



**DERBARL
YERRIGAN**
HEALTH SERVICE

(under special administration)

Newsletter

ISSUE 4, FEBRUARY 2021

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).

This is our final newsletter to you as part of the special administration.

All newsletters and meeting notices are 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’.

Progress of special administration

The special administration will end on Friday 26 February 2021. At that time, control of DYHSAC will return to members and their new board of directors.

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|---|---|----------|
| 1 | Take control of the assets, including bank accounts; build a complete picture of issues and challenges; and establish a clear plan of action. | COMPLETE |
| 2 | Restore good operational order. | COMPLETE |
| 3 | Prepare the corporation for return to members control. | COMPLETE |

New board of directors

We are pleased to announce that we have appointed the following people as directors. Their appointment will take effect from 26 February 2021.

Member directors

Michael Blurton
Sandra Eades
Dan McAullay
Donna Nelson
Joslyn Tass

Independent directors

Rick Brooks
Helen Swift

Independent directors were selected following a comprehensive recruitment process.

Rick Brooks has undertaken a number of executive roles across a variety of organisations and is a trusted adviser to stakeholders. Rick is currently the chairperson of Sexual Health Quarters, a not-for-profit organisation focused on the sexual health and well-being for West Australians through education, direct service provision and capacity building with the community. While in this role, Rick has overseen significant structural change since 2015. In 2018 Rick led a team that undertook a review of The General Gumala Foundation which resulted in a number of recommendations being implemented to provide greater unity within the organisation in order to deliver improved services to members. Rick holds qualifications in human resource management and information systems and is a graduate of the Australian Institute of Company Directors

Helen Swift is an experienced executive and organisational consultant. She held senior executive roles in government for 8 years in Canberra and Adelaide, working in policy development (including Aboriginal education), program management, employment and training service delivery (including for Indigenous people and communities) and corporate support roles. Since 1996, Helen has run her own management consulting practice, working mainly with public sector and community-based organisations and with academic researchers. A trained and active member of the Australian Institute of Company Directors, Helen holds qualifications in psychology, the humanities and project management, and is an accredited executive coach. From 2012 to 2016, Helen was a non-executive director of the Women’s Centre for Health Matters, a Canberra-based health promotion charity. In 2019, Helen relocated to Perth where she has family.

New rule book

As mentioned in our previous newsletter, we worked with the advisory group on proposed changes to DYHSAC's rule book. We had those changes checked by ORIC to ensure they are in line with the CATSI Act. We then sought feedback from members by publishing a full copy of the draft rule book on the ORIC and DYHSAC websites, and included a summary of the changes in the newsletter. We asked members to provide feedback on the proposed changes to us directly and also at the information meeting planned for 9 February 2021. Unfortunately

this meeting had to be cancelled when the Western Australian Government imposed a 5-day lockdown to deal with an outbreak of COVID-19.

We were pleased to finally have a chance at the annual general meeting on 25 February 2021 to discuss the changes in person.

We have listened to all comments received and have now finalised the new rule book and lodged it with ORIC for registration. The final rule book will be available on the ORIC and DYHSAC websites.

Money story

A summary of DYHSAC's recent financial information is set out below.

Assets and liabilities	30 Jun 2019 (audited)	30 Jun 2020 (audited)	31 Jan 2021 (unaudited)
Assets			
Current assets	4,237,715	5,475,089	9,570,591
Non-current assets	2,209,169	3,448,315	3,395,126
Total assets	6,446,884	8,923,404	12,965,717
Liabilities			
Current liabilities	2,292,633	3,963,338	7,513,489
Non-current liabilities	246,077	811,137	1,041,540
Total liabilities	2,538,710	4,774,475	8,555,029
Equity	3,908,174	4,148,929	4,410,688
Income and expenses	30 Jun 2019 (audited)	30 Jun 2020 (audited)	31 Jan 2021 (unaudited)
Income			
Grant income	11,850,552	12,193,064	7,429,669
Health income	3,836,078	4,054,838	2,338,693
Other income	541,465	168,309	201,119
Total income	16,228,095	16,416,211	9,969,481
Expenses			
Administration & property expenses	2,613,197	2,152,344	1,265,320
Repairs & maintenance	140,076	197,181	150,149
Program supplies	450,438	544,272	185,826
Depreciation	356,943	649,913	229,235
Motor vehicle expenses	128,454	107,476	66,698
Staff training	145,289	171,506	70,135
Staff expenses	12,332,402	12,352,765	7,740,359
Total expenses	16,166,798	16,175,456	9,707,722
Surplus	61,297	240,755	261,759

We make the following comments about DYHSAC's money story:

- the corporation's profit & loss (income and expenses) for the period ended 31 January 2021 records a **net surplus of \$261,759**
- The corporation has **net assets (equity) of \$4,410,688** and has a **current ratio of 1.27**.

Current ratio is current assets divided by current liabilities; anything above 1 means DYHSAC has sufficient assets to pay its liabilities.

$$\frac{\text{current assets } \$9,570,591}{\text{current liabilities } \$7,513,489} = \text{current ratio } 1.27$$

Another way of looking at it: for every \$1 of debt (current liabilities) the corporation has \$1.27 in current assets to pay it.

All this means DYHSAC is in a good financial position.

Pending memberships

At the time of our appointment, there were many applications for membership that were not yet processed. During the special administration, none of these applications were processed as we were undertaking a comprehensive review of the rule book and the advisory group considered it more appropriate that membership applications be considered by the new board at the end of the special administration.

We'd like to thank everyone who has been waiting patiently for their application to be processed and we apologise for the inconvenience however we require you to fill in a new application form (schedule 4 in the new rule book) which reflects the new membership eligibility rules.

The new board will make it a priority to assess new applications at their first board meeting after the special administration. They will assess applications following the process set out in the new rule book.

Thank you

We wish to thank the advisory group, staff and stakeholders for their support and efforts during the special administration.

We wish DYHSAC, its new board and members the very best for the future.

Post administration

ORIC will monitor the governance and management of DYHSAC after the special administration ends. The registrar will write to the new board about this.

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



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