

OF GRAND



Deacons

EXHIBIT No. 178
CLERK

URGENT

Date 29 August 2005

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facsimile

To Ken Beml - Case Officer
Crime & Misconduct Commission
Facsimile (07) 3360 6333

From David Searles / Karen Hauff
Facsimile +61 (0)7 3309 0999

Our Ref 2572805
Subject File Ref: MI-05-2481 & 2482
Notice to Discover - Devine Limited

Pages 18 (including this page)

We act for Devine Limited.

Our client was issued with a Notice to Discover, dated 12 August 2005.

Our client's response to the Notice to Discover is attached.

If you have any questions concerning our client's response, please contact us.

Yours sincerely


David Searles
Partner
Deacons

Contact: Karen Hauff
Direct Line: +61 (0)7 3309 0655
Email: karen.hauff@deacons.com.au

The information contained in this fax is confidential and may be subject to legal professional privilege. It is intended solely for the addressee. If you receive this fax by mistake: 1. Please call us and let us know. 2. Return the fax to us by post - we will pay for any postage. 3. You must not disclose or use the information in it unless we authorise you to do so.

KMH/1073256_1

STATEMENT OF DAVID HAROLD THOMAS DEVINE

I, David Harold Thomas Devine, of 3 Westmoreland Boulevard Springwood, Brisbane, Queensland state as follows:

1. I am the Managing Director of Devine Limited and make this statement in response to a Notice to Discover of the Queensland Crime and Misconduct Commission, dated 12 August 2005, a copy of which is attached and marked "DHTD-1".
2. By reference to the paragraphing in the Schedule to the Notice to Discover I say:
 - (1) The only documentation relating to the matters set forth in paragraph 1 of the Schedule are:
 - (a) An email from Brian Ray to me of Thursday 5 February 2004 1:22pm, subject "Election Campaign";
 - (b) An email from my secretary Gissel Alves to Maxine Strelow of Thursday 5 February 2004 1:27p.m subject, "Election Campaign";which emails are contained in the same document, attached and marked "DHTD-2";
 - (c) An ANZ online printout of a direct credit of \$10,000 into Hickey Lawyers Trust Account, which is attached and marked "DHTD-3";
 - (d) Letter from the Australian Electoral Commission dated 1 November 2004 subject, "Annual Return" – Donor to Political Parties" which is attached and marked "DHTD-4";
 - (e) A completed Donor to Political Parties Annual Return dated 22 November 2004, which is attached and marked "DHTD-5";
 - (f) A General Ledger donations account extract dated 19 November 2004 which is attached and marked "DHTD-6"
 - (2) The only information in relation to any gift as described in paragraph 2 of the Schedule is as follows.
 - (a) On or about a week before 5 February 2004 I received a telephone call from the late Brian Ray, a Gold Coast property developer who said to me words to the effect that, "a group of developers including Sunland, Villa World, Raptis, Ray Group and others are contributing to a fund to assist a group of councillors who can bring some sense to the process of development application. There are a number of councillors who are all anti-development and the fund will support councillors who understand development."
 - (b) Ray went on to say words to the effect that, "We would ask Devine to contribute \$10,000 to the fund, which is the amount the other developers are contributing."
 - (c) I responded to Ray with words to the effect that, "I will contribute to the fund because we are having problems with Councillor Sue Robbins, who is not interested in talking to us about a development application."

- (d) Ray then advised me that he would arrange a meeting for me with Ms Robins after the Council elections but this never eventuated.

That was the only conversation I had in relation to the matters the subject of paragraph 2 of the Schedule.

The only documents relevant to the gifts are and the documents "DHTD-1" to "DHTD-6" referred to above.

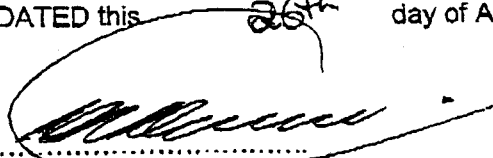
The \$10,000.00 cheque was drawn and paid to Hickey Lawyers trust account in accordance with the details given in the email, which is "DHTD-2" above.

It has subsequently come to my attention that the \$10,000 paid to the credit of Hickey Lawyers trust account was not included in Devine's Donor to Political Parties Annual Return for the 2003/2004 financial year ("DHTD-5" to this statement).

This omission was made in error and steps are being taken by Devine to remedy this situation with the Australian Electoral Commission.

- (3) I have made enquiries in relation to the contents of paragraph 3 of the Schedule and I am satisfied that no director, employee or agent of Devine Limited has had any dealings with or association with any of the persons set forth in paragraph 3.1 to 3.3 inclusive except for Sue Robins about whom I referred to above.

DATED this 26th day of August 2005.


.....
David Harold Thomas Devine

Message

*IC G15
"DHTD-2"*

Strelow, Maxine

From: Alves, Gissel
Sent: Thursday, 5 February 2004 1:27 PM
To: Strelow, Maxine
Subject: FW: ELECTION CAMPAIGN

Maxi,

any chance we can have this cheque drwn up and back to me today???????

Love

NO.

EFF.

Gissel

~~Original Message~~

From: Brian Ray [mailto:BRay@raygroup.com.au]
Sent: Thursday, 5 February 2004 1:22 PM
To: Devine, David
Subject: ELECTION CAMPAIGN

David

Would you please remit the \$10,000 contribution to Gold Coast City Council election funds to:

*IC
900327*

*OK per David D.
Kempster
5/2/04*

Hickeys Lawyers Trust Account,

Hickey Lawyers
PO Box 5559
GOLD COAST MAIL CENTRE 4217

or you can electronically transfer it to their trust account:

BSB [REDACTED]
Account No. [REDACTED]

May thanks
Brian

5/02/2004

DEVINE GROUP LIMITED ACN 010 769 833
Confirmation Report

Batch Name / Number ATO/4,094
Batch Status Accepted
Batch Failure Reason 0
Batch Error Item Count 0
Received Date / Time 05-Feb-04 14:42:39
Release Date / Time 05-Feb-04 12:00:00

User Id 059662
Short Name DEVINELTD
Approval Code 1 - Credit Only

Contact Details:
Name CHERYL CAPWELL

Authorisation:
1st Authorisation
Base Station Id 00013367
Operator Id MAXINE
Date Authorised 05-Feb-04

Item No BSB Account Pay Type
128,872 [REDACTED] General Payment

Funds Account:
BSB [REDACTED]
Account Number [REDACTED]

Phone (BIF) 38086822
2nd Authorisation
Base Station Id 00013367
Operator Id GERALD
Date Authorised 05-Feb-04

Amount Account Name
10,000.00 hickys lawyers trust acc

Lodgement Reference
contribution

Remitter Name
DEVINE LTD

User Bank ANZ
Account Name Devine Group

Phone (AB) [REDACTED]

Facsimile 33802555

Trace BSB [REDACTED]
Trace Account [REDACTED]
Status OK
Ind [REDACTED]
Withholding Tax 0.00

Credit Totals	
Number	Value
1	10,000.00
0	0.00
0	0.00
0	0.00
1	10,000.00

Debit Totals	
Number	Value
0	0.00
0	0.00
0	0.00
0	0.00

Net Total	
Number	Value
1	10,000.00
0	0.00
0	0.00
1	10,000.00

"HOT-3"

HICKEY LAWYERS

Dandy
045122

OMG

OFFICIAL RECEIPT

DATE

17-02-2004 Devine Ltd

RECEIVED FROM

BANK

AMOUNT

BN:

BR:

THE SUM OF									
TENS MILLIONS	MILLIONS	HUND THOUSANDS	TEN THOUSANDS	THOUSANDS	HUNDREDS	TENS	UNITS	CENTS	
NIL***	NIL***	NIL***	ONE***	NIL***	NIL***	NIL***	NIL***	NIL***	00

*****10000.00

DETAILS

245821 : Sue Robbins Councillor & David Power Cou
 00001 : GOLD COAST CITY COUNCIL -ELECTION CAMPAIGN FUND
 Reason : Donation

Tender Type : Direct Deposit
 Hickey Lawyers TRUST ACCOUNT *AWM*