

## REGISTRAR OBTAINS INTERIM FREEZING ORDERS AGAINST FORMER CEO OF MEDICAL SERVICE

The Federal Court has made interim orders to freeze the personal bank accounts of the former CEO of the Durri Aboriginal Corporation Medical Service, Mr Gerald Hoskins and his wife. The Federal Court also issued interim orders restraining Mr Hoskins and his wife from dealing with a residential property jointly owned by them.

The interim orders were made by Justice Rares upon an application by the Registrar of Indigenous Corporations, Anthony Beven, under section 576-20 of the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* (CATSI Act).

A further hearing will take place before the Federal Court on Wednesday, 21 December 2011 as to whether the orders should be continued or varied.

The Durri Aboriginal Corporation Medical Service is located in Kempsey, New South Wales, and delivers important health care services to Aboriginal and Torres Strait Islander people. The corporation runs three medical centres in Kempsey, Nambucca Heads and Bowraville.

The medical service was placed under special administration by Mr Beven on 28 November 2011 after concerns about poor corporate governance and weak financial management at the corporation.

‘The special administrator has been working through a number of concerns identified by the auditor and confirmed by an examination conducted by my office,’ Mr Beven said.

These concerns include bonuses of \$202,312 paid to Mr Hoskins without evidence that these payments were approved by the directors; and expenses of a personal nature charged by Mr Hoskins to his corporate credit card.

The special administrator terminated the employment of Mr Hoskins on 13 December 2011.

‘I have taken this action to preserve assets while my office undertakes an investigation into the payments,’ Mr Beven said.

‘Corporation directors and officers have duties to act in the best interests of their corporation and to not improperly use their position.’

This is the first time the Registrar has used his powers under section 576-20 of the CATSI Act.

### Background

The corporation’s financial statements and auditor’s report can be found on the Registrar’s website at [www.oric.gov.au](http://www.oric.gov.au).

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