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INDEPENDENT COMMISSION AGAINST CORRUPTION

THE HONOURABLE MEGAN LATHAM

PUBLIC HEARING

OPERATION GREER

Reference: Operation E14/0362

TRANSCRIPT OF PROCEEDINGS

AT SYDNEY

ON THURSDAY 19 MAY 2016

AT 10.07AM

Any person who publishes any part of this transcript in any way and to any person contrary to a Commission direction against publication commits an offence against section 1122) of the Independent Commission Against Corruption Act 1988.

This transcript has been prepared in accordance with conventions used in the Supreme Court.

THE COMMISSIONER: Yes.

MR FITZPATRICK: Call Ms Kelli Randell. I apologise.

THE COMMISSIONER: Yes, Mr Fitzpatrick. Are you taking this witness?

MR FITZPATRICK: I am.

10 MR HENRY: I'm sorry, yes. The next witness is Ms Kelli Randell.

THE COMMISSIONER: That's all right.

MR HENRY: Mr Fitzpatrick will be taking her.

THE COMMISSIONER: Yes, that's all right.

MR HENRY: But I think there's an application for leave to represent.

20 THE COMMISSIONER: Yes. Yes, Mr Shaw. You seek leave to appear for Ms Randell.

MR SHAW: On day one of this, Your Honour gave me leave to appear - - -

THE COMMISSIONER: Yes, I did. Yes. That leave is - - -

MR SHAW: - - - for Ms Randell, and I still appear.

THE COMMISSIONER: - - - that's continued.

30 MR SHAW: I'd ask if Your Honour would make the section 38 declaration.

THE COMMISSIONER: Yes. She's been told what the limits of that order are?

MR SHAW: Yeah.

THE COMMISSIONER: Right.

40 MR SHAW: Perhaps, if you wouldn't mind, advise her of the spirit of section 37.

THE COMMISSIONER: Yes, all right.

MR SHAW: Thank you. I'm obliged to you.

THE COMMISSIONER: Yes, can - - -

MR SHAW: Commissioner, I should say.

THE COMMISSIONER: - - - Ms Randell come forward, please? Just take a seat, Ms Randell. The section 38 order protects you from the use of your answers against you in any future civil or criminal proceedings, but it's important that you appreciate that it doesn't protect you if the Commission should find that you've given false or misleading evidence, because in that circumstance you could be prosecuted under the ICAC Act and your answers would be admissible for that purpose. Do you understand that?

10 MS RANDELL: I do.

THE COMMISSIONER: Pursuant to section 38 of the Independent Commission Against Corruption Act, I declare that all answers given by this witness and all documents and things produced by this witness during the course of the witness's evidence at this public inquiry are to be regarded as having been given or produced on objection and there is no need for the witness to make objection in respect of any particular answer given or document or thing produced.

20

PURSUANT TO SECTION 38 OF THE INDEPENDENT COMMISSION AGAINST CORRUPTION ACT, I DECLARE THAT ALL ANSWERS GIVEN BY THIS WITNESS AND ALL DOCUMENTS AND THINGS PRODUCED BY THIS WITNESS DURING THE COURSE OF THE WITNESS'S EVIDENCE AT THIS PUBLIC INQUIRY ARE TO BE REGARDED AS HAVING BEEN GIVEN OR PRODUCED ON OBJECTION AND THERE IS NO NEED FOR THE WITNESS TO MAKE OBJECTION IN RESPECT OF ANY PARTICULAR ANSWER GIVEN OR DOCUMENT OR

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THING PRODUCED.

THE COMMISSIONER: Do you wish to be sworn or affirmed, Ms Randell?

MS RANDELL: Affirmed.

THE COMMISSIONER: Thank you.

THE COMMISSIONER: Yes, Mr Fitzpatrick.

MR FITZPATRICK: Thank you, Commissioner. Ms Randell, am I correct that you were previously known as Ms Shipp?---Mrs Shipp, yes.

Mrs Shipp.---Yeah.

10

I apologise. And you're an accountant by training?---Yes.

Thank you.---Qualifications, yeah, and training.

Sorry, what are those qualifications?---Just a Bachelor of Commerce, majoring in financial accounting.

20

Thank you. And your first involvement with Local Aboriginal Land Councils was in around 2006 or 2007?---Around about, yeah, 2006/2007 with Nyngan Local Aboriginal Land Council.

And your position there was known as a co-ordinator. Is that right?---To begin with it was a contract to help them out with their business activity statements and then they had issues with their co-ordinator who left and I took up the role of co-ordinator at that point.

Thank you. And after some changes under the Aboriginal Land Rights Act, the position's name changed to the CEO?---Correct.

30

And you were in that position - - -?---Correct.

- - - for some time?---Correct.

And you then had a role with the New South Wales Aboriginal Land Council. Is that right?---Yes. In September – it would have been late 2009 I think it was, November, 2009.

40

And in that role you were assisting a number of LALCs in the Dubbo/Walgett area. Is that right?---It was quite – like surrounding areas, yeah, so Mungindi, Wee Waa. Brewarrina I touched base with. Walgett was another one.

And it was through that process that you became acquainted with Ms Anne Dennis. Is that right?---I initially met Anne at a governance training in Nyngan when I was with Nyngan and then through NSWALC then, yeah.

And she was the CEO for Walgett Council?---Correct.

Now, how did then you become associated with the Walgett Council?---So initially obviously it was with that NSWALC contract and then later it became – again Walgett had issues with an accounting firm they were – had contracted with. Weren't happy. That contract was ending and they actually asked me through my company to actually contract to do the financial reporting.

And that company is called Marra Wallan?---Marra Wallan, yeah, Pty Ltd.

10 If the witness could be provided with volume 26 please.

THE COMMISSIONER: Yes.

MR FITZPATRICK: Ms Randell, if you could turn to page 122 please. The numbers are in the bottom right - - ----32?

122.---22.

20 The number is in the bottom right-hand corner.---Yeah. Yeah.

Just to establish a date for your relationship with the Walgett Council, this is an email of yours to a WLALC address copying Ms Dennis. Do you see that?---Correct.

And this is your response to the request for your services. Is that right? ---Correct.

30 And if you turn over the page what follows is, I think you describe it as an initial invoice to commence those – the work on the bookkeeping services and then at page 124 a letter which follows outlining the services that you will provide.---Correct.

And that was dated 30 August, 2010 and then if you could turn over to page 130 there are the minutes of the Walgett Council's Board meeting of the same date.---Correct.

And the Board confirmed your appointment on that day.---Yeah.

40 Thank you. Now, is it right to describe your responsibilities broadly as the administrative and financial aspects of - - -?---Mostly it would be administrative and financial, yes.

Right.---Through the contract, under the contract, yeah.

And so did you in that role have any contact with the Board?---Only if they came into the office on the day that I was there to do work. I never sat in meetings until I became Acting CEO.

Okay. And in that position you reported to Ms Dennis as the CEO?
---Correct.

When did you first become familiar with Mr Jack Johnson, Mr Mark Johnson?---It would've been from memory when the Land Council was, at that particular time in 2011, they had issues with another organisation to do their housing and virtually Walgett LALC was going to maintain, retain the management of those. And it was at that point that I had learnt that
10 Gandangara GLALC had been in discussions with the Land Council regarding looking after the housing. I had expressed to Ian that I didn't have experience with housing portfolio. I could do the financials but not actually manage the properties themselves.

If you could turn for me please in the volume to page 141?---Yeah.

These are, sorry this an agenda for a meeting of the Board at the Walgett Council. This is February, 2011 and you'll see there's reference to Mr Johnson attending?---Yeah.

20 Would you have been at this meeting?---No.

Was this the occasion in which you mentioned a little earlier about having contact with or learning of Mr Johnson's offer in respect of housing?---Yeah. It was only through conversations with Ian that I had that, so, yeah.

And so that was with respect of the management of the tenancy's program, is that right?---Correct. Yeah. So I was still to do the financial recording and reporting but the actual management of the portfolio.

30 So that's a different thing. You see there's the number 4 identified about halfway down the page with some bullet points beneath it to indicate what Mr Johnson was to talk about or spoke about?---Yeah.

A rent/buy program that's something different to the tenancy management?--
-That's correct.

And does "Survival of LALC mean anything to you there"?---As at this date like to recall back, it would've been but later on in the process there was
40 discussion about it as well.

And what was that discussion?---Literally when I virtually had, when I was acting CEO and I was in meetings that when I first learnt about the concept of the big brother concept basically where LALC's from, successful LALC's would come out and help the not so successful LALC's to manage their organisations better.

And you describe it as a big brother concept, was that a way in which it was spoken of and known or?---It was, it was referenced to that, yes, that they would actually come out and help LALC's that weren't performing.

So was that what Mr Johnson was doing on occasions when he visited the Walgett Council?---Are you talking about at this particular meeting?

10 Yes?---I'm not a 100 per cent sure obviously because I wasn't in the meeting itself so, but when, when I was in a meeting and I met Mr Johnson for the first time that was the talk, that was the discussions.

Okay. If you could hand back volume 26 please and be provided with volume 27. You mentioned a meeting that you had Mr Johnson. Do you remember about the time frame of that or?---Not exactly, no. It would've been roughly the middle of 2011. Yeah, in between, yeah, June to September, 2011.

20 And what was the context for that meeting?---To begin with it was a visit to a Land Council from memory basically. However, my personal company at that particular time was actually discussing helping Gandangara to actually contract other LALC's in other areas.

And how did you become aware of that business opportunity?---That would have been through the discussions with either the Gandangara team or Jack himself.

30 So, on occasions in which Mr Johnson was out at Walgett, you would have occasion to interact with him when he was around the Land Council?
---From memory, I don't recall exact meetings at exact times. I remember a couple of times meeting with the team, the Gandangara team. And, like, meeting with Jack personally was only a couple of times.

Who was part of the Gandangara team?---At the time, it was mainly Leon Filewood to begin with. Shalesh Gundar was another. And a little bit later on it was Alfred Sing.

40 Thank you. This might assist you with the timing. Page 4 of the volume that I've provided. Sorry, that has been provided. This is an email dated 13 May, 2011, and it's from John Shipp, who was your husband at the time.
---Yes.

And it's addressed to Mr Johnson, and the email address there is at SASL.
---Correct.

What did you understand SASL to be?---At that particular time, it was Sydney Aboriginal Services Limited.

And what was that organisation?---It was the organisation within the Gandangara LALC group that was actually the one to go out to help the other LALCs. So it was the big brother type scenario.

Okay. Now, you're not copied on this email, but I take it that you knew this was being sent at the time?---I can't confirm that a hundred per cent, as I said, because I wouldn't remember it. I didn't see it. But given the relationship with myself and my ex-husband at that time, we would have discussed it, yes.

10

The content of the email provides some details about Marra Wallan.---Okay.

And provides a copy of Mr Shipp's CV and your own CV. And they follow in the volume.---Yes.

Yours begins at page 6. And was this a first introduction of Marra Wallan to Mr Johnson or to SASL?---Correct. It would have been.

20

And Mr Johnson's response to this email was found at page 13.---Yeah.

And this is a couple of days later, and Mr Johnson mentions in the short email at the top of the page that there's to be a meeting with Mr Shipp and yourself.---Yeah.

Do you recall that meeting?---Not exactly. As I said, there was a couple of meetings mainly at the Land Council, and then one towards the end of 2011 that I do remember. But I don't remember when this would have been in May.

30

And what was it that Marra Wallan was offering to SASL?---So, Marra Wallan, basically, when my ex-husband and I established Marra Wallan, it was based on the premise of helping Aboriginal organisations to actually manage their businesses properly, within whatever legislation, and to the point where they would succeed but with a cultural basis. So, the idea of the discussions with Jack Johnson and/or the SASL group was what they were doing actually linked closely to what our company was trying to achieve. We were only very new, starting out, so we saw it as an opportunity to actually help us grow our business in that area.

40

So you'd heard of SASL and what it was doing?---Only through my connections with my contract at the Walgett LALC. That was the first time. I'd never heard of it beforehand.

And you mentioned I think earlier that a part of the role that Marra Wallan would play would be to be in touch with other LALCS?---In regards to the, the SASL agreement that was what – the discussions with the SASL group was that we would go – we would be contracted to go to other Land

Councils to actually present the model that was presented to the Walgett LALC in regards to helping them become self-sustaining.

And sorry, the distinction you're drawing there is that your services for Walgett were engaged through Marra Wallan for the bookkeeping role?

---In, in May, yes, it was.

At that time.---Correct.

10 On page 27 of that volume there's again an email from Mr Shipp and you're not copied.---Yeah.

But it explains in a little bit more detail the, I think maybe the outcome of your meeting.---Yeah.

20 The first paragraph under the greeting indicates or reads, "We have great news. We have five LALCs ready to meet with you, with you and I to view your presentation on helping them become economically independent." Do you recall what the, the presentation was or what, what the, the substance of the advice that was being given about economic independence?---It was a – the establishment of underneath the Land Council a set of companies limited by guarantee to actually help protect their assets and invest money or create investments to actually help for future generations.

And that was obviously – well, we'll come to it but that's a concept that recurs through the time period onward.---Correct.

30 But as at May, 2011 that was what, what was being presented?---Like, I mean, I don't recall seeing this email at that particular time. I have seen it since obviously but from memory just thinking the idea of it was, I think we were proposed to see if we could get interest in other LALCs to see if this was something that SASL would, would consider. If it was an agreement if we could get other LALCs interested as well.

40 What was SASL's interest in establishing these corporate structures that you described?---Only from, again from memory it was the management point of view. So again that big brother role to come in and help Land Councils in the surrounding areas that – not so much in the city areas or Sydney area, to actually help them operate more efficiently and more effectively (not transcribable)

The idea of the big brother role, was that, was that policy initiative at the senior – at a, at a regulatory level or was it a, or was it an initiative of particular leaders in the Aboriginal community or among LALCs?---From memory the issue that was occurring in the smaller LALCs was that there was a discussion at a state-wide conference, NSWALC state-wide conference. It was the first one back after the new legislation came into play and they were actually talking about how the global financial crisis

impacted on their investments and there wasn't much – a lot of money left. So they were talking at that time about Land Councils needing to become hubs and/or amalgamating. So there was a bit of a fear then after that that smaller Land Councils would actually lose funding and they would be amalgamated with other, bigger Land Councils.

10 And sorry, and that was (not transcribable) initiative by the larger Councils to maintain the autonomy of - - -?---I'm not, I'm not 100 per cent sure from that point of view but then like, what their thought process was but as I said when through the Walgett when the meeting was set up for Jack Johnson to come and present and I believe it was Leon Filewood at the time. That was the concept that was delivered.

Apart – other than Gandangara, can you recall any other big brother Councils?---No.

Back to the email?---Yeah.

20 You mentioned in the second paragraph under the heading "Walgett LALC", the third sentence beginning towards the end of the second line. "Anne has also advised that Kelly will be taking on the Acting CEO role during the time period". And that's a reference to Ms Dennis's campaign for an election to the Aboriginal Land Council?---New South Wales Aboriginal Land Council, correct.

30 And how did that come about? You were again approached to - - -?---Well as I said at that particular point in time my contract through Marra Wallan was up until 31 August, I believe, 2011. And the elections for Council began in June, the campaign began in June, 2011. And if you were an employee of a Land Council you had to step down. So Anne wasn't sure whether or not she would be voted in so she asked would it be possible for a short time for me to just stand in as Acting CEO to keep the Land Council moving forward with the understanding under the Aboriginal Land Rights Act that I think it's section 76. A Land Council must employ a CEO and I was only contracted at that time. So a decision was made to actually continue in a more advanced role, I suppose you could say but not as a contractor as an employee.

40 Thank you. I have questions about under the heading Number 2 "Proposal for GLALC support to Marra Wallan"?---Yeah.

Before the list it begins, the list beginning A, there's a sentence "Therefore we suggest the following support by GLALC that will help us to help you realise the goals you envisage for these LALC's". Do you recall what the goals were that - - -?---The main goal was self-sustaining, like self-sustainability. Literally in the sense that if they would set up this model that they presented and over a period of time through whether it be land sales, businesses being set up and whatnot, the Land Council would be able to

develop enough income on its own to not need the support of NSWALC should anything happen to NSWALC.

10 What was the concern about the status of NSWALC?---That was, again that was just a follow on from that state wide conference where they thought if NSWALC lost all their money there was talk at that particular point in time that the Minister may take the money back as well that had been granted to NSWALC under the, I think it was the land taxes years ago. So the thought process there was that Land Council's would be lost. The smaller ones would be lost but if they actually had their own income and didn't need to depend on the grant they received from NSWALC they would still be able to exist.

Because otherwise it was a centre dependency on the NSWALC funding (not transcribable) basis?---Correct. The majority of small Land Council's particularly out west they don't have any other income other than the funding sorry, granted by NSWALC on an annual basis.

20 For small Land Council's in that position, what was the prospect of them developing an income stream that would be sufficient to be self-sufficient?--
-It was very limited in the sense that, particularly there was not enough qualified people in those small areas as well to help them achieve that. So, yeah, it was limited. So it was a bit of a – at the time like perceived as a bit of a scare thing, scare tactic in the sense that they were worried that they would lose their Land Council and that's what they didn't want. They fought too hard to get Land Rights and - - -

30 Sorry a scare tactic by whom?---It was just a general, so virtually what was actually shared from that conference it just created this, in, in like LALC internal LALC conversations at the state wide conference and then outside where the fear was that NSWALC would go under and little Land Council's would be lost. Because they don't have their own income.

Okay. You mentioned your appointment as the Acting CEO. I'll just show you the documents to confirm the dates of that. At page 106 of the volume there's meeting minutes of a meeting on 22 June, 2011 and over on, sorry, 208, number 13 at the middle of the page there's a reference to your appointment for, as you mentioned a period of eight weeks?---Yeah.

40 And these are the typed minutes. Following the bundle, there's a handwritten set.---Yeah.

And on page 112, at the top of the page, there's a number 12. And there's a reference to terminate Marra Wallan service agreement.---Correct.

Can you explain what the mechanics were of that?---Well, basically, as I said, the contract with Marra Wallan was up until 31 August, 2011. And under the Aboriginal Land Rights Act, if you're an employee of a Land

Council, you can't also consult at the same time. And given the fact that it was only a temporary agreement for the eight weeks, it was still a breach of the Act. So we cancelled, we terminated, we agreed to terminate that agreement, and then I stepped in as acting CEO.

10 That rule about not allowing employment to someone who's also contracting, how widely known was that at, at least, the Walgett Council?
---Well, for me particularly, I read the Aboriginal Land Rights Act quite in depth. So I've had auditing experience in my time as an accountant as well, so it was just natural for me to make sure that I knew the mechanics of how the role was to play out. So as soon as I come up, I learnt about that. I actually learnt about that when I was in Nyngan, because again I was contracted to Nyngan. And when the new legislation came in, it was read, and through governance training I made sure that the contract that I had with Nyngan was cancelled and then I was employed. So this was the same situation. So, to say whether or not the Board knew it, I can't speak on their behalf. But I definitely made sure I let them know at this particular point in time.

20 So it might have been at your initiative that that happened?---Possibly.

THE COMMISSIONER: When you say through governance training you became aware of that issue, where was that governance training?---In Nyngan. It was through BCA.

And who's BCA?---Business – I can't remember.

30 Anyway, it was a training firm, was it?---Yeah, an RTO, a registered training organisation.

Right.---Contracted by NSWALC at the time.

Right. So NSWALC had contracted with this firm to do governance training, and you did it at Nyngan?---Correct.

And it raised these issues under the Aboriginal Land Rights Act?---Correct.

40 And do you know if that particular firm provided governance training elsewhere in New South Wales?---I believe they were the registered training organisation at that particular point in time. So - - -

What year are we talking?---2007, roughly. It was not long after the new legislation was introduced on 1 July.

When you say the registered training organisation, do you mean registered with the NSWALC for the purposes of providing that training or - - - ?
---No, so registered training organisation in the sense that they've been approved to offer courses, like a TAFE I suppose you could say.

Right.---Yeah. And governance, so I think it was a statement of attainment, certificate IV in governance, business governance. But it was specified to the Aboriginal Land Rights Act. It wasn't just general business.

And how many days did that training involve?---It was over two days.

Over two days. Thank you.

10 MR FITZPATRICK: At the time that you became the acting CEO in about the middle of 2011, what did you understand the Walgett Council's relationship with SASL or with other Gandangara entities to be?---At that particular time it was mainly around the managing of the housing portfolio. And then obviously, as it progressed, as I got to learn more, it was that role of helping that Land Council become self-sustaining.

And in what – so there were contractual relationships between - - -?---No. No, it was all verbal. No written contracts whatsoever. It was all just discussions in meetings and obviously over email and/or telephone.

20

If I could ask you a question about the document at page 113.---Yeah.

This is titled a Loan Deed between Gandangara Management Services and the Walgett Council.---Yes.

The date on it – the printed date is July, 2012 which appears to be struck through and to be 2011.---Correct.

30 Was this a document that you were aware of in July, 2011?---No.

40 The annotation next to the 11, do you know what – is that the signature of - - -?---So at that – as I said this, this never came about when I was Acting CEO of the Walgett LALC right up until I left there in February, 2012. My contract had ended there in December, 2011 but they didn't have a CEO to come in at that particular time so I offered a week-to-week service to – until they got their CEO. So this contract I only became aware of when I returned in October, 2014 as Acting CEO again. So I – my first meeting back was on 4 November, 2014 and I – this came to me via an email from – it, sorry, my understanding of the fact that there was moneys owing under a contract to GMS or Gandangara Management Services Limited was when I received an email from Alfred Sing saying – from a Michael Lim, Watson Mangioni, saying that the Land Council had up until I think it was the end of October to pay \$300,000 otherwise legal action would be taken to Gandangara Management Services Limited. And obviously at that point only being in the role a day, two days, I was quite, hang on, I've got to find out. So I searched through documents and I came across this and immediately I tabled it to the Board, asked them whether or not any of those signatures at the top were theirs and no one confirmed.

The handwritten note which reads - - -?---That's mine.

That's your handwriting?---Yeah. That's after, yeah.

And then you think you wrote that on it in 2014?---Yes, I did.

10 The signatories at the end of the document, this is at page 120, on behalf of Walgett at Richard Simpson and Stephen Rutley. They were both Board members of the Council?---Correct.

And were they Board members in both 2011 and in 2012?---Correct.

Just while we're on the timing of this. So at the time – in July of 2011, so just as at that date - - -?---Yeah.

- - - did you understand Gandangara Management Services to be providing support to Walgett Council?---No. It was SASL.

20 Sorry, it was - - -?---It was SASL. The only time I learnt about Gandangara, Gandangara Management Services when, was when we got showed the presentation on the company, the corporate structure and Gandangara Management Services was one as an example. That was the first time and then obviously later on in that year but not, not at that particular point in time. It was always SASL, Sydney, Sydney Aboriginal Services Limited.

30 Thank you. If you could turn to earlier in volume 2, page 34. Now, this is a schedule which might have its origin in the Watson Mangioni letter that - - - ?---Correct.

- - - you referred to earlier. It identifies invoice numbers and amounts and dating back to – it starts in May of 2011.---Correct.

40 And if you turn over the first of those invoices is at page 36. What do you know about a relationship between Gandangara Management Services and the Walgett Council at this time for which GMS, I'll refer to them as was rendering these invoices which and the first one is in May of 2011 then next, July and then they go through 2011 and onwards?---No. These, these invoices were not presented to Walgett Local Aboriginal Land Council in May, 2011. Nor were they presented up until like I left in early 2012.

THE COMMISSIONER: So when you say they weren't presented, you mean that the invoice was, this invoice or invoices looking like that were never received by Walgett?---No. Never received. Not while I was there as Acting CEO in the early part. The only time I saw this was again when I received the documents from Watson Mangioni and I started to flick through them and I just went, well who's Gandangara, why is Gandangara

Management Services Limited when at that particular point in time the Land Council was dealing with Sydney Aboriginal Services.

When you say that the invoices weren't received while you were there. When you came back in late October, 2014, and you said that you went looking for documents, did you find any invoices like this in any of the papers of the Walgett Land Council?---The first time I saw these was when I received – because as I said I started around about 27 October, 2014. And within days, I mean it could've even been two days, I received an email
10 from Alfred Sing about, and attachments to it were these invoices. So that was the very first time then and then I went back through documents that were there and then I started to see the ones that were paid and the ones - - -

So there were invoices that had been previously delivered to the Walgett Land Council, some of those had been paid?---Well to actually determine whether or not was delivered to the Walgett Land Council specifically or directly, I can't say. Because from me going back over documents – because I had nothing to do with the Walgett LALC come February, 2012. After that point I had no consultation. Maybe a couple of emails to the CEO
20 to help her out at the time. But literally there was nothing at that particular time in and around Gandangara Management Services, yeah, Limited. It was only when I went back and saw payments being paid that I identified - - -

All right. I just want to make sure I understand. So you saw payments being made but you didn't see any invoices that corresponded to those payments?

---Yeah. There were invoices connected to the paperwork, yes.

30 Right. Okay?---But at that particular time when they were actually paid it depended on whether or not there was an employee, a Walgett LALC employee in that management role or if it was a contractor through, whether it was GMS, SASL. Because there was a period of time from our records, from the Walgett Local Aboriginal records where there was no employee. So the work was actually being done under contract by the Gandangara Group.

MR FITZPATRICK: Can I ask you about page 40 of the volume. It's an invoice, the invoice is dated 25 November, 2011. The description identifies
40 a period in which accounting and management fees are charged and that's July to November. That overlaps with the period in which you were Acting CEO?

---Correct.

What did you know about - - -?---Nothing.

- - - GMS providing services - - -?---Nothing.

- - - of that kind at that time?---At that time, nothing. It was all, as I said it was Sydney Aboriginal Services Limited.

And would they have been providing services that matched the description accounting and management?---Well it's a bit of a broad term in a sense. I was providing, I was entering data in the MYOB. At that particular time I was preparing budget versus actual reports for the Board. I was reconciling accounts for both the housing and the NSWALC funding and other budgets that they had there. I do recall, as I said, I do recall that Gandangara, the
10 Gandangara Group or SASL assisted with the housing side of it. So whether or not this relates to that, I can't tell you.

Thank you. If you could turn now, please, to page 121 of the volume. And this is an email, and you are a recipient of this one.---Ah hmm.

This is from Mr Filewood, who you mentioned earlier.---Yeah.

And this is back on the topic of Marra Wallan assisting SASL.---Correct.

20 And there was discussion about the terms on which that would occur.
---Yeah.

And this is again the outreach program to other Aboriginal Land Councils.
---Land Councils, correct.

To advance SASL's services or what it could offer.---Correct.

30 The paragraph that is at the bottom of the page begins "Lastly, we are keen to be part of the SASL vision." Again, this is part of the Marra Wallan vision and mission too. What are you referring to there?---It was to help Aboriginal organisations to look after their own business, basically. That was the vision, is to help them to stand on their own two feet, but to do it within a legislation, with governance, but on a cultural level at the same time.

Sorry, and I apologise.---Yeah.

40 That part of it is an email from you. You've signed off on behalf of your then husband.---Yeah.

But that's your email.---Yeah, correct.

Now, I think you might have mentioned something to this effect earlier, but Ms Dennis's election occurred.---Yeah.

She was successful. And that left the CEO position at Walgett vacant on an ongoing basis.---Correct.

And you began to fill that role or you continued to fill that role. So that's from about September of 2011?---Yes. So, Anne was voted in as councillor. And then there's a process of equal employment opportunity under a LALC, and literally that position had to be advertised. So we were in the process then of actually advertising the position. Me personally, I never had any intention, at that time, to stay on as a CEO for the Land Council. I was focused on building my business at my company at that particular point in time. So in saying that, what that means is that I was there providing a service to the Land Council, but I never had intentions to stay long-term. So
10 the discussions outside of it were to actually help once I did leave a new CEO come in. Just for me to continue the growth of my company.

Thank you. The official appointment is reflected in minutes of a Board meeting of 3 September, which begins at page 126 of the volume. And on 127, at point number 9, there's an indication that your independent contract agreement has ended and you're now employed at the acting CEO.---Yes.

20 THE COMMISSIONER: Could I just ask you, Ms Randell, these are minutes of the Board meeting at Walgett.---Yeah.

Was this a common form that the minutes took in Board meetings?---No. Are you saying as how it's structured or typed at that particular point in time?

Well, just the structure and the content. Was that - - - ?---Very similar, yeah, at that particular time.

30 And was that – were the Board meetings recorded?---Verbally, like through voice recording?

Yes.---No.

Was there a minute taker?---Yes, there was. Gail Simpson who's a Board member. She was actually – she took the majority of the handwritten – she always took handwritten minutes.

Right.---And then they were typed up from there.

40 And was that – did she have a secretary function or - - -?---I, I'd be only speaking from an inference that she was in the secretary role prior to the Land Council being under the new Aboriginal Land Rights Act.

It was just that the signatures on that loan deed I noticed that one of them was nominated as secretary but it was a Board member. So did you have a secretary position in the Board?---Myself, no. No, not at all. I was just –as I said I was an employee.

No, you weren't but I'm saying did the - - -?---No.

- - - did the - - -?---The secretary.

Did the Board itself nominate a Board member as the secretary or was that a function that got passed around from time to time?---If Gail – generally Gail Simpson was the one that took the minutes all the time so she was actually nominated the minute taker - - -

10 Right.--- - - - during the meetings and if she wasn't there - - -

Right.--- - - - somebody else would take them.

MR FITZPATRICK: Thank you, Ms Randell. If you could go forward to page 151. These are some handwritten minutes of a Board meeting on 12 November. It appears from your name appearing in the margin towards the bottom of the page that you attended this.---Yeah.

20 There's reference a little above that to meeting with Shire will be SASL and Land Council.---Yeah.

SASL to organise meeting with Shire. Is that a meeting between SASL and the Council, the Shire Council in which - - -?---Yeah, in regards to a subdivision known as the Dewhurst Reserve.

And was that a land development that Walgett Council was being assisted with by SASL?---Correct. Well, in, yeah, as there was no actual formal agreement, written agreement in relation to that, it was just a verbal.

30 A verbal agreement between SASL and who?---And the Walgett LALC. So, so - - -

Conducted at the Board level or - - -?---Yeah, at the Board level. So Araluen Street is referring to Dewhurst Reserve. It actually has houses built on it but the land itself is not subdivided and there were members in those houses who would have liked to have purchased their homes under the rent/buy program that was actually projected to them but they couldn't do that until it was subdivided. So it came about that SASL would actually help the Land Council to get that subdivided.

40 That may be reflected over on page 153. The name Jack appears in the margin and it's Mr Johnson identified as representing the Gandangara LALC.---Yeah.

There's reference to subdivision of six lots. Is that - - -?---That would be it.

And so then a series of – now, do you recall him giving a presentation about how - - -?---Yeah.

- - - how this would be done? And that was the role that SASL was providing for the Walgett Council at that time?---Basically when – and as I said I can't remember exactly the time of when the presentation was made to the Walgett LALC Board in regards to SASL helping them with this self-sustainability. There was always the mention of no moneys will be paid until we make you money. So literally at the end of the day there was no written agreements put in place for SASL to do any of this because myself and the Board were of the opinion that there would be no charge unless money was made and it was then at that point once the money was realised and banked that payment would be arranged. So when you say – when you ask is that an agreement or whatnot it was, yeah, literally it was a verbal agreement based on that premise only that SASL would help the Land Council or the Walgett Land Council to subdivide these blocks.

Thank you. There's another topic addressed by Mr Johnson over the page, on page 154. Under the heading with the number 11, a little way down, it reads "GLALC Corporate Structure", or "SASL PowerPoint Presentation, GLALC Corporate Structure". Was this, again, a presentation about the sustainability model that you mentioned earlier?

---Correct.

There's a reference to "Board members to declare an interest if involved in a conflict of interest." That was a general policy that would apply?---Oh, yeah, definitely.

Do you understand why it would be referred to at this juncture in the meeting?---From memory, I can't. I can't remember why it was written. But since I've been involved with the Walgett LALC Board, they've always emphasised on conflicts of interest, pecuniary interests, and making sure that, if you have either, to declare it. So in regards to that actual note there, I can't tell you exactly why. But it was a standard thing across our Walgett LALC Board meetings to declare interests if they felt they had a conflict of interest.

Thank you. Also on this page there's references to Alfred Sing. You mentioned him earlier. What role did he play for Walgett Council in this time frame?---In November we only believed him to be an employee of SASL at that time. So Alfred, along with Leon Filewood, actually worked hand in hand with the housing side of things, in the sense of the rental increases, leases, repairs and maintenance. That was the main thing.

So was he giving a presentation to the Walgett Board about its existing housing arrangements that were being managed for it by SASL?---Correct. So, 1 April, 2011, the management of the 69 properties that the Walgett LALC actually owned came back to Walgett LALC from Murdi Paaki. And at that particular point in time, because Murdi Paaki were subsidised by government, they could actually offer social housing rents, which were quite low, \$80 a week. When it came back to the Land Council, technically, the

way we describe it to members now is we would own real estate in the sense that, if we didn't bring in, we weren't subsidised by government or any other organisation when it came to repairs and maintenance, and under the Act it said that you needed to bring in ample or sufficient money to make sure that you could cover all expenses. So this was that presentation, because there hadn't been a rental increase since the Walgett Land Council received their housing portfolio back, management of it.

10 Thank you. Over on page 55, there's a reference at number 10, in the margin, to CEO report given by yourself.---Yeah.

There's issues in relation to the need to employ a new secretary.---Yeah.

And about six lines down from that, employment by Gandangara GLALC. Was this administrative going to be provided through the relationship with - - - ?---That was the discussion, because Christine Simpson's role was actually paid for by Gandangara. Well, I'm not sure exactly which group, which company or organisation in the Gandangara group. I have record of her filling out timesheets for Gandangara LALC, but I'm not a hundred per cent sure if she was employed directly by Gandangara LALC or SASL or
20 GMS. I'm not sure.

And was she on the ground at Walgett, assisting you?---Correct. She was actually in the role before I took over as acting CEO. And then, in November 2011, and the reason why I actually made this a point was because I was leaving. I wasn't staying at the Land Council. So they actually needed somebody in there now so I could help train them up to take over.

30 And I think there's a reference to the CEO position needs to be advertised. ---Correct.

So you were winding down your discussion at that time?---Correct.

The next document I'd like to ask you about is on page 177 of the volume.

40 THE COMMISSIONER: Can I just you ask you. These positions that were being funded by SASL were they positions that were going to work on improving this land claim process? Were they services that were just directed to that part of the, or was it a broader issue than that?---Christine Simpson's role and or the administration role was merely so they had somebody in locally to keep the office open. At that particular time and like and now I live in Dubbo which is a three-hour trek. So I would travel out each week for one or two days depending on the role. But there was concerns that the LALC couldn't move forward because it wasn't open. So at that particular point in time Gandangara or the Gandangara Group had supplied services as an admin role so that was that main role.

Right?---Yeah.

MR FITZPATRICK: Thank you. The document now on the screen page 107 is an email from Mr Filewood to your ex-husband and yourself about arrangements or contractual arrangements between GMS and Marra Wallan. Was this a – you now were winding your position at the Land Council and returning to the growth of Marra Wallan. And did you have understanding why it was GMS now that would be the counterparty?---So the meeting I mentioned earlier about that I do remember having with Jack Johnson was in Dubbo previously before this. I can't tell you exactly how long before. It wouldn't have been that long. Where we discussed Marra Wallan. And at the beginning it was SASL but then it was at that meeting, it was a dinner meeting where we discussed and we were advised that Gandangara Management Services Limited would actually contract to Marra Wallan not SASL because SASL was actually more of, more directly related to a Land Council itself, that was the description. So, so, yeah, and, again understanding seeing Gandangara Management Services Limited in that corporate structure model we just assumed that it was a part and parcel of their group. So - - -

20

Did this change your understanding of what, because this is again part of the idea of Marra Wallan assisting now GMS to find other LALC's who wanted to attain economic sustainability by corporatizing?---(not transcribable)

In the context of SASL which had at least a name that seemed to indicate a Sydney Wide, and I think at one point its name was State Wide?---It, it changed to State Wide after. And from memory the reason why it wasn't Sydney, Sydney because at that point in time we were discussing, I believe it was still the Sydney Aboriginal Services Limited. And, and the reference of Sydney kind of threw it out of not working out in the west. So and then that's when GMSL came on the scene. But then I learnt later on that it was changed to State Wide Aboriginal Services Limited.

30

But Marra Wallan was under this agreement going to now be recruiting Land Councils for dealings with GMS?---Yes.

And did you understand GMS to be a full profit entity within the Gandangara Group?---Yes. Yeah, I did.

I'll next show you the Board meeting that's now for 12 December, 2011, and that's at page 190 of this volume. I apologise, this document it has the heading agenda but, yeah, it may actually be minutes. There's number 6 towards the bottom of the page, a heading that indicates that Mr Filewood is a guest. And he then gives, he gives a presentation. And he's again identified as SASL representative?---Yeah.

40

Was that – did it make any difference to the Walgett Council, who Mr Filewood was acting as?---No. They just assumed it was all part of the

Gandangara LALC corporate structure. That's all. And when we'd have discussions, a lot of what we did was refer to Gandangara in general, just as Gandangara.

So you used Gandangara to speak for - - - ?---Yeah.

- - - SASL and GMS and - - - ?---Correct.

10 - - - the GLALC?---Well, they didn't really know much about GMS at this particular point in time. As I said, GMS, from when I was there back in the 2011 time frame, it was always Gandangara LALC or SASL. So it wasn't until later, as I said, with my personal company, that I learnt more about GMS.

GMS may have featured more prominently at this point. If you turn over on page 191, again there's a reference to Leon just a little below the halfway point of the page.---Yeah.

20 SASL Financial Services. There's obviously a PowerPoint presentation given. The next sentence reads "Tailored financial services through Gandangara Management Services Limited."---Yeah.

"Refer to PowerPoint." And so that appears to be introducing GMS as - - - ---Correct.

- - - the service provider for Walgett's Council. There's a reference a couple of lines down. John Shipp contracted through Gandangara at the local level.

30 MR DOCKER: Excuse me, Commissioner. Mr Johnson's having a bit of trouble hearing the Counsel Assisting, and I am as well. I'd just ask if he could - - -

THE COMMISSIONER: Yes, all right.

MR DOCKER: - - - raise his voice.

THE COMMISSIONER: Thank you.

40 MR FITZPATRICK: Sorry. I'll speak more loudly.---That's okay.

I apologise. Mr Shipp's name and an indication that he was contracted through Gandangara. Did Mr Shipp come to be an employee or a contractor of one of the Gandangara entities?---That would be through that agreement that we were talking about.

The Marra Wallan-GMS agreement we were looking at before?---Correct. It would have been that association.

At page 224 of the volume, now, this is an email from yourself to Mr Filewood, and copying those members of the Board, the Walgett Council, Mr Simpson and Mr Rutley.---Yeah.

And also your ex-husband there at the end of the Cc list.---Yeah.

And you're writing this email in your capacity as the acting CEO?---Correct.

10 Number two in the update that you provide reads, “The LALC is interested
in having SASL prepare its monthly financial reporting, but only at the right
price. I understand that you generally charge a LALC \$70,000 per year for
providing a full service relating to rental property management and financial
reporting for its administration, funding and other enterprises.” So this was
an expansion of - - - ?---This email came about because I had received
information somewhere along the lines. I was talking to Shalesh Gundar. It
was a phone call. I remember it vividly. And we were discussing about – I
believe it was the administration role. And Shalesh happened to mention at
that particular point in time that the debt for the Walgett Land Council was
20 around about \$68,000. And I went, “Sorry? What does that mean?” And
he went, “It’s the accounts payable in our ledger.” And I went, “Well, that’s
not in our ledger. What? I don’t understand. We haven’t received any
paperwork, any documents. Can you please explain more?” And he goes,
“Yeah, we’re accruing all the services that we’re providing Walgett LALC
as a debtor in our ledger. And at the moment it’s around about \$68,000 with
Christine’s and the meetings and everything that we’ve attended.” And I
did ask Shalesh at that point in time, “I was of the opinion and the Board
was of the opinion that the Walgett Local Aboriginal Land Council would
not pay a cent until SASL realised an income or money, investment monies
30 for the Land Council.” And he said, “Well, that’s true, but we still need to
get our money back for the time that we’ve spent.”

THE COMMISSIONER: So he was suggesting that this amount was not a
way of Gandangara keeping track of what they needed to take out of any
realised profit, he was suggesting that this was going to come out of your
funding anyway regardless of the profit that you might have made later
down the track?---Shalesh particularly was – he was inferring that if
Gandangara had or Jack Johnson or the group had realised funds for the
Walgett Local Aboriginal Land Council, whether it’s the sale of land or
40 however, that they – that this debt would be taken out of that money.

Mmm.---Yeah.

MR FITZPATRICK: And that’s reflected in the second paragraph under
number 2. In the first sentence there's the language, I know you guys are
working on the premise that the LALC doesn’t pay anything to you until it
makes money, but you’re essentially now asking for a bill.---Correct.

We prefer to use a pay-as-you-go system rather than an accrual system. A couple of lines down, I'm guessing our account is quite high, and that is in reference to what you had learnt from Mr Gundar.---Correct.

Now, you make a specific request, please send through a statement of all amounts owing. Did you receive that?---No. Well, I left only probably would have been a couple of weeks after that so me personally, no, I didn't receive that.

10 And towards the end of the paragraph you explain the reason behind this is the fact that if the LALC's first real profit from an economic development activity is to be paid in full to you guys that will not sit well in their minds. I've suggested the process for two reasons, to protect the working relationship and to ensure that the LALC feels a sense of achievement when it is able to bank a substantial amount. And there's a reference here to a future fund.---Correct.

What was the, what was the future fund?---So part of that corporate structure presentation was the establishment of the Walgett Future Fund.
20 The premise behind or the discussion behind that was that funds would be deposited into – so it's an actual company. I understood it to be a company. I helped the Board to understand that it would be a company not just a bank account and that those moneys that the Land Council realised as a result of its own actions would be deposited into – well, into the future fund as a way of preserving funds for future generations. So essentially and the way that I explained it to the Board was that the capital investment, so the initial principal funds deposited via that company through Walgett LALC would never be spent, it was mainly the interest earned off those principal funds that would be used as – to go towards future – the future generations. And
30 as I said to the Board at – I remember saying it to the Board at that time the Land Council under the Aboriginal Land Rights Act all assets remain with the Land Council. Even though we've got these companies set up essentially you can't spend LALC money. So the idea was to actually invest it, have the Land Council invest it into this company and then whatever that company – income it derived as a result of that investment that's what that company could use for future generations.

What was your – that understanding if you could just explain, where did you get – who informed you of that or advised - - -?---That's, that's how I
40 advised the Board that it should be done. Not, not, it didn't come from anywhere else. That was from me. If that was the process that they were to follow, if they were setting up these separate funds that they weren't to touch any sort of principal funds and they always remained the assets of the Land Council.

So what could go into the Future Fund, the realisation of development activities?---So for instance the Future Fund when I described, I described it to the Land Council being a separate entity. You could actually invest, use

it as an investment type vehicle in the sense that if funds, land was sold and you realised surplus from the result of that, those surpluses could be transferred over or invested into the Future Fund to sit there as principal, as a principal investment and then you would, you would invest then into safe – we were talking about safe investments at that particular point in time where like high interest fixed term deposits and things like that. So the income then that was generated from that principal would then be utilised by the Future Fund to help future generations.

10 And you mentioned that this was in your last couple of weeks - - -?---
Correct.

- - - in the CEO role. And then you didn't have any participation in the LALC for a couple of years through towards the end of 2014?---Correct.

And in that period you were followed by Ms Leslie, the CEO?---Lee Leslie, correct.

20 And then there was Elizabeth Wilson who replaced - - -?---Elizabeth Wilson was never an employee of the Walgett Local Aboriginal Land Council as far as records show. She was contracted by the GMS agreement.

But Ms Leslie was no longer in the role of CEO and those duties were performed by Ms Wilson under this arrangement?---That's what I can gather from the records, yes.

And she used the title CEO?---Correct.

30 Okay. And following there was Mr Sing was the CEO?---Correct.

Now when you came back into Land Council in late 2014, how did that happen?---So at that particular point in time I was working with another organisation separate to the Land Council. I initially started through my company contracting to help them with financial reporting and, and management. They had issues with a CEO that was not performing very well. We also did, I also carried out project management where we helped offer that organisation to set up a corroboree as well as try to unite the community. And it was at that particular point in time that Anne, it was Anne Dennis and Steve Rutley were talking to me about the issues that the
40 Land Council was having. And then it was Steve invited me to a meeting to discuss whether or not I would consider coming back as Acting CEO to, to help them out again.

If the witness could be given volume 28, please. Just while we're being provided with the bundle. Was it the case that and around this time the Gandangara Land Council and its entities came under the management of an administrator?---It was in the middle of January, 2012. I don't know how I came across it but I was, I learnt of an issue published in the Sydney

Morning Herald in regards to Jack Johnson being stood down by the Gandangara Land Council as CEO under certain allegations.

Sorry, I didn't mean to confuse with the dates but before you came back there had been an issue for the Walgett Council of having its service provision interrupted because the administrator prevented General Manager from continuing its operations for - - -?---I only learnt about that when I read minutes for that particular point in time.

10 And is a consequence of that there was an arrangement with Mr Gundar's private company?---Correct.

And it was contracted by Walgett Council to perform financial - - -?
---Correct.

- - - and accounting responsibilities?---Yeah.

20 The document that is now on the screen refers to number 6, I assume this is, this is your appointment as the Acting CEO?---Yes.

And the date again is 4 November and at number 9 on this agenda document at 9.2 the issue to be discussed is discuss validity of agreement and this is the agreement between – it's Mr Gundar's company's name. You recognise that?---Yes.

iSNP?---Correct.

30 Discuss validity of agreement based on previous employment with GMSL and/or associated organisations. And then there's a reference also to the working relationship of former CEO and GMSL or associated organisations. This is an issue about Mr Gundar and Mr Sing's - - -?---Correct.

40 - - - work for Walgett. What, what was the issue?---So again there was lack of confidence by the Board in the CEO. He had – Alfred Sing had resigned – I believe that became effective on 30 September – as CEO. He then offered the Land Council and the Board his services for free until an actual CEO was contracted and virtually hadn't – again coming back and only just within days of learning about it all I felt there was – the lines were blurred in the sense that both of these individuals worked for Gandangara group whichever company they were employed by. That organisation went into administration. They were locked out and it was only within a short period of time that they were on the doorstep of Walgett LALC offering services directly to the Land Council and the fact then when I came back the audit and annual – so it was in October under the Act the annual report and audited financial statements needed to be presented, lodged with NSWALC. This hadn't happened at this particular point in time and I received numerous phone calls and a couple of emails where I was being pressured by both Mr Gundar and, and Mr Sing to immediately get the qualified audit

in relation – so the audit for that year was qualified as a result of there was no information provided to support the debt between Gandangara and/or the Walgett LALC so the auditor qualified the audit based on that premise only and the phone calls and emails were in a sense for them to try and get me to push out auditor to change that to actually have it as a unqualified audit and they had a solicitor in Sydney who we could go through and emails were sent and Alfred was saying how the contracts were frustrated and Shalesh was doing exactly the same and I just went, yeah, hang on. We’ve got to – and that’s what I presented to the Board, you’ve got to get away from this
10 and there was a clause in Shalesh’s contract to get out of that contract and I advised that they do that because of the blurred lines so, and the fact that I think – I remember these minutes quite vividly, it took a long time to write them, the fact that we wrote up a motion based on what he, he said he would deliver in his contract and how we believed he didn’t deliver that.

I’ll show you the minutes, the handwritten minutes and this will be the last document to look at.---Yeah.

They begin at page 244 of that volume.---Yeah.
20

On that first page, about a quarter of the way down the page, it reads, “Discussion on previous CEO/property manager’s performance/contracts.” And Mr Sing and Mr Gundar are identified by their first names.---Yeah.

And next paragraph relates to, I guess, the one last payment that was due to be made to Mr Gundar.---Correct.

And “Confirmation that Alfred has been removed as CEO.” So that’s a reference to the end of his period, even after his resignation, this ongoing - -
30 - ---Yeah, his free time that he was offering.

Over the page, on 245, about five lines down, “Kelli received numerous phone calls and emails from our Alfred and Shalesh.”---Correct.

These are the ones to which you referred, about seeking an unqualified audit opinion.---Correct.

And then there’s a reference to \$239,000 of funds taken out of WLALC accounts.---Yes.
40

That was - - - ?---The invoices that were paid to Gandangara Management Services.

And when it says “taken out”, is that - - - ?---Well, during this time frame, before – so there was a period from Liz Wilson – so when you look at the paperwork, as I said, I wasn’t there at the time, so I’m only talking on paperwork that I’ve seen. The Board voted no confidence in Liz Wilson. She was stood down and Alfred Sing was accepted as acting CEO at the

time. However, he wasn't paid directly by the LALC at that time, which was in - I think it was April 2013, from memory of the paperwork. And then it was in August 2013 that Alfred was then employed directly by the Walgett LALC as acting CEO. And in that time frame the payment of these invoices was not affected. They were authorised by Steve Rutley and/or Richard Simpson, or two signatories on the account, but they were actually brought to account by a staff member of Gandangara group. So at that particular point in time, when it was discussed at this meeting, the Board couldn't remember invoices. They couldn't remember these payments. So, again, given the time frame, I didn't have the chance at that point in time to go through paperwork to try. So that was what that discussion was about, was that there's still this money of \$300,000 owing, but close to \$240,000 had been paid, so there was that confusion there.

Thank you, Ms Randell. That's all my questions.

THE COMMISSIONER: Does anyone have any questions?

MR SHAW: I don't have questions.

THE COMMISSIONER: No? Nothing? No? Thank you. Thank you, Ms Randell, you may step down.---Thank you.

THE WITNESS STOOD DOWN **[11.33am]**

MR FITZPATRICK: Commissioner, I note the time.

THE COMMISSIONER: Yes, we'll take a morning tea adjournment. Resume at 10 to 12.00. Thank you.

SHORT ADJOURNMENT **[11.33am]**

THE COMMISSIONER: Yes, Mr Ekstein. You seek leave to appear for Ms Maltby?

MR EKSTEIN: Yes, thank you, Commissioner, and Ms Maltby will take the section 38, Commissioner.

THE COMMISSIONER: All right. Thank you. Yes. Yes, that leave is granted. Ms Maltby, just take a seat. The section 38 order prevents the use of your answers against you in any future civil or criminal proceedings but it doesn't protect you if it should be found that you've given false or misleading evidence to the Commission. You understand that?

MS MALTBY: I do.

THE COMMISSIONER: Pursuant to section 38 of the Independent Commission Against Corruption Act, I declare that all answers given by this witness and all documents and things produced by this witness during the course of the witness's evidence at this public inquiry are to be regarded as having been given or produced on objection and there is no need for the witness to make objection in respect of any particular answer given or document or thing produced.

10

PURSUANT TO SECTION 38 OF THE INDEPENDENT COMMISSION AGAINST CORRUPTION ACT, I DECLARE THAT ALL ANSWERS GIVEN BY THIS WITNESS AND ALL DOCUMENTS AND THINGS PRODUCED BY THIS WITNESS DURING THE COURSE OF THE WITNESS'S EVIDENCE AT THIS PUBLIC INQUIRY ARE TO BE REGARDED AS HAVING BEEN GIVEN OR PRODUCED ON OBJECTION AND THERE IS NO NEED FOR THE WITNESS TO MAKE OBJECTION IN RESPECT

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OF ANY PARTICULAR ANSWER GIVEN OR DOCUMENT OR THING PRODUCED

THE COMMISSIONER: do you wish to be sworn or affirmed?

MS MALTBY: Sworn, please.

THE COMMISSIONER: Can we have the witness sworn.

THE COMMISSIONER: Yes.

MR FITZPATRICK: Thank you, Commissioner. Ms Maltby, you worked for the Gandangara Local Aboriginal Land Council between 2007 and 2011. Is that right?---That's correct.

10 You started at GLALC in fact on the same day as Mr Johnson?---Yes.

And the role that you took up was at the Finance Manager. Is that right?
---That's correct.

What were your responsibilities as the Finance Manager?---When I started?

Yes, please.---I was to look after the financial reports and the accounting. Entering into the MYOB the invoices, et cetera. Day-to-day financial accounts for the different areas that we had in Gandangara. At the time we
20 had some Aboriginal housing so it incorporated that as well. We also had CDEP participants so there was funding there so I had to look after the funding and make sure the financial reports were compiled for that and that the funding was used appropriately as per the budget.

Did you have any participation in payroll issues?---In, in processing payroll?

Yes.---I did.

30 And so was that the mechanics of issuing payslips?---Yes.

Yes. And you did – the invoices that you mentioned, were those invoices that were presented to GLALC?---Correct, yes. For the housing repairs and all that type of thing, yeah.

And you also were involved in making reimbursements to staff members who had incurred expenses in their - - -?---There weren't a lot in the early days, no, for reimbursements but if there was, yes.

40 Thank you. Were you involved – in respect of payroll on a year-to-year basis were you involved in adjusting salaries?---As told to, yes.

And paying bonuses of – and of that - - -?---That's correct, yes.

And calculating bonuses?---Yes, it was. There was – in Jack Johnson's and my contracts there was a bonus on performance which was calculated on – Jack would do mine but for Jack it was done by a Board – two Board members used to sit down independently and score Jack's performance as

per the KPIs in the piece, the sheet of paper I had that had all his performance key, keys in and they would score one to five and then it would be worked out whether or not he was entitled to a bonus as per the contract.

Okay. Perhaps we can take a look at that contract. It's in volume 11.

THE COMMISSIONER: Just while we're looking at that, Ms Maltby, the Board members rated his performance on a score of one to five.---Mmm.

10 But who actually calculated the bonus after that score?---They wrote it on a piece – I did a calculation sheet for them.

Right.---It showed, let's say communication. Did – was his communication adequate or, you know, excellent or whatever.

Ah hmm.---And they put one to five there for the – for that previous year.

Mmm.---And they would write it down. It would be on a couple of pages which were stapled and I kept that as my record.

20

Yes, I appreciate that but who actually calculated out the figure that was going to be the bonus after they'd allocated the score?---While I was there I did.

You did. Right. Thank you.

MR FITZPATRICK: Thank you. Ms Maltby, in this volume page 72 is the first page of a contract made in 2007 for Mr Johnson's employment by GLALC.---Ah hmm.

30

Are you familiar with this document?---I don't – I only was given the pages that were appropriate, appropriate to his wages. I didn't have the full contract.

Let me ask you about that then. On page 75 there's clause 6 in relation to, and the page numbers are on the bottom right-hand corner, I apologise they're small?---That's okay, yeah. There's a signature, yeah.

40 So were you shown – when you say the pages that you needed, did that include clause 6 headed "Remuneration"?---I don't believe so. It was where the KPI's were and how much the salary was.

Okay. We'll get to it. But if I could show you page 76, there's clause 7, "Additional benefits"?---No.

Now this is, well 7.1 relates to reimbursement of expenses in three specific categories, vehicle expenses, accommodation expenses and office

equipment purchase and hire. Were you, you weren't familiar with the terms of his contract in relation to those?---No.

Well 7.2, or clause 7.2, relates broadly speaking to reimbursement for work related expenses. Were you ever shown the language of that clause?---No, I wasn't.

10 On page, sorry, the bottom of that page, clause 8 there's Mr Johnson's leave entitlements. Were you aware of the terms of his entitlements to take leave?---Look, I knew he was entitled to leave but I didn't see this page with that written.

Over the page on page 77, there's a heading "Superannuation". Were you ever shown - - ?---I don't recall that, no. The superannuation, everybody's entitled to superannuation by law.

Yes. But you didn't specifically see his clause in respect of what - - ?---No.

20 - - - his superannuation entitlements were?---(No Audible Reply)

Then clause 15 on page 80 refers to performance reviews. And were you ever shown this page?---No, I wasn't.

Now turning over to page 84. You referred to a page which had salary information. Is this familiar?---I think that's what I saw, yes.

30 And this is schedule 1, you see at the top. And then over the page there's pages in respect of performance assessment?---Yes.

Now after the table towards the top of the page there's a heading "Section 1". And there's – and this explains an entitlement to a performance allowance. Do you see that?---Ah hmm. Yes, sorry.

And so look, we'll call that a performance allowance. And this is a 15 per cent payment on top of the total remuneration and then there's what's called a remuneration package increment?---Yes.

40 And that was a pay rise from one year to the next?---Correct.

And then the next pages show, I think what you're referring to the components of Mr Johnson's performance assessment?---Yes, it is.

And then on page 90, it might be a little bit difficult to read. It also has number 19 in the bottom right-hand corner?---Ah hmm.

This is section 2 of these additional remuneration components. And this is now referring to a results bonus. Do you see that in paragraph a? "Prior to being eligible for consideration of a results bonus"?---I do.

Were you shown this page to assist with calculation of the results bonus?

---To be honest, I don't recall this page.

10 Sorry, I maybe didn't ask you. Page 85, which was the one where there was the mention of a performance allowance, and the remuneration package increments. Were you shown that page?---Yes. Oh, 85, sorry. Yes.

So, 84 and 85 are familiar?---Yes.

And 90 you're not sure of or - - - ?---No, I honestly can't remember that one.

Okay.

20 THE COMMISSIONER: Just looking at that bonus calculation, Ms Maltby.---Yeah.

You can see, by way of the examples, that the example 1 calculation refers to the 15 per cent.---Yes.

Do you see that?---Yes, I do. That's how I used to calculate the bonus from where you're referring to in page 85, section 1.

30 Well, I mean, I think that the issue is whether or not you understood what was called the performance allowance to be a different category from the results bonus. Or are they one and the same thing?---It doesn't look like it's one and the same, because 85 says 15 per cent of (not transcribable).

Yeah.---And then this one says a results bonus at 1.5 per cent, the third bullet point. That looks like two lots.

40 MR FITZPATRICK: Okay. We'll refer to the 15 per cent one as "the performance allowance", and the one that you've mentioned that has the 1.5 per cent number associated with it "the results bonus". You mentioned earlier receiving documentation from directors of performance assessments of Mr Johnson. And that was the basis for, am I right in saying, the performance assessment? Sorry, the performance allowance?---That is what I calculated. I didn't call it an allowance back then. It was basically a bonus, I called it, back then.

THE COMMISSIONER: Hence my question, because there's a confusion in the terminology.---Yeah.

Right.---I called it, yeah.

Right.---It was just a performance bonus and then I've noticed here it says, "Bonus amount at 50 per cent." Well, that's an increase for the next financial year.

Mmm.---So, yeah.

MR FITZPATRICK: So that's - - - ?---It's kind of the wording. It's a bit confusing.

10 Sorry, but are you comfortable with referring to three separate things? The 15 per cent, we can call it a bonus based on performance.---Yes.

There's then the year-on-year increase to remuneration, which is the increment.---Yes.

And then there's what's called a results bonus.---Yeah. I'm happy to - - -

Okay.--- - - - work with that.

20 We might look at an example of the performance allowance. In this volume, if you could turn back, please, to page 43. This is a cash disbursements journal for GLALC. Do you see that?---Yes.

Now, this was a document that you would have dealt with at the time in your role as finance manager?---Yes.

And this is produced by the MYOB software, reflecting the transactions that have been entered into the software?---It appears to be, yes.

30 Sorry, but that's how a document of this kind would have been generated? ---Yes.

Thank you. On the right-hand side of the document, in handwriting, there are some letters R and C and B. Is that your writing?---I don't think so.

Okay. The third entry from the bottom, it has a date of 24 October, 2007. Do you see that?---Ah hmm.

40 And under the account name column, there's a reference to Waawidji Proprietary Limited.---That's correct.

Do you know who that company was?---That's a company owned by Jack Johnson.

Thank you. Under that heading there, you have four EFTs, the second of which reads "Prov. for management bonus"- - - ---Yes.

- - - of \$14,400. See that?---Correct.

So what would – do you have any consistency with what - - - ?---That's a liability account in a balance sheet for provision of management bonuses. So at the end of the financial year for 2007 we put a provision in, I believe it might have been from Lawlers' suggestion, that there was bonuses in our contracts and we should put it into the financial year, which is correct accounting. And once we pay it, it comes out of that account.

10 So does this reflect a payment that was, in fact, made or only a provision?
---That would be a payment made.

Okay. And then below that entry, there's development consultancy fee of \$2,100.---Ah hmm.

Do you see that? Can you assist us with why Waawidji was paid a development consultancy fee?---At the time I was asked to pay Jack Johnson's bonus to Waawidji by Jack, and he supplied me with it. Because there's GST implications in that transaction, I requested a tax invoice.

20 So for the whole amount of the bonus or for that consultancy fee portion?
---I can't remember if it was just that whole amount.

You mentioned GST. The next line includes an entry for \$1,650.---Correct.

Your maths is no doubt better than mine, but that's the relevant GST number on the first two entries.---It is, yes.

30 Right. So, can I take it that those two numbers together, adding up to \$1,650 - - - ---\$16,500?

\$16,500, I apologise.---Yes.

- - - are the bonus number, and then there's a GST in addition?---That's what it appears to be, yes.

Okay. I ask that because that is 15 per cent of \$110,000.---Yes, it is.

40 And \$110,000 was the number that we saw, or I perhaps didn't take you to, but on page 84 of the volume is the annual remuneration.---Correct.

Now, just while we're on page 84, the effective commencement date of this contract is identified there as 26 February, 2007.---Yes.

And from that cash disbursements journal, it appears that Mr Johnson, or at least Mr Johnson's company Waawidji, was paid a bonus of \$16,500 in October of the same year.---Correct.

And you mentioned before that these things were done on a financial year basis.---That's right, yes.

So Mr Johnson started in February?---Ah hmm.

The financial year concluded at the end of June and in October he was paid a bonus reflecting \$110,000 of remuneration when presumably he didn't earn that amount in the previous financial year?---That is correct, yes.

10 Do you have an explanation why Mr Johnson would've been paid a full year bonus for four months work?---No.

You mentioned earlier that – who, sorry. On whose instruction did you at least calculate a bonus?---I had the calculation. I was given the performance assessment information by Jack or the KPI indicators, and I sat with the Board members.

20 And together you worked out that the actual number of the entitlement, is that what you mean?---They did not mention the 110, no. The Board members I mean. I honestly don't know where the – I probably just assumed it was that amount. To be truthful, I can't recall anyone mentioning the 110.

30 But in terms of who had authority to have that payment made, was that an authority that you had as the finance manager? Was it your responsibility to calculate and pay Mr Johnson's bonus?---I calculated it but back in the early days I had a Board member go through the accounts with me and they, they were also signatories and I'm pretty sure they would've seen that before it was paid.

Thank you. Can I you another one. Page 58 of this bundle is another cash disbursements journal. And it's the cash disbursements for the year commencing 1 July, 2010 running till the end of June, 2011. Do you see that?---Yes, I do.

And it's again the GLALC accounts. Now there's, on the right-hand side the handwritten notation and there's a number there 3-2-3-4-0 and then a handwritten notation is bonus?---Yes, there is.

40 Is that your handwriting, can we - - -?---No, it's not. I believe at that time in 2010 I wasn't at Gandangara, I was in either hospital or recovering from a major operation.

Are you, I'm sorry. The date of this payment is 17 September?---Correct.

Is that the date you're referring you were - - -?---Yes. In September I did undertake an operation.

Am I right that the payment in September of 2010 would've been for the financial year ended 30 June, 2010?---One would assume but I, I can't tell from this.

At what point in the year were things like performance reviews done?--- After the financial year and usually after the accounts had been audited. Because we had to get an unqualified audit because that was a part of the KPI.

10 So September is about the right time?---It is, September/October.

Bearing in mind that number 32,340, there's a document that might assist us at, and I apologise it's in another volume I need to show you, volume number 19 and it's page 52 of that volume. Ms Maltby, this is – is that your name - - -?---Yes.

- - - and handwriting on the notation?---That's my writing.

20 So sorry, just to identify it, this is an invoice on Waawidji's letterhead dated 17 September, 2010.---It is.

And that matches the date on that transaction in the journal that we were looking at?---It does.

There's subtotal tax and total printed on the invoice but your annotation appears to explain why it should be a different number. You might - - -? ---Sorry, can you repeat that.

30 Sorry. The – your handwritten note, should I interpret that as sorry, Jack, should have been 29,400 plus GST?---Correct.

And so you come up with then the number 32,430 including GST? ---Correct.

Now, you said that there was a request by Mr Johnson for bonuses to be paid to Waawidji. Is that right?---Yeah, I was just asked to pay his bonus to there. Something to do with his tax. He's spoken to his tax agent and it was just an accounting thing.

40 And so that was why there was an invoice presented and you were, you were giving him the number that should be included in the invoice that would come to him?---Correct.

Now, the next page of that volume – no, sorry, can I just ask one more question. 32,340. I'm genuinely asking for assistance. Can you provide any explanation for how that number might have been arrived at?---Not without my calculation sheet.

It would have – because the other one we were able to infer was 15 per cent of the 110 number.---Ah hmm.

This one doesn't seem to line up with the – it's almost twice as much and only a couple of years later and it's under the, the same contract. It's for the 2009/2010 year as identified in the description.---Honestly I can't remember how I calculated it without my paperwork.

10 Okay. If you turn to the next page in the bundle. Is this a calculation sheet of yours?---It looks like it.

I'm afraid I can't explain for you why this document follows the one that we've just been looking at but I just wanted to ask you about this one. This has – the last line of it indicates that – a new salary package effective from 1 July, 2009. Do you see that?---Sorry, where do you get that?

Sorry, last line – I'm on page 53.---Oh, yeah. right. Yeah. Current salary package, yes.

20 So this calculation is being done in respect of the financial year ending 30 June, 2009 and showing the – an increase going forward from 1 July, 2009. Is that right?---It appears that way.

Okay. Now, the bonus terms that are being applied – now, this appears to be the last page of a document that's got more than just this page. At the top of the page there's a total and a percentage.---Yes.

Am I right in guessing that's the KPI score?---Yes.

30 And human resource management, was that one of Mr Johnson's KPIs? I guess I'm not sure if this sheet applies to Mr Johnson.---It wouldn't apply to mine because I didn't have this result bonus.

Okay. So then there's the number 15 per cent, and that's allowance percentage achieved.---Ah hmm.

So does that mean that the score of 78.28 is good enough to receive the full 15 per cent?---That is correct.

40 So was there some scale?---There was. And they had to achieve, and I can't remember the exact figures now, but you achieved so much and you got 15, and anything under that there was reduced. So if you only got, maybe, let's say you had to get 75 to get the 15, but you only got 70, that means you might have only got 10 per cent.

Okay.---But I can't remember the scale off the top of my head. So long ago.

There's then a heading "Part 2". And there you have what seem to be four criteria for which there's a weighting.---Correct.

And then there's a maximum of 5 per cent and the sum that is arrived at is 5 per cent.---Sorry, can I correct. I think that is only three criteria. The last two lines is - - -

Oh, sorry.--- - - - one or the other.

10 I see. Thank you. Then in the calculation block at the bottom, we have reference to the current salary package of \$89,000. A performance bonus part 1, which is \$13,416.---Yes.

You can take it from me that that's 15 per cent of the 89.---I believe you.

And then there's the results bonus in part 2, which is 5 per cent of the 89. ---Yeah, which is the part 2 section. Correct.

20 Now, if you recall when we looked at Mr Johnson's contract, the results bonus, there wasn't a 5 per cent number associated with it. You've identified the 1.5 per cent and there's actually also a 3 per cent component, depending on the levels of success that have been achieved by the organisation.---I don't think the words "result bonus part 2" is actually the same as what you're talking about as the results bonus of the contract. I think it's a wording thing.

30 Okay. Were you aware of anyone in the organisation who was paid bonuses of this kind, where there was a 15 per cent referable to KPIs, and then a results bonus reflecting criteria including an unqualified audit and the meeting of statutory requirements?---Sorry, can you ask that again?

Who in the organisation, other than Mr Johnson, would have had a contract which paid a bonus of this kind?---I had a contract with the - - -

No. Is this yours? Does this reflect your salary and your bonus numbers?

40 THE COMMISSIONER: Was your salary \$89,000?---It may have been, actually. Because when I said before that I never had a results bonus, I was thinking of Jack's contract, that result bonus written in his. But I did have to achieve an unqualified audit, so this may have been mine. It doesn't even actually say, does it?

MR FITZPATRICK: No.---I honestly can't tell you.

Okay. Do you recall whether or not your bonus was – were you able to reach a bonus level of approximately 20 per cent of your salary under your employment arrangements?---I honestly can't – I may have been able to. I'm not a hundred per cent sure.

The reason that I ask is I'm again trying to work out how that number, 32340, was arrived at on the previous page, which was the invoice from Waawidji, and we saw the number in the journal. That number, I can take you back. You still have volume 11 with you.---Ah hmm.

10 Page 130 of that. Now this is an email that I appreciate you weren't a recipient of but do you recall the events in 2010 of the renegotiation of Mr Johnson's employment arrangement?---I wasn't part of it but I know that he did have – both his and my contract were up for renewal in approximately May.

Okay. This email is from Mr Johnson and it's to the Chair of the Board and Ms Cronan. And it contains a PowerPoint package. The first page of which is at 131. Mr Johnson is saying that as at 3 May, 2010 his current salary package was \$188,951?---188 - - -

Sorry, I misspoke, 148,000?---Okay.

20 Again you can take your calculations from me but 20 per cent of that number, it's not exact but we're in the ballpark of 32,340?---Yeah.

Could it be that the 32,340 number was an application of the bonus terms in your contract to the remuneration package that Mr Johnson had at that time at the end of the financial year, 2010?---It may have but I can't confirm.

Okay. Again - - -?---Without, without my calculation sheet it's a bit hard.

30 And the calculation sheets what – were they kept and filed?---Yes. And they were put, and they were usually attached to the payment. Like you know the payment slip when the money was paid. It would've attached to that invoice.

So the fact that it's, that we have that a payment sheet behind that invoice it may be the wrong one, but that would reflect the way in which it would be filed or presented to the employee?---Well I would, I would put the, the Waawidji invoice and I would put the calculation, a copy of the calculation sheet with it and then I would attach it and put it into the accounts folders.

40 And were they then filed and stored for the - - -?---For the auditors.

And for the – now there was successor to you and the finance manager, Mr Gundar, would he have had access to your calculation sheets for previous years?---He may have, I don't know what happened to all my stuff when I left.

Did you ever meet Mr Gundar?---No, I did not.

So there wasn't a handover period where you were explained how things were done?---There was supposed to be but at the end I wasn't given time to sit with him.

Okay. Now the results bonus that we looked at in terms of Mr Johnson's 2007 contract related to a surplus in the accounts of GLALC. We can go back and look at it if you want. But do you recall that terminology?---Yeah. That was the third one.

10 Yes?---Yes, I do recall that.

Now do you recall ever calculating and paying under the 2207 contract a results bonus by reference to the surplus - - -?---I don't believe I did, no.

Okay. And if that's the case there wouldn't be a worksheet that you would've created?---Correct. Because I don't, I don't recall seeing that results bonus. But I could be wrong.

20 Okay. Now the 2010 contracts that we mentioned a moment ago. Those are at still in volume 11 at page 96. Now Ms Maltby - - -?---Sorry, these are 2011, are they?

Sorry, 2010 contracts in volume 11.---Oh, sorry.

At page 96 is the first of them. Now, did you know that there were two contracts which applied to Mr Johnson's engagement as the CEO of Gandangara and its connections?---Not at the time.

30 You didn't know that at the time. What – when – you mentioned that you weren't involved in the discussion of the renegotiation of Mr Johnson's contract. Did someone come to you and advise you of the new arrangements as they were required?---Yes. I would have been told after the Board meeting that his contract – well, a new contract had been entered into and that it was now 180,000 and I would have then checked it with Cindy Cronan to ensure that that was right and then I started paying accordingly.

So you were advised by – if not Ms Cronan in the first instance who would it have been?---Probably Jack Johnson.

40 Okay. So he would have advised you of the number and you would have confirmed it with someone on behalf of the Board?---Correct.

Now, did you receive copies of these contracts?---No.

So was the extent of the information that you were given what the numbers should be?---Correct. I may have got a sheet of paper just with that but I don't recall, I really don't recall doing that.

Okay. The second of the contracts was – which is at page 112 of this volume. See there's reference to the parties of the contract. There's Waawidji.---Yes.

And that's Mr Johnson's company.---Correct.

And then the counterparty is Gandangara Management Services Limited. ---That's right.

10 What did you understand about what Gandangara Management Services was in May of 2010?---At that time it was a fully-owned company of Gandangara at LALC and the members of the LALC and – were the members of that company and the Board of Gandangara LALC were also the Board of that entity.

So you understood it to be a separate company?---It – yeah. It had its own ABN.

20 All right. The first of the contracts that I showed you – we might have passed over it too quickly – was between Mr Johnson and GLALC. That's the one at page 96. And then the second one is then between Waawidji and GMS.---That's correct.

Did you have any understanding as to why there were different counterparties to the different contracts?---I actually just thought the 180 was Jack's salary for the year and he nominated he wanted some to go into Waawidji as he had in previous years.

30 And the – I'll take you to page 55 of this volume.---Of which volume, sorry?

Sorry, volume 11, page 55. It's another of the cash disbursement journals. ---Yes.

This is for GLALC you see at the top.---I do.

And there were separate, separate journals were maintained for the separate entities. Is that right?---Yes, there were.

40 Well, for example, on page 57 there's for the next financial year a GMS journal but staying with the one that we have on page 55 the last two entries are dated in June of 2010.---Yes.

And those are GLALC payments to Waawidji?---That's correct.

Okay. You can take it from me that the effective date of the 2010 contracts is May of 2010. And as we looked at, GLALC's contract is with Mr

Johnson. Waawidji's contract is with GMS.---When were these signed, the contracts?

So if you'd like to see it, the Johnson GLALC contract on page 108. In the schedule, there's a commencement effective date 1 May, 2010.---Okay. Sorry, the question again?

10 Sorry. These two transactions, appearing on page 55 in June of 2010, are payments from GLALC to Waawidji when, at that time, the relevant contracts were – GLALC's contract was with Mr Johnson and Waawidji's contract was with GMS. Those are just the matters that I've - the background of my question.---Right.

Which is, how would it have come to pass that GLALC made a payment, or two payments here, to Waawidji in June of 2010?---This is only a computer entry. Do you have supporting paperwork to say what it was for? Because I can't tell.

20 THE COMMISSIONER: What was for?---What the amount of \$9,241. Like, this is just one side of the entry. I don't know what the payment was for. I can't remember back, you know, seven years. Sorry.

MR FITZPATRICK: Let me ask this question, then. Did you make the decisions about where payments were made or were you following instructions to authorise the payments, if these are as reflected in the document?---If there is GST, I would have been given a tax invoice from Jack, in the name of Waawidji, to pay it. Because Jack himself wouldn't be entitled to GST. So that's all I can assume, that I did have a tax invoice at the time.

30 And when you received a tax invoice from Waawidji, presumably addressed to GLALC, would you have looked at that yourself and made a decision whether or not to pay it? Or was it a matter that you would have sought authorisation from someone else at the council?---I did go through the payments with one of the Board members at least, because I didn't have knowledge of what went on in the Board meetings. There would be substantiation at the back of the invoice, surely. As you can see, I wrote on invoices. So, without seeing it, it's really hard to say.

40 I apologise, I don't have any other documentation.---Sorry, my memory's not that good.

Turning to the question of reimbursements. How were reimbursements dealt with? With employees who had incurred an expense for some work-related reason, how did they go about being reimbursed?---They would usually submit the tax invoice to me and show proof that it was paid. And usually I'd ask the division manager. Like, say if it was for one of the project officers, I'd say, you know, "Did that happen?" And they said,

“Yeah, that’s fine.” So I’d check it out that way. And there was a copy of, let’s say it was accommodation or something, be a copy of the invoice there.

So who had authority to approve the reimbursement?---It varied so depending on who incurred it really.

So when you say the division manager, if for example a housing employee - - -?---Ah hmm.

10 - - - incurred an expense, some cost of travelling to see a property - - -?
---Ah hmm.

- - - they would seek the housing manager’s authority?---Yeah.

And - - -?---Or they would know that it happened and I would check that it happened but there was – it was rare that the actual employees paid their own expenses or anything. It was usually I’d arrange for the payment to be made prior or Jack’s PA would do that, or EA, sorry.

20 Would authorise expenses to be paid in advance?---Would make the payment, yes.

Did you yourself ever have expenses for which you sought reimbursement?
---In the beginning, yes.

And how did that – how was that process managed?---That process was managed, it was signed off by a Board member, the payment.

30 So you would present an invoice of a payment – proof of payment and was there a form, a reimbursement form that you - - -?---There was a spreadsheet I think from memory but not a form in itself I don’t – I can't remember a form in itself.

How was, how was the Board member’s approval of the reimbursement - - - ?---They were shown the tax invoice and told – and shown the payment of it.

40 Did they then sign something or stamp something?---I think I had a stamp and they used to autograph it.

What about for Mr Johnson’s reimbursements?---Jack used to give me all his tax invoices and proof of payments and he may have given me an invoice for them from Waawidji. I’m not 100 per cent – I can't remember 100 per cent.

And whose job was it to confirm that those expenses had been, they had been incurred?---The end of the day probably mine. You know I'd ask him or he'd, he'd, I don’t know if I can remember if he wrote on it, send flight to

Queensland or accommodation. But a lot of invoices are self-explanatory too. So if it's a flight for you know, Mark Johnson to Queensland and I know he wasn't there that week, well it's kind of self-explanatory.

So in terms of evidence that you would accept of something having been done you mentioned a tax invoices?---Ah hmm.

Was that a necessary piece of documentation?---Yes.

10 Were there other forms of proof that you would accept?---I can't remember if he showed me a copy of his credit card statement but look, I've, I've done quite a few jobs since then and I can't remember if it was in place for that one.

You mentioned Mr Johnson flying to Queensland?---Yes.

20 And would you have known why he had to make that trip?---I didn't question him why but he did meet with David Wing or some of the other – I think there was lawyers up there that he was conversing with.

So did you have to check each time you approved, for example, a flight invoice or receipt that it had been a work related trip?---No. If, if I knew the dates were a work day, I don't understand why I'd have to ask him if it was work related. If he presented me with the invoice to say he's, I paid for this trip up there last week or I'm going next week and here is your, and here's the invoice.

30 And the same, the same applied if you were shown a credit card statement with – because the credit card statement will indicate the date of the charge?---Correct.

And often the provider and the amount?---But I always got a tax invoice for everything. I never just took it off the statement.

So a tax invoice was an absolutely necessary piece of documentation?---Yes. Well I had, I had auditors check everything, well you know what they normally do.

40 Commissioner, I note the time.

THE COMMISSIONER: Yes. We'll resume at 2 o'clock, thank you.

LUNCHEON ADJOURNMENT

[1.01PM]