



PORT AUGUSTA ABORIGINAL CORPORATION GETS CLEAN BILL OF HEALTH

The Registrar of Indigenous Corporations, Mr Anthony Beven, today announced the end of the special administration at the Pika Wiya Health Service Aboriginal Corporation.

Based in Port Augusta, South Australia, Pika Wiya receives funding from the Commonwealth and South Australian governments to provide primary and secondary health-care to Aboriginal people in the local region. It also operates clinics in Davenport, Copley and Nepabunna.

An examination of the corporation conducted by the Registrar in December 2014 revealed financial problems and a high level of disputation between the directors.

In February 2015 the Registrar appointed joint special administrators to resolve the corporation's governance and financial problems and restore it to good health.

By working closely with the corporation's members, other local Aboriginal corporations and the Commonwealth and State government funding agencies, the special administrators have put the corporation back on track. In the financial year to 30 June 2015 Pika Wiya made a small surplus of \$108,000, a significant turn around from the 2014 loss of \$1,905,000. The surplus would have been greater but for \$280,000 spent by the former directors on legal and accounting costs as part of the dispute amongst the directors.

'Pika Wiya was heading in a downward direction before the special administrators stepped in,' said Mr Beven. 'Pika Wiya provides essential health-care services to Aboriginal people and I didn't want the delivery of those services interrupted over an internal dispute.'

Over the course of the special administration Pika Wiya's day-to-day operations were restructured, a new chief executive officer was appointed, operating costs were reduced and an external accounting firm engaged to provide independent advice.

Further, Pika Wiya's corporate governance framework was strengthened with a new rule book and the appointment of a new board of directors, including an independent director with a medical background. The new directors will take office from 1 September 2015.

'Pika Wiya held its AGM on 19 August and the positive atmosphere at the meeting was a welcome change from last year's highly disputed AGM,' said Mr Beven. 'My office will continue to monitor the corporation closely over the next 12 months but I am confident Pika Wiya once again has a bright future.'

Background

For further information please see the Registrar's media release of 16 February 2015 (ORIC MR1415-21) at www.oric.gov.au.

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ORIC MR1516-03
1 September 2015