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Post Office Box 199,
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14 December 20127

The Commissioner,
Political Funding and Donations Enquiry,
GPO Box 4396,
DARWIN NT 0801

Dear Sir,

Submission to Enquiry into Political Funding and Donations

I herein make this submission to the enquiry into political donations being conducted by Commissioner John Mansfield.

Previously, I have participated in informal discussions with the Commissioner, and now intend to place on the record, an analysis of my personal position in relation to the section of the Commissioner's Terms of Reference as follows:

“Foundation 51 and its relationship to the Country Liberal Party.”

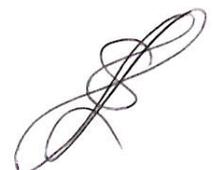
Foundation 51, or the Company Foundation 51 Pty Ltd, has variously been described by media and political commentators wishing to cast unwarranted or unjustifiable aspersions, and create mischief, as a “slush fund” for the CLP. Whatever may be the meaning of that term, Foundation 51 was never any such thing.

Foundation 51 Pty Ltd (to be described as F51 in this submission) commenced its activities after its incorporation in 2009, as a research organisation to provide information and advice, on a commercial basis, to a range of clients who required various such advice and information, and were prepared to pay for it.

Throughout the entire period of its commercial activity and thereafter, I was a Director of the Company, joined from time to time by others who were interested in the nature of the research activities being carried out by the Company.

In addition to my directorship of F51, I have been a practicing Chartered Accountant in Darwin for 48 years, practicing under the ethics of the Institute of Chartered Accountants in Australia, and I am proud of the services I have delivered to a wide range of clients.

Since 1974, I have been a Member of the Northern Territory Country Liberal Party. I am presently a Financial Life Member of the Party, and I have served the Party, always in a totally voluntary capacity, often taking official positions under its Constitution, giving of



my best endeavours in the Party's best interests. Doing so conscientiously, always in strict accordance with the law, was my guideline.

A check of the records of the Party will show that I have served the Party in almost every executive position described in its Constitution at one time or another, and indeed that I may have held one or other such position during the life and activities of F51. There is no doubt in my mind, in particular, that through the course of the preparation for, and conduct of the 2012 NT Election and the 2014 Blain by-election, I held an important position on the "task force" of the Party at the same time as I was an active Director of F51.

Accordingly, insofar as I personally held these voluntary positions, always with the full knowledge of the Party and its officials, it can well be said that a relationship, in one form or another, did exist between F51 and the CLP. It was not however, and cannot realistically be described as a financial relationship, nor especially as a "slush fund."

That "relationship" involved me personally, albeit as a Director of a Company, and at the same time a voluntary worker for this political party, providing or exchanging information and knowledge that I had accumulated in my various professional activities, including the said Directorship. This "relationship" never at any time offended any Corporate or other law of the Commonwealth or the Northern Territory, and was always conducted transparently within the Company and the Party with appropriate disclosures of interests and any conflict.

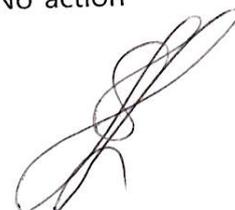
ASSOCIATED ENTITY.

Initially, the Directors of F51 considered and reported as though F51 was not an "associated entity" under the electoral laws of the Commonwealth or the NT.

An associated entity is one which is controlled by or for the benefit of, "wholly or significantly," a political party. F51 was never controlled by or even influenced in any way by any political party. The initial position taken by the Company was that the Company also was not "wholly or significantly" for the benefit of a political party.

Subsequent legal advice, taken in the context of concerted enquiry by the NT Electoral Commission, caused the Company to review its position, and the Directors agreed that the Company should accept, belatedly it is conceded, that it was caught under an interpretation of the definition of an Associated Entity. Accordingly a series of returns were prepared and lodged, both by F51 and the CLP, albeit in certain cases, outside of the statutory period for such lodgements.

The said returns and the resulting late lodgements were and are a matter of public record. Any offence committed was clearly considered by the respective authorities. No action was ever taken and these matters are now closed.



A matter for consideration in relation to the returns lodged as above, is the fact that a particular relationship reportable under various legislation has to be described as "in kind donations." The above-mentioned returns as lodged, disclosed such "in kind donations" in quantified amounts, as required, of in one case \$200,000 and in the other case \$20,000.

These so-called in kind donations, then reported as being "donated" to the CLP by F51, comprised information and/or knowledge provided by me as a person and volunteer worker, to various CLP committees in the years under review. How a monetary value can be, or was, computed in relation to these transmissions of knowledge is problematical, and can only be related, albeit remotely, to the costs incurred by F51 in the course of its collection of information for and on behalf of its commercial clientele over a long period. However, in the consideration of the completion of the required returns as referred to above, a significant factor was unquestionably about not understating the monetary amounts reported.

The first amount of \$200,000 related to the activities from 2009, leading up to the 2012 election held in the year 2012/2013. The second amount of \$20,000 in the year 2013/2014 related to the activities of F51, me as its Director, and the CLP, then involved in the Blain by-election held in early 2014.

It is reiterated here, that these two expressed amounts did not, in any way shape or form include actual money. The very few cash remittances that passed between F51 and the Party were in very minor amounts, under \$20,000 in total as I recall, and comprised payments in relation to Party fund-raising functions attended by me and probably others as Directors or clients of F51, which were, as required, reported separately in the returns.

Foundation 51 and its relationship to the Country Liberal Party

That there was such a relationship is not now denied. That relationship comprises the fact of me as an individual, being both a Director of F51, and a volunteer worker for the CLP.

I submit that in no way does this offend any law of either the Commonwealth or the Northern Territory.

In the course of prolonged enquiries by various authorities, I and my family have endured long sessions of interview, even raids on my properties by police carrying weapons and video cameras, seizing mountains of paperwork for their examination, and never has there been any offence suggested, apart from that of the late lodgement of some returns, described herein being the result of reviews of the status of F51 with the benefit of hindsight.



In addition to my duties and responsibilities under Corporate Law as a Director of F51, I have unquestionably been a very active, effective and conscientious volunteer in the service of the CLP and its associated entities. I have been reminded that I have frequently and over a long period also given of my professional expertise in bookkeeping and report-writing for entities such as CLP Gifts and Legacies, and I am proud to put these matters on the public record. I am currently the General Secretary of the Party, a position under the Constitution that I fill with pride. Normally, under electoral law, the contributions of a member of a Political party are not reportable in any case, but I have already conceded that it would be unwise for me to rely on such an exemption.

That all of this confirms that there was a relationship between F51 and the CLP, as is suggested in the Terms of Reference of your Enquiry is not denied.

CONCLUSION

Only can I conclude this submission by assuring you firstly that there was never any intention to offend, nor was there ever any offending of any law of the Land that drew action by the authorities responsible.

Secondly, following the very real media circus, and the offensive, unsustainable and indeed, in the opinion of some, actionable connotations verbalised and written by the Australian Labor Party the Northern Territory News, and the Saturday Paper, that F51 amounted to a "slush fund," the otherwise legally valid and commercial dealings of F51 effectively ceased in 2014, now never to be revived. A business model that faithfully served both the Company and its clientele with value and expertise was trashed.

Yours faithfully,



Graeme Lewis