

NEWSLETTER

ISSUE 4, OCTOBER 2020

Buurabalayji Thalanyji Aboriginal Corporation RNTBC
ICN 105 ABN 53 306 208 874 (special administrator appointed)

PO Box 810, West Perth WA 6872

Phone (08) 9321 3166 Email: perthoffice@thalanyji.com.au



Thalanyji

Buurabalayji Thalanyji
Aboriginal Corporation

Dear members, traditional owners and other interested people,

This is my fourth and final newsletter as special administrator for Buurabalayji Thalanyji Aboriginal Corporation RNTBC (BTAC). In this issue, I want to tell you about what we have achieved during the special administration.

In light of the Coronavirus pandemic some of you may be wondering what is happening at the corporation. I can tell you the show goes on... We have had to change some of the ways that we meet and talk about governance and operations but for the most part, it's business as usual.

It's important that you receive key updates about the work of the corporation, so please ensure that your contact details are up to date.



MEMBERS' MEETINGS

We conducted the corporation's annual general meeting for 2019 on 23 September 2020.

A **members' meeting** will be held on **16 October** to update members on the special administration and announce the new directors. The CEO and a representative from ORIC will be available at this meeting.

This meeting will be hosted online, through Zoom, as we need to follow all the current COVID-19 protocols. I understand that not all members are tech-savvy, so I have also arranged locations for members who can only attend in person. Attendance at these locations will be limited to ensure that we follow COVID-19 protocols.

MEETING OF COMMON LAW HOLDERS

A common law holders meeting is being held from 14 to 16 October.

MONEY AND RESOURCES

As reported in my last newsletter the corporation had assets that it didn't need any more, including vehicles, land, buildings and other equipment. Having discussed these assets with the advisory group, and confirmed that none of them are culturally significant, we are proceeding to sell them.

We have also been actively working on selling assets that are difficult to manage. One pastoral station has been sold and is under contract. A sale value of \$1.7 million was achieved, which is in line with the valuation. Two other pastoral leases will also be sold in the coming months.

A muster has been completed and over 2000 head of cattle have gone to market, and achieved record sale prices. Now that the stations have been de-stocked, they

SPECIAL ADMINISTRATION STATUS

1

There are three stages to a special administration. We are currently in stage 3.

Take control of the assets, including land. Find out if the corporation can recover financially.

2

Restore good operational order.

3

Prepare the corporation for return to members' control as soon as possible.



will be easier to manage. We do not need to check water points daily or ensure that adequate feed and shelter are always available. Although I do not have final amounts, we expect to net over \$1 million from cattle sales.

Other commercial properties of BTAC are still on the market in Onslow for approximately \$2.25 million.

FINANCIAL REPORT

At the recent AGM for the previous year (2019), we reported that the consolidated financial result was a loss of approximately \$12 million. This was grim news for the membership to accept and digest. I stated that a further loss is likely for 2020 as the corporation reviews and analyses loans made to loss-making subsidiaries. These debts are unlikely to ever be paid.

There was also a period before the special administration (which began 13 January 2020) in which good governance was lacking.

Repayments to BTAC's own creditors (those that BTAC owes money) have begun. Some have been paid in full. For others, we have documented and agreed to an arrangement for repayment.

A report on the accounts for 30 June 2020 will be ready to present at the AGM scheduled for 11 November 2020.

LEGAL CASES

When I was appointed on 13 January 2020 there were numerous legal cases and matters on hand. I have settled all but three. The remaining cases are noted below.

Onslow Salt

The corporation has applied to the court to amend the pleadings and vacate the cross-claims hearings. We are awaiting a decision. The amendment results from a review of the case by the corporation's new solicitors, Kevin Banks-Smith and Squire, Paton and Boggs, and senior counsel Patricia Cahill.

BTAC brought this case on several years ago. All parties are continuing to talk and settlement may be possible. If not, the case will go to court for hearing either late this year or early next year. A verbal report will be given to members at the meeting this week by the corporation's solicitors.

Weir case

The construction of weirs on the Ashburton River was appealed by BTAC. There have been several on-site meetings and further discussion will take place at the meetings of common law holders this week.

State government and Area 4

BTAC has received an offer in relation this matter. The corporation's solicitor provided further information and common law holders have passed a resolution to accept the offer.

ADVISORY GROUP

The advisory group has met several times. I have requested and received feedback from the group on key items such as asset sales, potential updates to the rule book, employment initiatives, cultural and heritage issues, as well as selection criteria for interviewing for the chief executive officer (CEO), chief financial officer (CFO) and independent board members.

STAFFING

As well as appointing the CEO, Ric West (who has a strong background in finance and the Indigenous sector), the corporation has employed Osama Masarani as CFO. The corporation will transition its accounting requirements from external to in-house. We will continue to use Eldertons who have provided the external service for the past six months as our auditors.

RULE BOOK

With the assistance of the advisory group, I have reviewed and updated the corporation's rule book. The rule book will now:

- prevent people who were directors of the corporation between 1 January 2017 and 12 January 2020 from being appointed as directors, or being elected as a representative on the Thalanyji Advisory Council, until the AGM for the year ending 30 June 2022
- require directors to undertake training in corporate governance
- provide for a stronger board through diversity—specifically, by including independent directors



- provide for directors appointed on 16 October 2020, when the special administration ends, to remain on the board until the AGM in 2022.
- have no special provision for a treasurer—because all directors are equally responsible for finances.

NEW BOARD OF DIRECTORS

I will announce directors of the corporation at the members’ meeting on 16 October 2020. These people will hold office through till the AGM for 2022. I will also appoint two independent directors.

With the assistance of the CEO, Ric West, the BTAC board and stakeholders including Perpetual and TAC, Chevron, Ashburton Shire Council and K + S Salt, BTAC is in a great position to achieve in relation to the Thalanyji strategic plan.

Nous Consulting Group is working on the next three-year strategic plan and I have provided input. Having listened to members over the nine months of the special administration, and sat in on the first of the member meetings, I can assure members that my input closely aligns with their wishes. It is particularly pleasing that as BTAC comes out of special administration, a new three-year strategic plan will be in place. The plan will assist BTAC to determine the appropriate use of resources to best serve members.

STAY IN TOUCH

Details of our next Zoom meeting have been emailed to members. If you are a member of BTAC, make sure your email and postal address are correct in the membership register so you receive timely information.

Perth office: (08) 9321 3166

For now, if you have questions arising from information in this newsletter, please contact the office above and we will endeavour to provide answers.

Many thanks,
Peter

SPECIAL ADMINISTRATOR

Peter Saunders

Skybridge Financial

Phone: 0418 768 164

peters@skybridgefinancial.com.au



For more about special administrations see oric.gov.au/special-admins or call **1800 622 431** (not free from mobiles).