



**PARLIAMENTARY INSPECTOR  
OF THE CORRUPTION AND CRIME COMMISSION  
WESTERN AUSTRALIA**

**ANNUAL REPORT**

**1 JULY 2011 – 30 JUNE 2012**

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## PRELIMINARY OBSERVATIONS

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I make this Annual Report as Acting Parliamentary Inspector of the Corruption and Crime Commission.

Section 203 of the *Corruption and Crime Commission Act 2003* (Act) requires the Parliamentary Inspector of the Corruption and Crime Commission to prepare, within three months of 30 June each year, a report as to his or her 'general activities' during that year and to cause it to be laid before each House of Parliament. Alternatively, the Report can be tabled under Section 206 of the Act (where a House is not sitting) within 21 days of its preparation.

During the reporting period, the Parliamentary Inspector's office ('the office') undertook a total of 43 matters. This is nine matters less than the previous reporting period. These matters were received by the office directly from public officers or members of the public, or were referred by the Commission or by the Joint Standing Committee of the Corruption and Crime Commission ('JSCCCC'), or were matters raised on the office's own initiative.

The office concluded 40 matters during the reporting period. This is five less than the previous reporting period. The concluded matters originated during this and the previous reporting period. 52% of the office's time was devoted to its audit function and 48% was devoted to its investigation function. During the reporting period, Acting Parliamentary Inspector Christopher Zelestis QC had two matters referred to him under s 195(3) of the Act by the former Parliamentary Inspector for his determination.

After three years and four months as Parliamentary Inspector, Mr Christopher Steytler AO QC retired from his role on 30 June 2012. His sustained commitment saw the number of matters outstanding in the office reduced to its lowest number since the office's inception. He concluded 181 matters during his term, while undertaking a large number of new and complex matters which arose during his term, some of which resulted in reports to Parliament or to the JSCCCC. His reports which arose in the reporting period are identified at 5.7.

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## 1. FUNCTIONS OF THE PARLIAMENTARY INSPECTOR

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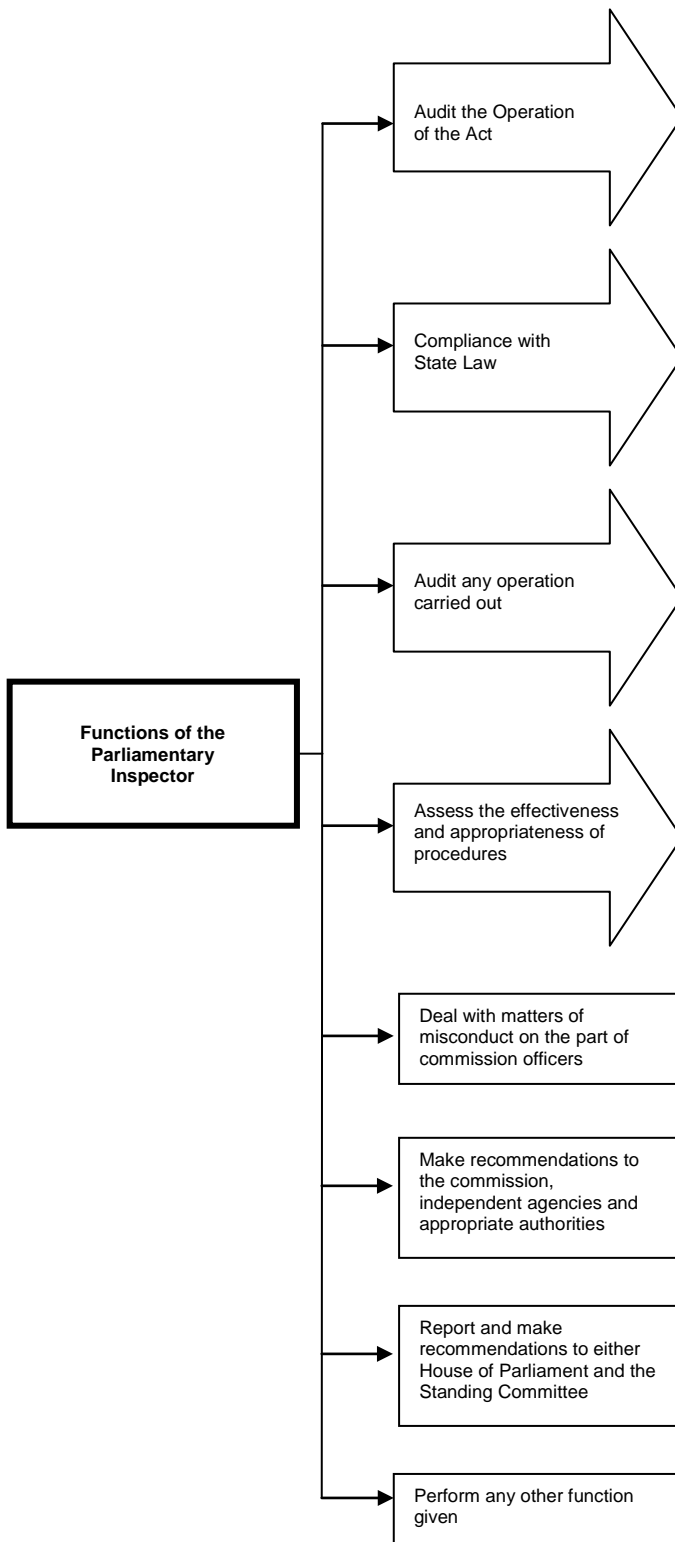
The Parliamentary Inspector has the following functions under s195(1) of the Act:

- (aa) auditing the operation of the Act;
- (a) auditing the operations of the Commission for the purpose of monitoring compliance with the laws of the State;
- (b) dealing with matters of misconduct on the part of the Commission, officers of the Commission and my officers;
- (cc) auditing any operation carried out pursuant to the powers conferred or made available by this Act;
- (c) assessing the effectiveness and appropriateness of the Commission's procedures;
- (d) making recommendations to the Commission, independent agencies and appropriate authorities;
- (e) reporting and make recommendations to either House of Parliament and the Standing Committee; and
- (f) performing any other function given to me under this or another Act.

These functions may be performed on the Parliamentary Inspector's initiative, at the request of the Minister, in response to a matter reported to the office, in response to a reference by either House of Parliament or in response to a reference from the JSCCCC or the Commission.

The Parliamentary Inspector may report to Parliament or to the JSCCC at any time on matters affecting the Commission, including its operational effectiveness and requirements and any administrative or general policy matter relating to the functions of the office. The Parliamentary Inspector is also obliged to report annually to Parliament about the general activities of the office during the year. This report may be prepared in conjunction with the Annual Report required under the *Financial Management Act 2006 (WA)*.

The key functions of the Parliamentary Inspector are summarised below:



## **1.1 Analysis of the Audit and Other Functions of the Parliamentary Inspector**

The following information relates to the allocation of the resources of the office to the functions listed in s 195(1) of the Act. Of the total hours worked by the office in the reporting period, 52% was devoted to its audit functions.

### **s 195(1)(aa): audit the operation of the Act**

This function is performed by reviewing Commission investigations pursuant to complaints received by the office, while conducting audit functions under s 195(1) of the Act, during Inquiries held under s 197(1) of the Act, by calling for submissions or by a combination of these approaches.

During the reporting period 51% of the total hours devoted to the audit function was devoted to this category during the reporting period.

### **s 195(1)(a): audit the operations of the Commission for the purpose of monitoring compliance with the laws of the State**

This function is primarily directed to two core areas. The first is to provide assurance that the Commission uses its powers lawfully and appropriately when acting under statutes such as the Act and the *Surveillance Devices Act 1998 (WA)*. The second is to provide assurance that the Commission does not use secrecy or confidentiality provisions to prevent normal accountability mechanisms from applying.

An audit of the following activities of the Commission is conducted under this function by the office at the end of each quarter of the reporting period. The total time devoted to this function is therefore largely determined by the auditable investigative activities of the Commission:

1. all warrants issued to the Commission under the *Surveillance Devices Act 1998 (WA)*;
2. all Assumed Identities Operations authorized by the Commissioner;
3. all Controlled Operations authorized by the Commissioner; and
4. all Organised Crime authorisations granted by the Commission to the WA Police.

During the reporting period 1% of the total hours devoted to the audit function was devoted to this category.

### **s 195(1)(b): deal with matters of misconduct on the part of the Commission, officers of the Commission and officers of the Parliamentary Inspector**

The Parliamentary Inspector may deal with allegations of misconduct under s 195(1)(b) and s 197(1) of the Act made against the Commission, any of its officers or the staff of the office. The former Parliamentary Inspector concluded two Inquiries under s 197(1) of the Act in respect of possible misconduct on the part of Commission officers during the reporting period. One Inquiry was commenced in the 2009-2010 reporting period and related to the interception by the Commission of telephone calls which were subject to legal professional privilege. The Inquiry concluded with a report tabled in Parliament on 24 November 2011. The second Inquiry was commenced in the 2010-2011 reporting period and was concluded in the reporting period with no finding of misconduct made.

One investigation was commenced under s 195(1)(b) of the Act to determine if misconduct had occurred on the part of the Commission or any of its officers. That investigation concluded at the end of the reporting period with no finding of misconduct being made.

**s 195(1)(cc): audit any operation carried out pursuant to the powers conferred or made available by this Act**

This function enables the auditing of all operations and investigations of the Commission, including those conducted pursuant to special powers conferred under the Act. However, it does not provide a jurisdiction to audit or otherwise have access to supporting affidavits used by the Commission to obtain interceptions warrants under the *Telecommunications (Interception and Access) Act 1979 (Com)*. The Parliamentary Inspector has the jurisdiction to inspect those affidavits or intercepted information only in respect of an investigation of an allegation of misconduct on the part of the Commission or any of its officers under s 195(1)(b) of the Act.

This audit function is undertaken:

- at the request of the Minister;
- in response to a reference by either House of Parliament, the JSCCCC or the Commission;
- on the Parliamentary Inspector's own initiative, or
- in response to a matter reported to the office.

The purpose of this audit function is that of determining whether the operations, investigations and the use of special powers by the Commission:

- comply with legislative provisions imposing mandatory procedures for authorisation, monitoring, reporting and other accountability conditions;
- conform to the policies and procedures established by the Commission;
- are conducted in a timely manner, and
- involve the reasonable use of special powers in the circumstance of the case.

The purpose of this form of monitoring is to:

- reduce the risk of unnecessary use or abuse of special powers, and
- promote procedural improvements.

During the reporting period the office did not receive any such request from the Minister or either House of Parliament, but did receive 2 references from the JSCCCC to perform an audit pursuant to this function. The first reference was in respect of the Commission's revocation of one of its own exceptional powers finding (an Inquiry which resulted in the JSCCCC tabling a report in Parliament on 14 June 2012) and the second reference was in respect of the Committee's Inquiry into public examinations conducted by the Commission. The former Parliamentary Inspector made submissions to the JSCCCC in respect of each.

During the reporting period 48% of the total hours devoted to the audit function was devoted to this category.

**s 195(1)(c): assess the effectiveness and appropriateness of the Commission's procedures**

This function enables an examination of the procedures adopted by the Commission in the course of carrying out its functions and using its powers. This function is primarily fulfilled by the office's consideration of complaints made by public officers or members of the public about decisions made by the Commission. It is also fulfilled during my office's audit functions and answering references made by Parliament or by the JSCCCC. The fulfilment of this function is common to most aspects of business conducted by the office.

**s 195(1)(d): make recommendations to the Commission, independent agencies and appropriate authorities**

This function enables recommendations to be made to the Commission about ways in which its procedures might be improved or in respect of specific matters that have been considered by the office. This function also permits the making of recommendations to an independent agency or appropriate authority.

In his three reports tabled in Parliament and with the JSCCCC which are described in 5.7, the former Parliamentary Inspector made recommendations to the Commission and to Parliament. In his first report of 21 July 2011, he recommended the making of an unqualified apology by the Commission to a complainant for its treatment of him and the making of changes to its procedures to avoid a repetition of the Commission's failings. In his second report of 11 August 2011, he recommended to the Commission that it place a greater emphasis on investigating serious instances of the use of excessive force by police, an amendment to s 7B of the Act to promote this emphasis and that more resources be given to the Commission to achieve this, if necessary. In his third report of 24 November 2011, he made



recommendations for wide-ranging changes to the Commission's procedures concerning its management of information gathered through telecommunication interception and concerning how it determines claims of legal professional privilege. As a consequence, satisfactory changes were made by the Commissioner to the Commission's procedures.

**s 195(1)(e): report and make recommendations to either House of Parliament and the JSCCCC**

This function enables reports and recommendations to be made to either House of Parliament and to the JSCCCC. The former Parliamentary Inspector tabled one report with Parliament and two reports with the JSCCCC during the reporting period, all of which included recommendations. These reports are referred to in 5.7.

**s 195(1)(f): perform any other function given to the Parliamentary Inspector under this or another Act**

This function operates primarily in respect of administrative responsibilities imposed generally upon Chief Officers of government agencies. However, it includes any reference made to the Parliamentary Inspector by the JSCCCC or by Parliament under s 195(2)(d) of the Act. The former Parliamentary Inspector received two references from the JSCCCC in the reporting period, the first being in respect of its consideration of the Commission's revocation of its own extraordinary powers finding and the second being in respect of its Inquiry into public examinations conducted by the Commission. Submissions were made by the former Parliamentary Inspector concerning both references.

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## 2. POWERS OF THE PARLIAMENTARY INSPECTOR

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The powers of the Parliamentary Inspector are conferred by s 196 of the Act and they are adequate to allow the functions of the office to be fulfilled effectively. However, as has been observed in previous Annual Reports, the absence of a general power on the office's part or on the part of any State or Commonwealth agency to examine supporting affidavits in warrant applications made by the Commission under the *Telecommunications (Interception and Access) Act 1979 (Com)* is a serious deficiency in the oversight of the Commission's operations and its appropriate use of its powers.

The Commission's rights under this legislation intrudes into the privacy of any person who speaks on a telephone line to which an interception warrant applies, whether or not the warrant relates to the user of the line and whether or not the call falls within the purpose of the Commission's investigation. It is a right which is frequently exercised by the Commission. The Commission's supporting affidavit in its warrant application provides the reasons offered by it as to why the warrant should be granted and is read by a judicial officer at the time the application is made, but there is no general authority for the Inspector or for any other State or Commonwealth agency to subsequently investigate the accuracy of the affidavit's content. Nor can a series of affidavits for warrants be assessed for systemic irregularities.

This problem in the Commonwealth legislation has been brought to the attention of the JSCCCC so that the Parliament of Western Australia can, if it thinks fit, approach the Commonwealth Parliament with a view to addressing it.

This situation is in contrast to the Parliamentary Inspector's power under s 196 of the Act to examine the Commission's supporting affidavits used under the *Surveillance Devices Act 1998 (WA)* to obtain warrants which authorise the Commission to place surveillance devices in people's homes, places of employment and motor vehicles pursuant to the office's audit function of Commission operations under s 195(1)(cc) of the Act.

The Parliamentary Inspector has the power to do all things necessary or convenient for the performance of the functions listed in s 195 of the Act. In addition, the office may investigate any aspect of the Commission's operations, have access to the Commission's records, require information or documents which relate to the Commission's operations or the conduct of its officers, require officers of the Commission to appear to answer questions or produce documents in relation to the operations of the Commission or the conduct of its officers, refer matters relating to the Commission or its officers to other agencies for consideration or action and recommend that consideration be given to disciplinary action against or criminal prosecution of officers of the Commission.

If the Commission receives an allegation that may concern one of its officers, it must notify the office under s 196(4) of the Act. The office may, at any time, review the Commission's acts and proceedings in respect of any such allegation. In such an event, the Parliamentary Inspector is empowered under s 196(5) to remove the matter for consideration and determination at any time and may annul any determination made by the Commission and substitute a new decision for it, which can be of a remedial or compensatory nature. However, this power does not extend to any matter that arises from or can be dealt with under a jurisdiction created by or that is subject to the *Industrial Relations Act 1968 (WA)*.

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### **3. THE OFFICE**

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The office is situated at Floor 12, 141 St Georges Terrace, Perth WA. Its postal address is Locked Bag 123, Perth Business Centre WA 6849 and its telephone number is (08) 9264 9570. The email address is [piccc@piccc.wa.gov.au](mailto:piccc@piccc.wa.gov.au) and the website address is [www.piccc.wa.gov.au](http://www.piccc.wa.gov.au)

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## **4. RECORD-KEEPING PLAN**

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The office complies with section 19 of the *State Records Act 2000* which requires every State Organisation to have a Record-Keeping Plan approved by the State Records Commission and that the organisation and its employees comply with that plan. The plan and a Retention and Disposal Schedule have been approved by the State Records Commission.

The office utilises the Department of the Attorney General's Tower Records Information Management (TRIM) database as its official recordkeeping system for administrative files. Investigation files and audit files are not currently captured or stored on the TRIM system. This is because of the confidential nature of the information contained within these files. The office has a register of audit files and this register is maintained on a secure server.

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## **5. REPORT ON OPERATIONS**

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### **5.1 MATTERS UNDERTAKEN BY THE OFFICE**

The office undertook 43 matters during the reporting period. This is nine matters less than the previous reporting period.

### **5.2 NATURE OF MATTERS**

The nature of matters dealt with by the office was as follows:

- (a) 19 were complaints about the Commission's decision not to investigate a complaint of alleged misconduct on the part of a public officer (10 of which involved police misconduct) or the perceived inadequacy of a Commission investigation;
- (b) nine were complaints about the ethical behaviour of the Commission or of its officers or about decisions made by the Commission other than those in category (a);
- (c) four were complaints about the Commission or its senior officers by other officers of the Commission (not referred to the office by the Commission under s 196(4) of the Act);
- (d) four were matters of a miscellaneous nature;
- (e) two were complaints first made to the Commission against Commission officers that were subsequently referred to the office under s 196(4) of the Act;
- (f) two were matters referred to the office by the JSCCCC under s 195(2)(d) of the Act;
- (g) one was a preliminary investigation of whether misconduct had occurred on the part of the Commission or any of its officers under s 195(1)(b) of the Act;
- (h) one was a complaint concerning the lack of communication by the Commission to one of its complainants; and
- (i) one was a matter initiated by the office under s 195(2)(a) of the Act.

### **5.3 INVESTIGATIONS UNDER S 195(2)(a) OF THE ACT**

The office initiated one investigation under s 195(2)(a) of the Act in respect of the Commission's procedures used for authorising certain officers to access and use intercepted telecommunication information after observing procedural anomalies during an investigation. Satisfactory improvements to those procedures were consequently made by the Commission.

### **5.4 NOTIFICATIONS UNDER S 196(4) OF THE ACT**

The Commission made two notifications to the office under s 196(4) of the Act in respect of allegations against officers of the Commission. The former Parliamentary Inspector did not exercise any of his powers in relation to either notification, but instead monitored the Commission's management of them. Both notifications were finalised by the Commission to his satisfaction.

### **5.5 CO-OPERATION OF THE COMMISSION**

The fulfilment by Acting Commissioner Mark Herron of the Commissioner's responsibilities in the first half (and before) of the reporting period was, in the view of the former Parliamentary Inspector, instrumental in the workload of the office being properly addressed during that time.

The appointment of Commissioner Roger Macknay QC in the second half of the reporting period has positively contributed to the workflow of the office. Commissioner Macknay has commenced a wide-ranging review of the Commission's practices and procedures. The office received a satisfactory level of cooperation from the Commission during the reporting period in respect of those matters of concern raised with it.

### **5.6 MONITORING THE COMMISSION'S OPERATIONS**

The quarterly audits conducted of the Commission's use of its Assumed Identities, Controlled Operations, Organised Crime and surveillance devices powers and his assessments of Commission investigations during the reporting period revealed a reduction in the level of those activities within the Commission.

### **5.7 REPORTS TO THE JSCCCC OR TO PARLIAMENT**

By ss 199 and 201 of the Act the Parliamentary Inspector may, at any time, make a report to Parliament or to the JSCCCC on, *inter alia*, any matters affecting the Commission, including its operational effectiveness and requirements. The former Parliamentary Inspector tabled one report in Parliament under s 199 of the Act and two reports to the JSCCCC under s 201 of the Act during the reporting period. The first report was tabled in Parliament on 21 July 2011 and was titled *Assessment of Procedures of the Corruption and Crime Commission to Assess Complaints of Serious Misconduct made by Mr Ian Quartermaine*. The second report was tabled with

the JSCCCC and was subsequently tabled by it in Parliament on 11 August 2011 and was titled *The procedures adopted by the CCC when dealing with complaints of the use of excessive force by police*. The third report was tabled with the JSCCCC and was subsequently tabled by it in Parliament on 24 November 2011 and was titled *Telecommunications Interceptions and Legal Professional Privilege*. Changes to the Commission's practices and procedures were consequently made to the satisfaction of the former Parliamentary Inspector.



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## **6. ACCOUNTABILITY OF THE PARLIAMENTARY INSPECTOR**

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The office is accountable to the Parliament and reports to the JSCCCC whenever requested by it concerning its activities. The office is also responsible for assisting the JSCCCC in its statutory functions under the Act.

The JSCCCC has closely monitored the office's activities (and those of the Commission) throughout the reporting period and has kept itself well informed concerning all pertinent issues, which has enabled it to take a vigorous and proactive role.

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## 7. OPERATION OF THE COMMISSION

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Mr Roger Macknay QC was appointed as Commissioner during the reporting period, an appointment which ended a significant period of time during which the role of Commissioner was fulfilled by Acting Commissioner Herron. Since his appointment, Commissioner Macknay has moved quickly to address a number of procedural issues within the Commission which were investigated and reported upon by the former Parliamentary Inspector, while simultaneously guiding complex Commission investigations and generally reviewing the Commission's procedures. One significant alteration to those procedures is a new focus on complaints against W.A. police which involve a use of excessive force. The former Parliamentary Inspector viewed these matters with satisfaction.

There was an overall decline in the reporting period of the Commission's auditable investigative activities, namely, warrants issued to the Commission under the *Surveillance Devices Act 1998 (WA)*, Assumed Identities and Controlled Operations authorized by the Commissioner and Organised Crime authorisations granted by the Commission to the W.A. Police.

There is a legislative proposal before Parliament to amend the Act to permit the Commission, either in conjunction with the W.A. Police or unilaterally, to conduct investigations into organised crime. The former Parliamentary Inspector expressed his concerns to the JSCCCC that the proposed amendments could have a number of adverse consequences, including a possible reduction in the effectiveness of one of the Commission's functions of overseeing misconduct on the part of the W.A. Police.

Should the legislative proposal be passed by Parliament, it is impossible to predict beforehand the impact that the Commission's new functions may have on the resources and practices of the office. Subject to any other request made by Government, it is considered prudent to wait and observe how the Commission's new functions are performed before any realignment of the office's resources and practices are considered.



# Auditor General

## INDEPENDENT AUDITOR'S REPORT

To the Parliament of Western Australia

## PARLIAMENTARY INSPECTOR OF THE CORRUPTION AND CRIME COMMISSION

### Report on the Financial Statements

I have audited the accounts and financial statements of the Parliamentary Inspector of the Corruption and Crime Commission.

The financial statements comprise the Statement of Financial Position as at 30 June 2012, the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and Notes comprising a summary of significant accounting policies and other explanatory information.

#### *Parliamentary Inspector's Responsibility for the Financial Statements*

The Parliamentary Inspector is responsible for keeping proper accounts, and the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and the Treasurer's Instructions, and for such internal control as the Parliamentary Inspector determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### *Auditor's Responsibility*

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the financial statements based on my audit. The audit was conducted in accordance with Australian Auditing Standards. Those Standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Parliamentary Inspector's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Parliamentary Inspector, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my audit opinion.

#### **Opinion**

In my opinion, the financial statements are based on proper accounts and present fairly, in all material respects, the financial position of the Parliamentary Inspector of the Corruption and Crime Commission at 30 June 2012 and its financial performance and cash flows for the year then ended. They are in accordance with Australian Accounting Standards and the Treasurer's Instructions.

## **Report on Controls**

I have audited the controls exercised by the Parliamentary Inspector of the Corruption and Crime Commission during the year ended 30 June 2012.

Controls exercised by the Parliamentary Inspector of the Corruption and Crime Commission are those policies and procedures established by the Parliamentary Inspector to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions.

### *Parliamentary Inspector's Responsibility for Controls*

The Parliamentary Inspector is responsible for maintaining an adequate system of internal control to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of public and other property, and the incurring of liabilities are in accordance with the Financial Management Act 2006 and the Treasurer's Instructions, and other relevant written law.

### *Auditor's Responsibility*

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the controls exercised by the Parliamentary Inspector of the Corruption and Crime Commission based on my audit conducted in accordance with Australian Auditing and Assurance Standards.

An audit involves performing procedures to obtain audit evidence about the adequacy of controls to ensure that the Parliamentary Inspector complies with the legislative provisions. The procedures selected depend on the auditor's judgement and include an evaluation of the design and implementation of relevant controls.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my audit opinion.

### **Opinion**

In my opinion, the controls exercised by the Parliamentary Inspector of the Corruption and Crime Commission are sufficiently adequate to provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions during the year ended 30 June 2012.

## **Report on the Key Performance Indicators**

I have audited the key performance indicators of the Parliamentary Inspector of the Corruption and Crime Commission for the year ended 30 June 2012.

The key performance indicators are the key effectiveness indicators and the key efficiency indicators that provide information on outcome achievement and service provision.

### *Parliamentary Inspector's Responsibility for the Key Performance Indicators*

The Parliamentary Inspector is responsible for the preparation and fair presentation of the key performance indicators in accordance with the Financial Management Act 2006 and the Treasurer's Instructions and for such controls as the Parliamentary Inspector determines necessary to ensure that the key performance indicators fairly represent indicated performance.

### *Auditor's Responsibility*

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the key performance indicators based on my audit conducted in accordance with Australian Auditing and Assurance Standards.

An audit involves performing procedures to obtain audit evidence about the key performance indicators. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the key performance indicators. In making these risk assessments the auditor considers internal control relevant to the Parliamentary Inspector's preparation and fair presentation of the key performance indicators in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the relevance and appropriateness of the key performance indicators for measuring the extent of outcome achievement and service provision.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my audit opinion.

### **Opinion**

In my opinion, the key performance indicators of the Parliamentary Inspector of the Corruption and Crime Commission are relevant and appropriate to assist users to assess the Parliamentary Inspector's performance and fairly represent indicated performance for the year ended 30 June 2012.

### **Independence**

In conducting this audit, I have complied with the independence requirements of the Auditor General Act 2006 and Australian Auditing and Assurance Standards, and other relevant ethical requirements.

### **Matters Relating to the Electronic Publication of the Audited Financial Statements and Key Performance Indicators**

This auditor's report relates to the financial statements and key performance indicators of the Parliamentary Inspector of the Corruption and Crime Commission for the year ended 30 June 2012 included on the Parliamentary Inspector's website. The Parliamentary Inspector's management is responsible for the integrity of the Parliamentary Inspector's website. This audit does not provide assurance on the integrity of the Parliamentary Inspector's website. The auditor's report refers only to the financial statements and key performance indicators described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements or key performance indicators. If users of the financial statements and key performance indicators are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial statements and key performance indicators to confirm the information contained in this website version of the financial statements and key performance indicators.



GLEN CLARKE  
DEPUTY AUDITOR GENERAL  
Delegate of the Auditor General for Western Australia  
Perth, Western Australia  
13 September 2012

## 9. PERFORMANCE INDICATORS

### 9.1 OUTCOMES AND SERVICES

#### Relationships to Government Goals

Broad, high-level government goals are supported at agency level by more specific agency desired outcomes. Agencies deliver services to achieve these desired outcomes that ultimately contribute to meeting the higher level government strategic goals. The following table illustrates the relationship between the agency level desired outcome and service and the most appropriate government goal.

<b>Government Goal</b>	<b>PICCC Desired Outcome</b>	<b>Service</b>
Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians.	An informed Parliament on the integrity of the Corruption and Crime Commission.	Evaluation of the effectiveness and appropriateness of Corruption and Crime Commission operations.

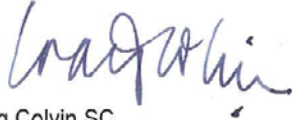
## 9.2 CERTIFICATION OF PERFORMANCE INDICATORS

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### Key Performance Indicators

#### Certification of Key Performance Indicators for the Year Ending 30 June 2012

I hereby certify that the key performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the Parliamentary Inspector of the Corruption and Crime Commission's performance, and fairly represent the performance of the Parliamentary Inspector of the Corruption and Crime Commission for the financial year ended 30 June 2012.



Craig Colvin SC  
Accountable Authority

10 September 2012

## PERFORMANCE INDICATOR REPORT

### KEY EFFECTIVENESS INDICATOR

	2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Target	2011-12 Actual
Number of investigations completed and reported to Parliament within target timeframes	1	1	1	1	1

\* The Parliamentary Inspector is not required to report to Parliament until after the audit of these Key Performance Indicators, therefore the report referred to in the effectiveness indicator is the annual report for the previous year.

The Parliamentary Inspector of the Crime and Corruption Commission seeks to achieve the outcome of *an informed Parliament on the integrity of the Corruption and Crime Commission*. The indicator is measured by determining if the Parliamentary Inspector met the statutory annual reporting requirements contained in section 203 of the *Corruption and Crime Commission Act 2003* i.e.

#### **203. Annual report to Parliament**

- (1) *The Parliamentary Inspector is to prepare, within three months after 30 June of each year, a report as to his or her general activities during that year.*
- (2) *The Parliamentary Inspector is to cause a copy of a report prepared under this section to be laid before each House of Parliament, or dealt with under s 206, within 21 days of the preparation of the report.*
- (3) *This section does not limit Part II Division 14 of the Financial Administration and Audit Act 1985 and the report required under this section may be prepared and dealt with in conjunction with the report required under that Division.*

This measure is a key indicator of performance because timeliness of reporting is essential if the Parliament is to base decisions on the information provided by the Parliamentary Inspector.



## KEY EFFICIENCY INDICATORS

	2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Target	2011-12 Actual
Average cost per investigation/case	\$8,260	\$5,108	\$8,097	\$8,096	\$6,551
Cost of the audit function as a percentage of total cost of operations	27%	56%	39%	39%	52%

### **Average Cost per investigation/case**

The average cost per investigation/case is calculated by determining the total cost of the investigation function and dividing it by the number of investigations closed for the period.

The total cost of the investigation function is calculated by determining the percentage of salaries devoted to the investigation function and then applying that percentage to the total expenditure of the PICCC for the period. This gives the total cost of the investigation function.

The number of specific investigations conducted and completed by the Parliamentary Inspector is recorded electronically. Each investigation is commenced by receipt of a written complaint and recorded in a complaints register. When the investigation is completed it is recorded as closed. The number of investigations is drawn from this information.

A decrease in the average cost per investigation as compared to the 2011-12 budget is attributed to some matters requiring less investigation time.

The actual increase in the audit function for 2011-12 is due to more time being made available to audit the operations of the Corruption and Crime Commission.

### **Cost of the audit function as a percentage of total cost of operations**

The cost of the audit function as a percentage of the total cost of operations is calculated by determining the percentage of total PICCC salaries devoted to the audit function and then applying that percentage to the total expenditure of the PICCC for the period. For example, if 50% of salaries cost is devoted to the audit function then it is considered that 50% of the total cost of the PICCC is devoted to the audit function.

The result for 2011-12 is higher than target due to more time being made available to audit the operations of the Corruption and Crime Commission.

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## 10. DISCLOSURES AND LEGAL COMPLIANCE

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### 10.1 CERTIFICATION OF FINANCIAL STATEMENTS

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PARLIAMENTARY INSPECTOR  
OF THE CORRUPTION AND CRIME COMMISSION  
OF WESTERN AUSTRALIA

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#### Disclosures and Legal Compliance

##### Financial Statements

##### Certification of Financial Statements

For the year ended 30 June 2012

The accompanying financial statements of the Parliamentary Inspector of the Corruption and Crime Commission have been prepared in compliance with the provisions of the *Financial Management Act 2006* from proper accounts and records to present fairly the financial transactions for the financial year ended 30 June 2012 and the financial position as at 30 June 2012.

At the date of signing we are not aware of any circumstances which would render the particulars included in the financial statements misleading or inaccurate.

  
A. Andersson

Alan Andersson  
Chief Finance Officer

10 September 2012



Craig Colvin SC  
Accountable Authority

10 September 2012

**PARLIAMENTARY INSPECTOR OF THE CORRUPTION AND CRIME COMMISSION**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2012**

	Note	2012 \$	2011 \$
<b>COST OF SERVICES</b>			
<b>Expenses</b>			
Employee benefits expense	6	361,178	403,093
Supplies and services	7	101,964	54,839
Depreciation and amortisation expense	8	-	198
Accommodation expenses	9	58,162	56,188
Loss on disposal of non-current assets	10	-	3,020
Other expenses	11	24,583	13,616
<b>Total cost of services</b>		<b>545,887</b>	<b>530,954</b>
<b>Income</b>			
Other revenue	12	3,690	-
<b>Total income other than income from State Government</b>		<b>3,690</b>	<b>-</b>
<b>NET COST OF SERVICES</b>		<b>542,197</b>	<b>530,954</b>
<b>INCOME FROM STATE GOVERNMENT</b>			
Service appropriation	13	502,000	478,000
Resources received free of charge		71,053	21,651
<b>Total income from State Government</b>		<b>573,053</b>	<b>499,651</b>
<b>SURPLUS/(DEFICIT) FOR THE PERIOD</b>		<b>30,856</b>	<b>(31,303)</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
Gains/(losses) recognised directly in equity		-	-
<b>Total other comprehensive income</b>		<b>-</b>	<b>-</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>30,856</b>	<b>(31,303)</b>

The Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

**PARLIAMENTARY INSPECTOR OF THE CORRUPTION AND CRIME COMMISSION**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2012**

	Note	2012 \$	2011 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	22	422,689	398,099
Receivables	14	416	211
Other current assets	15	603	-
Amounts receivable for services	16	48,000	48,000
<b>Total Current Assets</b>		<b>471,708</b>	<b>446,310</b>
<b>TOTAL ASSETS</b>		<b>471,708</b>	<b>446,310</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Payables	19	10,706	11,726
Provisions	20	73,951	74,918
<b>Total Current Liabilities</b>		<b>84,657</b>	<b>86,644</b>
<b>Non-Current Liabilities</b>			
Provisions	20	8,635	12,106
<b>Total Non-Current Liabilities</b>		<b>8,635</b>	<b>12,106</b>
<b>TOTAL LIABILITIES</b>		<b>93,292</b>	<b>98,750</b>
<b>NET ASSETS</b>		<b>378,416</b>	<b>347,560</b>
<b>EQUITY</b>			
Contributed equity	21	160,000	160,000
Accumulated surplus/(deficit)		218,416	187,560
<b>TOTAL EQUITY</b>		<b>378,416</b>	<b>347,560</b>

The Statement of Financial Position should be read in conjunction with the accompanying notes.

**PARLIAMENTARY INSPECTOR OF THE CORRUPTION AND CRIME COMMISSION**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2012**

	Note	Contributed equity \$	Accumulated surplus/ (deficit) \$	Total equity \$
<b>Balance at 1 July 2010</b>	21	160,000	218,863	378,863
Total comprehensive income for the period		-	(31,303)	(31,303)
<b>Balance at 30 June 2011</b>		<u>160,000</u>	<u>187,560</u>	<u>347,560</u>
<b>Balance at 1 July 2011</b>		<u>160,000</u>	<u>187,560</u>	<u>347,560</u>
Total comprehensive income for the period		-	30,856	30,856
<b>Balance at 30 June 2012</b>		<u>160,000</u>	<u>218,416</u>	<u>378,416</u>

The Statement of Changes in Equity should be read in conjunction with the accompanying notes.

**PARLIAMENTARY INSPECTOR OF THE CORRUPTION AND CRIME COMMISSION**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2012**

	Note	2012 \$	2011 \$
<b>CASH FLOWS FROM STATE GOVERNMENT</b>			
Service appropriation		492,000	468,000
Holding account drawdowns		10,000	10,000
<b>Net cash provided by State Government</b>		<b>502,000</b>	<b>478,000</b>
Utilised as follows:			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Payments</b>			
Employee benefits		(325,551)	(334,486)
Supplies and services		(93,492)	(107,524)
Accommodation		(58,162)	(56,188)
GST payments on purchases		(3,876)	(4,561)
<b>Receipts</b>			
GST receipts from taxation authority		3,671	6,642
<b>Net cash provided by/(used in) operating activities</b>	22	<b>(477,410)</b>	<b>(496,117)</b>
Net increase/(decrease) in cash and cash equivalents		24,590	(18,117)
Cash and cash equivalents at the beginning of the period		398,099	416,216
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	22	<b>422,689</b>	<b>398,099</b>

The Statement of Cash Flows should be read in conjunction with the accompanying notes.

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**PARLIAMENTARY INSPECTOR OF THE CORRUPTION AND CRIME COMMISSION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2012**

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**1 Australian Accounting Standards**

**General**

The financial statements for the Parliamentary Inspector of the Corruption and Crime Commission (the "Office of the Parliamentary Inspector" for the purpose of these notes) for the year ended 30 June 2012 have been prepared in accordance with Australian Accounting Standards. The term 'Australian Accounting Standards' includes Standards and Interpretations issued by the Australian Accounting Standards Board (AASB).

The Office of the Parliamentary Inspector has adopted any applicable new and revised Australian Accounting Standards from their operative dates.

**Early adoption of standards**

The Office of the Parliamentary Inspector cannot adopt an Australian Accounting Standard earlier than the commencement date unless specifically permitted by Treasurer's instruction (TI) 1101 *Application of Australian Accounting Standards and Other Pronouncements*. There has been no early adoption of Australian Accounting Standards that have been issued or amended (but not yet operative) by the Office of the Parliamentary Inspector for the annual reporting period ended 30 June 2012.

**2 Summary of significant accounting policies**

**(a) General statement**

The Office of the Parliamentary Inspector is a not-for-profit reporting entity that prepares general purpose financial statements in accordance with the Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the AASB as applied by the TIs. Several of these are modified by the TIs to vary application, disclosure, format and wording.

The *Financial Management Act* and the TIs impose legislative provisions governing the preparation of financial statements and take precedence over Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the AASB.

Where modification is required and has had a material or significant financial effect upon the reported results, details of that modification and the resulting financial effect are disclosed in the notes to the financial statements.

**(b) Basis of preparation**

The financial statements have been prepared on the accrual basis of accounting using the historical cost convention.

The accounting policies adopted in the preparation of the financial statements have been consistently applied throughout all periods presented unless otherwise stated.

The financial statements are presented in Australian dollars and all values are rounded to the nearest dollar.

**(c) Reporting entity**

The reporting entity comprises the Office of the Parliamentary Inspector and no other related bodies.

**(d) Mission**

The Office of the Parliamentary Inspector accepts and can investigate allegations of misconduct by the Corruption and Crime Commission.

It also makes recommendations to the Corruption and Crime Commission, independent agencies, appropriate authorities and reports and makes recommendations to Parliament and Standing Committees.

**(e) Contributed equity**

AASB Interpretation 1038 *Contributions by Owners Made to Wholly-Owned Public Sector Entities* requires transfers in the nature of equity contributions, other than as a result of a restructure of administrative arrangements, to be designated by the Government (the owner) as contributions by owners (at the time of, or prior to transfer) before such transfers can be recognised as equity contributions. Capital appropriations have been designated as contributions by owners by TI 955 *Contributions by Owners made to Wholly Owned Public Sector Entities* and have been credited directly to Contributed Equity.

**(f) Income**

Revenue recognition

Revenue is recognised and measured at the fair value of consideration received or receivable. The following specific recognition criteria must also be met before revenue is recognised for the major business activities as follows:

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**PARLIAMENTARY INSPECTOR OF THE CORRUPTION AND CRIME COMMISSION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2012**

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*Sale of goods*

Revenue is recognised from the sale of goods and disposal of other assets when the significant risks and rewards of ownership transfer to the purchaser and can be measured reliably.

*Provision of services*

Revenue is recognised by reference to the stage of completion of the transaction.

*Service Appropriations*

Service Appropriations are recognised as revenues at fair value in the period in which the Office of the Parliamentary Inspector gains control of the appropriated funds. The Office of the Parliamentary Inspector gains control of appropriated funds at the time those funds are deposited to the bank account or credited to the holding account held at Treasury.

**(g) Property, plant and equipment**

Capitalisation/expensing of assets

Items of property, plant and equipment costing \$5,000 or more are recognised as assets and the cost of utilising assets is expensed (depreciated) over their useful lives. Items of property, plant and equipment costing less than \$5,000 are immediately expensed direct to the Statement of Comprehensive Income.

Initial recognition and measurement

All items of property, plant and equipment are initially recognised at cost.

For items of property, plant and equipment acquired at no cost or for nominal cost, the cost is the fair value at the date of acquisition.

Subsequent measurement

Subsequent to initial recognition as an asset, the cost model is used for the measurement of property, plant and equipment. Items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

Depreciation

All non-current assets having a limited useful life are systematically depreciated over their estimated useful lives in a manner that reflects the consumption of their future economic benefits.

Depreciation is calculated using the straight line method, using rates which are reviewed annually. Estimated useful lives for each class of depreciable asset are:

Office equipment	10 years
Computers	5 years

**(h) Impairment of assets**

Property, plant and equipment are tested for any indication of impairment at the end of each reporting period. Where there is an indication of impairment, the recoverable amount is estimated. Where the recoverable amount is less than the carrying amount, the asset is considered impaired and is written down to the recoverable amount and an impairment loss is recognised. As the Office of the Parliamentary Inspector is a not-for-profit entity, unless an asset has been identified as a surplus asset, the recoverable amount is the higher of an asset's fair value less costs to sell, and the depreciated replacement cost.

The risk of impairment is generally limited to circumstances where an asset's depreciation is materially understated, where the replacement cost is falling or where there is a significant change in useful life. Each relevant class of assets is reviewed annually to verify that the accumulated depreciation/amortisation reflects the level of consumption or expiration of asset's future economic benefits and to evaluate any impairment risk from falling replacement costs.

**(i) Leases**

The Office of the Parliamentary Inspector holds an operating lease for a motor vehicle. Lease payments are expensed on a straight line basis over lease terms as this represents the pattern of benefits derived from the leased property.



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PARLIAMENTARY INSPECTOR OF THE CORRUPTION AND CRIME COMMISSION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2012

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**(j) Financial instruments**

In addition to cash, the Office of the Parliamentary Inspector has two categories of financial instrument:

- Receivables; and
- Financial liabilities measured at amortised cost.

These have been disaggregated into the following classes:

Financial Assets

- Cash and cash equivalents
- Receivables
- Amounts receivable for services

Financial Liabilities

- Payables

Initial recognition and measurement of financial instruments is at fair value which normally equates to the transaction cost or the face value. Subsequent measurement is at amortised cost using the effective interest method.

The fair value of short-term receivables and payables is the transaction cost or the face value because there is no interest rate applicable and subsequent measurement is not required as the effect of discounting is not material.

**(k) Cash and cash equivalents**

For the purpose of the Statement of Cash Flows, cash and cash equivalent assets comprise cash on hand and short-term deposits with original maturities of three months or less that are readily convertible to a known amount of cash and which are subject to insignificant risk of changes in value.

**(l) Accrued salaries**

Accrued salaries represent the amount due to staff but unpaid at the end of the financial year. Accrued salaries are settled within a fortnight of the financial year end. The Office of the Parliamentary Inspector considers the carrying amount of accrued salaries to be equivalent to its fair value. The last pay day in 2011-2012 was 21 June 2012, therefore an accrual of 6 days was provided for this financial year.

**(m) Amounts receivable for services (holding account)**

The Office of the Parliamentary Inspector receives income from the State Government partly in cash and partly as an asset (holding account receivable). The accrued amount appropriated is accessible on the emergence of the cash funding requirement to cover leave entitlements and asset replacement.

**(n) Receivables**

Receivables are recognised at original invoice amount less an allowance for any uncollectible amounts (i.e. impairment). The collectability of receivables is reviewed on an ongoing basis and any receivables identified as uncollectible are written-off against the allowance account. The allowance for uncollectible amounts (doubtful debts) is raised when there is objective evidence that the Office of the Parliamentary Inspector will not be able to collect the debts. The carrying amount is equivalent to fair value as it is due for settlement within 30 days.

**(o) Payables**

Payables are recognised when the Office of the Parliamentary Inspector becomes obliged to make future payments as a result of a purchase of assets or services. The carrying amount is equivalent to fair value, as settlement is generally within 30 days.

**(p) Provisions**

Provisions are liabilities of uncertain timing or amount and are recognised where there is a present legal or constructive obligation as a result of a past event and when the outflow of resources embodying economic benefits is probable and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at the end of each reporting period.

Provisions - employee benefits

*Annual leave and long service leave*

The liability for annual and long service leave expected to be settled within 12 months after the end of the reporting period is recognised and measured at the undiscounted amounts expected to be paid when the liabilities are settled. Long service leave expected to be settled more than 12 months after the end of the reporting period is measured at the present value of amounts expected to be paid when the liabilities are settled. Leave liabilities are in respect of services provided by employees up to the end of the reporting period.

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**PARLIAMENTARY INSPECTOR OF THE CORRUPTION AND CRIME COMMISSION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2012**

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When assessing expected future payments, consideration is given to expected future wage and salary levels including non-salary components such as employer superannuation contributions. In addition, the long service leave liability also considers the experience of employee departures and periods of service.

The expected long service leave future payments are discounted using market yields at the end of the reporting period on national government bonds with terms at maturity that match, as closely as possible, the estimated future cash outflows.

All annual leave and unconditional long service leave provisions are classified as current liabilities as the Office of the Parliamentary Inspector does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

#### *Superannuation*

The Government Employees Superannuation Board (GESB) and other funds in accordance with legislative requirements administers public sector superannuation arrangements in Western Australia. Eligibility criteria for membership in particular schemes for public sector employees varies according to commencement and implementation dates.

Eligible employees contribute to the Pension Scheme, a defined benefit pension scheme closed to new members since 1987, or the Gold State Superannuation Scheme (GSS), a defined benefit lump sum scheme closed to new members since 1995.

The Office of the Parliamentary Inspector has no liabilities under the Pension Scheme or the GSS. The liabilities for the unfunded Pension Scheme and the unfunded GSS transfer benefits due to members who transferred from the Pension Scheme, are assumed by the Treasurer. All other GSS obligations are funded by concurrent contributions made by the Office of the Parliamentary Inspector to the GESB. The concurrently funded part of the GSS is a defined contribution scheme as these contributions extinguish all liabilities in respect of the concurrently funded GSS obligations.

Employees commencing employment prior to 16 April 2007 who were not members of either the Pension Scheme or the GSS became non-contributory members of the West State Superannuation (WSS) Scheme. Employees commencing employment on or after 16 April 2007 became members of the GESB Super (GESBS) Scheme. From 30 March 2012, existing members of the WSS or GESBS and new employees became able to choose their preferred superannuation fund. The Office of the Parliamentary Inspector makes concurrent contributions to GESB or other funds on behalf of employees in compliance with the Commonwealth Government's Superannuation Guarantee (Administration) Act 1992. Contributions to these accumulation schemes extinguish the Office of the Parliamentary Inspector's liability for superannuation charges in respect of employees who are not members of the Pension Scheme or GSS.

The GESB makes all benefit payments in respect of the Pension Scheme and GSS, and is recouped by the Treasurer for the employer's share.

#### Provisions - Other

Employment on-costs, including workers' compensation insurance, are not employee benefits and are recognised separately as liabilities and expenses when the employment to which they relate has occurred. Employment on-costs are included as part of 'Other expenses' and are not included as part of the Office of the Parliamentary Inspector's 'Employee benefits expense'. The related liability is included in 'Employment on-costs provision'.

#### **(q) Superannuation expense**

The superannuation expense in the Statement of Comprehensive Income comprises employer contributions paid to the GSS (concurrent contributions), WSS, the GESBS, or other superannuation fund.

#### **(r) Resources received free of charge or for nominal cost**

Resources received free of charge or for nominal cost that can be reliably measured are recognised as income at fair value. Where the resource received represents a service that the Office of the Parliamentary Inspector would otherwise pay for, a corresponding expense is recognised. Receipts of assets are recognised in the Statement of Financial Position.

Where assets or services are received from another State Government agency, these are separately disclosed under Income from State Government in the Statement of Comprehensive Income.

#### **(s) Comparative figures**

Comparative figures are, where appropriate, reclassified to be comparable with the figures presented in the current financial year.

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**PARLIAMENTARY INSPECTOR OF THE CORRUPTION AND CRIME COMMISSION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2012**

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**3 Disclosure of changes in accounting policy and estimates**

**Initial application of an Australian Accounting Standard**

The Office of the Parliamentary Inspector has applied the following Australian Accounting Standards effective for annual reporting periods beginning on or after 1 July 2011 that impacted on the Office of the Parliamentary Inspector.

*AASB 1054*

*Australian Additional Disclosures*

This Standard, in conjunction with AASB 2011-1 *Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project*, removes disclosure requirements from other Standards and incorporates them in a single Standard to achieve convergence between Australian and New Zealand Accounting Standards. There is no financial impact.

*AASB 2009-12*

*Amendments to Australian Accounting Standards [AASB 5, 8, 108, 110, 112, 119, 133, 137, 139, 1023 & 1031 and Interpretation 2, 4, 16, 1039 & 1052]*

This Standard makes editorial amendments to a range of Australian Accounting Standards and Interpretations. There is no financial impact.

*AASB 2010-4*

*Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 1, 7, 101 & 134 and Interpretation 13]*

The amendments to AASB 7 clarify financial instrument disclosures in relation to credit risk. The carrying amount of financial assets that would otherwise be past due or impaired whose terms have been renegotiated is no longer required to be disclosed. There is no financial impact.

The amendments to AASB 101 clarify the presentation of the Statement of Changes in Equity. The disaggregation of other comprehensive income reconciling the carrying amount at the beginning and the end of the period for each component of equity can be presented in either the Statement of Changes in Equity or the Notes. There is no financial impact.

*AASB 2010-5*

*Amendments to Australian Accounting Standards [AASB 1, 3, 4, 5, 101, 107, 112, 118, 119, 121, 132, 133, 134, 137, 139, 140, 1023 & 1038 and Interpretation 112, 115, 127, 132 & 1042]*

This Standard makes editorial amendments to a range of Australian Accounting Standards and Interpretations. There is no financial impact.

*AASB 2010-6*

*Amendments to Australian Accounting Standards - Disclosures on Transfers of Financial Assets [AASB 1 & 7]*

This Standard introduces additional disclosures relating to transfers of financial assets in AASB 7. An entity shall disclose all transferred financial assets that are not derecognised and any continuing involvement in a transferred asset, existing at the reporting date, irrespective of when the related transfer transaction occurred. There is no financial impact.

*AASB 2011-1*

*Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project [AASB 1, 5, 101, 107, 108, 121, 128, 132 & 134 and Interpretation 2, 112 & 113]*

This Standard, in conjunction with AASB 1054, removes disclosure requirements from other Standards and incorporates them in a single Standard to achieve convergence between Australian and New Zealand Accounting Standards. There is no financial impact.

**PARLIAMENTARY INSPECTOR OF THE CORRUPTION AND CRIME COMMISSION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2012**

**Future impact of Australian Accounting Standards not yet operative**

The Office of the Parliamentary Inspector cannot adopt an Australian Accounting Standard earlier than the commencement date unless specifically permitted by TI 1101 *Application of Australian Accounting Standards and Other Pronouncements*. Consequently, the Office of the Parliamentary Inspector has not applied early any of the following Australian Accounting Standards that have been issued that may impact the Office of the Parliamentary Inspector. Where applicable, the Office of the Parliamentary Inspector plans to apply these Australian Accounting Standards from their application date.

Title	Operative for reporting periods beginning on/after
<p>AASB 9</p> <p><i>Financial Instruments</i></p> <p>This Standard supersedes AASB 139 <i>Financial Instruments: Recognition and Measurement</i>, introducing a number of changes to accounting treatments.</p> <p>The Standard was reissued in December 2010. The Office of the Parliamentary Inspector has not yet determined the application or the potential impact of the Standard.</p>	1 January 2013
<p>AASB 119</p> <p><i>Employee Benefits</i></p> <p>This Standard supersedes AASB 119 (October 2010). As the Office of the Parliamentary Inspector does not operate a defined benefit plan, the impact of the change is limited to measuring annual leave as a long-term employee benefit. The resultant discounting of the annual leave benefit has an immaterial impact.</p>	1 January 2013
<p>AASB 1053</p> <p><i>Application of Tiers of Australian Accounting</i></p> <p>This Standard establishes a differential financial reporting framework consisting of two tiers of reporting requirements for preparing general purpose financial statements. There is no financial impact.</p>	1 July 2013
<p>AASB 2009-11</p> <p><i>Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 &amp; 1038 and Interpretation 10 &amp; 12]</i></p> <p>[Modified by AASB 2010-7]</p>	1 July 2013
<p>AASB 2010-2</p> <p><i>Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements [AASB 1, 2, 3, 5, 7, 8, 101, 102, 107, 108, 110, 111, 112, 116, 117, 119, 121, 123, 124, 127, 128, 131, 133, 134, 136, 137, 138, 140, 141, 1050 &amp; 1052 and Interpretation 2, 4, 5, 15, 17, 127, 129 &amp; 1052]</i></p> <p>This Standard makes amendments to Australian Accounting Standards and Interpretations to introduce reduced disclosure requirements for certain types of entities. There is no financial impact.</p>	1 July 2013

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**PARLIAMENTARY INSPECTOR OF THE CORRUPTION AND CRIME COMMISSION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2012**

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AASB 2010-7

1 January 2013

*Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretation 2, 5, 10, 12, 19 & 127]*

This Standard makes consequential amendments to other Australian Accounting Standards and Interpretations as a result of issuing AASB 9 in December 2010. The Office of the Parliamentary Inspector has not yet determined the application or the potential impact of the Standard.

AASB 2011-2

1 July 2013

*Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project – Reduced Disclosure Requirements [AASB 101 & 1054]*

This Standard removes disclosure requirements from other Standards and incorporates them in a single Standard to achieve convergence between Australian and New Zealand Accounting Standards for reduced disclosure reporting. There is no financial impact.

AASB 2011-10

1 January 2013

*Amendments to Australian Accounting Standards arising from AASB 119 (September 2011) [AASB 1, 8, 101, 124, 134, 1049 & 2011-8 and Interpretation 14]*

This Standard makes amendments to other Australian Accounting Standards and Interpretations as a result of issuing AASB 119 in September 2011. There is no financial impact.

AASB 2011-11

1 July 2013

*Amendments to AASB 119 (September 2011) arising from Reduced Disclosure Requirements*

This Standard gives effect to Australian Accounting Standards – Reduced Disclosure Requirements for AASB 119 (September 2011). There is no financial impact.

#### **4 Judgements made by management in applying accounting policies**

The preparation of financial statements requires management to make judgements about the application of accounting policies that have a significant effect on the amounts recognised in the financial statements. The Office of the Parliamentary Inspector evaluates these judgements regularly.

##### **Operating lease commitments**

The Office of the Parliamentary Inspector has entered into a motor vehicle lease and it has been determined that the lessor retains substantially all the risks and rewards incidental to ownership. Accordingly, the lease has been classified as an operating lease.

#### **5 Key Sources of estimation uncertainty**

Key estimates and assumptions concerning the future are based on historical experience and various other factors that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

##### **Long Service Leave**

Several estimations and assumptions used in calculating the Office of the Parliamentary Inspector's long service leave provision include expected future salary rates, discount rates, employee retention rates and expected future payments. Changes in these estimations and assumptions may impact on the carrying amount of the long service leave provision.

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	<b>2012</b>	<b>2011</b>
	<b>\$</b>	<b>\$</b>
<b>6 Employee benefits expense</b>		
Wages and salaries <sup>(a)</sup>	331,878	353,832
Superannuation (West State)	29,300	49,261
	<b>361,178</b>	<b>403,093</b>
<p>(a) Includes the value of the fringe benefit to the employee plus the fringe benefits tax component, leave entitlements including superannuation contribution component.</p> <p>Employment on-costs liability is included at note 20 'Provisions'.</p>		
<b>7 Supplies and services</b>		
Communications	5,825	4,677
Consumables	8,857	11,231
Consultants and contractors	16,229	17,280
Resources received free of charge (note 13)	71,053	21,651
	<b>101,964</b>	<b>54,839</b>
<b>8 Depreciation and amortisation expense</b>		
Office equipment and computers	-	198
	<b>-</b>	<b>198</b>
<b>9 Accommodation expenses</b>		
Building rental	58,162	56,188
	<b>58,162</b>	<b>56,188</b>
<b>10 Net (gain)/loss on disposal of non-current assets</b>		
<u>Costs of disposal of non-current assets</u>		
Property, plant, equipment and vehicles	-	3,020
<b>Net (gain)/loss</b>	<b>-</b>	<b>3,020</b>
<b>11 Other expenses</b>		
Motor vehicle operating lease	10,336	4,703
Workers compensation insurance	-	1,623
Insurance other	4,959	2,969
Other staff costs	-	182
Other expenses <sup>(a)</sup>	9,288	4,139
	<b>24,583</b>	<b>13,616</b>
<p>(a) Includes bank fees, court transcripts, electricity, travel and motor vehicle operating expense.</p>		
<b>12 Income</b>		
Other Revenue	3,690	-
	<b>3,690</b>	<b>-</b>
<b>13 Income from State Government</b>		
Appropriation received during the year:		
Service appropriation <sup>(a)</sup>	502,000	478,000
	502,000	478,000
Resources received free of charge <sup>(b)</sup>		
Determined on the basis of the following estimates provided by agencies:		
Department of the Attorney General	71,053	21,651
- financial, human resources and information technology services		
Total Income from State Government	<b>573,053</b>	<b>499,651</b>

(a) Service appropriations fund the net cost of services delivered. Appropriation revenue comprises a cash component and a receivable (asset).

(b) Assets or services received free of charge or for nominal cost are recognised as revenue at fair value of the assets and/or services that can be reliably measured and which would have been purchased if they were not donated. Contributions of assets or services in the nature of contributions by owners are recognised direct to equity.

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	2012	2011
	\$	\$
<b>14 Receivables</b>		
<u>Current</u>		
GST receivables	416	211
<b>Total current</b>	<b>416</b>	<b>211</b>
<b>15 Other assets</b>		
<u>Current</u>		
Prepayments	603	-
	<b>603</b>	<b>-</b>
<b>16 Amounts receivable for services (Holding Account)</b>		
Current	48,000	48,000
	<b>48,000</b>	<b>48,000</b>
<p>Represents the non-cash component of service appropriations. It is restricted in that it can only be used for asset replacement or payment of leave liability.</p>		
<b>17 Property, plant and equipment</b>		
<u>Office equipment and computers</u>		
At cost	-	16,210
Accumulated depreciation	-	(16,210)
<b>Total property, plant and equipment</b>	<b>-</b>	<b>-</b>
<p>Reconciliations of the carrying amounts of property, plant, equipment and vehicles at the beginning and end of the reporting period are set out below.</p>		
Carrying amount at start of period	-	3,218
Other disposals	-	(3,020)
Depreciation	-	(198)
Carrying amount at end of period	<b>-</b>	<b>-</b>
<b>18 Impairment of assets</b>		
<p>There were no indications of impairment to plant and equipment at 30 June 2012.</p>		
<b>19 Payables</b>		
<u>Current</u>		
Trade and other payables	1,970	2,311
Accrued salaries	8,736	9,415
<b>Total current</b>	<b>10,706</b>	<b>11,726</b>
<b>20 Provisions</b>		
<u>Current</u>		
<u>Employee benefits provision</u>		
Annual leave <sup>(a)</sup>	57,410	56,245
Long service leave <sup>(a)</sup>	16,541	17,976
	<b>73,951</b>	<b>74,221</b>
<u>Other provision</u>		
<u>Employment on-costs</u>		
Carrying amount at start of period	697	515
Additional provisions recognised - other employee costs	(697)	182
Carrying amount at end of period	<b>-</b>	<b>697</b>
	<b>73,951</b>	<b>74,918</b>

**PARLIAMENTARY INSPECTOR OF THE CORRUPTION AND CRIME COMMISSION**

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	2012	2011
	\$	\$
<u>Non-current</u>		
<i>Employee benefits provision</i>		
Long service leave <sup>(a)</sup>	8,635	11,983
	<u>8,635</u>	<u>11,983</u>
<i>Other provision</i>		
<i>Employment on-costs</i>		
Carrying amount at start of period	123	128
Additional provisions recognised - other employee costs	(123)	(5)
Carrying amount at end of period	<u>-</u>	<u>123</u>
	<u>8,635</u>	<u>12,106</u>

<sup>(a)</sup> Includes a superannuation contribution component

**21 Equity**

Equity represents the residual interest in the net assets of the Office of the Parliamentary Inspector. The Government holds the equity interest in the Office of the Parliamentary Inspector on behalf of the community.

**Contributed equity**

Balance at start of period	160,000	160,000
<b>Balance at end of period</b>	<u>160,000</u>	<u>160,000</u>

**Accumulated surplus/(deficit)**

Balance at start of period	187,560	218,863
Result for the period	30,856	(31,303)
<b>Balance at end of period</b>	<u>218,416</u>	<u>187,560</u>

**Total Equity at end of period**

	<u>378,416</u>	<u>347,560</u>
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**22 Notes to the Statement of Cash Flows**

**Reconciliation of cash**

Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

Cash and cash equivalents	422,689	398,099
	<u>422,689</u>	<u>398,099</u>

**Reconciliation of net cost of services to net cash flows provided by/(used in) operating activities**

Net cost of services	(542,197)	(530,954)
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Non-cash items:

Depreciation and amortisation expense	-	198
Resources received free of charge	71,053	21,651
Net loss on disposal of property, plant and equipment	-	3,020

(Increase)/decrease in assets:

Prepayments	(603)	-
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Increase/(decrease) in liabilities:

Current payables	(1,020)	(9,341)
Other current liabilities	(967)	18,576
Non-current provisions	(3,471)	(1,348)
Change in GST receivables/payables	(205)	2,081
<b>Net cash provided by/(used in) operating activities</b>	<u>(477,410)</u>	<u>(496,117)</u>



**PARLIAMENTARY INSPECTOR OF THE CORRUPTION AND CRIME COMMISSION**  
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	2012 \$	2011 \$
<b>23 Commitments</b>		
The Office of the Parliamentary Inspector leases a motor vehicle. The lease expenditure is expensed as it is incurred. At the reporting date the Office of the Parliamentary Inspector had the following obligations under the operating lease.		
Within 1 year	2,272	6,527
Representing:		
Non-cancellable operating leases.	2,272	6,527
	2,272	6,527
<b>Non cancellable operating lease commitments</b>		
Commitments for minimum lease payments are payable as follows:		
Within 1 Year	2,272	6,527
	2,272	6,527

**24 Explanatory statement**

Significant variations between estimates and actual results for income and expense are shown below. Significant variations are considered to be those greater than 5% or \$7,000.

**Significant variances between estimated and actual result for 2012**

	Estimate 2012 \$	Actual 2012 \$	Variation \$
<b>Expenses</b>			
Employee benefits expenses	419,000	361,178	(57,822)
Depreciation and amortisation expense	5,000	-	(5,000)
Accommodation	37,000	58,162	21,162
<b>Income from State Government</b>			
Resources received free of charge	82,000	71,053	(10,947)

Employee benefits expense

The decreases can be mainly attributed to the Office of the Parliamentary Inspector not requiring the service of the acting Parliamentary Inspector due to fewer case referrals for 2011-2012.

Depreciation and amortisation expense

Office equipment budgeted for was not purchased during the year as the Office of the Parliamentary Inspector utilised facilities at the Department of the Attorney General.

Accommodation

The increase in accommodation expenses is mainly due to the increase in rental costs and general rental market associated with the accommodation lease.

Resources received free of charge

Resources free of charge were less than anticipated due to a reduction in the provision of secretarial services and administrative support to the Office of the Parliamentary Inspector by the Department of the Attorney General.

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PARLIAMENTARY INSPECTOR OF THE CORRUPTION AND CRIME COMMISSION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2012

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Significant variances between actual results for 2011 and 2012

	Actual 2012 \$	Actual 2011 \$	Variance \$
<u>Income</u>			
Service appropriations	502,000	478,000	24,000
Resources received free of charge	71,053	21,651	49,402
<u>Expenses</u>			
Employee benefits expense	361,178	403,093	(41,915)
Supplies and services	101,964	54,839	47,125

Service appropriations

The increase in service appropriations can be attributed to escalation in remuneration of the accountable authority by the Salaries and Allowances Tribunal. Remuneration for senior officers also increased as per the Public Sector General Agreement.

Resources received free of charge

The increase in resource free of charge is largely due to a more accurate method of calculating the administrative resources provided by the Department of the Attorney General.

Employee benefits expense

The decreases can be mainly attributed to the Office of the Parliamentary Inspector not requiring the service of the acting Parliamentary Inspector due to fewer case referrals for 2011-2012.

Supplies and services

This increase can be attributed to an increase in resources free of charge received from the Department of the Attorney General during 2011-2012.

**PARLIAMENTARY INSPECTOR OF THE CORRUPTION AND CRIME COMMISSION**  
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**25 Financial instruments**

**(a) Financial risk management objectives and policies**

Financial instruments held by the Office of the Parliamentary Inspector are cash and cash equivalents, receivables and payables. The Office of the Parliamentary Inspector has limited exposure to financial risks. The Office of the Parliamentary Inspector's overall risk management program focuses on managing the risks

Credit risk

Credit risk arises when there is the possibility of the Office of the Parliamentary Inspector's receivables defaulting on their contractual obligations resulting in financial loss to the Office of the Parliamentary Inspector. The maximum exposure to credit risk at end of the reporting period in relation to each class of recognised financial assets is the gross carrying amount of those assets inclusive of any allowance for impairment, as shown in the table at Note 25(c) 'Financial Instruments Disclosures' and Note 14 'Receivables'.

Credit risk associated with the Office of the Parliamentary Inspector's financial assets is minimal because the main receivable is the amounts receivable for services. The Office of the Parliamentary Inspector trades only with recognised, creditworthy third parties. It has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history. In addition, receivable balances are monitored on an ongoing basis with the result that the Office of the Parliamentary Inspector's exposure to bad debts is minimal. At the end of the reporting period there were no significant concentrations of credit risk.

Liquidity risk

Liquidity risk arises when the Office of the Parliamentary Inspector is unable to meet its financial obligations as they fall due. The Office of the Parliamentary Inspector is exposed to liquidity risk through its trading in the normal course of business.

The Office of the Parliamentary Inspector has appropriate procedures to manage cash flows by monitoring forecast cash flows to ensure that sufficient funds are available to meet its commitments.

Market risk

The Office of the Parliamentary Inspector is not exposed to interest rate risk because cash and cash equivalents are non-interest bearing and it has no borrowings.

**(b) Categories of financial instruments**

The carrying amounts of each of the following categories of financial assets and financial liabilities at the end of the reporting period are:

	<u>2012</u>	<u>2011</u>
	\$	\$
<u>Financial Assets</u>		
Cash and cash equivalents	422,689	398,099
Receivables <sup>(a)</sup>	48,000	48,000
	<u>470,689</u>	<u>446,099</u>
<u>Financial Liabilities</u>		
Financial liabilities measured at amortised cost	10,706	11,726
	<u>10,706</u>	<u>11,726</u>

(a) The amount of receivables excludes GST recoverable from the Australian Taxation Office (statutory receivable).

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**(c) Financial instruments disclosures**

Credit risk

The following table details the Office of the Parliamentary Inspector's maximum exposure to credit risk, interest rate exposures and the ageing analysis of financial assets. The Office of the Parliamentary Inspector's maximum exposure to credit risk at the end of the reporting period is the carrying amount of the financial assets as shown below. The table discloses the ageing of financial assets that are past due but not impaired and impaired financial assets. The table is based on information provided to senior management of the Office of the Parliamentary Inspector.

The Office of the Parliamentary Inspector does not hold any collateral as security or other credit enhancements relating to the financial assets it holds.

**Ageing analysis of financial assets**

	Carrying Amount	Not past due and not impaired	Past due but not impaired					Impaired financial assets
			Up to 1 month	1-3 months	3 months to 1 year	1 - 5 years	More than 5 years	
	\$	\$	\$	\$	\$	\$	\$	\$
<b>2012</b>								
Cash and cash equivalents	422,689	422,689						
Amounts receivable for services	48,000	48,000						
	<b>470,689</b>	<b>470,689</b>	-	-	-	-	-	-
<b>2011</b>								
Cash and cash equivalents	398,099	398,099						
Amounts receivable for services	48,000	48,000						
	<b>446,099</b>	<b>446,099</b>	-	-	-	-	-	-

(a) The amount of receivables excludes the GST recoverable from the Australian Taxation Office (statutory receivable).

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Liquidity risk and interest rate exposure

The following table details the Office of the Parliamentary Inspector's interest rate exposure and the contractual maturity analysis of financial assets and financial liabilities. The maturity analysis section includes interest and principal cash flows. The interest rate exposure section analyses only the carrying amounts of each item.

**Interest rate exposure and maturity analysis of financial assets and financial liabilities**

	Weighted average interest rate %	Carrying Amount \$	Interest rate exposure			Nominal Amount \$	Maturity dates					
			Fixed Interest Rate \$	Variable Interest Rate \$	Non- interest bearing \$		Up to 1 month \$	1-3 months \$	3 months to 1 year \$	1 - 5 years \$	More than 5 years \$	
<b>2012</b>												
<u>Financial Assets</u>												
Cash and cash equivalents		422,689			422,689	422,689	422,689					
Amounts receivable for services		48,000			48,000	48,000	48,000					
		<b>470,689</b>	-	-	<b>470,689</b>	<b>470,689</b>	<b>470,689</b>	-	-	-	-	-
<u>Financial Liabilities</u>												
Payables		10,706			10,706	10,706	10,706					
		<b>10,706</b>	-	-	<b>10,706</b>	<b>10,706</b>	<b>10,706</b>	-	-	-	-	-

(a) The amounts of receivables excludes the GST recoverable from the Australian Taxation Office (statutory receivable).

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**Interest rate exposure and maturity analysis of financial assets and financial liabilities**

	Weighted average interest rate %	Carrying Amount \$	Interest rate exposure			Nominal Amount \$	Maturity dates					
			Fixed Interest Rate \$	Variable Interest Rate \$	Non-interest bearing \$		Up to 1 month \$	1-3 months \$	3 months to 1 year \$	1 - 5 years \$	More than 5 years \$	
<b>2011</b>												
<u>Financial Assets</u>												
Cash and cash equivalents		398,099		398,099	398,099	398,099	398,099					
Amounts receivable for services		48,000		48,000	48,000	48,000	48,000					
		<b>446,099</b>	-	-	<b>446,099</b>	<b>446,099</b>	<b>446,099</b>	-	-	-	-	-
<u>Financial Liabilities</u>												
Payables		11,726		11,726	11,726	11,726	11,726					
		<b>11,726</b>	-	-	<b>11,726</b>	<b>11,726</b>	<b>11,726</b>	-	-	-	-	-

(a) The amounts of receivables excludes the GST recoverable from the Australian Taxation Office (statutory receivable).

Interest rate sensitivity analysis

The Office of the Parliamentary Inspector is not exposed to interest rate risk because cash and cash equivalents and restricted cash are non-interest bearing.

Fair values

All financial assets and liabilities recognised in the Statement of Financial Position, whether they are carried at cost or fair value, are recognised at amounts that represent a reasonable approximation of fair value unless otherwise stated in the applicable notes.

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**26 Remuneration of members of the accountable authority and senior officers**

**Remuneration of members of the accountable authority**

The number of members of the Office of the Parliamentary Inspector, whose total of fees, salaries, superannuation, non-monetary benefits and other benefits for the financial year fall within the following bands are:

\$	2012	2011
20,001 - 30,000	-	1
240,001 - 250,000	1	-
250,001 - 260,000	-	1
<b>Total remuneration of members of the Office of the Parliamentary Inspector <sup>(a)</sup></b>	<b>\$246,819</b>	<b>\$284,506</b>

<sup>(a)</sup> The total remuneration includes the superannuation expense incurred by the Office of the Parliamentary Inspector in respect of members of the Office of the Parliamentary Inspector.

**Remuneration of senior officers**

The number of senior officers other than senior officers reported as members of the Office of the Parliamentary Inspector, whose total of fees, salaries, superannuation, non-monetary benefits and other benefits for the financial year fall within the following bands are:

\$	2012	2011
180,001 - 190,000	-	1
210,001 - 220,000	1	-
<b>Total remuneration of senior officers <sup>(a)</sup></b>	<b>\$212,804</b>	<b>\$187,378</b>

<sup>(a)</sup> The total remuneration includes the superannuation expense, accrued salaries and leave liabilities incurred by the Office of the Parliamentary Inspector in respect of senior officers other than senior officers reported as members of the Office of the Parliamentary Inspector.

**27 Remuneration of auditor**

Remuneration paid or payable to the Auditor General in respect of the audit for the current financial year is as follows:

	2012	2011
	\$	\$
Auditing the accounts, financial statements and performance indicators	<b>\$14,900</b>	<b>\$14,000</b>

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**PARLIAMENTARY INSPECTOR OF THE CORRUPTION AND CRIME COMMISSION**  
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**28 Events occurring after the end of the financial period.**

There were no events occurring after the end of the financial period.

**29 Contingent liabilities and contingent assets**

There were no contingent liabilities or contingent assets as at 30 June 2012 (2011: nil)

**30 Related bodies**

The Office of the Parliamentary Inspector had no related bodies during the financial year (2011: nil).

**31 Affiliated bodies**

The Office of the Parliamentary Inspector had no affiliated bodies during the financial year (2011: nil).

**32 Supplementary financial information**

There were no losses of public moneys or other public property through theft or default during the financial year (2011: nil).

There were no write offs of public money or other public property during the financial year (2011: nil).

There were no gifts of public property during the financial year (2011: nil).



### 10.3 OTHER FINANCIAL DISCLOSURES

Nil

### 10.4 GOVERNMENT DISCLOSURES

Financial interests – Nil

Officers receiving a benefit – Nil

### 10.5 OTHER LEGAL REQUIREMENTS

#### Advertising and Marketing Expenditure

Below is a summary of advertising and marketing expenditure from 1 July 2011 to 30 June 2012 in accordance with s 175ZE(1) of the *Electoral Act 1907*

<b>Advertising and Marketing Expenditure</b>	<b>Amount (\$)</b>
Advertising agencies	Nil
Market research organisations	Nil
Media advertising organisations	Nil
Direct mail organisations	Nil
Polling organisations	Nil
<b>TOTAL</b>	Nil

### 10.6 MINISTERIAL DIRECTIVES

There were no Ministerial Directives during 2011/12.