



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

**Minutes of Meeting of Board of Advisors**  
**Held Thursday 3 December 2015 at 11:00AM**

By tele-conference

Present: Mr John Bottoms (Chairperson)  
Mr Rio Fiocco (OBE, Foundation Solicitor, by telephone, PNG)  
Mr Michael Mayberry (Foundation Accountant, by telephone, PNG)  
Mr Crispin Hull (by telephone, Port Douglas)

Apologies: Mr Glen O'Connor

**A. Commencement**

The meeting was commenced at 11:20 am AEST.

**B. Minutes of last meeting**

The minutes of the last meeting of the Board were tabled as read (see attachment).

Moved: John Bottoms

Seconded: Rio Fiocco

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

**Report on Projects**

Mr Fiocco advised that at the last meeting the Foundation had indicated that it would consider partnering with the "Save the Children" fund in PNG. Further investigations had revealed that the fund was not interested in any form of joint venture but was more interested in running its own arrangement and accordingly this had been accepted and not proceeded with.

Mr Bottoms reported that he had spoken with a reporter at Cairns Post and had then subsequently written to the Post with a view to a soft article setting out some of the achievements of the Foundation.

Mr Hull noted that in the event the Foundation wished to get something published, it was essential from a media point of view to provide pictorial material – it was also necessary to make it a "happening now" event.

Mr Fiocco suggested that Pastor Mike could provide some photographic material of perhaps the Graduation Ceremony and/or Christmas Party at the School, and Mr Bottoms indicated he would liaise with him.

**IT WAS RESOLVED that this be done.**

Moved: John Bottoms

Seconded: Rio Fiocco

#### Financial Situation

Mr Mayberry reported that a portfolio of shares had been put together, which included:

- BHP;
- Rio Tinto;
- ANZ;
- Westpac.

Unfortunately, since they were purchased, they had all gone down in value but as it was decided they were for the long term, short term fluctuations on the stock exchange should soon remedy themselves.

Only two sets of dividends have been received, and given the length of time the Foundation had held the shares, these were of a relatively small amount and had not yet been brought to account.

**IT WAS RESOLVED that the investments remain in place until the next financial review.**

Moved: John Bottoms

Seconded: Rio Fiocco

#### Profit and Loss

It was noted that 2014 showed revenue of 457,677K whereas 2015 showed only 333,450K.

Mr Mayberry pointed out that this arose out of calendar year accounting in PNG versus financial year accounting in Australia.

In addition, the revenue for the current year was only for the 10 month period to 31 October 2015, as opposed to full year figures for 2014.

Mr Bottoms commented as to the uncollected rental, in particular for the commercial office, and queried whether the tenant should be allowed to remain when they are in arrears.

Mr Fiocco noted that the PNG economy was very slow at the moment, and most businesses were a month behind with rental. This applied in relation to the company's major commercial property. Mr Fiocco suggested in the presented downturned economy, a regularly payment tenant (albeit in arrears) is better than no tenant.

The rental income for the company's investment unit was paid regularly.

It was noted that the fourth quarter expenses for the O'Connor School and for Christ the Redeemer School, had all been paid.

Notwithstanding that the Foundation had not been successful in obtaining a tax free status, the expenses paid out by the Foundation had the effect of making the Foundation's revenue and expenses cash flow neutral and meant there was no profit to be taxed.

Mr Mayberry noted that the Tax Office had still not made a determination on the company's charitable status and he could not foresee this occurring in the foreseeable future. However, he continued to follow up the Tax Office in this regard.

The accounts showed 10 months' worth of expenses with only 9 months' worth of income and did not take into account the final 12 months' worth of income to be accounted for in January 2016.

In relation to the operating expenses, it was noted the accounting fees were substantially less than the previous year. The fuel generator for the commercial office was some 3,000K dearer for the 10 month period – but notwithstanding, one would have thought that this should be paid by the tenant, given the present business difficulties. Mr Fiocco thought this should be simply left for the moment.

**IT WAS RESOLVED to review all issues regarding the commercial office in mid-2016.**

Moved: Rio Fiocco

Seconded: John Bottoms

The land rates were larger than 2014, however there had been increases and this also covered the second property having been acquired.

The legal fees were substantially less having been reduced from 59,571K to 17,464K.

Maintenance and repair were up given the roof repairs necessary for the commercial building.

Management Fees (taking into the account the 10 month period only) were the same.

In addition to this, the Foundation had undertaken school repairs for the O'Connor School and had funded an additional teacher.

**IT WAS RESOLVED that Mr Mayberry would provide the following extra material for members:**

- 1) Summary of the investment portfolio; and
- 2) Summary of the rental income for the investment unit; and
- 3) Summary of the investment income for the commercial property;
- 4) A proposed budget for the New Year.

Moved: John Bottoms

Seconded: Michael Mayberry

It was suggested that this would be available for the next board meeting to kick off the New Year on Thursday on 28 January 2016.

Everyone note in their diaries and we would have a ring around on Monday 25 January 2016 to remind everyone (Tuesday 26 January 2016 being a public holiday in Australia).

## Tax

Mr Hull noted that obtaining tax free status in Australia was particularly difficult. Mr Bottoms undertook to look into the legal aspect of doing this as the only way to really up the work of the foundation was to try and obtain extra funding from various Australian charities.

**IT WAS RESOLVED** that BE:LAW would investigate the legal viability of being registered in a Regulation for tax free status purposes.

Moved: John Bottoms

Seconded: Crispin Hull

Mr Hull advised that he would require the current year financials for submission to the Australian Charities and Not for Profit Commission in compliance with the Foundation's registration as a charitable entity.

**IT WAS RESOLVED** that Mr Mayberry and Mr Hull would attend to this.

Moved: Michael Mayberry

Seconded: :Crispin Hull

Mr Bottoms had contacted the Myer Foundation and had been told that they only donated to charities with expenditure in Australia.

## Website Update

Mr Hull noted that the website now had a number of improvements.

The software changes meant that anything forwarded to him could be uploaded in a quarter of a time as previously. Details could be sent to him by email and uploaded within 15 minutes.

He noted his address was [crispinhull@rubyreef.com.au](mailto:crispinhull@rubyreef.com.au). Anything sent to him should have captions indicating who, what, where, when, why, thus enabling him to write an appropriate summary.

**IT WAS RESOLVED** that Mr Bottoms would provide Mr Hull's email address to Bishop Mike for direct contact to provide photographs for uploaded to website.

Moved: Crispin Hull

Seconded: John Bottoms

In addition to this, if he received emails from interested parties, he could enter their email address as subscribers and any new material on the site would automatically be sent to them.

For example, he had linked the Peter O'Connor Foundation to the website "the Auckland Art Gallery" and the John Weeks exhibition.

This set out that Peter's mother had been John Weeks' housekeeper and then linked him to the material which the estate had donated to the art gallery.

**IT WAS RESOLVED** that when the extra financial material for members was completed, a copy would be provided to Mr Hull for uploading to the website.

Moved: Crispin Hull

Seconded: Michael Mayberry

### Books and Material

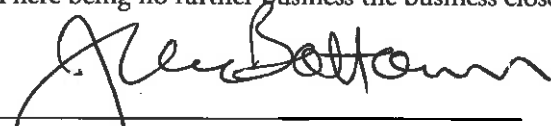
Mr Bottoms advised that unfortunately, there had been some internal difficulties with the Lions Club Cairns and he had not been able to follow this up.

Mr Hull pointed out that something like this, if it had been successful, would have been an ideal information hook to secure the local coverage in the Cairns Post.

### Action

- Mr Bottoms to contact Bishop Mike to enquire regarding photo opportunity for Graduation Ceremony and/or Christmas Party.
- Mr Mayberry would attend to the three financial annexures and the budget by 28 January 2016.
- Mr Bottoms would follow up deductible gift recipient status for the now registered charity for Australia by 28 January 2016.
- Mr Hull would arrange for the relevant financial information to be provided to the ACNC.
- Mr Bottoms would email Bishop Mike to provide contact details of Mr Hull to assist with providing and uploading photographs to website

There being no further business the business closed at 12:00PM.

  
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Chairman

Dated: 3 December 2015