



# Bawinanga Aboriginal Corporation

(special administrators appointed) **ICN 29**

Newsletter | Issue 4 | October 2013

## Dear members, staff and other interested parties

Before the special administration ends and the corporation is handed back to members, there are a number of matters that must be finalised. This newsletter provides an update ahead of some important decisions.

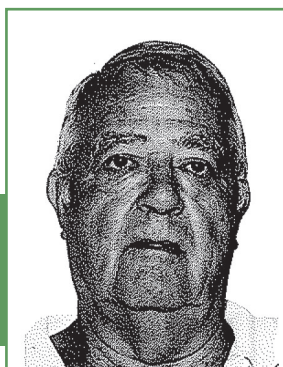
### Annual General Meeting (AGM)

The annual general meeting (AGM) is on 29 October 2013 in Maningrida at 11.00am at the Djelk rangers shed, Maningrida. At the meeting we will present a formal report to members on the progress of the special administration. We will be available to answer questions from members. The Registrar of Indigenous Corporations, Anthony Beven, will also be at the AGM to answer any questions.

At the end of the special administration we will appoint a new board of directors. We have already received nominations for these positions from members. We will also appoint two independent non-member directors to work with the member directors.

We would like to introduce the two independent non-member directors who will be appointed at the end of the special administration. They are:

**Walter (Wally)  
Grimshaw**



Wally Grimshaw has managed licensed premises in the Northern Territory and interstate from the early 1970s to the early 1990s. He has also been a town clerk and grant controller of Aboriginal communities throughout the Northern Territory. Wally lives in Darwin and is currently an independent non-member director of the Regional Anangu Services Aboriginal Corporation (RASAC), which is based in Alice Springs but provides services to the Aboriginal communities on the Anangu Pitjantjatjara Yankunytjatjara lands in South Australia.

Wally helps corporations and business clients to improve services to Aboriginal communities.

**Graham  
Paterson**



Graham Paterson retired in 2013 after serving 43 years with the Westpac Banking Corporation. During his career he worked in South Australia, Tasmania and New South Wales. His last job in Westpac was as senior manager, Indigenous engagement. His job included working with the Indigenous Enterprise Partnership program on Cape York, the central coast of New South Wales and Redfern in Sydney.

Graham is a Fellow of the Financial Services Institute of Australasia. He was the chair of the Westpac Indigenous working group for nine years and he is currently on the executive committee of the Conservation Council of South Australia. He lives in Adelaide.

## Creditors

We are still talking to the corporation's creditors to settle the debts we owe them. Most of the BAC's 132 creditors have accepted an offer we made to them and every effort will be made to repay them before the special administration ends. We thank the creditors for their ongoing support. The offers we have received from a number of people to help us to pay the creditors are set out on this page for the members to consider.

BAC owes the Australian Taxation Office (ATO) a lot of money. There has been no reply from the ATO regarding our proposal to repay the ATO but we are still talking to them and hope we can have a response from them very soon.

## Funding offers to repay creditors

At the last information meeting on 30 July 2013 in Maningrida we spoke about discussions we were having with people that wanted to help BAC to repay its bills. We said we would continue to talk to the people and bring any offers back to the members to discuss. We have now received some written offers from some people but we want to talk to the members about these offers before we make any decisions. We have already discussed the offers with the members of the advisory group.

We have looked at many ways to pay all of BAC's bills but unless we accept one or more of the offers that have been put to us BAC will not be able to continue to operate. It may mean that BAC has to sell some of its businesses or assets.

The offers we have received are:

### OFFER

**1**

#### Offer one:

#### Maningrida Progress Association (MPA) Barlmarrk Supermarket and loan

MPA has offered BAC:

- \$2 million for up to 50 per cent of the Barlmarrk Supermarket and the fuel shop. BAC will still manage the Barlmarrk Supermarket. MPA will let BAC buy the Barlmarrk Supermarket and the fuel shop back from MPA after five years.
- plus a loan of \$2 million.

This offer was forbidden by the Australian Competition and Consumer Commission. MPA has withdrawn this offer and replaced it with the offer below.

### OFFER

**1**

#### Replacement offer one:

#### MPA loan

MPA has offered to loan \$3.5 million to BAC. BAC has to repay interest on the loan for five years and then repay the \$3.5 million at the end of five years. BAC also has to give a copy of its money story to MPA each month. To ensure BAC repays the loan MPA will take a security over the Barlmarrk Supermarket and BAC's fuel shop, workshop and road crew business.

### OFFER

**2**

#### Offer two:

#### Arnhem Land Progress Aboriginal Corporation (ALPA) and Barlmarrk Supermarket

ALPA has offered to buy 50 per cent of the Barlmarrk Supermarket and the Outdoor Shop from BAC for \$2 million. ALPA would manage the supermarket. Any profits from the supermarket for the first three years will be used to make the supermarket better. ALPA will also set up a fund to support community events and activities in Maningrida and the homelands.

## Intract NT

Intract is a 51 per cent Indigenous-owned company. At the information meeting on 30 July we said that Intract was talking to us about buying BAC's road crew business, workshop and the fuel shop. Intract also came to Maningrida to talk to the advisory group and the members about their offer.

Intract is finalising its offer to BAC. The Intract proposal is not just about money, it is also about community benefits through working with RJCP to provide training and employment opportunities, as well as other contributions to the community.

## Financial matters

BAC's money story for the year ending 30 June 2013 has been completed. We have appointed Deloitte in Darwin to audit the money story and report to the members and the Registrar. The audit will be ready shortly but not in time for the AGM. After the other business is completed the AGM will be adjourned until the audit is ready.

BAC's unaudited money story as at 30 June 2013 is shown here:



### Balance sheet As at 30 June 2013

<b>Assets</b>	
Current assets	\$10,383,160
Add Fixed assets (including properties)	\$7,905,925
Total assets	\$18,289,085
<b>Liabilities</b>	
Current liabilities	\$9,390,142
<b>Equity</b>	<b>\$8,898,943</b>

### Profit and loss statement As at 30 June 2013

Total income (including grants)	\$29,323,352
Less Cost of sales	\$8,359,473
<b>Gross profit</b>	<b>\$20,963,879</b>
Less Total operating expenses	\$18,051,321
Add Operating profit	\$2,912,558
Less Capital expenditure	\$126,524
<b>Net profit/(loss)</b>	<b>\$2,786,034</b>

## Remote Jobs and Communities Program (RJCP)



On 1 July 2013 BAC became the RJCP provider for the Maningrida region. RJCP brings together the four main employment programs in Maningrida, including Community Development Employment Projects (CDEP), Job Services Australia and the Indigenous Employment Program.

Under RJCP BAC will work with people, the homelands and local employers to help more people into jobs.

BAC has signed up about 700 people to RJCP. At the end of September we were aiming to have 935 people on RJCP. BAC's staff have been trained on the new RJCP systems and are working hard to get more people signed up as quickly as possible. If you know a former CDEP participant or JSA client who hasn't yet signed up to RJCP please ask them to contact BAC.



## Upgrade of Barlmarrk Supermarket

We have received some funding from the Aboriginals Benefit Account to replace the old broken fridges and freezers in the Barlmarrk Supermarket. A contractor will start the work soon. The new fridges and freezers will improve the amount of food BAC can store in the supermarket and will reduce the amount it spends on repairs.



## Staffing

In the newsletter in July we announced the appointment of Peter Anderson as the chief executive officer (CEO). However, Peter has decided not to continue in the position of CEO. Peter is no longer the CEO and Brendan Bainbridge from Djelk Rangers is currently acting as CEO. We would like to thank Peter for his time at BAC.

## Rule book

BAC's new rule book was approved by the Registrar on 30 August 2013 and a copy can be obtained on ORIC's website: [www.oric.gov.au](http://www.oric.gov.au).



## More information

The Office of the Registrar of Indigenous Corporations (ORIC) has a fact sheet called *Special administrations: what members and directors should know*. It can be viewed and downloaded from [www.oric.gov.au](http://www.oric.gov.au).



### Peter Lanthois

Special administrator

(08) 8212 6322 or

Email: [planthois@kordamentha.com](mailto:planthois@kordamentha.com)



### Stephen Duncan

Special administrator

(08) 8212 6322 or

Email: [sduncan@kordamentha.com](mailto:sduncan@kordamentha.com)



If you would like to speak to someone at the Office of the Registrar of Indigenous Corporations (ORIC) please contact Ruth Jones on freecall 1800 622 431 (not free from mobiles)