



**THE PETER O'CONNOR FOUNDATION LIMITED  
(AS TRUSTEE OF THE O'CONNOR FOUNDATION, A PUBLIC CHARITABLE TRUST)  
"The Foundation"**

**Meeting of Board of Advisors  
Held 7 August 2014**

By tele-conference

Present: John Bottoms (Chairman)  
Rio Fiocco (by telephone, PNG)  
Michael Mayberry (by telephone, PNG)  
Crispin Hull (by telephone, offshore)  
Glen O'Connor (by invitation)

**A. Adjournment**

The meeting was commenced at 11:00 am AEST. It was adjourned pending the arrival of Mr Rio Fiocco to the offices of Mr Michael Mayberry.

The meeting resumed at 11:15 am.

**B. Welcome and apologies**

Due to technical difficulties in tele-linking in multiple parties, Mrs Anne English offered her apologies for not attending the meeting.

Mr Crispin Hull was introduced to the board as advisor and website developer and, at the request of Mr John Bottoms, provided a brief summary of his work history relevant to charitable institutions.

Mr Rio Fiocco was congratulated on his being awarded the Order of the British Empire.

Mr Glen O'Connor was welcomed by the board as representative of the O'Connor Family.

**C. Minutes of last meeting**

Given the extraordinary attendance of Mr Crispin Hull and Mr Glen O'Connor, the minutes were read into the record item-by-item.

**D. Matters arising out of the minutes**

**Income tax**

Mr Michael Mayberry advised that the situation with the PNG Commissioner for Inland Revenue remained unchanged. The PNG system is about to go through a major overhaul and all matters seem to have been put on hold.

Mr Michael Mayberry advised they are currently following up on a fortnightly basis.

#### Books to Peter O'Connor School, Gerehu

Books had arrived and been distributed.

#### Financial report

The financial report was to be discussed in further detail later in the agenda.

#### Christ the King School

Rotary has become involved in Christ the King School, and have arranged for some 30 desks. They have also built another room for the school.

The school is not currently formally recognised by PNG Education.

#### Investment properties

Mr Michael Mayberry and Mr Rio Fiocco provided a geographical description of the residential investment property which is located near where the late Peter O'Connor resided.

It was agreed that the rental market for residential premises has declined, however Mr Rio Fiocco advised he believed the current rental was at a sustainable level.

The office property had been on a two year tenancy which has lapsed and the tenants are now month-to-month. They had asked for reduced rental, but Mr Rio Fiocco was considering increasing rental so it was decided to leave the rental at the present figure.

A new rental agreement has been forwarded to the tenants on this basis, but they have yet to return same.

#### Peter O'Connor School

Mr Rio Fiocco advised that approximately six teachers' wages were funded by the Foundation.

The school operates out of a warehouse structure. There have been problems with the septic toilets, and Mr Fiocco had been advised the estimate for a proper ablution block was approximately K100,000. Mr Rio Fiocco was investigating alternate funding.

IT WAS RESOLVED that the minutes of the last meeting be adopted.

Moved: John Bottoms

Seconded: Rio Fiocco

IT WAS RESOLVED that Mr Rio Fiocco provide an update to the board in due course as to his investigations in funding a proper ablution block for the O'Connor School.

#### **E. Charitable registration**

Mr Crispin Hull confirmed that the Foundation has been registered in Australia as a charitable institution.

He further advised that the tax deductibility only applied if operating in Australia, otherwise the two ways to obtain tax deductibility status outside Australia were through AusAID or through a series of questions supplied by the Australian Taxation Office.

Mr Crispin Hull was in favour of pursuing the ATO option.

Mr John Bottoms advised that this would assist with his proposal that the Foundation plan for the future to be able to to other charities with a proposition that larger charitable institutions use the Foundation as an "on-the-ground" framework.

IT WAS RESOLVED that Mr Crispin Hull would investigate this option and respond to the board in due course.

Moved: John Bottoms

Seconded: Rio Fiocco

#### **F. Financials**

##### Tax status

Bottoms English letter of 25 June 2014 was tabled and read into record. Information of value but until the PNG authorities actually review the material submitted it was somewhat theoretical.

##### Figures

Mr John Bottoms requested clarification as to the rental figures, and was advised by Mr Michael Mayberry that the rental figures presented on the cash flow statement were combined and pro rata.

Mr Michael Mayberry advised that K6,600 was for the Century 21 signage in February, and is the rate per annum.

July's rental was received on 1 August so does not comprise part of the current statement.

Mr Michael Mayberry advised that the tax figure in the cash flow statement was anticipated, and this amount would again become available if the Foundation achieved charitable status in PNG.

##### Questions from Anne English

In Mrs Anne English's absence, an email from her was tabled for discussion.

Mr Michael Mayberry clarified that the differences in funds queried by Mrs Anne English were as a result of the purchase of the residential unit, and the deposit paid on same.

IT WAS RESOLVED that the Financial Accounts be accepted and adopted.

Moved: John Bottoms

Seconded: Rio Fiocco

IT WAS RESOLVED that the Cash Flow be accepted and adopted.

Moved; John Bottoms

Seconded: Rio Fiocco

## **G. Investment possibilities**

Mr John Bottoms raised the possibility of investing in a share trust.

The board discussed the currency fluctuation between AUD and K. Mr Rio Fiocco suggested engaging a share broker in Cairns. Mr Crispin Hull raised the issue of foreign income being tax in PNG. Mr Rio Fiocco advised that dividends are not usually taxed, but could be.

Mr Michael Mayberry raised the issue of currency fluctuations and/or capital value. Mr Crispin Hull suggested investigating options prior to committing. He also suggested the Foundation investigate the ACNC rules on investment types.

IT WAS RESOLVED that Mr John Bottoms – with reference to Mr Crispin Hull when necessary – would investigate the possibility of a share trust and investment brokers in Australia and revert to the board in due course.

Moved: John Bottoms

Seconded: Rio Fiocco

## **H. Website**

Mr Crispin Hull was invited by the board to provide an update on the website and its content.

Mr Crispin Hull suggested placing the financials of the Foundation on the website to improve transparency of the Foundation. He further suggested that this would assist with the reporting requirements of the Australian Charities and Not-for-Profit Commission.

Mr Glen O'Connor agreed that from a lay person's perspective transparency was ideal.

IT WAS RESOLVED that the financials of the Foundation would be made available through the website and updated from time to time as appropriate.

Moved: Crispin Hull

Seconded: John Bottoms

## **I. Miscellaneous business**


Mr Michael Mayberry advised that a former security guard from the Connexions building had turned up several times accusing them of not having paid him properly. He threatened to complain to the Department of Labour.

Mr Michael Mayberry advised that the security guard had been paid properly, and that they had organised to hire him a vehicle to move back to his village. Mr Michael Mayberry suspected he was upset because they hadn't let him borrow the business vehicle to move (fearing it would never be seen again).

Mr Michael Mayberry did not believe this would become an issue, but merely wished to keep the board apprised.

Mr Glen O'Connor thanked the Foundation for allowing him to attend the board meeting on behalf of the O'Connor Family. The board in return thanked him for accepting their invitation.

There being no further business the meeting closed at 12:10 pm.

  
Chairman

Dated: 7 August 2014