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Public Accountability Committee Inquiry into the Transport Asset Holding Entity, KPMG response to Questions on Notice taken on 15 November 2021

Question 1:

The CHAIR: Ms Watson, that submission came to us without a signature and without an authorisation. Were you the author of that document?

Ms WATSON: This is a KPMG collective document. I was not the author.

The CHAIR: Can you identify who were the authors?

Ms WATSON: I am not aware of exactly who the authors were. It was a collective of individuals who were involved. But I am happy to take that question on notice.

Response:

Members of KPMG's Corporate Affairs team and Office of the General Counsel's team contributed to the submission.

Question 2:

Ms WATSON: I have not seen these emails until this morning, Mr Mookhey, so I am not familiar with the context around these emails, no.

The Hon. DANIEL MOOKHEY: But did Ms Wilkinson ever ask you on or about 7 September 2020 to review Mr Lyon's model for consistency with various preceding advices from KPMG?

Ms WATSON: I have a number of interactions with NSW Treasury on a weekly basis and I would need to get further context to be able to answer your question in an appropriate way.

The Hon. DANIEL MOOKHEY: Do you mind taking it on notice then?

Ms WATSON: I will take it on notice certainly.

Response:

On or about 7 September 2020 Ms Wilkinson did not ask Ms Watson to review a financial model prepared by Mr Lyon.

Question 3:

The CHAIR: Ms Watson, how much has NSW Treasury provided in fees to your firm over the last five financial years?

Response:

KPMG Australia is proud to have assisted NSW Treasury with multiple engagements over the past five years. KPMG Australia has raised invoices to NSW Treasury over the financial years FY17-FY21 to the value of \$13,718,000.

Additional information

KPMG would like to provide the following additional information to the Committee. We believe it is of paramount importance for the context provided in the additional information to be made **publicly available**.

A number of emails within a suite of documents were published on the Parliamentary Inquiry's website on and after 15 November 2021. When Ms Watson appeared as a witness, she was not aware of the existence of these documents. Therefore, in the interests of fairness, the following additional information deals with matters raised in the documents that concern her.

A number of the documents published contain factual inaccuracies. They include unfounded assertions that appear to seek to impugn the conduct of others and call into question their integrity.

There is an assertion that Ms Watson could have easily faced disciplinary action. This claim is completely without basis. Further, Ms Watson did not have undisclosed conflicts nor provide services under an unapproved scope. Ms Watson was not removed from a second partner role. Past work of hers did not contain material errors. There was no history of any vexatious complaint brought by her or her team members. Ms Watson absolutely rejects any accusations of bullying and intimidation on her part.

Ms Watson upheld her professional code of ethics and consistently complied with conflict and risk management policies and procedures.

The published allegations put to the Committee of unprofessional and unethical conduct are baseless.

KPMG fully supports its people and will continue to engage in a constructive manner with the Committee on the Inquiry process.