



including...



Greater Western
Aboriginal Health Service

ICN 792—under special administration

NEWSLETTER

Issue 1, October 2021

Dear members and other interested people,

Our names are Jack James and Paula Smith and we are from Rodgers Reidy in Perth. On 20 September 2021, the Registrar of Indigenous Corporations appointed us special administrators of Wellington Aboriginal Corporation Health Service (WACHS).

During the special administration, we will keep you informed of progress through newsletters and information meetings. All newsletters and meeting notices will be at register.oric.gov.au/PrintCorporationSearch.aspx?icn=792

WHAT IS SPECIAL ADMINISTRATION?

Special administration is a type of external assistance unique to the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* (CATSI Act). Only the registrar can appoint a special administrator.

Special administration differs from other types of external administration in that the aim is to work with the corporation to fix internal problems and restore it to good health. If that is achieved, the special administrator will appoint a new board of directors and hand back control of the corporation to the members.

A special administrator is a suitably qualified person who:

- works in the best interests of the corporation and its members
- helps fix problems such as money trouble or poor governance.

A special administrator is responsible for the conduct of the affairs of the corporation and has comprehensive powers under the CATSI Act to do this. A special administrator will:

- secure the corporation's books, assets and bank accounts
- verify the financial position of the corporation and assess its ongoing viability
- communicate and meet with members and other interested parties
- manage day-to-day activities of the corporation and restore it to good order
- prepare the corporation for return to control by members.

A special administrator has broad powers under the CATSI Act—section 499-5. The special administrator:

- has control of the corporation's business, property and affairs
- may terminate or dispose of all or part of any business, and may dispose of any property
- may engage or discharge employees
- may perform any function and exercise any power that the corporation, its officers or its members could perform if the corporation were not under special administration, such as:
 - change the corporation's rule book
 - admit and remove members
 - appoint and remove directors or a secretary
 - appoint and remove a contact person
 - apply to the court for a winding up order.

There are three stages to a special administration:

STAGE	ACTION	STATUS
1	Take control of the assets, including bank accounts; build a complete picture of issues and challenges; and establish a clear plan of action.	IN PROGRESS
2	Restore good operational order.	PENDING
3	Prepare the corporation for return to members control.	PENDING

We are currently in stage one. This newsletter will outline progress we have made in the opening stages of our work.

WHY WERE SPECIAL ADMINISTRATORS APPOINTED?

On 3 September 2021, a majority of the board requested the appointment of a special administrator for the corporation.

Leading up to this action, the board had been alerted to serious financial discrepancies internally and commissioned an independent investigation to verify the allegations and extent of the irregularities. Just one day after receiving the independent report, the board reached out to ORIC to ask for specialist support.

WHAT HAS HAPPENED SO FAR?

BUSINESS AS USUAL

WACHS provides vital services and programs to its clients and the communities in which it operates. It is business as usual for these services and programs.

WACHS currently receives funding from the Commonwealth and New South Wales departments of health and National Indigenous Australians Agency to deliver important services and programs. There will be no disruption to services or programs during the special administration. During the special administration, we will work closely with funders and other stakeholders.

We are also working with the interim CEO, Joanne (Jo) Grant, and the executive team to obtain a full understanding of the operations of WACHS in order to identify the work needed to restore WACHS to member control at the end of the special administration.

SPECIAL ADMINISTRATORS' ADVISORY GROUP

To help us during the special administration, we will form a group to advise us about matters we need to deal with to fix the problems currently facing WACHS. This group will also help us review the rule book.

If you would like to nominate to be on the advisory group, please complete and return the attached nomination form by 13 October 2021.

WHAT WILL HAPPEN NEXT?

Our next steps will include:

- discussions with funders about ongoing funding and compliance by WACHS
- a review of staff structures
- an operational and financial overview
- a review of the budget for the rest of this financial year
- a review of the governance structure and—with the help of the advisory group—a review of the rule book.

INFORMATION MEETINGS

Usually during a special administration, we would hold regular information meetings which are open to all members and other interested people to attend. They provide the opportunity to hear from the special administrators about work being done and allow people to ask questions.

Due to current government restrictions, we are unable to hold information meetings at this time. Instead, we will provide regular updates through newsletters and social media channels.

SPECIAL ADMINISTRATORS



Jack James

jjames@rodgersreidy.com.au



Paula Smith

Rodgers Reidy
(08) 9328 6262

MORE INFORMATION

The Registrar has a fact sheet, Special administrations: what members and directors need to know—See oric.gov.au/special-admins or free call **1800 622 431**.





including...



Greater Western
Aboriginal Health Service

ICN 792—under special administration

NOMINATION TO BE IN THE ADVISORY GROUP

Please return your completed form **by 13 October** to
jjames@roddersreidy.com.au

I, _____

(insert name)

nominate myself for the **special administrators' advisory group**.

RELEVANT BACKGROUND AND EXPERIENCE:

CONTACT DETAILS:

Email: _____ Phone: _____

Address: _____

Signed: _____ Date: _____