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INDEPENDENT COMMISSION AGAINST CORRUPTION

THE HONOURABLE MEGAN LATHAM

PUBLIC HEARING

OPERATION GREER

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TRANSCRIPT OF PROCEEDINGS

AT SYDNEY

ON MONDAY 30 MAY 2016

AT 2.07PM

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

THE COMMISSIONER: Yes.

MR FITZPATRICK: Commissioner, before Ms Cronan's evidence continues, it's proposed to interpose the two other witnesses on today's list.

THE COMMISSIONER: Yes.

MR FITZPATRICK: But I believe Mr Docker has something he wanted to raise before that.

10

THE COMMISSIONER: Yes, Mr Docker.

MR DOCKER: Commissioner, I just want to raise something that I raised somewhat obliquely on Thursday afternoon, and that is that I have a professional commitment on Wednesday. And my application is that any re-examination, and that's re-examination only, of Mr Johnson be put over till the Thursday afternoon so that I can read his cross-examination transcript and do - - -

20

THE COMMISSIONER: Well, that's if there is any, I suppose.

MR DOCKER: Yeah, if there is any.

THE COMMISSIONER: Yes, all right. Well, we'll see how we go, Mr Docker, but at this point in time it's a bit difficult to say because I have other hearings listed all through the end of this week and then all of next week. But if we can find some time to carve that out, we will. But we'll just see how far we get.

30

MR DOCKER: Well, Commissioner, without wanting to be too pushy, the difficulty I have is if I can't know that I don't need to be here on Wednesday for that purpose, I'm going to need to go back to my other client and seek a release of my brief for Wednesday. So - - -

THE COMMISSIONER: Sorry, so you're not planning on being here at all on Wednesday - - -

MR DOCKER: Well - - -

40

THE COMMISSIONER: - - - anyway?

MR DOCKER: At the moment I have a one-day hearing that was expedited and fixed, before I got this brief - - -

THE COMMISSIONER: Right.

MR DOCKER: - - - for Wednesday. So I expect to be tied up all day in that matter.

THE COMMISSIONER: Right.

MR DOCKER: If I can't be sure that I don't have to be here for the re-examination of Mr Johnson, then the thing I'm going to have to do is obviously reassess my obligations. And one of those is probably to go back to my client in the other matter and ask for a release from Wednesday, which is obviously going to cause some disruption because I've been in that case and it's expedited and specially fixed.

10

THE COMMISSIONER: Well, except that, as I understand it, what you're saying is you won't know if you're having your re-examination until you read the cross-examination. Is that what you're saying? I'm not quite sure.

MR DOCKER: Well, of course I won't know.

THE COMMISSIONER: Yeah.

MR DOCKER: But what I'm asking is if I won't be – is if I can be sure that I won't be required to do the re-examination on Wednesday if I have any.

20

THE COMMISSIONER: Okay. All right. Yes, all right. Well, we'll – if I can fit you – if I can fit something in by way of re-examination on Thursday afternoon, that will have to depend to a large extent on everyone else's availability though that's the problem. Does anyone have any problems on Thursday afternoon? Anyway, it doesn't look like it. All right. Well, we'll accommodate you, Mr Docker, to the extent that we can but as I understand it you're not going to be here on Wednesday and then you want to consider whether or not you need to re-examine on Thursday afternoon. Is that the position?

30

MR DOCKER: Yes.

THE COMMISSIONER: Right. Right.

MR DOCKER: Thank you, Commissioner.

THE COMMISSIONER: Yes, Mr Fitzpatrick.

MR FITZPATRICK: If we could call Tina Taylor please.

40

THE COMMISSIONER: Yes, come forward Ms Taylor. Just take a seat. Ms Taylor, can I just explain to you that the Commission operates in the following way. You must answer questions that are asked of you truthfully. Even if those answers should implicate you in some form of wrongdoing, you don't have the option of refusing to answer. But I can make an order under the Act which effectively protects you from the use of your answers against you in any civil or criminal proceedings but the order does not

protect you if it should be found that you have given false or misleading evidence to the Commission because in that case we could use your answers to prosecute you under the ICAC Act. Do you understand that?

MS TAYLOR: Yes.

THE COMMISSIONER: All right. And you want the protection of the order?

10 MS TAYLOR: Yes.

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

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OF ANY PARTICULAR ANSWER GIVEN OR DOCUMENT OR
30 THING PRODUCED**

THE COMMISSIONER: Would you like to be sworn or affirmed?

MS TAYLOR: Affirmed.

THE COMMISSIONER: Can we have the witness affirmed please.

<TINA TAYLOR, affirmed

[2.13pm]

THE COMMISSIONER: Yes.

MR FITZPATRICK: Thank you, Commissioner. Ms Taylor, you used to work for the Gandangara Local Aboriginal Land Council. Is that right?---
Yes.

10 And can you tell us when you started there?---In 2006.

And are you working there at the moment?---No.

When did you stop working there?---2013.

Thank you. And what was your position?---Originally I was the receptionist and then I worked my way to be the assistant, CEO's assistant.

20 And when did you become the CEO's assistant?---I think it was maybe two years after I started.

So in around 2008?---Yeah. Yeah.

Thank you. In your position as the CEO's assistant what were your responsibilities?---His calendar. I had the reception staff. I just sorted them out. Just assistant duties really.

Did it include booking travel for the CEO?---Yeah. Yes.

30 And sorry, who was the CEO at that time?---Jack Johnson, Mark Jack Johnson.

Thank you. So you did sorry, booking of travel?---Yes.

And did it include assisting in reimbursement of expense claims by Mr Johnson?---Yes.

40 Could you explain how that worked.---Originally I would just pass them onto either Shalesh or his staff. It was in a A4 document holder. There were just a heap of things in that.

THE COMMISSIONER: Sorry?---Receipts, sorry.

When you say pass them on, are you referring to receipts that were given to you?---Yeah.

Right.

MR FITZPATRICK: And who would – how did the A4 document folder come to you?---Jack – Mark would give them to me and I would pass them on.

So - - -?---Not in all – not originally though.

When you say originally what do you mean?---Oh, when I started my role as assistant I didn't really see reimbursements not unless it was the odd one, pass this onto Shalesh.

10

So sorry, in the – when you first started in around 2008 - - -?---Yeah.

- - - you didn't have any role with - - -?---Not that I remember, no.

And then that became part of your responsibilities about what point?---It wasn't a main, a main job of mine, just if he happened to need to pass them on I would pass them on.

Okay.---So it wasn't, yeah.

20

And you would be provided with this document holder of receipts?---Yes.

Sorry, did you receive a bundle of loose receipts and place them into a document holder or were you - - -?---No, they were in a, like a A4 - - -

An envelope?---Things inside them – the plastic sleeves.

THE COMMISSIONER: You mean like a plastic sleeve?---Plastic sleeve, yeah.

30

MR FITZPATRICK: I see.

THE COMMISSIONER: So they were given to you inside the sleeve by Mr Johnson were they?---Yeah.

MR FITZPATRICK: And what did you do with them?---Passed them onto Finance.

40 And who in the Finance Department did you deal with?---Well, Shalesh but if not I would pass onto if he wasn't there Olivia or maybe Tony.

Can you help us with some surnames, Olivia?---Olivia Moran.

And - - -?---And Tony Cividin.

Thank you. Now, so you mentioned doing travel bookings. If you booked travel did you receive the invoice or the receipt for the booking?---Yes.

And the instances when you received that invoice or booking receipt what did you do with that document, did that go to Mr Johnson?---Pass – no, I'd pass it onto Finance.

So those ones were instances in which they came to you, would they go into the plastic sleeve or were they separate things?---I'm not too sure. I would just hand it to them.

10 Okay. Now, once receipts reached the Finance Department did you know what they did with them to process them?---There was a spreadsheet but I'm not sure when – how they did it. I wasn't really in Finance.

Did you see the spreadsheets that were prepared by the Finance Department?---I had seen them, yes.

Did you have any role in creating them?---No.

Did you – were you ever asked to check them?---No, no.

20 After receipts were provided, in the instances in which you provided receipts to Mr – to someone in the Finance Department - - -?---Yeah.

- - - did you ever see the receipts again?---No.

If in the instances in which – were there incidences in which you understood Mr Johnson to have provided receipts to the Finance Department without going through you?---I, I just – well, yes.

30 Okay. If that happened did you receive the receipts, did you ever see the receipts that went the other way?---No. No.

Okay. And when a expense claim was processed were you ever notified that that had happened?---No.

Were you ever notified about receipts being – claims being rejected for any reason?---No.

40 Were there rules about what sorts of expenses would be reimbursed and what sorts of expenses wouldn't be reimbursed?---I'm not too sure.

You don't – you were never explained – you were never explained what, what sort of claims could be made and what couldn't?---What do you mean, sorry?

Sorry. When you received the plastic sleeve of receipts did you have any role in looking at the claims and working out whether some should be made and some shouldn't be made?---No.

You simply handed on what you were given?---Yeah.

Do you know if receipts were checked to see if they were proper business expenses?---That would have happened in the Finance Department.

Okay. If Mr Johnson made a claim for a trip, some sort of travel, were you ever asked by someone in the finance department to confirm that he was going to a particular meeting?---Yes.

10 Can you tell us, how did that happen?---They would come to my desk and ask was this receipt, like, where was he on this receipt? 'Cause I had access to his calendar, so then I would show him where he was and what it was for or in regards to.

And, sorry, who do you remember asking that sort of question?---Shalesh and Tony.

Okay. Could the witness be provided with volume 36. Thank you, Ms Taylor. I just want to show you a couple of documents to confirm that I properly understand your evidence. At page 50, please. Thank you. Ms
20 Taylor, this is a receipt for a registration for a conference, and it's identified that Mr Johnson is going to lead the GLALC delegation. Do you remember ever seeing this document before?---It looks familiar. What does it stand for, sorry?

I believe it is the World Indigenous Peoples Conference on Education.
---Okay.

Is it familiar to you as a receipt that you saw - - - ?---Yeah.

30 - - - in your time as Mr Johnson's assistant?---Yeah.

So this is the sort of document that would be in the plastic sleeve?---I just remember seeing little receipts. Like, receipts, yeah.

I'll maybe show you one or two of them, but the page before in the volume, page 49, is this form of document familiar to you?---Not really, no.

Is this one of the spreadsheet documents you were referring to earlier?---
40 Looks like that, yeah. I don't really remember what they look like, though.

Okay. I just want to point one thing out about this. In the list of entries in the table, the second-to-last line is an entry which has WIPCE.---Yeah.

And the \$770 number, which is the amount on that receipt we saw before.
---Yeah.

Now, when you received receipts from Mr Johnson, was it any part of your role to check whether or not those receipts had been submitted before?

---No.

Did you go through the receipts that you were given?---No.

Okay. So, at page 55 of this volume, it's now on the screen, it's another copy of a receipt for that conference.---Yeah.

10 And if the witness could be shown page 52. This is another of those spreadsheets. And about 12 lines from the bottom, there's an entry. And this is with a different date and for a different period.---Yeah.

A second reimbursement for that \$770 number. It appears that Mr Johnson was reimbursed twice for that particular charge. Do you have an explanation for that, other than that the receipt was presented twice to the finance department?---No. I'm not too sure why. So that's a different date to the other page you just showed me?

20 Yes.---Yeah, no, I'm not too sure.

THE COMMISSIONER: Just to clarify, after this spreadsheet was produced in finance, you weren't told to look at this again, the spreadsheet? Or sorry, you weren't told to look at it. As I understand it, you said you didn't usually see it. Is that the position?---No, I didn't usually see it, no.

MR FITZPATRICK: If the witness could be shown volume 35. Page 186. Sorry, just before we go to the document, Ms Taylor, were there rules about what sort of documentation could be presented to the finance department to receive reimbursement?---What do you mean by rules?

Well, were some forms of receipts or some forms of documentation insufficient for their purposes?---I'm not sure about insufficient, but I know it had to be a tax invoice and it had to have a number, like a tax invoice number.

So a tax invoice in comparison to what? What sort of document was not good enough?---I think just something proof that the money had been spent.

40 Okay. So the document at page 186, is this more familiar in terms of the sorts of receipts you saw?---Yeah.

So that's an Avis tax invoice. You'll see the amount. We'll just use the amount to identify the documents. \$556.---Yeah.

On the next page of the bundle, which is 187, there's five things that seem to be photocopied onto this page.---Yeah.

In the middle of the top, there's what's identified there as a – it seems to be called a transaction record.---Yeah.

And you'll see that the charge number there is \$556.56, so the same number we just saw.---Yeah.

Were you ever told anything about whether or not this sort of document was acceptable for a receipt? Was that - - - ?---No, not really. But it looks acceptable.

10

So that looks okay?---Yeah.

Okay. There's a spreadsheet for these as well, and that's at 184. Five lines from the bottom and eight lines from the bottom - - - ---Yeah.

- - - there are entries, and they've got slightly different dates but they're both describes as Avis, and they're each for that five-hundred dollar and fifty-six cent number. These appear to be two reimbursements for the same charge.---Yeah.

20

One on the tax invoice and one on that record document that we saw. Is that a reflection of those two documents being in the plastic sleeve that - - - ---Well, yes.

THE COMMISSIONER: I suppose the question is, were you given a bundle of documents that were already in a plastic sleeve and you simply handed the whole thing on to finance?---Yes.

30

When you looked at the plastic sleeve, could you see that there were receipts of different sizes and shapes within the plastic sleeve.---Yes. Yes.

And you didn't go through them before you handed them on?---No.

MR FITZPATRICK: Sorry, just a last question. If you recall, we saw those two copies of the Peru trip.---Yeah.

Do you have any other explanation for that amount being reimbursed twice, other than that the receipt was submitted twice?---No.

40

Okay. Thank you. Those are my questions, Commissioner.

THE COMMISSIONER: Does anyone have any questions of Ms Taylor?

MR DOCKER: I do.

THE COMMISSIONER: Yes, Mr Docker.

MR DOCKER: Ms Taylor, my name's Sean Docker. I appear for Mr Johnson. Ms Taylor, you were asked about booking travel. Did you book travel for Mr Johnson?---Yes.

And that was booked on his personal credit card?---Yes.

Did you book travel for other employees?---Yes.

10 And was that booked on Mr Johnson's credit card as well?---Yes.

And is it correct that other employees such as Nicole Herron and Alfred Sing used Mr Johnson's credit card for work-related purchases?---Yes.

I have no further questions. Thank you, Ms Taylor.

THE COMMISSIONER: Ms Taylor, was there just the one credit card that was used to make all these travel bookings, as far as you were aware?---Yes.

20 Right. Any other questions of Ms Taylor? No? Thank you, Ms Taylor. You may step down. You're excused.

THE WITNESS EXCUSED

[2.33pm]

MR FITZPATRICK: Call Mr Anthony Cividin, please.

30 THE COMMISSIONER: Thank you, Mr Cividin. Just take a seat. Were you in the room when I explained the section 38 order to Ms Taylor?

MR CIVIDIN: I was.

THE COMMISSIONER: So do you appreciate that the order won't protect you if it should be found that you've given deliberately false or misleading evidence to the Commission?

MR CIVIDIN: Yes, I understand that.

40 THE COMMISSIONER: Right. Otherwise your answers can't be used against you in other civil or criminal proceedings.

MR CIVIDIN: Yes.

THE COMMISSIONER: Do you want the protection of the order?

MR CIVIDIN: Yes, please.

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.

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THING PRODUCED.**

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THE COMMISSIONER: Do you wish to be sworn or affirmed, Mr Cividin?

MR CIVIDIN: Sworn.

THE COMMISSIONER: Sworn. Thank you.

THE COMMISSIONER: Yes.

MR FITZPATRICK: Mr Cividin, you used to work for the Gandangara Local Aboriginal Land Council?---Yes, I did.

10 Can you tell us, when did you start with the council?---I think it was about the second half of 2011.

And when did you leave the council?---Through to about, I think it was August 2014.

Thank you. And what was your position?---Accountant.

And who did you report to?---Shalesh Gundar.

20 Did you have anyone reporting to you?---I guess they used to take guidance off me because they used to be mentor to a couple of accounting officers.

And do you remember their names?---Yeah, Olivia Moran and Susie – I don't remember her surname.

That's okay. What were your responsibilities? Did your position change at any point in that 2011 to 2014 period?---Yeah, towards the – I don't know when. I was also given personnel duty roles, yeah.

30 What were your responsibilities as an accountant?---I saw my role as being mentor to a couple of Aboriginal trainees, if you like. Just to give them knowledge, impart my knowledge onto them. And process the day-to-day accounts as they came in.

Did the day-to-day processing include reimbursement of expense claims? ---It did.

And how did that work? What was the process by which expense claims were reimbursed?---You're referring to Mr Johnson, I guess.

40 If he's different to anyone else. Were his claims treated in any different manner?---No. They were all, yeah, pretty much all the same, so.

Okay.---I would either get them from Tina Taylor, I would get them from Shalesh, or I would get them from the individuals themselves.

Did you receive expense claims directly from Mr Johnson?---I did.

And what would you physically receive?---A plastic sleeve with receipts in them.

And what did you do with the plastic sleeve of receipts?---I processed them through an Excel worksheet, a spreadsheet, and just referring to something that was up there, I think I put them in columns of some sort to differentiate, yeah, different categories.

10 Now, were there rules about what sort of expenses would be reimbursed and what wouldn't?---Nothing that was really explained to me. I mean, if I had any queries, I either went back to Tina or Shalesh.

Or in the instance in which the material came from Mr Johnson, would you go to Tina or Shalesh?---No, generally go to Shalesh.

20 Okay. Were receipts checked to confirm that they were for business expenses?---I think they were just generally taken as business expenses. I mean, if they came through, they were generally checked in any case, after I did the worksheet, by Shalesh, who had more knowledge of what was and what wasn't allowable.

So it wasn't part of your role to check individual expenses to confirm that they were legitimate business expenses?---I just took everything as gospel.

Okay. Did you understand Mr Gundar checked each expense to confirm that it was a legitimate business expense?---Yes.

30 When you received receipts, did you check that they were for expenses that hadn't previously been reimbursed?---Because I did it virtually once a month, if memory – if I saw specific things that I thought was there last month, I'd just look it up to see if it was there in previous months. If it didn't occur to me or didn't look familiar, I'd just process it.

So it was an independent part of the process to check that a particular receipt had not previously been reimbursed?---Sorry, say it again.

40 So it wasn't something that you did in respect of every invoice?---Well, no, because normally I'd get it every month and if, if I was doing May, if they were all May receipts well, it's unlikely that would have been there in April so I did rely on dates.

If invoices were – I'm sorry. If an expense was reimbursed more than once would, would that indicate that the receipt was presented more than once? ---Yes.

Okay. Were there rules about what sort of documentation was acceptable for a reimbursement?---No, no written rule or anything. I mean, it's just

common sense I guess. It's – if it's a receipt there and it's, it looks like it's a legitimate receipt we'd process it.

Did you ever – sorry, going back to your evidence earlier about who you spoke to when you had a question about a expense receipt that you'd been given, was it – if the question was whether or not it was a legitimate business expense who did you, did you go to to ask that?---Shalesh.

10 Do you recall many occasions on which you did – you made a request of that kind?---Oh, I can't recall. I mean, I know that I always had him to back up, you know, if I had any questions.

Can the witness be shown volume 36 at page 283.---283.

Sorry, we'll start at page 295. Mr Cividin, this is a Jetstar receipt. Do you agree with that?---Right.

20 This is the sort of document that you would receive and process?---Yeah, quite possibly.

Now, when you said process it, what was the – what was your – what were the steps that you took in dealing with a receipt for an expense claim?---Just put it onto an Excel spreadsheet.

You would look at the – find the relevant details in the document and transcribe them into a spreadsheet. Is that right?---Yes, that's correct.

30 This is a flight for Mr Johnson from Sydney to Launceston and back. Do you see that?---Ah hmm.

Based off your evidence earlier, you would have taken this to have been a legitimate work trip?---Yes.

Yes. And unless you knew otherwise you wouldn't have checked that with anyone else at the Council?---No, I wouldn't have.

40 The – just so that we can follow, follow it through, the number – sorry, the amount is \$580.94. The previous page in the volume at 294, is this an example of one of the spreadsheets that you were referring to?---Yes, it is.

So the – and you referred earlier to columns. Is that the, the headings across the top?---That's correct.

And so what did they – what was the purpose of the column breakup?---Just to put it in a category of, of expense, being the, the column heading.

And who determined which, which column heading the particular expense would go into?---Well, if I did the worksheet it would have been me.

Okay. The example that you might have seen on the screen when Ms Taylor was giving evidence of the Avis receipt, and that's in volume 35 if you have it. Apologise. Page 191. Mr Cividin, as you might have heard me asking about Ms Taylor - - -.---Ah hmm.

- - - the charge for \$500.56 is the subject of the tax invoice there on page 191.---Ah hmm.

10 And also what seems to be called a transaction record on the next page. These appear to be two pieces of documentation relating to the same expense. Do you see that?---Yeah, it would appear.

Just to confirm that the – this is a rental car booking between 27 May and 1 June and that's identified on both documents and the number is the same in terms of the charge. Do you agree with that?---Just looking at the two documents they're the same amount and - - -

20 Yes, and sorry, the – so on page 191, the invoice document.---Right.

You see under the rental information heading there's a pickup date and a pickup location which is 27 May from Brisbane Airport and then the return is also to Brisbane Airport on 1 June.---Oh, right.

Okay. And over the page on 192 there's a credit card number which is Xed out and then two lines lower there's, it says "out" and "BNE" which is the airport code - - -?---Ah hmm.

30 - - - for Brisbane.---Uh-huh.

And that same day 27 May the next line is "in BNE 1 June".---Ah hmm. All right.

And as you said the amount is the same. The spreadsheet you will see at page 189, the page before or two pages before in the bundle.---Ah hmm.

40 And five lines from the bottom there's an Avis charge for \$500.56 and then three lines above it a different date but again an Avis charge with that same number. Do you see that?---I see that, yes.

Does this look to you as though there's the same charge has been reimbursed twice through this process?---It would appear. I mean, I couldn't be absolutely certain because I don't think I did that one.

What makes you think you didn't do this one?---Well, I didn't sign it and I don't think I started in May or June. I think I started – I couldn't be absolutely certain but I think I started in August, 2011.

So this might have preceded – predated your participation?---I think it may have.

Okay. Thank you, Mr Cividin. Those are my questions, Commissioner.

THE COMMISSIONER: Mr Cividin, was your position a full-time position?---It was.

Were you there five days a week?---Yes.

10

And you said you were mentoring some Aboriginal trainees and you assisted in the preparation or you prepared the spreadsheet relating to the expenses claim. What other accountancy duties did you do at the time? ---I was involved in payroll. We did quite a bit of work for the medical centre across the road from Gandangara.

Right.---Transport, housing.

20 And when you refer to transport and housing and the health services, you're referring to dealing with the accounts of those services, are you?---Correct.

Right. Thank you. Yes, Mr Docker.

MR DOCKER: Thank you, Commissioner. Mr Cividin, my name's Sean Docker. I appear for Mr Johnson. Do you know who was doing the processing and the spreadsheets before you?---I can't recall her name, sorry.

Susan White?---Yes, I think it was.

30 And, no, that was my only question.

THE COMMISSIONER: Yes. Anyone have any other questions for Mr Cividin? No? Thank you, Mr Cividin. You may step down. You're excused.

THE WITNESS EXCUSED

[2.52pm]

40 THE COMMISSIONER: Yes, could we have Ms Cronan back, please? Yes, Ms Cronan, you're on your former promise to tell the truth, and the section 38 order continues to apply.

THE COMMISSIONER: Yes, Mr Henry.

MR HENRY: Thank you, Commissioner. Could Ms Cronan please be shown volume 8 of Exhibit G1 at page 245? Page 245.---What page was it?

Page 245, Ms Cronan.---245. Yeah.

10

Do you recall last week I asked you some questions about the meeting of 3 May, 2010?---Yeah.

Do you see at the top of the page?---Ah hmm.

This document is described as the minutes of the GLALC Board meeting. Can you see that?---Yeah, yeah.

20

On the last occasion, I asked you whether you accepted this proposition, that at that meeting GLALC caused GMS to enter into the contract with Waawidji, and you answered no.---That's correct.

Now, having drawn to your attention the fact that the meeting of 3 May was a meeting of the GLALC Board - - - ?---Yeah.

- - - do you wish to change that evidence?---No.

Well, have a look at motion 2, if you would. And you'll see that it's carried.---Yeah.

30

How do you explain the carrying of motion 2 if it was not approved by the GLALC Board?---Because we weren't just sitting as the GLALC Board. We were sitting as the Board of all of the organisations, the whole group.

Ah hmm. Why do you say that, given that the minutes of the meeting are described as the minutes of the GLALC Board meeting?---That's what it says. That wasn't what was in practice, and it was before we started putting that on the top. So it was an incorrect description. The title was an incorrect description of the actual meeting.

40

You're aware, aren't you, from last week, that GMS was registered on 16 April, 2010?---Yeah.

And that was 17 days before this Board meeting.---Possibly, yeah.

Was it the position that this meeting was only a meeting of the GLALC Board, and it was not a meeting of the GLALC Board together with other Boards?---No.

So the minutes are wrong in that respect, you say?---It's titled incorrectly, yes.

Right. And you - - -

10 THE COMMISSIONER: Sorry, could I just clarify? You agree, though, that GMS itself as an entity wasn't registered until at least two weeks after this Board meeting?---I'm guessing, yeah. But I'm not sure of the exact date, but I'm guessing, yeah, by what Mr - sorry, your name just flew out my mind.

MR HENRY: It's Henry.---Henry, sorry.

Commissioner, the actual registration date was two weeks before.

THE COMMISSIONER: Oh, sorry. I'm sorry. I should have said two weeks before.

20 MR HENRY: It was 16 April.

THE COMMISSIONER: 16 April.---Yeah, I was going off what Mr Henry was saying.

MR HENRY: What I suggest to you, Ms Cronan, that on 3 May - - - ---Yeah.

30 - - - the GLALC Board caused GMS to agree to a contract between GMS and Waawidji. Do you agree with that?---I'm sorry. Can I get you to repeat that?

On 3 May - - - ---Yeah.

- - - the GLALC Board caused GMS to approve entry into a contract with Waawidji.---No, I don't agree. The GLALC Board can't make GMS do anything.

I'm sorry?---The GLALC Board can't make GMS do anything.

40 You signed these minutes, didn't you, on page 247?---Yeah, yeah.

And you saw no reason to make any amendment to the minutes, did you? ---Apparently not at the time.

And isn't that because - well, I'll withdraw that. Page 245, you'll see an amendment's made to the title of the minutes.---Yeah, yeah.

Who made that amendment, do you know?---That would have been made by Leon Alfred Filewood. That's his initials.

Right. Was that made before you signed the minutes?---I'm not sure.

Well, do you recall signing the minutes? When do you say you signed the minutes?---I don't remember the exact date. And I'm not sure whether it was before or after Leon did that. But that's his initials and he was the company secretary.

10

Well, you've signed each page of the minutes, haven't you?---I have.

Did you read the minutes carefully before you signed each page?
---Generally I do.

So it's fair to assume, is it not – I'll withdraw that. Did you read the words in the box at the top of the first page, that is on page 245, before you signed that page?---I don't recall. It's possible I did, but I don't recall.

20 All right. You can hand back that volume and I'll ask for you to be shown volume 10 at page 122.---Thank you.

Sorry, to give you the context, I'll ask you to see page 121 first.---Yeah.
Yeah.

So this is a minutes of the Board meeting of a number of companies. Do you agree?---Yeah.

30 I rather understand from your evidence today you say that the meeting of 3 May, 2010 was what, minutes of the same companies even though they say otherwise. Is that right?---That's correct.

This is the minutes of the meeting of 10 December, 2012.---Ah hmm.

And I asked you some questions about this meeting last week as well. Do you recall?---No, I don't I'm sorry.

I'm sorry?---No, I don't I'm sorry.

40 All right. If you go to page 122.---Yeah.

You will see motion 4.---Yeah. Yeah.

Now, do you recall motion 4 being put to the directors at the meeting?
---Yeah.

How did that happen?---I, I and Jack both presented that, that particular meeting.

Have a look at the terms of motion 4.---Ah hmm.

Was that – were the terms of that motion put up on a screen so that everyone could see it?---I don't remember if it was actually put up on the screen.

Right. Well, by what means do you say this motion was put to the directors at the meeting?---I don't recall.

10 Do you recall whether a vote took place - - -?---Yes.

- - - on that motion?---That – it did.

And how did the vote occur, was it a show of hands?---That was our usual practice, yes.

Well, do you recall this motion being the subject of a vote by a show of hands?---Yes. Yes.

20 All right. Have a look if you would at the attendees on page 121.---Yeah.

Who do you say voted in favour of motion 4 of the attendees?---I would say it was unanimous.

I'm sorry?---I would say it was unanimous.

When you say you would say - - -?---Ah hmm.

- - - do you recall there being a vote by show of hands - - -?---Yeah.

30

- - - in favour of the resolution by each person listed as being in attendance at the meeting?---Yes.

You say you actually recall them all putting up their hands, each person there?---I recall nobody opposing.

Yes. But you said there was a vote by show of hands.---Yeah.

Do you recall?---Yeah.

40

Do you recall every person listed as being an attendee putting up his or her hand to vote in favour of this resolution?---I recall everybody participating in a vote and I remember that nobody opposed it.

And why did you vote in favour of this motion?---Because I was in favour of the motion.

Yes, but why?---Because I could see no fault with, with the motion as it was.

Well, did you understand at the time of the motion - - -?---Ah hmm.

- - - that the contract between GMS and Waawidji - - -?---Ah hmm.

- - - had not reached the end of its term?---Yeah.

10 Did you understand at the time of the meeting that the proposal put forward by the resolution involved terminating the contract between GMS and Waawidji?---Yeah.

And did you understand that the proposed termination was retrospective?---I did.

Why did you agree to that?---I don't understand why you're asking me that.

20 Why did you agree to it?---I still don't understand why you're asking me that.

THE COMMISSIONER: What did - - -?---I thought it was obvious.

Well, what did you think was achieved by the motion, tell us why the motion was thought necessary because it must have had some rationale that made sense at the time. We're just asking what it was?---I don't recall.

30 MR HENRY: If you look at the motion it refers to what I might describe as replacement contracts.---Yeah.

That is, a contract between Waawidji and Marumali.---Yeah.

A contract between Waawidji and GHS.---Yeah.

And a contract between Waawidji and GTS.---Yeah.

Do you agree that each of the replacement contracts conferred benefits on Waawidji?---Yeah.

40 And you appreciated that at the time of the December, 2012 Board meeting?---Yeah.

Do you agree that GLALC caused each of Marumali, GHS and GTS to enter into the replacement contracts?---No.

Any of those companies?---No.

You understood didn't you at the time of the December, 2012 Board meeting that GLALC controlled, albeit indirectly, Marumali?---No.

You dispute that?---I do.

What about GHS?---The same.

And GTS?---The same.

10 Do you accept this, that GLALC had control over whether Marumali entered into a contract with Waawidji?---Can I get you to repeat that again.

Yes. Do you accept that GLALC had control over whether Marumali entered into a contract with Waawidji?---No.

GLALC could stop it couldn't it?---No.

Couldn't GLALC direct Marumali not to enter into a contract with Waawidji?---No.

20

Ms Cronan, didn't GLALC confer a benefit on Waawidji by causing the replacement contracts to be entered into with Waawidji?---No.

Right. And do you say that because according to you GLALC had no control over Marumali, GHS or GTS?---That's correct.

I see. All right. You can return volume 10. Actually, no, perhaps just hold it for the moment and I'll ask you to be provided with volume 20 at page 250.---Thank you.

30

Now you should have in front of you Ms Cronan a letter dated 29 October, 2012?---Yep.

You're familiar with this letter aren't you?---Yep.

And it's your signature on the second page of the letter isn't it?---Yep. Yes.

40 Now take a moment if you need to refresh your memory about the contents of the letter. My question for you is did you satisfy yourself as to the accuracy of the letter before you signed it?---I was not impressed with this letter and I felt like I was forced to sign it, however I did sign it.

I'm sorry, could you please repeat that, I couldn't hear?---So I wasn't satisfied with the content of the letter and I felt like I was forced to sign it, however I did sign it.

So is this correct, firstly you didn't satisfy yourself as to the accuracy of the letter before you signed it?---Yep.

And you say, you claim that you were forced to sign it?---Yep.

Who do you say forced you to sign it?---The auditors, Lawlers.

Right. Why, why do you say that Lawlers forced you to sign it?---Because we, we were due to time constraints unable to, to continue to debate the issue with him.

10 What's the issue you're referring to?---The content of the letter.

So do you say you were given insufficient time - - -?---Yep.

- - - to address the contents of the letter?---Yes.

All right. I'll for you to be provided with Exhibit G3?---Yep. Thank you. Which page?

20 You should be looking at an email from Mr Johnson to among other people, Mr Hickey of 25 September, 2012. Have you got that letter?---Yep.

Email, sorry?---Yep.

You'll see that there's a number of people who are copied on the letter? ---Yep.

One of them is you?---Yep.

30 And was that your email address, I won't read it out, but was that your email address at the time?---Yep.

Right. Now you'll see in the text of the email - - -?---Ah hmm.

- - - from Mr Johnson to Mr Hickey - - -?---Ah hmm.

- - - it reads in the second sentence, "Following the review requested by you this afternoon we have concluded that the attached format and contents represent a more understandable account of the payments made. You will note that there's only a subtle variation to the bottom line."?---Ah hmm.

40 "I would be very comfortable to sign off your requested letter with the table attached replacing the table provided in your draft letter. Accordingly, I would without reservation recommend to the Gandangara Board that they endorse and sign the attached letter at the earliest opportunity, that being immediately prior to the AGM tomorrow evening." Do you see that?---Ah hmm.

And then you'll see at the base of the email, excuse me, it says, "I have blind copied the Board into this correspondence in order that they are aware of the timeframes and issues in order to preserve their privacy". Can you see that?---Ah hmm. Yep.

Now do you recall receiving this email?---Yep.

And you'll see there's attached to the email a draft letter dated 20 September, 2012?---Yep.

10

Now do you agree with this, that prior to you signing the letter on 29 October, 2012 - - -?---Yep.

- - - to which I've taken you in volume 20 at page 250 - - -?---Yep.

- - - you had received a draft of that letter over a month earlier?---Yep.

And I suggest to you that you had ample opportunity to suggest any changes to the draft letter within that period of time. Do you agree?---No.

20

Did you, did you make any suggested changes to the draft letter dated 20 September, 2012 between then, I'll withdraw that. Between your receipt of the email of 25 September and signing the final version of the letter on 29 October?---No.

So you were provided with the draft on 25 September, but you made no suggested changes to it between then and 29 October. Is that right?---That would quite possibly be because there was an AGM before then and we'd already made agreement before that point.

30

Well you claim don't you that you were forced to sign the letter on 29 October, 2012?---Ah hmm.

Correct?---Ah hmm.

But isn't this the truth, Ms Cronan, you had over a month to consider the terms of the draft letter which was provided to you on 25 September. Correct?---No. Mr Henry, Land Councils have their AGM's by 30 of each September of, of the year.

40

THE COMMISSIONER: Well the letter, the draft letter came in an email on 25 September?---Ah hmm. And the AGM would have been on the 26th, Commissioner.

And what is the significance of that?---It's because we had to enter into that agreement to sign that letter prior to the AGM. It was one of the conditions of going into that AGM with an annual report, with a, with an audited financial statements.

But that's actually not the case. The letter wasn't signed until 29 October, that's a month later?---But we'd already agreed to sign it.

Well are you suggesting that you agreed to sign it at the AGM on 25 September and therefore that was set in concrete was it?---Not the 25th, the 26th.

Yes, that's what I said?---Oh, sorry.

10 Are you suggesting that at the, at the meeting of the AGM on 26 September
- - -?---Yep.

- - - you agreed to sign the letter in draft form and that was set in concrete so that you didn't feel that you could have re-visited that decision?---Yep.

Is that what you're saying?---Yep.

20 In what way was the letter unsatisfactory from your point of view?---I didn't believe that the figures in it were correct.

MR HENRY: Which figures were incorrect?---I would need somebody else to assist me with, with the exact figures. I can't remember the exact content of it. I just remember that this letter was always a sticking point with us.

You claim that the terms of the letter were set in stone what by 26 September. Is that right?---Yep.

30 How do you explain differences between the draft letter and the final letter that you signed?---I'm not sure. I'm not sure. I just know that that's what that, everybody keeps thinking that there's a month between when we got that email and when the letter had to be signed by, but it wasn't, it was a deal that was done, struck within 24 hours of that.

Well Ms Cronan, do you accept that there are changes to the draft letter in the letter that you signed on 29 October, 2012?---Possibly, I'm not 100 percent certain.

40 Well, have a look, please?---Yep.

Have the draft letter at G3 open and page 250 open in volume 20. Have you got those documents?---Is that the one you're talking about?

Yes?---And the other one here?

And the letter that you signed?---Yep.

If you have a look at the table you'll see that - - -?---Where is it different?

The table, excuse me, is the same but if you look immediately above it - - -
?---Yep.

You see it says, “The following summaries the payments between
Gandangara and Mark Johnson”, this is the 29 October letter?---Ah hmm.

“The following summaries the payments between Gandangara and Mark
Johnson year ended 30 June, 2012. Do you see that?---Ah hmm.

10

Whereas in the draft letter it refers to GLALC not Gandangara. Do you see
that?---Yep. Yep.

If you look at the preceding sentence there’s a reference to in the signed
letter, “His employment contract and Waawidji Service contract with
Gandangara”. Do you see that?---I’m sorry?

If you look in the signed letter - - -?---Yeah.

20

- - - the last two lines of the signed letter state, “In accordance with his
employment contract and Waawidji Service contract with Gandangraa. Do
you see that?---Yep.

And then the draft letter in the last line of the first paragraph refers to his
and Waawidji’s employment contract with GLALC. Do you see those
differences?---Yeah.

30

And if you look over the page on the signed letter, there’s two dot points
under the sentence “The bonus was based on three per cent of the surplus
generated in Gandangara funds as follows.” Can you see that?---Yeah.

Gandangara funds is replaced with GLALC in the draft letter. Do you
agree?---Yeah.

And then, in the second dot point, the words in the draft “which is to be
eventually forgiven” are deleted, aren’t they, in the final version?---Yeah.

40

Now, do you agree the changes were made to the draft letter before you
signed the final letter?---Well, based on what you’ve just pointed out, I
would have to say yeah, but I don’t know why.

Did you read the letter before you signed it?---I can’t remember, to be quite
honest. I don’t recall. I know I was really angry at the time, but anyway.

Well, weren’t you concerned before you signed the letter that it was
accurate?---I can’t recall. But I was very upset at the time. I know that
much.

So it was an important letter, as far as you were concerned. Do you agree?
---Yeah.

But you can't recall whether you bothered to read it before you signed it? Is that what you say?---That was a while ago too.

So you agree with me?---Which was? What were you asking?

10 It was an important letter, you say, yes?---Yeah, yeah.

But you can't recall whether you bothered to read it before you signed it?
---That's correct.

No-one forced you to sign that letter at all, did they?---I felt as though I had been forced into signing it. I felt like I had no other choice.

20 Isn't this the truth. You chose to sign the letter because you preferred to sign the letter than, as you perceived it, run the risk that an administrator would be appointed to GLALC?---Yeah.

And you could have refrained from signing the letter if you wished, correct?---And then we would have been in breach of the Land Rights Act, yeah.

Now, if you've still got volume 10 there, could you go to page 118, please?

118, did you say?---Yes. 118, yeah. Yeah. 30 October.

30 Yes. So you should have minutes of a meeting of 30 October, 2012 in front of you.---Yeah.

And you're recorded as being an attendee at the meeting, correct?---Yeah.

You'll see motion 2 states, "The Board moves that the M. Johnson/Waawidji representation letter requested by Lawlers and presented to the Board be signed by the chair and the CEO on behalf of the Board." Do you see that?
---Ah hmm. Yeah.

40 Is that reference in the motion to a representation letter a reference to the letter of 29 O'clock, 2012?---I'm not a hundred per cent certain.

Well, is there any other letter that you're aware of to which it could refer?
---I don't know. I can't honestly answer that right now. I don't know.

Well, you suggest, don't you that the letter dated 29 October, 2012 was requested by Lawlers in the sense that it was a request for the Board to sign it?---Yeah. But I don't know that that's what it's talking about.

I see. You say there might be some other letter?---It's possible.

What was that about, do you know?---What was what about?

Some other letter that you're referring to.---I have no idea.

Isn't the letter of 29 October, 2012 the representation letter?---The letter of 29 October?

- 10 Yes.---That was a representation letter, yeah. Was it the one we talked about at 30 October? I don't know.

If you have the letter of 29 October, 2012 still in front of you - - - ---Yeah.

- - - you'll see in the heading, in bold type, it says "Subject, Specific Management Representation Letter".---Yeah.

Do you see those words?---Yeah.

- 20 Don't you agree that this letter of 29 October, 2012 is the representation letter referred to in motion 2 of the minutes of 30 October?---Possibly.

Well, it is, isn't it?---I don't know that that is it. But I'm guessing that it possibly is.

Are you able to provide any explanation as to why the Board approved to sign a representation letter on 30 October, 2012 given that it was dated 29 October, 2012?---I don't know.

- 30 Do you know where you were when you signed the letter?---Not specifically, no.

THE COMMISSIONER: Was this motion, in effect, a motion moved to authorised the signing of the letter by you on behalf of the Board?---Yeah.

That's what it was?---That's what it's saying.

So - - - ---To sign a representation letter on behalf of the Board.

- 40 Mmm.---But, yeah, I don't know if that's the one we're talking about in this instance.

But the effect of the motion is to authorise you to sign the letter on behalf of the Board?---Yeah.

Right.

MR HENRY: So the authority for you to sign the letter on behalf of the Board came from the Board. It didn't come from the members, did it. ---I don't think I said the members.

You said earlier that there was a members' meeting a day or so after the email of 25 September. Do you recall?---Yeah.

And the terms of the letter were set in stone at that members' meeting, correct?---Yeah. I didn't say it was in front of the members.

10

Your evidence that the draft letter was set in stone at the members' meeting is incorrect, isn't it?---No, it's not. Because I think you'll find that Mr Hickey was sitting in front of our members, and the Board actually left the room to discuss it, because it was such a contentious issue.

The terms of the letter were not set in stone at a members' meeting on 26 or 27 September, were they?---I'm sorry.

20

The terms of the letter were not set in stone at a members meeting on 26 or 27 September. Do you agree?---They were agreed to on that date, not necessarily in front of the members.

You will see there's a motion – I withdraw that. At the top of the page it says, "The CEO left the room whilst the Board discussed the advice that the Finance Manager may have inadvertently overpaid the CEO the bonus - - - --Yeah.

- - - amount of \$57,000".---Yeah.

30

And then motion 4 is, "The Board moves that the CEO was inadvertently overpaid - - -?---Yeah.

- - - in the last major bonus payment the amount of \$57,000".---Yeah.

"The Board acknowledges that this was an error outside of the CEO's control".---Yeah.

40

"The CEO was asked to pay back the \$57,000 in two separate instalments, one instalment from the 2012/13 bonus payment and one instalment from the 2013/14 bonus payment." Do you see that?---Yeah.

Do you recall being at this meeting?---Yeah.

Do you recall this motion?---Yeah.

Did you vote for it?---Yes.

Now, who drafted the motion do you remember?---I can't remember who drafted the motion to be quite honest.

Was it put up on the overhead screen?---I'm not sure.

Well, it appears from the minutes that Mr Johnson left the room while the discussion occurred in relation to this issue.---Yeah.

Do you agree?---Yeah.

10

But was the motion – the – were the terms of the motion proposed to the Board before he left the room?---No. No. There was a discussion and stuff around – surrounding how it come to be that way in the first place. We had visitors in that meeting as well.

Excuse me. You give some evidence about this in your affidavit.---Yeah.

Which is Exhibit G13. Do you have access to that at the moment?---Yeah.

20

Your evidence in relation to this is at paragraph 109 on page 31 of the affidavit.---109 did you say?

Yes, and if it assists for others who may be using the volumes it's volume 44, page 219.---Yeah.

I'm just waiting, Ms Cronan, for - - -.---Oh, sorry.

30

- - - the document to come up. It's on the screen now. So paragraph 109 is the paragraph to which I'm directing your attention. You say in paragraph 9 - - -?---Yeah.

109 I'm sorry, "I do not recall exactly what was said in response or by whom".---Yeah.

That's to the conversation that's set out - - -?---Yeah.

- - - at paragraph 108. And then you say, "I do remember that at least for my part I considered that the issue had been adequately dealt with".---Yeah.

40

"By this time it had been over two years since Jack was paid the bonus and it had already been the subject of scrutiny by the investigator and the auditor and independently by the BDO".---Yeah.

And you say, "I considered that the matter had been put to rest by the Board and the appropriate arrangements for repayment had been made".
---Ah hmm.

Now, Ms Cronan, Waawidji was paid the bonus - - -?---Ah hmm.

- - - the subject of this motion in two instalments.---Ah hmm.

Do you recall?---Vaguely, yeah.

I'm sorry?---Vaguely at the moment, yeah, but go on.

The first instalment - - -.---Yeah.

10 - - - was for 89 – approximately \$89,000 on 1 July, 2011. Do you understand that?---Yeah.

The second instalment was for approximately \$227,000 on 6 July, 2011. Do you appreciate that?---Yeah.

Now, this meeting to which I've taken you of the Board - - -.---Ah hmm.

- - - was held on 24 June, 2013.---Ah hmm.

20 By the time of the meeting Mr Johnson had been paid the bonus almost two years earlier. Do you agree?---Yeah.

Now, the Board's resolution at the meeting provided Mr Johnson with in excess of a further 12 months from the meeting to repay the money - - -? ---Yeah.

- - - didn't it?---Yeah.

30 And you understood didn't you that that was money to which he was not entitled?---Yeah.

And you also understood didn't you at the time of the meeting that he would ever only repay the money out of possible future bonuses?---Yeah.

Now, do you say in those circumstances that appropriate arrangements for repayment had been made?---Yeah.

40 So you say do you it was appropriate to allow Mr Johnson to repay money over a period of about three years. Correct?---I don't know if it was going to be three years but, yeah, go on.

And then only if he happened to get future bonuses which would enable him to repay that money out of the bonuses. Is that right?---Say that again.

And then only if he received future bonuses out of which he could repay the money?---I think that's right, yeah.

You say that's an appropriate arrangement?---Yeah. That's the one that the Board struck.

Yes, what I'm suggesting to you is that was not an appropriate arrangement in the interests of GLALC or any of the Gandangara group companies at all. Do you agree?---No.

Was any of the \$57,000 ever repaid?---To be quite honest sitting here right now I couldn't tell you.

10

Well, do you know if Mr Johnson - - -?---And probably – and it's quite possible that it may not have been because he's since been terminated so that just frustrated any chance of getting it back.

Well, go back to the motion on page 303 of volume 9. According to the motion one instalment was to be repaid from the 2012/2013 bonus payment. Do you see that?---Yeah.

20

That was prior to the Administrator being appointed wasn't it, that period? ---I'm guessing so, yeah.

Well, was any instalment paid from that period?---I'm not sure. I couldn't tell you right now.

Do you know if a bonus was given for that period?---I also couldn't answer that right now.

30

Well, by 24 June, 2013 at the time of this meeting you would have known wouldn't you of the likelihood of a bonus being paid for the period ended 30 June, 2013?---I couldn't give you those figures right now.

THE COMMISSIONER: Wouldn't that be something that you would see reflected in the financial report if there had been any instalment of that bonus repaid?---I haven't looked at a financial report in a long time.

I appreciate that. I'm talking about since 24 June, 2013 - - -?---Yeah.

40

- - - if any portion of that bonus had been repaid wouldn't you have seen it in the financial report - - -?---One would think, yeah.

And you don't recall ever seeing any such report?---I don't recall.

Did the Board when they were discussing this issue perhaps think or discuss the option of paying the 57,000 by instalment deductions from Mr Johnson's salary?---Yeah.

They did?---They did fleetingly. It was – if we've got a finance section that's making these sorts of mistakes you don't want to burden them all with

– excuse me – you don’t want to burden them all with then trying to start up some sort of credit company sort of set up where somebody’s coming in and paying money all the time.

So rather than burden the Finance Department who had made the mistake originally with seeking some adjustments to Mr Johnson’s salary, the preferred option was just to leave Mr Johnson to his own devices to pay it back from bonuses?---Well, it wasn’t - - -

10 Is that the suggestion?--- - - - through his own devices. It was very specific about how it was to be done.

Yes, but it was to be done on the basis that he received a bonus?---Yeah.

In any event, you saw fit to sign the letter in an amended form some time later in October. Correct?---Yeah.

20 You can hand back volume 10, Ms Cronan, and I’ll ask for you to be provided with volume 9. You can also hand back volume 20.---That’s G-whatever-it-is.

Oh, and Exhibit G3 you can also hand back.---There you go. What page, Mr Henry?

Now, so do you have volume 9, page 301, please?---Yeah.

Now, this is a set of minutes of 24 June, 2013 of the Board of various companies. Do you see that?---Yeah.

30 And you're an attendee?---Yeah.

If you go over to page 303.---Yeah.

And then after receiving the bonus it was a matter for him to pay some of those moneys back?---Well, he wouldn’t receive the bonus, so he would forfeit whatever bonuses it was until the, until the moneys were returned, until they were paid back.

40 So the Finance Department could withhold the bonus but they couldn’t withhold any part of his salary?---That’s right.

MR HENRY: Ms Cronan, if you look at paragraph 109 of your affidavit, you say in about the middle of the paragraph - - -?---Yep.

- - - “I remember thinking that it was unfair to Jack - - -?---Yeah.

- - - for the Board to once more reconsider his bonus, especially considering he had done nothing wrong.” Do you see those words?---Yep.

Hadn't he received and retained money to which he wasn't entitled?

---Yep.

On what basis do you say he did nothing wrong?---One needs to be aware of an error first before they can do something about it.

THE COMMISSIONER: Are you suggesting that he didn't know for a number of years that he had received \$57,000 more than he was entitled to?

10 ---I'm suggesting that it's possible.

MR HENRY: If you look at the same sentence, you go on to say, "And the whole issue arose because of an accounting error." Do you see that?---Yep.

Well, didn't you sign the representation letter confirming that there was no error?---Yep.

Well, how can you do that and on the one hand, on one hand, and then on the other hand assert in an affidavit that there was an accounting error?

20 ---Well, clearly I signed that letter under duress as well, which I've already outlined to you previously.

Are you aware of the terms of the tax invoices generated by Waawidji pursuant to which these bonus payments were made?---I didn't catch that first bit properly so please - - -

Are you aware of the tax invoices produced by Waawidji pursuant to which these bonus payments were made?---No.

30 All right. You can return – actually no, perhaps hang onto volume 9 and I'll ask you to go to page 111, please?---Yeah.

Now, this is minutes of a Board meeting of various companies of 11 July, 2011. Is that what you have?---Yeah.

And you're in attendance at the meeting?---Yeah.

If you go please to page 112, motion 8 at the base of the page?---Yeah.

40 It reads, "The Board resolves that an appropriate resolution be put to the members in line with relevant legal advice that funds be transferred from GLALC to the GFF Limited?"---Yep.

Do you recall being provided with legal advice that GLALC had received in relation to the transfer of funds from GLALC to GFF?---I know we had lots of advices, I couldn't be more specific than that right now.

Well, were you provided with any copies of written advice that - - -?

---Yeah.

You were?---Yeah. Whether it's the one that that's referring to or not is another story.

Well, let me ask you this. Do you recall being informed that GLALC had received legal advice that it could not gift money to GFF?---Is that the one with the motion that, where it says forgiven?

10 I'm just asking about - - -?---No? Okay.

- - - legal advice at the moment - - -?---Okay.

- - - not motions. Do you recall - - -?---Ah hmm.

- - - being informed that GLALC received legal advice that it could not gift money to GFF?---I'm not 100 per cent certain on what you're talking about so I'm not, I'm not going to guess, I'm just going to say I don't recall.

20 Well, do you recall being informed of any legal advice that GLALC received with respect to the transfer of funds by it to GFF?---I'm not 100 per cent certain.

If you go over the page, sorry, two pages, page 114?---Yeah.

You'll see motion 17?---Yeah.

This may be the motion to which you were referring a moment ago?
---Yeah.

30

Just have a look at that motion, is that the motion to which you were referring a moment ago?---Yeah, yeah, they're the ones that we had to get rid of, the ones that we had to rescind.

I'm sorry?---I said they're the ones that we had to rescind because they were not right.

40 Yes. Why weren't they right?---Because of the wording, and I can't remember more specifically than that, I'm sorry, I just remember that they weren't right, we had to get rid of them.

Well, if you have a look at motion 17 - - -?---Yeah.

- - - it states, "The Board resolves that all funds surplus to the operating needs of GLALC shall be loaned to GFF." Can you see that?---Yep.

Do you recall being informed that GLALC received legal advice that it could lend money to GFF?---Yep, but I'm not sure whether that's in relation to this one or the new ones, the new motions that replaced these.

All right. Do you see how the motion refers to loans being on a commercial loan basis, do you see that?---Yeah, yeah.

And secured by a charge registered with ASIC. Do you see that?---Yeah.

10 Now, were you aware of GLALC transferring money to GFF whilst you were a director of GLALC?---I can't remember, to be quite honest, I'm sorry.

I couldn't hear you, I'm sorry?---I can't, I don't know.

Well - - -?---I can't answer it. I don't recall.

20 Well, do you recall being informed at any time that an amount of money had been transferred from GLALC to GFF?---But I can't remember what it was for.

I'm sorry?---I don't know what it was about. I can't remember.

Right. What did you understand – sorry, I withdraw that. I'll ask you to be shown volume 19 at page 190?---Geez you must walk kilometres every day. 119, but I don't know what the page number was.

Page 190?---190, that's where the 190 came – yep, yep.

30 You should have in front of you the Financial Statements for GLALC and its Controlled Entities for the Year Ended 30 June, 2012. Is that what you have?---Yeah.

Now, if you go, please, to page 194, you'll see two signatures on the page, dated 1 November, 2012?---Yep.

And one of them is yours, isn't it?---Yep.

40 And the following page, page 195, again there's two signatures and one of them is yours?---Yep.

And the date there is 1 November, 2012. Am I correct in assuming that that's the date you signed?---I don't know if that was the exact date, but yeah.

All right. Go if you would, please, to page 219?---219, yep.

You'll see item C?---Yeah.

Significant Transactions Between Group Entities. Can you see that?---Yep.

And it says, “Contained in the financial information above are the following significant transactions between the parents entity and its subsidiaries?”

---Yep.

“Loans receivable from Gandangara Future Fund Limited,” and there’s about 4.826 million dollars’ worth. Do you see that?---Yep.

10

Then further down, “Loans payable to Gandangara Future Fund Limited,” and there’s about 3.446 million-odd loans referred there. Do you see that? ---Yep.

And then it says, in bold type, further down the page, “Loans receivable from and payable to Gandangara Future Fund Limited.” Can you see that? ---Yeah.

20

And then it says, “The purpose of this instrument is to enable resources to be provided for purpose of progressing development of land in order to generate future income.” Can you see that?---Yeah.

And then it says that “During the year proceeds from the sale of land amounting to \$4.826550 million were loaned to Gandangara Future Fund Limited by Gandangara Local Aboriginal Land Council at a fixed interest rate equal to the RBA cash rate as at 30 June, 2011.” Can you see that? ---Yeah.

30

Now, why were those loans made?---Didn't you just read that out?

MR HENRY: Yes.

THE COMMISSIONER: It’s on the screen. It’s on the screen. “During the year proceeds from the sale of land amounting to \$4.826” - - - ---Yeah.

Yeah, I read that through with him. But the question that he just asked me, you just read that out and the two lines above that sentence.

40

MR HENRY: Yes.---“The purpose of the instrument”. That’s what the loans were for.

MR HENRY: So, in your own language, what do you say these loans were for?---For the development of land and for also providing the services that were provided.

All right. You read on, it says, “Gandangara Future Fund then loaned funds of 3.446-odd million back to GLALC at a variable interest rate, which is on average 9.14 per cent per annum throughout the year.” Can you see that? ---Yeah.

Why were those loans made?---I don't know. I don't recall. Do you appreciate that what this is saying is that loans were made by GLALC to GFF - - - ---Yeah.

- - - at the RBA cash rate.---Yeah.

And then money was lent back from GFF to GLALC at a rate of 9.14 per cent per annum.---Yeah.

10

What was the purpose of that arrangement?---I don't recall.

THE COMMISSIONER: Would it help if you were aware of the fact that the RBA rate was 3 - - -

MR HENRY: It was 4.75.

THE COMMISSIONER: 4.7 per cent. So, in effect, GLALC is paying an extra 4 per cent - - -

20

MR HENRY: It's 4.39 per cent.

THE COMMISSIONER: Mmm. GLALC's paying a higher interest rate to loan its monies back from GFF. Do you appreciate that that's what the resolution is saying? Or, sorry, what the paragraph is saying?---Possibly. I'm not a hundred per cent certain.

MR HENRY: Well, what do you understand it to be saying?---I'm not sure at this stage.

30

Well, what did you understand when you signed the document?---I don't remember. That was 2012.

You agree that the sums of money being lent are considerable sums?
---Yeah.

And as a director of GLALC you were concerned, weren't you, to ensure that GLALC's funds were being used for the benefit of GLALC?---Yeah.
Yeah.

40

Can you point to any benefit for GLALC from this arrangement with GFF?
---I don't recall.

Now, if you read on in the paragraph.---Yeah.

This is on page 219, "A loan agreement was entered into but was unsigned as at 30 June, 2012."---Yeah.

Were you aware – I withdraw that. And then it says, “However, the former loan agreements have now been signed.” Now, I’ll ask you to be provided with – oh, actually, no, it’s in that volume. Volume 19, page 118.---Yeah.

Do you have there a loan deed between GLALC and GFF, dated 1 July, 2011? Is that what you’re looking at?---I’m looking at a loan deed. I’m not sure what date it was signed.

10 The date of it that’s typed is 1 July, 2011.---Oh, yeah, yeah, yeah. Sorry.

Can you see that?---Yeah, thank you.

And then is your signature one of the signatures on page 125?---Yeah.

You signed the document as a director of GLALC, correct? And a director of GFF, correct?---Yeah.

20 Now, although the document on page 118 is dated 1 July, 2011, it wasn’t signed then, was it?---I don’t remember the date.

Well, if you have a look, keep your finger, if you would, please, at page 118 and return to page 219.---Yeah.

And you’ll see back in the text of the paragraph from which I was reading it says, “A loan agreement was entered into but was unsigned as at 30 June, 2012.” Can you see that?---Yeah.

30 “However, the formal loan agreements have now been signed.” Do you see that?---Yeah.

Now, the “have now been signed”, I suggest, is a reference to 1 November, 2012, because that’s the date upon which you signed these accounts. Do you agree?---I don’t know what date it was.

Well, that’s the date that’s written on page 194 and 195, isn’t it?---194 and 195? Did you say 194 and 195?

Yes.---That’s a different page to what you had me on before.

40 No.

THE COMMISSIONER: Is this the one on the screen?

MR HENRY: Yeah. You signed the accounts.

THE COMMISSIONER: The director’s declaration.

MR HENRY: You signed the accounts on or about 1 November, 2012, didn't you?---I don't know what date it was.

THE COMMISSIONER: Well, just go back. Have a look at the screen. The directors' report.---Yeah.

It's signed by you and Mr Tobler as at 1 November, 2012. You see that? ---Yeah. But I don't know if that was the date when I signed it.

10 MR HENRY: You've got no reason to think that the date that's typed out underneath your signature on pages 194 and 195 is incorrect, do you?---Not at this stage, I don't.

All right. And you appreciate from page 219 that the loan agreement was unsigned as at 30 June, 2012?---That's what that says, but I don't know that that's the case.

Well, you signed the accounts, didn't you?---Yeah.

20 THE COMMISSIONER: This is part of the accounts. This is part of the directors' report that you signed off on.---Yeah.

MR HENRY: Are you suggesting you didn't read the accounts before you signed them?---No. You're asking me to tell you what I did and didn't do. I don't know because I don't – and you're asking me for dates and stuff. I can't give you dates. I don't remember.

30 THE COMMISSIONER: But Ms Cronan, the fact that you have signed off on this directors' report approximately on 1 November, 2012, that's why we have things like business records. The fact that you sign off, as a director, indicates that you are satisfied with the accuracy of the report and you're presenting it to the Board as an accurate document. Is that not the case? ---That's all I can assume from the fact that I've signed it.

All right. So you satisfied yourself that it was an accurate report.---I must have. I wouldn't have signed it otherwise.

40 MR HENRY: Right.---The only exception to that would be the other one that we already discussed earlier. But, anyway.

What I'm putting to you is, in view of the contents of the financial report - - - ---Ah hmm.

- - - the loan deed at page 118 was not signed on 1 July, 2011. Do you agree with that?---I can't.

THE COMMISSIONER: Well, it's a fact, isn't it, from the document, from the directors' report, that the loan deed wasn't signed as at 30 June, 2011?

But by 1 November, which is the date of the directors' report, you say it has been signed. So what follows from that is that the deed must have been signed some time between 30 June and 1 November, 2011. That follows, doesn't it?

MR HENRY: It's actually 2012, Commissioner.

10 THE COMMISSIONER: Sorry, 2012 I meant to say. So the deed had to have been signed between 30 June, 2012 and 1 November, 2012, at some point in that period?---I don't know. I, I can't say with any authority.

Well, is there any reason why we shouldn't draw that inference, that factual inference from the terms of the document?---But I also signed this document too.

20 Yes. Is there any reason why we shouldn't draw that factual inference from the terms of that document, the straight terms of the document, i.e. the loan agreement was not signed as at 30 June, 2012, however, it has now been signed?---I don't know when it was signed. I'm sorry.

MR HENRY: Well, I appreciate the time. Can I just continue for a few moments?

THE COMMISSIONER: Yes, certainly.

MR HENRY: Thank you. The loan deed at page 118 - - -.---Yeah.

- - - of volume 19.---Yeah.

30 Did you read that document before you signed it?---I don't remember but I don't think so. There were many, many of these.

And do you agree with this proposition that this loan deed was prepared as a form of window dressing well after the loan had been made the subject of the agreement?---I don't remember when they came through. I know they weren't as early as we would have liked.

40 Yes. Do you agree with my proposition though that the loan deed was a form of window dressing prepared well after the loan the subject of the deed?---I don't know.

All right. I'll ask for the suppression order in respect of page 168 – actually, I'm sorry, I'll have to make it pages 167 and 168 of the compulsory examination of Ms Cronan of 12 April, 2016 to be lifted.

THE COMMISSIONER: Yes. Pages 167-168 of the transcript of 12 April, 2016 are released from the suppression order made on that date.

**PAGES 167-168 OF THE TRANSCRIPT OF 12 APRIL, 2016 ARE
RELEASED FROM THE SUPPRESSION ORDER MADE ON THAT
DATE**

MR HENRY: Thank you, Commissioner. And I'll ask for 167, page 167 to be brought up for you, Ms Cronan, on the screen.---Yeah.

10 167. You should have there on the screen page 167.---Yeah.

I'll ask you please to have regard to line 27. It says – excuse me. This is me asking you questions and you responding.---Yeah.

“You should have in front of you now loan deeds dating the date 1 July, 2011 between GLALC and GFS. If that – is that what you have?” And you say, “Yeah”.---Yeah.

20 “Your signature appears on page 125 doesn't it? Yeah. Missed a page, yeah. That's your signature? Yeah. Did you read this document before you signed it? No. Why? Because there was like about 20 of them.” Do you see that?---Yeah.

Now, you stick by that evidence?---Yeah. I think I just said that didn't I.

All right. Then it goes on, “Right. Do you agree with this, that the document although dated 1 July, 2011 was not signed by you until after September, 2012? Yeah, thereabouts. I'm not sure of the exact date but, yeah”.---Yeah.

30 Do you stand by that?---Yeah.

All right. Then I'll ask you to go over the page.---Yeah.

And you will see commencing at line 11 I asked you, “Do you agree with this proposition, that this loan agreement was prepared essentially as a form of window dressing well after the loan the subject of the agreement had been made?” And you say, “Yeah.” Now, was that an accurate answer? ---I don't know.

40 Well, were you telling the truth or not when you answered that question? ---It's not a matter of telling the truth. It's, I suppose it's a matter of opinion.

THE COMMISSIONER: No, it's not with respect, Ms Cronan. Please don't mistake what we're talking about here because you aren't – and I'm saying this for your own protection.---Ah hmm.

The section 38 order does not protect you if we should form the view that you're deliberately misleading the Commission so it's important that you focus.---Yeah.

When you answered that question on 12 April, 2016 - - -?---Yeah.

- - - that it was a form of window dressing, was that the truth?---It's, it's possible that it could be seen as, as window dressing.

10 And do you see the question and answer below it?---Yeah. I have to read it first though. The "and do you agree" bit?

Yes. And you say in the - - -.---Yeah.

- - - in the course of that answer - - -.---Yeah.

- - - that it was a point of contention between Mr Johnson and yourself.---It was. Yeah.

20 MR HENRY: I'll just ask you to be shown volume 20 at page 3.

THE COMMISSIONER: Just before we go there.

MR HENRY: Sorry.

THE COMMISSIONER: Mr Henry, I'm sorry, I just noticed on page 167 at line 11 there's a mistake in terms of the transcript. It should be 1 November, 2012 not 2002. I just make that notation while we're on the subject.

30 MR HENRY: Thank you.

THE COMMISSIONER: Thank you.

MR HENRY: Yeah. Having regard to the question and answer to which the Commissioner has just directed you, Ms Cronan, I'll just ask for you to be shown volume 20 at page 3.---Yeah, I haven't got it yet. Do you want me to get rid of these other ones?

40 Just hold onto them for the moment, please.---Okay.

And this is another load deed between the same parties.---Yeah.

Dated 1 July, 2012.---Yeah.

And you signed that loan, did you not, on behalf of GLALC and GFF at page 10?---Yeah.

Do you agree that this loan deed was signed as a form of window dressing as well?---Didn't we say that they were all signed at the same time?

Yes, my question is whether you accept that this loan deed was signed as a form of window dressing.---Well, if they were all signed at the same time, I'm guessing probably.

THE COMMISSIONER: You said a moment ago that there were many of these, and in your CE you said there about 20 of them.---Yeah.

10

Do I take it that you were given all of these documents at the same time and asked to sign them?---Yeah, they were lined along the table like that.

Right.

MR HENRY: And, what, you read none of them but signed all of them? Is that it?---I think I may have read one or two, but I'm not a hundred per cent certain, and I just went along and done them all.

20 All right. I haven't finished with Ms Cronan and I'm not going be in five minutes or so, so - - -

THE COMMISSIONER: Well, just before we finish, what was the point of contention with Mr Johnson? Was it something to do with the quantity of the loan deeds or the content of the loan deed or something else?---A bit of everything, I think.

A bit of everything?---Yeah.

30 All right. Well, we'll leave it there till 10 o'clock tomorrow morning. Thank you.

AT 4.09PM THE MATTER WAS ADJOURNED ACCORDINGLY
[4.09pm]