

Oaths Act 1867

STATUTORY DECLARATION

QUEENSLAND

TO WIT

I, Michael Anthony Kelly, of 111 George Street Brisbane in the State of Queensland, do solemnly and sincerely declare that:

Synthetic Tracks

1. On 24 January 2007 QRL wrote to Andrew Fraser MP, Minister for Local Government, Planning and Sport to advise of developments in relation to a synthetic track project (see Attachment MK1)
2. On 6 March 2007, QRL again wrote to Andrew Fraser MP, Minister for Local Government, Planning and Sport and requested that \$12 million that had previously been allocated to address safety issues on Nudgee Road be allocated for the installation of synthetic tracks (see Attachment MK2).
3. On 22 May 2007, Andrew Fraser MP, Minister for Local Government, Planning and Sport wrote to RQL advising that officers of the department were working with QRL to determine whether up to two synthetic tracks could be funded under the Queensland Government's Business Water Efficiency Program (BWEP) (see Attachment MK3).
4. I refer to an email trail marked 'KS-10' attached to the statement of Ken Smith, which indicates that discussion on the approval for the installation of synthetic tracks had occurred between the Deputy Premier, Ken Smith, Gerard Bradley and Michael Kinnane. I was not a party to any of these discussions. Pat Morgan and his staff in Sport and Recreation were working on a CBRC submission for \$12 million funding and he made me aware of the related matters (see Attachment MK4)

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Deponent

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Solicitor

5. On 19 June 2007 Andrew Fraser MP, Minister for Local Government, Planning and Sport wrote to QRL advising that \$12 million had been allocated for the installation of synthetic tracks at Caloundra, Toowoomba and at either Brisbane or the Gold Coast and that the funding was to be paid by 30 June 2007 to QRL (see Attachment MK5).
6. An email trail commencing 19 June 2007 identifies that Pat Morgan from Sport and Recreation was responsible for developing the synthetic track funding agreement between the State and QRL which was entered into on 26 June 2007. This agreement related to the installation of three synthetic tracks (see Attachment MK6)
7. An email dated 19 September 2007 from Karen Spowart, Manager- Major Projects Facilitation, Sport and Recreation to John Paterson in the Office of Racing advises she had taken over from Pat Morgan and had attached a summary of issues she had identified with the Business Case submitted by QRL and provided a draft email for the Office of Racing to send to QRL (see Attachment MK7).
8. On 13 November 2007, QRL formally submitted its Business Case prepared by Price Waterhouse Coopers for the installation of synthetic tracks to government (see Attachment MK8).
9. On 9 January 2008 a briefing note was submitted to Andrew Fraser MP, Treasurer as due to a machinery of government change, the Office of Racing was at this time a part of Treasury Department. The Treasurer's notation on the brief was to 'provide SAMU assessment ASAP, for possible correspondence to Qld Racing regarding terms of funding supplied to them' (see Attachment MK9)
10. In accordance with the direction of the Treasurer, on 9 January 2008, I sent the Business Case submitted by QRL to Ian Munro, Assistant Under Treasurer for assessment by the Strategic Asset Management Unit (SAMU) of Treasury Department (see Attachment MK10)
11. On 6 February 2008, Leah Kelly from the SAMU provided the Office of Racing with a list of issues to be addressed by QRL (see Attachment MK11).

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12. Based on the assessment of the business case by SAMU, the Office of Racing requested a range of information from QRL. An email trail and correspondence between QRL and the Office of Racing between 22 February 2008 and 12 December 2008 seeking further information and clarification from QRL in relation to the Business Case and acquittal for the synthetic track at Corbould Park is attached (see Attachment MK12).
13. A brief was submitted to the Assistant Under Treasurer and then to the Treasurer seeking endorsement of the Business Case submitted by QRL and approval for QRL to draw down \$4.328 million for the synthetic track at Corbould Park at Caloundra. This was approved on 21 January 2009 (see Attachment MK13)
14. On 5 March 2009, I wrote to QRL advising that the Treasurer had endorsed the business case for the construction of the first synthetic track at Corbould Park and reminded QRL to provide advice regarding the balance of funds remaining from the original allocation from government (Attachment MK14)
15. On 15 April 2009, I wrote to the Chief Operations Officer at QRL reminding him of QRL's obligations under the funding agreement in relation to funding for the installation of the synthetic track at Toowoomba and he responded on 21 April 2009 (see Attachment MK15).
16. On 23 April 2009, QRL provided an update on the installation of the synthetic track at Toowoomba (see Attachment MK16).
17. On 18 May 2009, the Office of Racing again raised issues with QRL regarding compliance with the funding agreement (see Attachment MK17).
18. On 20 October 2009, QRL provided advice from BDO Kendalls confirming that costs of \$11,507,683.58 were incurred by QRL in accordance with the funding agreement. On 21 October 2009, QRL sought approval to draw down \$5,583,531.00 for the synthetic track at Toowoomba (see Attachment MK18).
19. On 6 November 2009, QRL responded to a request for information from the Office of Racing (see Attachment MK19).

Signed:
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20. A brief seeking approval to release funds to QRL for the Toowoomba synthetic track project was submitted through the Deputy Director-General and Director-General to Minister Lawlor who approved it on 6 February 2009 (see Attachment MK20).
21. On 25 June 2010 a Deed of Variation was entered into to extend the funding agreement until 30 June 2011 as the site of the third synthetic track had not been committed to (see Attachment MK21).

Delegations

22. The Racing Act provides for the delegation of powers by the Chief Executive. Attached are a number of examples of the delegation of those powers by the Chief Executive that identify a range of persons with authority to exercise these delegations. This is a usual practice in the public sector (see Attachment MK22)

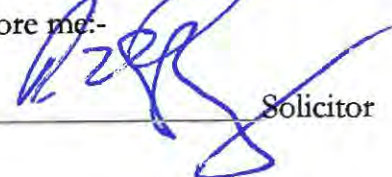
AND I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the *Oaths Act* 1867.

DECLARED AND SIGNED at Brisbane

this ^{1ST} day of October, 2013

Witness  _____

Before me:-

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Solicitor