



Bawinanga Aboriginal Corporation

(special administrators appointed) **ICN 29**

Newsletter | Issue 2 | July 2013

Dear members, staff and other interested people

Since the last newsletter in December 2012 the special administration has moved into stage two—the middle stage. The focus is very much on restoring good operational order and rebuilding a strong and more effective corporation for the people of Maningrida and the surrounding homelands. Mr David Bond and other Bawinanga staff have been working closely with the special administrators to achieve this.

Extension of special administration

On 28 June 2013 the Registrar of Indigenous Corporations, Anthony Beven, decided to extend the special administration to 31 August 2013. This is to provide more time to implement the new Remote Jobs and Communities Program (RJCP). RJCP replaces the Community Development Employment Projects (CDEP) program. The extension will also assist the newly appointed chief executive officer (CEO) to settle in and for the special administrators to finalise the arrangements for paying the corporation's outstanding creditors.

Staffing

Recruiting for a CEO has been one of the main priorities over the past few months. After calling for applications in April 2013, and holding interviews with a number of candidates in Adelaide and Darwin in June 2013, Mr Peter Anderson has been appointed. Mr Anderson took up his new position as CEO on 8 July 2013.

It is believed Mr Anderson will fit in well at Bawinanga as he has lived in the Northern Territory for many years and grew up on remote Aboriginal communities, including some time in Maningrida. In addition to operating his own consultancy firm since 1973, he has served as chairman of a number of government and community organisations (pro-bono), and has an excellent network of contacts throughout the government and private sectors. Mr Anderson has an honours degree in economics and MBA qualifications in accounting and law.

Many thanks go to Mr David Bond for his valued contribution after stepping in following the previous CEO's departure. Mr Bond acted in the CEO position during the early stages of the special administration and has been a large part of the corporation since it was founded in 1979.

Information meeting

An information meeting will be held for members and other interested people.

When: 12 noon on Tuesday, 30 July 2013

Where: Bawinanga Aboriginal Corporation
Lot 476, Maningrida

The Registrar of Indigenous Corporations, Anthony Beven, will also be at the information meeting to answer any questions. A copy of the notice with the agenda is attached to this newsletter.

It is also pleasing to announce that Ms Helen Day has been appointed as Bawinanga's new chief financial officer (CFO). Ms Day is an experienced financial manager whose skills will be put to good use in the new operating structure.

As the management team of the Barlmark supermarket resigned in June 2013 temporary management arrangements were put in place until Dale and Janet Pye could return. Mr and Mrs Pye managed the supermarket before leaving the community in December 2012. Their return in mid-July will be welcomed by all in Maningrida.

Funding agencies

When Bawinanga receives grants from the government it must account for the way that money is used.

The special administrators have looked at Bawinanga's past funding arrangements and calculated that the corporation had outstanding grants to government funding agencies amounting to over \$6.2 million prior to the start of the special administration.

Since February 2013 the special administrators have been discussing what to do about this serious matter with the government funding agencies. The corporation has not had enough money to repay all of the outstanding grants.



Most of the government funding agencies, including FaHCSIA (Bawinanga's largest), have been very helpful and agreed not to seek repayment of the money owed to them at this stage. They have also agreed to continue to fund Bawinanga. However, their decision comes with some conditions. The most important one is that the special administrators must come to an agreement with the non-government people and companies that Bawinanga owes money to. If this does not happen the government agencies may ask for their money to be repaid.



At the time Bawinanga was placed under special administration it owed about \$3.3 million to the non-government people and companies. The special administrators are currently negotiating an agreement with these people and companies. An update will be provided to members about this at the information meeting on 30 July 2013.

While it is very good news from the government funding agencies, and hopefully also from the other people and companies owed money by Bawinanga, it is important that the corporation learns a lesson from its past mistakes and works hard not to find itself in a similar situation ever again.

Remote Jobs and Communities Program (RJCP)

The corporation has successfully applied to be the supplier of RJCP in the Maningrida region. The new CFO has reviewed the financial provisions of the contract together with the RJCP tender and prepared a budget for the first 12 months.

The Job Services Australia (JSA) and CDEP program teams have been preparing for the transfer to RJCP, which came into effect on 1 July 2013.



Funding applications

The corporation has one outstanding funding application with FaHCSIA which relates to the replacement of fridges and freezers in the Barlmarrk supermarket. This application was made through the Aboriginals Benefit Account and it is likely that funding will be released this financial year (2013–14).

An earlier application to FaHCSIA for the repair of freezers at Barlmarrk supermarket has been approved and the funding received.

The corporation has also submitted two applications to FaHCSIA for funding from the Community Development Fund (CDF), which is part of RJCP. These applications concern the expansion of the YE-YA tyre service and its integration into the Maningrida workshop operation, and gaining additional support for the operations at the Maningrida art centre.

Northern Land Council (NLC)

Negotiations are in hand with the NLC on the specific terms and conditions of various leases to Bawinanga. Members will be informed of the outcome.

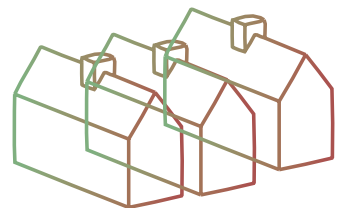
The NLC has also issued to Bawinanga a notice to vacate a property at lot 622 in Maningrida. The property is unoccupied and is in the process of being handed back to the NLC.

Corporate restructure

It was advised in the first newsletter that there would be a corporate restructure. This continues to be a high priority as the commitment to building a strong corporation remains firm. Members and others will be informed of progress.

Demountables

In 2010 the corporation received funding from FaHCSIA to erect three demountable buildings for CDEP program staff as part of the 'Community Action Plans'.



Two of these demountable buildings were constructed on lot 466 and one on lot 656 in Maningrida.

Unfortunately, the proper authorisation was not obtained for the buildings from either the Power and Water Corporation or from the Department of Infrastructure. Furthermore, they were built in the wrong place and encroach on the main sewer easement.

FaHCSIA has requested that all three demountables be relocated to a more suitable area. The good news is that it is prepared to assist in doing so. Mr David Bond has been working hard to resolve the matter.

Financial Management Information System (FMIS)

The restructure of the FMIS is underway with the migration to MYOB Enterprise. Once the transfer to the new system is complete it will be possible to generate meaningful financial reports that accurately reflect the financial position of the corporation.

Advisory group

An advisory group of 11 members has been established by the special administrators. They are:

Robert Bibora, Renee Pascoe, Dene Hereen, Helen Williams, Jimmy Pascoe, Janet Marrawar, Peter Danaja, David Jones, Matthew Ryan, David Mirrawana, David Angureida

Thank you to those who have agreed to serve on the advisory group. They have made an important commitment to Bawinanga and its members.

Two meetings with the advisory group have been arranged—one has already been held (on 10 July 2013) and the other will be on 30 July 2013.

Members will have an opportunity to meet the advisory group at the information meeting scheduled for 30 July 2013 (see front page).



Independent directors

Two people have been identified to become independent directors when the special administration ends. Contact will be made with them in the next few weeks to formally invite them to join the advisory group.

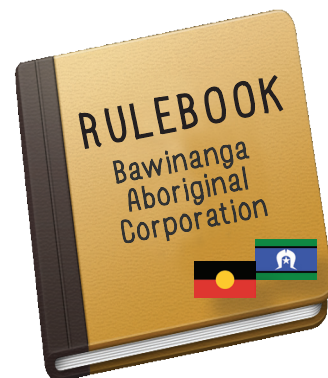
More information

ORIC's fact sheet, *Special administrations: what members and directors should know*, can be viewed or downloaded at www.oric.gov.au.



Rule book

The Office of the Registrar of Indigenous Corporations (ORIC) and the advisory group are working together to help strengthen the rules of the corporation. The new rule book will provide a clear future direction for Bawinanga. The plan is to incorporate a strong set of rules that will help prevent any of the past issues reoccurring. The proposed new rules will be discussed at the information meeting on 30 July and a draft of the rule book is available on the ORIC website.



Peter Lanthois

Special administrator

(08) 8212 6322 or

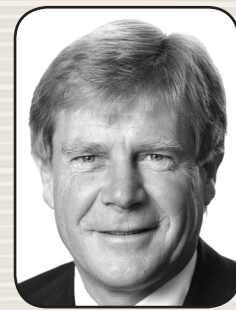
Email: planthois@kordamentha.com

Stephen Duncan

Special administrator

(08) 8212 6322 or

Email: sduncan@kordamentha.com



If you would like to speak to someone from ORIC please phone Ruth Jones on freecall **1800 622 431** (not free from mobiles)



Bawinanga Aboriginal Corporation

(special administrators appointed) **ICN 29**

NOTICE OF INFORMATION MEETING

Dear members, staff and other interested people

On 28 June 2013 the Registrar of Indigenous Corporations, Anthony Beven, extended the appointment of the special administrators of the Bawinanga Aboriginal Corporation.

You are invited to meet with the special administrators to discuss some important matters concerning Bawinanga.

The details and agenda are set out below:

Date	Tuesday, 30 July 2013
Time	12 noon to 2 pm
Place	Bawinanga Aboriginal Corporation Lot 476, Maningrida NT 0822

Agenda

- Update by the special administrator
- Payment of creditors (possible sale of assets)
- Comments by the Registrar
- Questions/comments

The Registrar of Indigenous Corporations, Anthony Beven, will be at the meeting to answer questions

Everyone is encouraged to come to the meeting.

A BBQ lunch will be provided after the meeting.



Peter Lanthois

Special administrator

(08) 8212 6322 or

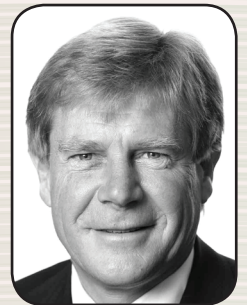
Email: planthois@kordamentha.com

Stephen Duncan

Special administrator

(08) 8212 6322 or

Email: sduncan@kordamentha.com



If you would like to speak to someone from ORIC
please phone Ruth Jones on freecall **1800 622 431** (not free from mobiles)