity of the company during the financial year was the provision of legal services to artists and arts organisations.

There were no significant changes in the nature of the company's principal activities during the financial year.

Operating Result

The net surplus of the company for the financial year amounted to \$26,856 (2006: surplus of \$9,013)

Dividends and Options

The company is limited by guarantee and is not permitted to pay dividends or issue options.

Review of Operations

The company operated on a consistent basis to previous years in the conduct of the principal activities noted in this report, and is dependent on grants for the bulk of its income.

Significant Changes in State of Affairs

During or since the end of the financial year there were no significant changes in the company's state of affairs other than that referred to in the financial statements or notes thereto.

After Balance Date Events

No matters or circumstances, other than that referred to in the financial statements or notes thereto, have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.

Future Developments and Results

There are no likely developments in the operations of the company and the expected results of those operations in financial years subsequent to the year ended 31 December 2007 that require disclosure in this report.

Environmental Issues

The company's operations are not regulated by any particular and significant environmental regulation under a law of the Commonwealth or State.

Information on Directors

Peter Cadden Heerey

- Qualifications BA LLB
- Experience Federal Court Judge
- Special Responsibilities Chair of the Victorian Advisory Council, Vice President

Shauna Jarrett

- Qualifications BA (Hons), LLB
- Experience Senior Assoc, Griffith Nicholson Lawyers
- Special Responsibilities Finance and marketing subcommittees

Professor Jill McKeough

- Qualifications BA LLB LLM
- Experience Dean, Faculty of Law, University of Technology Sydney
- Special Responsibilities Advocacy and marketing subcommittees

Steven John Miller

- Qualifications B Bus CA
- Experience Chartered accountant
- Special Responsibilities Honorary Treasurer and Finance subcommittee

The Hon Justice George Palmer

- Qualifications BA LLB
- Experience Supreme Court Judge
- Special Responsibilities President

Megan Brownlow

- Qualifications BA(Hons) MBA
- Experience Senior Manager, Service Innovation, PricewaterhouseCoopers Australia
- Special Responsibilities Marketing subcommittee

Peter Gerard Griffin

- Qualifications BBus
- Experience Corporate Affairs Manager, Toyota Australia
- Special Responsibilities Marketing subcommittee

Meetings of Directors

During the year, 4 meetings of the Board of Directors were held. Attendances were:

	Directors Meetings	
	Eligible to attend	Number attended
Peter C Heerey	4	1
Shauna Jarrett	4	3
Vivien J Johnson	1	-
Jill P McKeough	4	2
Steven J Miller	4	2
George A Palmer	4	4
Robynne Quiggin	1	-
Megan Brownlow	4	3
Peter G Griffin	4	3

Indemnification of Officers or Auditor

The company has not, during or since the year, in respect of any person who is or has been an officer or auditor of the company or a related body corporate:

indemnified or made any relevant agreement for indemnifying against a liability incurred as an officer, including costs and expenses in successfully defending legal proceedings; or

paid or agreed to pay a premium in respect of a contract insuring against a liability incurred as an officer for the costs or expenses to defend legal proceedings;

with the exception that the company has paid premiums to insure each director against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director of the company, other than conduct involving a wilful breach of duty in relation to the company. The amount of the premium for this cover was \$682.

Proceedings on Behalf of Company

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings, to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

The company was not party to any such proceedings during the year.

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 31 December 2007 has been received and can be found on page 4 of the directors' report.

Signed in accordance with a resolution of the directors.



Steven Miller
Sydney, NSW
Director

Dated this day of April 2008

AUDITORS'S INDEPENDENCE DECLARATION

UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

TO THE DIRECTORS OF THE ARTS LAW CENTRE OF AUSTRALIA LTD

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2007 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the review.



Don Walter
Registered Company Auditor
Sydney, NSW
WalterTurnbull
Dated this day of April 2008

INDEPENDENT AUDIT REPORT

TO THE MEMBERS OF ARTS LAW CENTRE OF AUSTRALIA LTD

ABN 71 002 706 256

Report on the Financial Report

We have audited the accompanying financial report of Arts Law Centre of Australia Ltd which comprises the balance sheet as at 31 December 2007 and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the Company are responsible for the preparation and fair presentation of the financial report in accordance with the Corporations Act 2001. The responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Auditing Standards. These Auditing Standards required that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Additional Scope pursuant to the Charitable Fundraising Act 1991

In addition, our audit report has been prepared for the members of the Company in accordance with Section 24(2) of the Charitable Fundraising Act (NSW) 1991. Accordingly we have performed additional work beyond that which is performed in our capacity as auditors pursuant to the Corporations Act 2001. These additional procedures included obtaining an understanding of the internal control structure for fundraising appeal activities and examination, on a test basis, of evidence supporting compliance with the accounting and associated record keeping requirements for fundraising appeal activities pursuant to the Charitable Fundraising Act (NSW) 1991 and Regulations.

It should be noted that the accounting records and data relied upon for reporting on fundraising appeal activities are not continuously audited and do not necessarily reflect after the event accounting adjustments and the normal period end financial adjustments for such matters as accruals, prepayments, provisioning and valuation necessary for period end financial statement preparation.

The performance of our audit included a review of internal controls for the purpose of determining the appropriate audit procedures to enable an opinion to be expressed on the financial statements. This review is

not a comprehensive review of all those systems or of the system taken as a whole and is not designated to uncover all weaknesses in those systems.

The audit opinion expressed in this report pursuant to the Charitable Fundraising (NSW) Act 1991 and regulations has been formed on the above basis.

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, provided to the directors of the Company on 15 March 2007 would be in the same terms if provided to the directors as at the date of this auditor's report.

Audit Opinion pursuant to the Corporations Act 2001

In our opinion, the financial report of Arts Law Centre of Australia Limited is in accordance with the Corporations Act 2001, including:

- giving a true and fair view of the Company's financial position as at 31 December 2007 and of its performance for the year ended on that date; and
- complying with Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.

Audit Opinion pursuant to the Charitable Fundraising (NSW) Act 1991

In our opinion:

The financial report gives a true and fair view of the financial result of fundraising appeal activities for the financial year ended 31 December 2007;

The financial report has been properly drawn up, and the associated records have been properly kept for the period from 1 January 2007 to 31 December 2007, in accordance with the Charitable Fundraising (NSW) Act 1991 and its regulations;

Money received as a result of fundraising appeal activities conducted during the period from 1 January 2007 to 31 December has been properly accounted for and applied in accordance with the Charitable Fundraising (NSW) Act 1991 and its regulations; and

There are reasonable grounds to believe that Arts Law Centre of Australia Ltd will be able to pay its debts as and when they fall due.



Don Walter
Registered Company Auditor
Sydney, NSW
WalterTurnbull
Dated this day of April 2008

DIRECTORS' DECLARATION

The directors of the Company declare that:

the financial statements and notes, as set out on pages 9 to 25, are in accordance with the Corporations Act 2001, and:

- (a) comply with Accounting Standards and the Corporations Regulations 2001; and
- (b) give a true and fair view of the financial position as at 31 December 2007 and performance for the year ended on that date of the Company;

in the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable;

pursuant to Section 7(4) of the NSW Charitable Fundraising Regulations 2003;

the income statement is drawn up so as to give a true and fair view of income and expenditure of the Company for the year ended 31 December 2007 with respect to fundraising appeals;

the balance sheet and cash flow statement are drawn up so as to give a true and fair view of the state of affairs of the Company as at 31 December 2007 with respect to fundraising appeals;

the provisions of the Charitable Fundraising Act (NSW) 1991 and the regulations under the Act and the conditions attached to the Company have been complied with for the year ended 31 December 2007; and

the internal controls exercised by the Company are appropriate and effective in accounting for all income received and applied by the Company from any of the fundraising appeals.

This declaration is made in accordance with a resolution of the Board of Directors.



Steven Miller
Sydney, April 2008
Director

INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2007

	Note	2007 \$	2006 \$
Revenue	2	811,804	755,100
Staff and related costs		(541,238)	(496,558)
Administration and overheads		(209,372)	(210,811)
Education and publications		(26,731)	(31,125)
Promotion		(7,607)	(7,593)
Profit before income tax expense	3	26,856	9,013
Income tax expense	1(a)	-	-
Surplus attributable to members of Arts Law Centre of Australia Ltd		26,856	9,013

The accompanying notes form part of these financial statements.

BALANCE SHEET

AS AT 31 DECEMBER 2007

	Note	2007 \$	2006 \$
CURRENT ASSETS			
Cash and cash equivalents	4	389,248	293,197
Trade and other receivables	5	14,448	6,924
Inventories	6	19,952	9,029
TOTAL CURRENT ASSETS		<u>423,648</u>	<u>309,150</u>
NON-CURRENT ASSETS			
Leasehold improvements, plant and equipment	7	20,797	32,400
Intangible assets	8	1,182	6,495
Other financial assets		300	-
TOTAL NON CURRENT ASSETS		<u>22,279</u>	<u>38,895</u>
TOTAL ASSETS		<u>445,927</u>	<u>348,045</u>
CURRENT LIABILITIES			
Trade and other payables	9	237,735	169,766
TOTAL CURRENT LIABILITIES		<u>237,735</u>	<u>169,766</u>
NON-CURRENT LIABILITIES			
Provisions	10	11,933	8,876
TOTAL NON-CURRENT LIABILITIES		<u>11,933</u>	<u>8,876</u>
TOTAL LIABILITIES		<u>249,668</u>	<u>178,642</u>
NET ASSETS		<u>196,259</u>	<u>169,403</u>
EQUITY			
Retained earnings		<u>196,259</u>	<u>169,403</u>
TOTAL EQUITY		<u>196,259</u>	<u>169,403</u>

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2007

	Note	2007 \$	2006 \$
Balance at 1 January		169,403	160,390
Surplus for the period		<u>26,856</u>	<u>9,013</u>
Balance at 31 December		<u>196,259</u>	<u>169,403</u>

The accompanying notes form part of these financial statements.

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2007

	Note	2007 \$	2006 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from government and customers		850,794	711,675
Payments to suppliers and employees		(731,418)	(692,546)
Interest received		19,917	18,634
Net GST (paid) to the ATO		(42,236)	(55,361)
Net cash provided / (used in) operating activities	12	97,057	(17,598)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(706)	(12,109)
Deposits Paid		(300)	-
Net cash (used in) investing activities		(1,006)	(12,109)
Net increase / (decrease) in cash held		96,051	(29,707)
Cash at the beginning of the financial year		293,197	322,904
Cash at the end of the financial year	4	389,248	293,197

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2007

Note 1: Statement of Accounting Policies

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

The financial report covers the Art Law Centre of Australia Limited (the "Company") which is a public company limited by guarantee, incorporated and domiciled in Australia.

The following is a summary of the material accounting policies adopted by the Company in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

Basis of Preparation

The accounting policies set out below have been consistently applied to all years presented.

Reporting Basis and Conventions

The financial report has been prepared on an accrual basis and is based on historical costs modified by the revaluation of selected non-current assets, and financial assets and financial liabilities for which the fair value basis of accounting has been applied.

Income Tax

The Company is exempt from the payment of income tax under Section 50-40 of the Income Tax Assessment Act 1997.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

Inventories

Inventories held for sale are measured at the lower of cost and net realisable value.

Inventories held for distribution are measured at the lower cost and current replacement cost

Employee Benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year have been measured at amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

Leasehold Improvements, Plant and Equipment

Each class of plant and equipment is carried at cost or fair value less, where applicable, any amount of accumulated depreciation.

Plant and Equipment

Plant and equipment are measured on the cost basis less depreciation and impairment loss.

The carrying amount of plant and equipment is reviewed annually by the directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of its depreciated replacement cost.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets including capitalised lease assets, is depreciated on a straight line basis over their useful lives to the Company commencing from the time the asset is held ready for use. The depreciation rates used for each class of depreciable assets are:

Class of Non Current Asset	Depreciation Rate
Computer equipment	33.33%
Office furniture	10.0%
Office equipment	10.0% to 40%

Intangibles

Expenditure on website development activities is capitalised if the product is technically and commercially feasible and adequate resources are available to complete the development. The expenditure capitalised comprises all directly attributable costs, including costs of material, services, direct labour and an appropriate proportion of overheads. Capitalised development expenditure is stated at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost over the period of the expected benefit.

Revenue

Government grants, memberships, and sponsorships are recognised as revenue in the period to which they relate. Amounts received in the current year, but related to future years are carried in the balance sheet as unearned income.

Royalties are recognised as revenue when the amount received from the agency collects the royalties.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Other revenue is recognised upon the delivery of goods and services to the client.

All revenue is stated net of the amount of goods and services tax (GST).

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the Amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

Financial Instruments

Recognition

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights and obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Financial Liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

Impairment

At each reporting date, the group assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the income statement.

Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

	2007 \$	2006 \$
Note 2: Revenue		
Operating activities:		
- Grants	604,467	557,050
- Memberships	77,928	78,400
- Publication sales	42,742	28,169
- Interest Received	20,044	18,792
- Donations	6,831	10,182
- Other Revenue	59,792	62,507
	<hr/>	<hr/>
Total Revenue	811,804	755,100

Note 3: Profit for the Year

Profit for the year has been determined after:

Expenses:

Cost of sales	3,411	7,939
Depreciation and amortisation	17,622	21,170
Loss on sale of assets	-	875

Revenue:

Donations ¹	6,831	10,182
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1 Donations from fundraising were unsolicited non-reciprocal contributions and as such no direct costs of fundraising have been attributed.

Note 4: Cash and Cash Equivalents

Cash at bank and on hand	235,294	134,243
Term deposits	153,954	158,954
	<hr/>	<hr/>
	389,248	293,197

	2007 \$	2006 \$
Note 5: Trade and Other Receivables		
CURRENT		
Trade receivables	12,628	1,924
Accrued revenue	1,820	1,693
Net GST receivable	-	3,307
	<u>14,448</u>	<u>6,924</u>

Note 6: Inventories

CURRENT		
Finished goods at cost:		
- held for sale	5,964	5,633
- held for distribution	13,988	3,396
	<u>19,952</u>	<u>9,029</u>

Note 7: Leasehold Improvements, Plant and Equipment

Plant and equipment

At cost	70,891	70,936
Accumulated depreciation	(61,381)	(52,198)
Total plant and equipment	<u>9,510</u>	<u>18,738</u>

Leasehold improvements

At cost	21,390	21,390
Accumulated amortisation	(10,103)	(7,728)
Total leasehold improvements	<u>11,287</u>	<u>13,662</u>

Total leasehold improvements, plant and equipment	<u>20,797</u>	<u>32,400</u>
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Movements in Carrying Amounts

Movements in leasehold improvements, plant and equipment between the beginning and end of each financial year.

Carrying amount at the beginning of the year	32,400	37,023
Additions	706	12,109
Disposals	-	(875)
Depreciation during the year	(12,309)	(15,857)
Carrying amount at the end of the year	<u>20,797</u>	<u>32,400</u>

Note 8: Intangible Assets

Website, at cost	15,954	15,954
Accumulated amortisation	(14,772)	(9,459)
	<u>1,182</u>	<u>6,495</u>

	2007 \$	2006 \$
Note 9: Trade and payables		
CURRENT		
Trade creditors and accruals	46,832	29,663
Employee benefits	64,074	45,258
Unexpended grants	94,696	56,000
Unearned membership income	32,133	38,845
	<u>237,735</u>	<u>169,766</u>

Note 10: Provisions

	Long Term Employee benefits \$
Opening balance at 1 January 2007	8,876
Additional provisions raised during the year	3,057
Amounts used	-
Balance at 31 December 2007	<u>11,933</u>

A provision has been recognised for employee entitlements relating to long service leave. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data. The measurement and recognition criteria relating to employee benefits have been included in note 1 of this report

Note 11: Cash Flow Information

(a) Reconciliation of cash flow from operations with surplus for the year

Surplus for the year	26,856	9,013
Non-cash flows for the year		
- Depreciation and amortisation	17,622	21,170
- Loss on sale of assets	-	875
Changes in assets and liabilities:		
- (Increase) in receivables	(10,831)	(4,171)
- (Increase) / decrease in inventories	(10,923)	4,026
- Increase in payables	33,648	278
- Increase / (decrease) in unexpended grants	38,696	(51,500)
- (Decrease) / increase in unearned income	(6,712)	2,711
- Increase in provisions	8,701	-
	<u>97,057</u>	<u>(17,598)</u>

2007
\$ **2006**
\$

Note 12: Auditors Remuneration

Remuneration of the auditor of the Company for:

- Audit fees	5,900	4,500
- AIFRS compliance	-	900
	5,900	5,400

Note 13: Financial Instruments

(a) Financial Risk Management

The Company's financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable and payables.

The Company does not have any derivative instruments at 31 December 2007.

(i) Risk Management

The Company's management analyse its exposure to financial risks and evaluates strategies in the context of the most recent economic and industry conditions and forecasts.

(ii) Financial Risks

The Company is not materially exposed to any market risks, price risks or credit risks.

Liquidity risk

The Company manages liquidity risk by monitoring forecast cash flows and ensuring that adequate cash reserves are maintained.

(b) Interest Rate Risk

The company's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on those financial assets and financial liabilities is as follows:

	Weighted Average Interest Rates		Floating Interest Rates		Non-Interest Bearing		Total	
	2007	2006	2007	2006	2007	2006	2007	2006
Financial assets	%	%	\$	\$	\$	\$	\$	\$
Cash Assets	6.60	5.13	389,248	293,197	-	-	389,248	293,197
Receivables	-	-	-	-	14,448	6,924	14,448	6,924
			389,248	293,197	14,448	6,924	403,696	300,121
Financial liabilities								
Payables	-	-	-	-	237,735	178,642	237,735	178,642

(c) Credit Risk

The company's maximum exposures to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount, net of any provisions for doubtful debts of those assets, as disclosed in the statement of financial position and notes to the financial statements.

(d) Net Fair Values

The net fair values of all financial assets and financial liabilities approximate their carrying amounts.

Note 14: Key Management Personnel

(a) Names and positions held of Company's key management personnel in office at any time during the financial year are:

Key Management Person	Position
Peter C Heerey	Vice President – Non-executive
Shauna Jarrett	Director – Non-executive
Vivien J Johnson	Director – Non-executive
Jill P McKeough	Director – Non-executive
Steven J Miller	Treasurer – Non-executive
George A Palmer	President – Non-executive
Robynne Quiggin	Director – Non-executive
Megan Brownlow	Director – Non-executive
Peter G Griffin	Director – Non-executive
Robyn K Ayres	Executive Director

(b) Key Management Personnel Compensation

	Short-term benefits		Post Employment Benefits		Total
	Salary & Fees	Super-annuation	Bonus	Other	
	\$	\$	\$	\$	\$
2007					
Total Compensation	82,757	7,062	-	-	89,819
2006					
Total Compensation	81,330	7,165	-	-	88,495

Note 15: Related Party Transactions

There have been no transactions with related parties that require disclosure in this financial report.

Note 16: Segment Reporting

The Company operated in one industry, as a provider of legal advice and assistance to the public and in one geographic area, being Australia.

Note 17: Company Details

The registered office and principal place of business of the company is 43-51 Cowper Wharf Road, Woolloomooloo, NSW, 2011.

Note 18: Members Guarantee

The company is a company limited by guarantee. If the company is wound up, the constitution states that each member of the company is required to contribute a maximum of \$100 each towards meeting any outstanding obligations of the company. At 31 December 2007 the number of members was 593.

