



TOWNSVILLE DISABLED AND RESPITE CARE CORPORATION TO BE WOUND UP

The Registrar of Indigenous Corporations, Selwyn Button, has announced the end of the special administration of the Aboriginal & Torres Strait Islander Corporation for Disabled and Respite Care.

The decision to end the administration follows the Supreme Court of Queensland order on 24 July for the corporation to be wound up. Mr Ian Currie of BRI Ferrier Brisbane has been appointed as the liquidator.

The corporation has served Townsville and the surrounding area for over 30 years by providing respite care for aged and disabled Aboriginal and Torres Strait Islander people.

The corporation had been on a clear path to corporate failure with the corporation's auditor alerting members to warning signs of poor management and inadequate oversight from the board—the auditor was unable to express an audit opinion for three consecutive years because the corporation had insufficient records to support its financial transactions.

Mr Button reminds all corporations and their members, 'The audit process is a way for members to assure themselves that financial management is up to standard. They need to listen to their auditor and if concerns are raised then speak up and ask your board to explain. Directors are accountable to members, and members need to hold them to account.'

ORIC's examination of the corporation in 2019 confirmed the corporation's perilous and spiralling financial position, as well as poor management and governance. When the special administration began in February 2020, the corporation's debt exceeded \$1.1 million.

'Unfortunately, the corporation's poor governance and management left no alternative but to wind up the corporation,' said Mr Button. 'Despite every effort by the special administrators to renegotiate financial arrangements and reinstate a system of good governance, in the end there was no prospect of restoring the viability of the corporation, and the best interests of the community will be served by finding alternative organisations to deliver the corporation's services.'

The Registrar would like to thank the special administrators, Mr Neil Michel and Mr Mark O'Shea from Enmark Pty Ltd for their hard work and keeping the corporation's services running while the corporation was under special administration. The special administrators have already transitioned some of the corporation's clients to other respite care providers and will assist the liquidator to continue the smooth transition.

Background

See the Registrar's release of 24 February 2020: *Respite care provider in need of reform*

Media contact: Lisa Hugg, 0477 762 290 or (02) 6150 6237
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