

# Newsletter

ISSUE 1, NOVEMBER 2020



**DERBARL  
YERRIGAN**  
HEALTH SERVICE

(special administrators appointed)

Dear members and other interested people

Our names are Jack James and Paula Smith and we are from Rodgers Reidy in Perth. On 6 November 2020, the Registrar of Indigenous Corporations appointed us special administrators of Derbarl Yerrigan Health Service Aboriginal Corporation (DYHSAC).

During the special administration, we will keep you informed of progress through regular newsletters and information meetings.

All newsletters and meeting notices will be available on the public Register of Indigenous Corporations at **oric.gov.au**—use the ‘find a corporation’ tool, enter ‘Derbarl’ and follow the link to ‘documents’.

## 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. Then the special administrator appoints a new board of directors and hands 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 corporation and has comprehensive powers under the CATSI Act. 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 the day-to-day activities of the corporation and restore it to good order
- prepare the corporation for return to control by members.

The special administrator has control of the corporation’s business, property and affairs and can perform any function and exercise any power that the corporation, its officers or members could perform if the corporation were not under special administration. This includes:

- carry on any business and manage any property and affairs of the corporation
- terminate or dispose of all or part of any business
- dispose of any property
- engage or discharge employees on behalf of the corporation
- change the corporation’s rule book
- admit and remove members
- appoint and remove a contact person
- apply to the court for a winding up order.

There are three stages to a special administration:

- 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.
- 3 Prepare the corporation for return to members control.

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

## Why have special administrators been appointed to DYHSAC?

After reviewing evidence, the Registrar formed a view that the corporation's ability to carry out efficient and effective meetings was being hindered by disruptive behaviour, also that board rigour and reputation was being compromised through breaches of confidentiality.

The Registrar also received a request on 5 November 2020 from a majority of the directors asking for a special administrator to be appointed. They requested assistance as they felt the board was no longer able to work together to achieve the best results for the members and clients of the corporation.

Being a director is not an easy job, particularly when people are passionate about their corporation's purpose and objectives. There may not always be unanimous agreement on a decision or approach, and the hard part about being a director is that despite personal reservations, at the end of the day, each director must respect and uphold the final decision of the board.

## Information meeting

We will hold our first information meeting as follows:

Date: Monday 23 November 2020

Time: 5.00 pm (WST)

Place: Vasto Club  
5 Vasto Place  
Balcatta WA 6021

Information meetings are open to all members and other interested people to attend (except for media). They provide the opportunity to hear from us (the special administrators) about the work we're doing and for you to ask questions.

SEE THE ATTACHED MEETING NOTICE.

### SPECIAL ADMINISTRATORS



Jack James



Paula Smith

Rodgers Reidy (08) 9328 6262  
jjames@rodgersreidy.com.au  
psmith@rodgersreidy.com.au

## What has happened so far?

### Business as usual

DYHSAC is operating as usual. The corporation receives funding from the Commonwealth Department of Health and the WA Country Health Service, and during the special administration the important health services and programs it delivers will continue uninterrupted. We will work closely with these funders and other stakeholders.

We are also working with the CEO, Tracey Brand, and the executive management group to understand the operations of DYHSAC and how they align to its governance framework. Although we are focused on strengthening governance we will also look for opportunities to improve efficiency of operations.

### Advisory group

To help us during the special administration, we will form an advisory group to provide advice about matters we need to deal with to fix the current problems facing the corporation. 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 27 November 2020.

### Next steps

Our next steps will include:

- conferring with funders about DYHSAC's compliance and ongoing funding
- gaining an overview of operations and finances
- finalising the audited financial statements for the year ended 30 June 2020
- reviewing the budget for the remainder of this financial year
- (with the assistance of the advisory group) review the governance structure and the rule book.

### More information

The Registrar has a fact sheet, *Special Administrations: what members and directors need to know*. You can find this and other fact sheets on corporate governance on the ORIC website: [oric.gov.au](http://oric.gov.au).



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# Notice of information meeting

## Members and other interested people are invited to an information meeting

On 6 November 2020, the Registrar of Indigenous Corporations appointed us as the special administrators of Derbarl Yerrigan Health Service.

We are holding our first information meeting about the special administration and would like to invite all members of the corporation and interested parties to come.

To respect the privacy of those attending, the media will not be able to attend this meeting.

Selwyn Button, the Registrar, and Kevin Vu from ORIC will also be at the meeting and will be available to answer questions.

Details of the meeting are as follows:

**Date: Monday 23 November 2020**

**Time: 5.00pm (WST)**

**Place: Vasto Club  
5 Vasto Place  
Balcatta WA 6021**

This is your opportunity to discuss the special administration and your corporation's future. Please come along.

Light refreshments will be served at the meeting.

## Agenda:

1. Role of the special administrators
2. Aim of the special administration
3. Progress to date
4. DYHSAC's money story
5. The role of the advisory group
6. Next steps in the special administration
7. Questions.

Jack and Paula



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# Nomination for special administrators' advisory group

I, \_\_\_\_\_

(insert name)

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

## Relevant background and experience:

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## My contact details:

Email: \_\_\_\_\_ Phone: \_\_\_\_\_

Address: \_\_\_\_\_

Signed: \_\_\_\_\_ Date: \_\_\_\_\_

Please return your completed form to the special administrator by email to  
jjames@rodgersreidy.com.au or psmith@rodgersreidy.com.au  
by 27 November 2020