



## MORE TIME TO RESOLVE CAAMA DEBT

The Registrar of Indigenous Corporations, Selwyn Button, has announced a second extension of the special administration of the Central Australian Aboriginal Media Association (Aboriginal Corporation) (CAAMA).

An iconic media corporation based in Alice Springs, CAAMA was placed under special administration on 9 March 2020 to resolve its poor financial position and performance. The three-month appointment was extended to 25 September and now, the special administration will continue until 27 November.

‘After appointing special administrators, CAAMA’s debt continued to grow due to failings of the former management. Having contravened the terms of its funding agreements, in June CAAMA’s major funding bodies issued the corporation with invoices for over \$0.8 million. That move has compounded debts that were already significant before the special administration’, Mr Button commented. CAAMA’s unaudited financial report for 2019–20 indicates current liabilities in excess of \$2.7 million and an operating loss in excess of \$1 million.

‘The special administrators have also identified shortcomings that were previously unknown to my office.’

- CAAMA had mismanaged royalty payments to artists and as a result, it owes them approximately \$100,000.
- Installation of studio equipment did not meet industry standards, leading to chronic problems with broadcasting.
- CAAMA’s inadequate reporting or its failure to report at all drove some smaller funders to delay releasing funds, in turn causing cashflow problems for CAAMA.

‘Both the significant jump in debt and poor operations have made the task of resolving the financial issues more difficult than anticipated and as a result, a second extension is required.’

The special administrators will continue to work through these issues in order to hand back the corporation to the control of its members.

### Background

See also the Registrar’s previous media release: [Lifeline for landmark media body drowning in debt](#), 9 March 2020

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