

## Black Arm Band's day of reckoning



*Lou Bennett in Black Arm Band's Dirtsong at the 2012 Darwin Festival.*

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- Matthew Westwood

A year ago, the Black Arm Band celebrated its 10th anniversary with a concert at Sydney's City Recital Hall. As with so many of the band's performances during the previous decade, it was a celebration of black pride in music. Among the performers that Saturday evening were Black Arm Band regulars including Emma Donovan, Deline Briscoe and Mark Atkins, and Yirmal Marika, a talented young Yolgnu singer from that hotbed of creative talent in northeast Arnhem Land.

It was a birthday to celebrate. Black Arm Band was a kind of movable festival made up of longtime returning artists and newcomers. In earlier years, luminaries such as Geoffrey Gurrumul Yunupingu, Archie Roach, Ruby Hunter and Jimmy Little had appeared in the line-up. It also gave early exposure to now-established stars such as Dan Sultan.

The group played all of the major Australian festivals, and when it toured internationally it was hailed as Australia's answer to the Buena Vista Social Club. It was great music delivered with a powerful indigenous voice.

Eight months later, the party was over. The end was announced in a Facebook post last December: despite ongoing support and appetite for its work, the Black Arm Band had made the difficult decision to close down.

Why did this vital outfit with so much community goodwill suddenly leave the stage? Certainly, the funding environment had changed, as it had for many other small to medium arts companies. After 2015's drastic shake-out of federal arts subsidy, Black Arm Band no longer had multi-year funding from the Australia Council. But Creative Victoria had confirmed \$84,000 a year through to 2020, and it's said there were invitations for future tours.

The reasons for Black Arm Band's demise can be found behind the scenes, where disaster appears to have been brewing for several years. Black Arm Band did not lack revenue but by the end of 2014 it was dangerously close to going under. Documents seen by *The Australian* describe a "dysfunctional" board and poor account-keeping.



*Brook Andrew was Black Arm Band's interim chairman from 2014 until early 2016.*

An accountant, Kevin Nelson, was brought in to untangle the mess, and warned of the perilous cash position and unaccounted liabilities. He warned that "if the organisation finds itself technically insolvent, board members could find themselves personally liable". In 2016, indigenous corporations regulator the Office of the Registrar of Indigenous Corporations put Black Arm Band on notice with orders to clean up its act and "rectify the suspected financial irregularities and other irregularities in the affairs of the corporation".

While ORIC was satisfied that Black Arm Band had taken the basic steps required to run an accountable business — such as issuing receipts for cash and authorising payments properly — questions remain about how the company used grants from funding bodies including the Australia Council, because it's still not clear where some of the money went.

In 2013 Black Arm Band wanted to employ a development manager to help it raise up to \$500,000 a year from sponsors and donors. To provide the manager's salary, it applied for a grant from the Australia Council of \$200,000, which was approved in full in December 2013. The grant allowed \$160,000 for the development manager's salary across two years, plus \$40,000 for related costs.

At the same time, Black Arm Band secured \$50,000 from the non-profit Annamila Foundation, and \$50,000 in matched funds from Creative Partnerships Australia. These grants also were intended for the development manager's salary and associated costs, taking the total to \$300,000 across two years, plus Black Arm Band's own contribution of \$24,800. A part-time development manager was paid \$42,705 in 2014 and it's understood a similar amount was paid in 2015. Further costs associated with the role are unclear. Fundraising is a tough job even for much bigger companies, but Black Arm Band fell well short of its \$500,000 target.

Taking a generous view, private sector contributions were about \$188,000 in 2014 but slumped to \$86,000 in 2015 and just \$42,000 the next year. That's not a great return on \$300,000, but there's more to say about the grants for the development manager's salary.



*Rachael Maza was Brook Andrew's deputy and took over when he resigned in 2016.*

In its Australia Council application, Black Arm Band did not state it also had sought funds from other bodies, nor did it tell CPA of the Australia Council application. Both federal agencies say their grants were used for the approved purpose and, in general, there is nothing to stop an organisation getting funding from two sources.

A spokesman for the Australia Council says Black Arm Band's acquittal records, independently certified, were accepted as satisfactory and that the funds were "used for employment as well as operational costs related to the capacity building project". However, assuming a development manager was paid about \$85,000 across two years, another \$175,000 was presumably spent on associated costs, details of which at this stage remain unclear.

There also appears to have been bookkeeping errors in the way these grants were entered in the ledger. *The Australian* has seen two sets of audited accounts for 2014, the first signed in June 2015, the second in December after Nelson looked at the books. The second set shows an extra \$200,000 from the Australia Council and \$50,000 from Annamila — amounts that were missing from the first version.

Nelson found that grants paid in advance had been entered incorrectly as income when they were in fact liabilities. The correction had a deleterious effect on Black Arm Band's equity position, which sank from about \$250,000 in 2013 to \$122,000 in 2014 and \$66,000 in 2015. Other grants that caught Nelson's attention came from the Sidney Myer Fund, the Aboriginals Benefit Account (via the Department of Prime Minister and Cabinet), and \$112,500 from the Australia Council.

The Black Arm Band did not start out as a full-time operation but its aim was to become a permanent fixture on the cultural scene. Indeed, it had designs on taking its "rightful place" as a major performing arts company, alongside groups such as successful indigenous ensemble Bangarra Dance Theatre (which has just had a record year for attendances).

It had big artistic dreams, too, with multimedia performances, concerts with orchestras, plans to produce a musical based on the story of jazz singer Wilma Reading, and another idea for an opera based on Alexis Wright's epic novel *Carpentaria*. At its heart was a mission to celebrate indigenous Australia's singers and musicians, and to share with a global audience stories of survival, protest and achievement.

The band was put together in 2006 by Steven Richardson, who was then artistic director of the small Melbourne venue Arts House. It made its debut with *Murundakat* that year's Melbourne Festival and within a few years invitations were coming from other capital-city festivals and from overseas. In 2010, Black Arm Band appeared at London's Queen Elizabeth Hall and at the Winter Olympics in Vancouver. Richardson, who left Black Arm Band to take up a role with CPA in May 2014, talked up Black Arm Band's ambitions for more international tours — Jerusalem, the 2010 World Cup in South Africa and the Royal Opera House were on the radar — and the perennial difficulty of finding funds for such expensive undertakings.

For several years Black Arm Band's affairs were handled by Melbourne consultants Auspicious Arts, but in 2011 the band became an autonomous company. Its rule book requires that directors be Aboriginal or Torres Strait Islander, and several prominent people from the indigenous community served on the board at different times, including Emma Councillor (the singer known as Emma Donovan), didgeridoo soloist Atkins and Gail Mabo, daughter of land rights pioneer Eddie Mabo. In the critical years from 2014 discussed here, installation artist Brook Andrew was the interim chairman, and his deputy was Rachael Maza, artistic director of Melbourne's Ilbjerri Theatre Company. Maza took over as chairwoman when Andrew resigned in early 2016.

The 2016 ORIC report was damning of Black Arm Band's governance, record-keeping and financial management. The board did not meet at three-monthly intervals, as required — there was no evidence of an annual general meeting even being held in 2014 — and minutes of meetings were incomplete. Directors seemed to come and go without signing consent forms, or being reappointed, or notifying the ORIC registrar.

The examiners found "numerous instances" of payments from Black Arm Band funds without adequate documentation and noted certain payments to close associates of the company.

While Donovan was a director she also took fees for a tour to China — there was no evidence of this being approved by the board as required — and Maza's sister, Lisa Maza, was paid performance fees while she was an employee of the company.

Rachael Maza, Richardson and Nelson were contacted for this article but did not return calls or emails. Andrew and auditor Alan Dredge declined to comment on the band's business affairs. A final report from Black Arm Band for 2017 is due to be lodged by June 30, which will provide more details. For now, it's a sad story about how a powerful political and musical force fell silent.