



# Bawinanga Aboriginal Corporation

(special administrators appointed)

ICN 29

## NEWSLETTER

For members, staff, traditional owners and other interested parties

Issue 5, February 2014

### Extension of special administration and new special administrators

Our names are Gerry Mier and Tony Jonsson. On 26 December 2013 the Registrar of Indigenous Corporations, Anthony Beven, appointed us as the special administrators for Bawinanga Aboriginal Corporation (BAC). We have replaced Peter Lanthois and Stephen Duncan of KordaMentha.

The Registrar has decided that BAC needs to stay in special administration until 31 March 2014.

During the special administration we will send out regular newsletters to keep you informed of progress.

The Registrar has a fact sheet, *Special administrations: what members and directors should know*.

Find this and other fact sheets on corporate governance at [www.oric.gov.au](http://www.oric.gov.au).

### Community information meeting

A community meeting was held in Maningrida on 17 January 2014. More than 50 people came to the meeting. At the meeting the Registrar, Anthony Beven, explained that BAC needs to stay under special administration, and that he had decided to appoint new special administrators. This was because BAC had been in special administration for 16 months, and while progress had been made on various issues, a number of important problems were still not fixed.

Tony Birch represented us at the community meeting. He gave an outline of the work we have been doing since our appointment. We ask that all members and staff be patient with us as we work through this difficult period of change.

### Our work so far

Since the Registrar appointed us we have been working with the management and staff of BAC to keep the corporation running. It is important that BAC carries on providing services to community members and delivers all of its existing programs.



## Our work so far (continued)

Since our appointment we have:



### worked on BAC's money story

- produced a preliminary statement of **assets and liabilities** to see what money and other assets the corporation has, and what debts it owes. Unfortunately the books of the corporation were not up-to-date and we have had to do a lot of work to get a clear picture of BAC's current financial situation
- started work on a **cash flow forecast** which looks at how much money will come in and how much money will need to be spent to keep BAC running through to the end of June 2014, and then to June 2015
- reviewed the **audited financial statements** for the year ended 30 June 2013. Shortly before Christmas, the corporation's auditors completed the audited financial reports. We have lodged the reports with the Registrar's office and sent the audited grant acquittals to all of the government funding agencies. The audited financial statements can be downloaded from the Registrar's website at [www.oric.gov.au](http://www.oric.gov.au)
- compiled a list of **unexpended grants** at 31 December 2013
- contacted all **funding agencies** to find out what extra information they need to keep funding BAC

asked our insurance broker to review all of BAC's insurances to make sure everything is properly covered and that BAC is paying the best premiums available for this cover

written to the creditors of BAC about our appointment and confirmed arrangements for paying money still owed to them from 2012

spoken with BAC's lawyers about some legal matters and disputes they have been looking after



### looked at the operations of the supermarket.

- We know the reporting and management software (Grocery Manager) is out of date. It needs to be updated urgently to allow proper control and reporting. The Registrar has helped us to apply for some funds to buy new computer software and hardware to fix this problem.
- We have signed a government funding agreement to upgrade the fridges and freezers in the supermarket



### MANINGRIDA ARTS & CULTURE

#### looked at the operations of the arts centre.

We were very impressed with the high quality of the artworks on display. However, the arts centre is not trading well and is making losses. One problem is too much stock, so we are taking steps to lower it



#### examined the operations of the Darwin gallery.

It is clear the gallery is making losses and will have to be closed. In future the corporation will sell artworks to other galleries around Darwin and directly to customers around the world. The market for artworks generally has declined over the past few years.

## Our plans for the next month

In the coming weeks we will be working on:

- reviewing the **money story** to work out if BAC will earn enough from trading and non-grant activities (mainly the supermarket and art centre) to meet its long term debt repayments, which will include the new loan of \$3.5m from the Maningrida Progress Association Inc (MPA).
- changing **management and accounting systems** so that:
  - BAC can pay wages and suppliers without delays
  - managers have access to information they need to do their jobs well
- finding ways for BAC to **work better** and with controls in place so money is not wasted
- **more negotiations with government departments** about the acquittal and writing off of unexpended grants from prior years
- finalising the **loan agreement with MPA** so BAC can pay out its old creditors
- looking at the **insurance broker's review** and changing BAC's insurance policies if needed.

## Management changes

After Peter Anderson left the corporation, Brendan Bainbridge took over as the acting Chief Executive Officer. Peter Carter has also joined the team as Chief Reconstruction Officer until 31 March 2014. We thank both Brendan and Peter for their hard work in assisting the corporation through this difficult time of change.

## Funeral fund

We've listened to concerns from community members about the funeral fund. We have made changes so there will be better and proper records about contributions from community members and payments for funerals.

## Contact details

### Special administrators:



Gerry Mier



Tony Jonsson

### KPMG Cairns

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You can find out more about special administrations by visiting [www.oric.gov.au](http://www.oric.gov.au) or by speaking to Ruth Jones at the Registrar's office on freecall 1800 622 431 (not free from mobiles).

## Land matters

We are talking with BAC's lawyers and the Northern Land Council about land in Maningrida that BAC uses for the store and other operations.

## Advisory group and directors

A new advisory group will be formed this week at a meeting to be held at 12 noon on Thursday, 6 February 2014 at the BAC training room in the Maningrida Employment Service building. It is expected that several members of the previous advisory group will serve again on the new advisory group.

Any corporation members interested in joining the new advisory group, which is an unpaid position, should contact Brendan Bainbridge directly at BAC.

After the last annual general meeting of BAC, a new board of directors was also selected. They are:

### member directors

Peter Danaja ..... Maningrida Community  
David Jones ..... Maningrida Community  
David Mirrawana .. Maningrida Community  
Renee Pascoe ..... Jimalawa Community  
Victor Rostron ..... Maningrida Community

### independent directors

Walter (Wally) Grimshaw ..... Darwin  
Graham Paterson ..... Adelaide

Right now, the new directors are not managing the corporation's business as this needs to be done by the special administrators. Once we finish our work, the new directors will take over managing BAC.