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'Urgent intervention' asked for to stop auction of Bankstown Community College



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Drama continues to surround the auction of a Bankstown property which is due to go under the hammer at noon on Saturday.



Bankstown mayor Khal Asfour is a director of Bankstown Community College.

The Chapel Road building is being sold by Bankstown Community College, which has as board members the Labor mayors of Bankstown and Canterbury.

Following a Fairfax Media investigation, the college's chief executive Moira Bass-Skardon called the real estate agency to postpone the auction until further investigations about the sale process could be undertaken.



The struggling Bankstown Community College has 14 students, two staff and mounting debts. *CREDIT: JESSICA HROMAS*

Ms Bass-Skardon, who was given authority by the board to handle the auction process, told Arthur Deiri, the principal of LJ Hooker Bankstown that, if necessary, she would stand in front of the auction sign herself to advise people the auction would not take place.



However, since then Cr Brian Robson, the mayor of Canterbury and one of the college's directors, has signed up a new agency agreement with LJ Hooker to enable the auction to proceed.

Earlier, the NSW government had been asked to take "urgent intervention" to stop the auction taking place.

Citing a number of conflicts of interest and "serious corporate governance concerns", the Labor MP for Bankstown, Tania Mihailuk, has written to government frontbencher Victor Dominello asking him to suspend the auction.

The struggling Bankstown Community College, which has 14 students, two staff and mounting debts, is selling the building which has been its home for more than 20 years.

One of the college's directors is the Labor mayor of Bankstown, Khal Asfour.

The auction of the Chapel Road building is being handled by LJ Hooker Bankstown, which specialises in residential premises. One of its three real estate agents is Gizele Asfour, the mayor's sister.

In her letter, Ms Mihailuk said that she had been advised that Ms Asfour was "overseeing the sale of the property and has been liaising directly with college staff".

Cr Asfour told Fairfax Media he had declared a conflict of interest when the board was choosing the agency to handle the sale.

Mr Deiri, said he was the successful tenderer because he was the cheapest.

Doing the conveyancing for the property sale is solicitor Gus Dibb, who is also a director of the college.

The sale of the building has been prompted by another of the college's directors, Sam Pambris, who has called in a loan.

The outlook for the auction does not appear promising with Mr Deiri admitting that only two people had inspected the two-storey commercial premises.

But the college's board members who include Brian Robson, the mayor of Canterbury, as well as Cr Asfour, Mr Dib and Mr Pambris, claim they are confident of a good result.

Asked if any of the current board members or their relatives intended bidding, the college replied by email: "The sale will be through an open and transparent public auction process and the board is happy with the amount of interest shown by prospective buyers."

A year ago a [Fairfax investigation revealed](#) that the directors of the college had voted to use the last of the college's meagre cash reserves to fund the purchase of the bottom floor of its Chapel Road office.

Although the college's auditor had warned of its "grim" financial circumstances, in June 2014 the college spent \$1.11 million buying the floor which houses Summerland Lebanese restaurant.

This was \$270,000 over the valuation the board had obtained. To fund the purchase, the directors borrowed \$605,000 at 10 per cent interest per annum from fellow board member Mr Pambris to fund the purchase.

This gave the college ownership of the entire building, which is now zoned for redevelopment allowing up to 12 storeys in height.

In 2015 Cr Asfour told Fairfax Media that the rent from the Summerland restaurant was to "save the college from going under".

Fast forward a year and the college is struggling to avoid bankruptcy after Mr Pambris, who recently unsuccessfully sought the Labor nomination for the federal seat on Barton, called in his two-year loan which is due to expire in June.

Cr Asfour accused Ms Mihaliuk of providing "misinformation" and that her motives were "not in the best interests of the college".

For her part Ms Mihailuk said staff members of the college had contacted her directly expressing concerns about the sale.

Cr Robson and Mr Pambris did not return Fairfax Media's calls.