



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

ANNUAL REPORT

1 JULY 2012 – 30 JUNE 2013

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PRELIMINARY OBSERVATIONS

This is my first Annual Report as Parliamentary Inspector of the Corruption and Crime Commission. I took the oath of office before His Honour Justice McKechnie on 8 January 2013 and my term is for a period of 5 years.

Section 203 of the *Corruption and Crime Commission Act 2003* ('Act') requires the Parliamentary Inspector to prepare, within 3 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 ('office') undertook a total of 40 matters. This is 3 matters less than the previous reporting period. These matters were complaints received by the office directly from public officers or members of the public, or were allegations against officers of the Commission which were received by and referred to me by the Commission, or were references made to me by the Joint Standing Committee of the Corruption and Crime Commission ('JSC CCC'), or were matters raised on my, or an Acting Parliamentary Inspector's own initiative.

The office concluded 36 matters during the reporting period. This is 4 less than the previous reporting period. The concluded matters originated during this and the previous reporting period.

59% of the office's time was devoted to its audit function and 41% was devoted to its investigation function.

During the first half of the reporting period Acting Parliamentary Inspector Craig Colvin SC performed the duties of Parliamentary Inspector. After I commenced my term he retained the carriage of 1 complex Inquiry in which I had a conflict of interest. Acting Parliamentary Inspector Colvin reported the outcome of his Inquiry, which arose out of allegations concerning the use of credit facilities by the Commissioner of Police, to the JSC CCC.

The office tabled 2 Reports with the JSC CCC in the reporting period. These Reports are described in 5.7.

On 31 December 2012 Acting Parliamentary Inspector Christopher Zelestis QC concluded his 3 year term as Acting Parliamentary Inspector.

On 8 January 2013 Mr Robert Meadows QC was appointed as Acting Parliamentary Inspector for a term of 3 years. I referred one matter to him under s 195(3) of the Act during the reporting period because of a conflict of interest.

1. FUNCTIONS OF THE PARLIAMENTARY INSPECTOR

The Parliamentary Inspector has the following functions under s 195(1) of the Act:

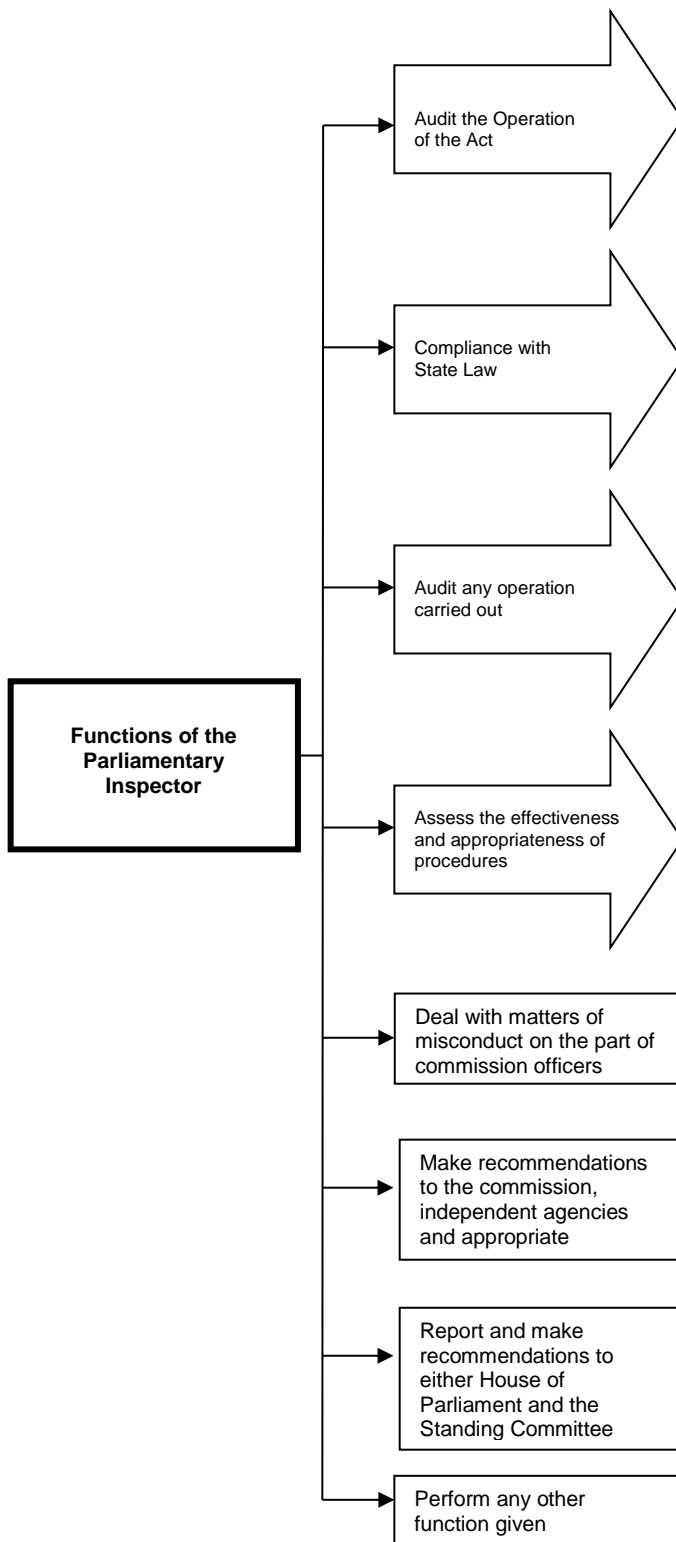
- (aa) auditing the operation of the Act;
- (a) auditing the operations of the Commission for the purpose of monitoring compliance with the laws of the State;
- (b) dealing with matters of misconduct on the part of the Commission, officers of the Commission and my officers;
- (cc) auditing any operation 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 complaint made to the office, in response to a reference by either House of Parliament, or in response to a reference from the JSC CCC, or from the Commission.

The Parliamentary Inspector may report to Parliament, or to the JSC CCC, 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 is 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, 59% 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.

49% 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)* ('SD Act'). 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 SD Act;
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 W.A. Police ('Police').

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

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. No complaints of misconduct were received by the office in respect of the Commission, or any of its officers. Nor did the

office have cause to initiate an investigation into misconduct on the part of the Commission, or any of its officers.

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)* ('TI Act'). 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.

Steps have been taken to address this obvious gap in the Parliamentary Inspector's auditing powers of the Commission's investigative tools. They are discussed in Part 2 below.

The audit function under s 195(1)(cc) is undertaken:

- at the request of the Minister;
- in response to a reference by either House of Parliament, the JSC CCC 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 JSC CCC to perform an audit pursuant to this function.

50% of the total hours devoted to the audit function was devoted to this category during the reporting period.

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 JSC CCC. 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. This function is also commonly involved in the business of the Office.

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

This function enables reports and recommendations to be made to either House of Parliament and to the JSC CCC. The 2 reports tabled during the reporting period are described 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 JSC CCC or by Parliament under s 195(2)(d) of the Act. The office received 4 references from the JSC CCC in the reporting period.

The subject-matter of the JSC CCC's references included an examination of, and the making of submissions in respect of, the inadequacy in the TI Act concerning the Parliamentary Inspector's inability to audit the supporting affidavits used by the Commission to obtain warrants under that Act, aspects of the Commission's misconduct investigation function and the Commission's auditing of Police undercover officers and their operations.

2. POWERS OF THE PARLIAMENTARY INSPECTOR

The powers of the Parliamentary Inspector are conferred by s 196 of the Act.

In addition, the Parliamentary Inspector has the power conferred by s 197 of the Act to conduct an Inquiry as the means of fulfilling his functions:

197. Inquiries

- (1) For the purpose of the Parliamentary Inspector's functions, the Parliamentary Inspector may make or hold an inquiry.
- (2) For the purposes of an inquiry under this section —
 - (a) the Parliamentary Inspector has the powers, protections and immunities of a Royal Commission and the Chairman of a Royal Commission under the Royal Commissions Act 1968; and
 - (b) the Royal Commissions Act 1968 applies to any person summoned by or appearing before the Parliamentary Inspector in the same way as it applies to a person summoned by or appearing before a Commissioner under that Act.
- (3) Sections 7, 9 to 17, 18(2) to (11), 19(1), 19A to 22, 31(3), 32 and 33 of the Royal Commissions Act 1968 have effect as if they were enacted in this Act with such modifications as are required and in terms made applicable to an inquiry under this section.
- (4) An inquiry held by the Parliamentary Inspector must not be open to the public.
- (5) Despite subsections (2) and (3), a public authority or public officer who is required under this section to answer questions, give evidence, produce records, things or information or make facilities available is not entitled to claim legal professional privilege as a reason for not complying with that requirement.

I consider the powers conferred by s 196 and s 197 of the Act to be appropriate for the fulfilment of the functions of the Parliamentary Inspector.

In contrast, the absence of a power to examine supporting affidavits in warrant applications made by the Commission under the TI Act, which has been highlighted in previous Annual Reports, has been the subject of recommendations made by the JSC CCC to the Attorney General of Western Australia during the reporting period. The recommendations were contained in the JSC CCC's Report No. 31 titled *Surveillance and Accountability: A Gap in the Oversight Umbrella?* (8 November 2012).

The recommendations were that the Government of Western Australia should ask the Commonwealth Government to grant my office the general power to

examine supporting affidavits, and that the Western Australia Coroner be granted the same power in certain circumstances. The Attorney General of Western Australia carried out these recommendations and they are presently being considered by the Commonwealth Attorney General as part of his department's wider review of the TI Act. If the power is granted, my office has the resources to conduct such examinations.

The Parliamentary Inspector has the power under s 196 of the Act to examine the Commission's supporting affidavits used under the SD Act to obtain warrants which authorise the Commission to place surveillance devices in people's homes, places of employment, motor vehicles and other places 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 Parliamentary Inspector under s 196(4) of the Act. The Parliamentary Inspector 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.

The Commissioner and I are presently working through a difference of opinion about the operation of s 196(4) of the Act. The Commission takes the view that it should only notify me if the allegation concerning, or which may concern, an officer of the Commission, is one capable of amounting to an allegation of misconduct within the meaning of s 4 of the Act.

I am of the view that it is for me to make a judgment about the question whether the allegation is such that it may enliven the exercise of any of my functions under s 195 of the Act, as part of the process of considering whether or not to exercise my powers to deal with the matter pursuant to the provisions of s 196. I am confident that discussion with the Commissioner will resolve the matter so that I may be assured that I am notified of all allegations which may require me to act under s 196.

3. THE OFFICE

The office is situated at Floor 12, 141 St Georges Terrace, Perth WA 6000. 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 and the website address is www.piccc.wa.gov.au

The two offices allocated to the Parliamentary Inspector by the Department of the Attorney General are located within general staff areas of the Department and have every appearance of being part of that Department. This is a situation inimical to the proper functioning of the Parliamentary Inspector as an independent officer of the Parliament. My effectiveness is inevitably compromised.

The size of each office is inadequate, they do not have sufficient storage or protection for sensitive records, and there has been no provision made for the attendance of, and for work to be conducted by Acting Parliamentary Inspectors.

I am aware that the original design and construction of the two offices was carried out in 2008 when it was envisaged that the Parliamentary Inspector would not permanently perform his functions from the offices provided.

I am in the process of pursuing an immediate remedy to place my staff and me permanently in suitable accommodation which reflects the status of the Parliamentary Inspector, his independence and his public accountability.

I am satisfied that the office will be appropriately housed from about the middle of 2016 when newly constructed accommodation for the Supreme Court and the Department of the Attorney General will become available. The remedy of our present difficulties should not, however, wait until then.

4. RECORD-KEEPING PLAN

The office complies with s 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.

I am satisfied that the processes employed to preserve the security and confidentiality of the records of all matters dealt with by the Office are calculated to ensure that I, the Acting Parliamentary Inspectors and my staff comply with the provisions of the Act concerned with the disclosure of official information other than to the Parliament and/or the JSC CCC.

5. REPORT ON OPERATIONS

5.1 MATTERS UNDERTAKEN BY THE OFFICE

The office undertook 40 matters during the reporting period. This is 3 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) 18 were complaints about the Commission's decision not to investigate a complaint of alleged misconduct on the part of a public officer, or the perceived inadequacy of a Commission investigation or assessment;
- (b) 5 were matters referred to the office by the JSC CCC under s 195(2)(d) of the Act;
- (c) 4 were allegations received by the Commission about a Commission officer which were then referred to the office under s 196(4) of the Act;
- (d) 3 were matters of a miscellaneous nature;
- (e) 2 were complaints concerning the lack of communication by, or responsiveness on the part of, the Commission to its complainants;
- (f) 2 were matters initiated by the office under s 195(2)(a) of the Act;
- (g) 1 was a complaint about the Commission's refusal to release information to a person adversely named in a Commission Report;
- (h) 1 was a complaint about the amount of time it took the Commission to inform a person investigated by it of the outcome of the investigation;
- (i) 1 was a complaint about the Commission's decision not to inform the legal representative of a witness at a public hearing whether it would publish information alleged to be detrimental to the witness;
- (j) 1 was a complaint that a person was summonsed twice by the Commission to attend the same Commission examination;
- (k) 1 was a matter which related to the Commission's decision to authorise the publication of video footage of alleged Police misconduct, and
- (l) 1 was a matter raised by the Commission with my Office concerning the TI Act.

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

The office initiated 2 investigations under s 195(2)(a) of the Act during the reporting period.

The first was in respect of the Commission's decision to withhold information from a member of the public who is exploring the existence of grounds upon which proceedings against the Commission could be based.

The second was in respect of ensuring that the office is informed by the Commission under s 196(4) of the Act of all allegations received by the Commission against any of its officers.

5.4 NOTIFICATIONS UNDER S 196(4) OF THE ACT

The Commission under s 196(4) of the Act is required to notify me of any allegation received by the Commission which is made against any officer of the Commission. This enables me to determine the nature of the conduct which forms the basis of the allegation (i.e. whether the conduct might be misconduct) and to decide the way in which I will deal with it under the Act.

The Commission made 4 notifications to the office under s 196(4) of the Act in respect of an allegation against an officer of the Commission.

In 2 instances I was content with the way in which the Commission dealt with the allegations.

The third allegation concerned an unsubstantiated claim that Acting Commissioner Douglas had a conflict of interest in the Commission's assessment of a complaint of misconduct, and that his conflict may have improperly influenced the assessment. After my investigation of the claim I found no evidence to support it.

The fourth allegation concerned the appropriateness of the wording of an email communication from a Commission officer to a member of the public. After examining the Commission's file I wrote to the complainant endorsing the action already taken by the Commission.

5.5 CO-OPERATION OF THE COMMISSION

During the reporting period I raised my concerns with the Commission about its slow response times to my requests (and to those of Acting Parliamentary Inspectors) for information held by it, and about the necessity of my office to request updates of the progress of matters with which I had an interest.

I also observed delays on the part of the Commission in responding to requests from some of its own complainants for information about the progress of the Commission's investigations.

Delays of this nature have undesirable consequences for the legislative framework created by Parliament to deal with complaints of misconduct in this State. These consequences include slowing the fulfilment of the functions of the office, compounding the frustrations already experienced by the Commission's own complainants, and forming the basis of complaints to my office. One of the effects of these consequences is the erosion of public confidence in the Commission and in its procedures.

I raised my concerns with the Commissioner and I am monitoring the effect of the procedural changes he made in response, including a process of regular monitoring of progress in conjunction with the office of the Commissioner of Police.

I have had no reason to question the cooperation of the Commission, or its officers. My concerns have been about tardiness generally.

5.6 MONITORING THE COMMISSION'S OPERATIONS

Audits conducted on a quarterly basis of the number of Commission self-granted authorisations for its investigators to use the Commission's Assumed Identities, Controlled Operations and Surveillance Devices powers show a continuing low-utilisation trend during the reporting period. The Police made no applications to the Commission to utilise its extraordinary Organised Crime powers.

The statistics in these categories for the current reporting period (and the previous period for comparative purposes) is as follows:

2012/2013

Assumed Identities – 0 authorisations; Controlled Operations – 1 authorisation; Organised Crime – 0 authorisations; Surveillance Devices – 1 authorisation.

2011/2012

Assumed Identities – 1 authorisation; Controlled Operations – 1 authorisation; Organised Crime – 0 authorisations; Surveillance Devices – 9 authorisations.

I intend to make enquiries with the Commissioner as to why the number of authorisations granted by the Commission has progressively fallen to such a low level during the reporting period.

The Commission's function of monitoring and reviewing misconduct investigations conducted by other government agencies was closely scrutinised by my office during the second half of the reporting period. This scrutiny took place for two reasons.

The first reason was the JSC CCC's reference made to the office in November 2012 to investigate why 18 misconduct investigations of this kind had, to that point, had a life-span of 15 months or longer, but had not been

completed. The JSC CCC reference requested a Report into this situation from the office by 1 June 2013. My Report was tabled with the JSC CCC under s 201 of the Act on 31 May 2013 and is further described in 5.7.

The second reason was my assessment of a number of complaints managed by the office (but separate to those which fell within the JSC CCC's reference) which also involved unreasonable delays on the part of the Commission and the Police to finalise internal misconduct investigations. The complaints concerned the effectiveness and appropriateness of the Commission's procedures used to monitor and review misconduct investigations conducted by the Police in respect of its own officers, and took two years or more to be resolved.

My assessment of the complaints in this second category concluded with my recommendations to the Commission to improve:

1. the way in which it monitored and reviewed complaints made against the Police;
2. the way in which it enforced its requests to the Police for information where the production of that information had been unreasonably delayed;
3. the Police procedures used to manage such requests;
4. the Commission's frequency of its communication with complainants about the progress of investigations into their complaints, and
5. the Commission's frequency of its communication with my office as to the progress of investigations in which I have expressed an interest.

I intend to closely monitor the effect of these procedural changes to ensure that the State's legislative misconduct framework functions in a transparent, effective and efficient way.

5.7 REPORTS TO THE JSC CCC OR TO PARLIAMENT

By s 199 and s 201 of the Act the Parliamentary Inspector may, at any time, Report to Parliament, or to the JSC CCC, on, *inter alia*, any matters affecting the Commission, including its operational effectiveness and requirements.

2 Reports were tabled with the JSC CCC in the reporting period.

One Report was tabled by Acting Parliamentary Inspector Colvin SC on 5 June 2013 and was titled *Report into the Conduct of an Investigation by the Corruption and Crime Commission into Alleged Public Sector Misconduct by the Commissioner of Police relating to the Use of a Government Purchasing Card*. His Report related to the effectiveness and appropriateness of the Commission's procedures used in its investigation of Dr Karl O'Callaghan,

Commissioner of Police, concerning his business credit card usage and associated matters.

The other report was tabled by me on 31 May 2013 and was titled *Report in Response to a Reference by the Joint Standing Committee of the Corruption and Crime Commission to Make Inquiry into and Report upon the Timeliness of Misconduct Investigations Undertaken or Overseen by the Corruption and Crime Commission*. This was a Report requested by the JSC CCC's reference to my office mentioned in 5.6.

That Report has generated a further reference by the JSC CCC requiring me to investigate a particular process which may improve the effectiveness and timeliness of the Commission's interaction with the Police in the performance of its statutory functions.

6. ACCOUNTABILITY OF THE PARLIAMENTARY INSPECTOR

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

Staff of the Parliamentary Inspector are accountable to the Parliamentary Inspector.

The JSC CCC 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.

7. OPERATION OF THE COMMISSION

The investigation of complaints of misconduct by the Commission and its monitoring and review of other agency's internal investigations of complaints of that kind are central to the Commission's role in the legislative misconduct framework in this State. Therefore the efficiency of the Commission's procedures used to manage these complaints largely determines the effectiveness of that legislative framework. This is especially so in respect of the Commission's monitoring and review of other agency's internal misconduct investigations, because those other agencies investigate almost all complaints of misconduct in this State.

The occasions for me to observe the efficiency of the framework have arisen primarily from the Inquiry conducted in response to the reference made by the JSC CCC (which resulted in my Report to that Committee as described in 5.7), and from my assessment of other complaints made to the office about the adequacy of the action taken by the Commission to monitor and review Police internal investigations into complaints of misconduct made in respect of Police officers.

The investigations in the second category shared undesirable characteristics with those investigations in the first, including:

1. the time taken to be completed;
2. the unacceptable delays on the part of the Police to produce information which had been requested by the Commission;
3. the sometimes ineffective enforcement by the Commission of its requests to the Police to produce information;
4. poor communication on the part of the Police and the Commission with complainants, and
5. poor communication on the part of the Commission with my office in relation to those investigations about which I had received a complaint.

My assessment of the complaints made to my office in relation to the Commission's role in the Police internal misconduct investigations led me to make recommendations to the Commission to improve its procedures used to manage the areas of deficiency identified above. My recommendations included a suggestion that the Commission determine ways in which the Police could improve their own procedures. Those recommendations have been accepted by the Commission.

More generally in relation to the State's legislative misconduct framework, I have observed cumbersome aspects of the process by which misconduct

complaints are investigated, monitored and reviewed. Typically such complaints are made either directly to the agency concerned, or to the Commission. If a complaint is made to the agency, the agency mandatorily reports it to the Commission as required by the Act, whereupon the Commission decides if it should investigate the complaint itself. If the Commission does not investigate the complaint, it refers it back to the agency for investigation.

If the complaint is instead made directly to the Commission, the Commission nevertheless makes the same decision about the complaint. If the Commission decides to investigate the complaint, it retains control of it. If the Commission refers the complaint to the agency for investigation, it writes to the complainant informing that person of its decision. The Commission usually refers the complaint to the agency for investigation even if the complainant expresses a desire for the agency not to investigate the complaint. The Commission does so if the desire is expressed by the complainant when he or she first complains, or if the desire is expressed after the complainant has complained a second time in respect of the agency's inadequate original investigation.

The scope for frustration on the part of a complainant with the present way the legislative framework is structured is obvious and was highlighted by my predecessor's investigation which culminated in the JSC CCC's Report titled *Parliamentary Inspector's Report Concerning the Procedures Adopted by the Corruption and Crime Commission When Dealing With Complaints of The Excessive Use of Force By Police*, No. 38, dated 8 September 2011.

The framework may correctly be described as having a circuitous characteristic which can make it inefficient and costly. My Report tabled to the JSC CCC pursuant to its reference to my office, and my own assessment of other complaints described above, demonstrate that the framework can also be inefficient.

During the last four reporting periods the Commission investigated 1% of the total number of misconduct complaints received by agencies and it, and 99% of complaints were returned to the relevant agency for investigation.

Since the inception of the Commission the Police have been the largest source of misconduct complaints in each reporting period, and constituted 52% of all complaints made in the previous reporting period. The Commission has indicated to me that it may require more resources to properly conduct its monitor and review responsibilities in respect of internal misconduct investigations conducted by other agencies.

The State's legislative framework, whatever its structure, must demonstrate transparency, timeliness and efficiency to enable Parliament and the public to maintain confidence in it. My observations thus far preclude me from being satisfied that the current framework is the most appropriate way of determining complaints of misconduct in this State.

I have expressed my concerns in this respect to the Commission. I have also stated my intention to continue to assess the workability of the framework pursuant to my function under s 195(1)(aa) of the Act (to audit the operations of the Act), my function under s 195(1)(c) (to assess the effectiveness and appropriateness of the Commissions procedures) and my function under s 195(1)(e) (to report and to make recommendations to either House of Parliament, and to the JSC CCC).

The legislative bill to amend the Act to permit the Commission, either in conjunction with the Police or unilaterally, to conduct investigations into organised crime was not passed into law during the reporting period. In my view it would be prudent to ensure that both the Commissioner and I have an adequate opportunity to review and comment upon any such legislation proposed to be introduced during the current sitting, or any future sitting, of the Parliament, before any final decision is made by Government in respect of the provision to be made in that regard.

8. AUDITOR GENERAL'S OPINION



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 2013, 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 2013 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.

Page 1 of 3

7th Floor Albert Facey House 469 Wellington Street Perth MAIL TO: Perth BC PO Box 8489 Perth WA 6849 TEL: 08 6557 7500 FAX: 08 6557 7600

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 2013.

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 2013.

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 2013.

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 2013.

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 2013 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
19 August 2013

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.

Government Goal	PICCC Desired Outcome	Service
Developing and maintaining a skilled, diverse and ethical public sector serving the Government with consideration of the public interest.	An informed Parliament on the integrity and effectiveness of the Corruption and Crime Commission.	Evaluation of the effectiveness and appropriateness of Corruption and Crime Commission operations.

9.2 CERTIFICATION OF PERFORMANCE INDICATORS



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

Key performance indicators

Certification of Key Performance Indicators

For the year ended 30 June 2013

I hereby certify that the Key Performance Indicators are based on proper records, are relevant and appropriate for assisting users to assess the Office of the Parliamentary Inspector of the Corruption and Crime Commission's performance, and fairly represent the performance of the Office of the Parliamentary Inspector of the Corruption and Crime Commission for the financial year ended 30 June 2013.

The Hon Michael Murray QC
Accountable Authority

13 August 2013



9.3 PERFORMANCE INDICATOR REPORT

KEY EFFECTIVENESS INDICATOR

	2009-10 Actual	2010-11 Actual	2011-12 Actual	2012-13 Target	2012-13 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 s 203 of the *Corruption and Crime Commission Act 2003* ie

203. Annual report to Parliament

- (1) The Parliamentary Inspector is to prepare, within 3 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

	2009-10 Actual	2010-11 Actual	2011-12 Actual	2012-13 Target	2012-13 Actual
Average cost per investigation/case	\$5,108	\$8,097	\$6,551	\$6,688	\$6,843
Cost of the audit function as a percentage of total cost of operations	56%	39%	52%	51%	59%

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.

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 investigation function and then applying that percentage to the total expenditure of the PICCC for the period. For example, if 20% of salaries cost is devoted to the audit function then it is considered that 20% of the total cost of the PICCC is devoted to the audit function.

The increase in audit function during 2012-13 is due to more time being available to audit a broader range of matters within the Commission.

10. DISCLOSURES AND LEGAL COMPLIANCE

10.1 CERTIFICATION OF FINANCIAL STATEMENTS



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


Financial Statements and Notes

Certification of Financial Statements

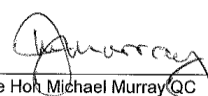
For the year ended 30 June 2013

The accompanying financial statements of the Office 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 2013 and the financial position as at 30 June 2013.

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.


Alan Andersson
Chief Finance Officer

13 August 2013


The Hon Michael Murray QC
Accountable Authority

13 August 2013



10.2 FINANCIAL STATEMENTS

Office of the Parliamentary Inspector of the Corruption and Crime Commission Annual Report 2012/2013

Statement of Comprehensive Income

For the year ended 30 June 2013

	Note	2013 \$	2012 \$
COST OF SERVICES			
Expenses			
Employee benefits expense	6	377,861	361,178
Supplies and services	7	147,061	101,964
Accommodation expenses	8	51,463	58,162
Other expenses	9	24,442	24,583
Total cost of services		600,827	545,887
Income	10		
Other income		-	3,690
Total income other than income from State Government		-	3,690
NET COST OF SERVICES		600,827	542,197
Income from State Government	11		
Service appropriation		519,000	502,000
Resources received free of charge		114,110	71,053
Total income from State Government		633,110	573,053
SURPLUS FOR THE PERIOD		32,283	30,856
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		32,283	30,856

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



**Office of the Parliamentary Inspector of the Corruption and Crime Commission
Annual Report 2012/2013**

Statement of Financial Position

As at 30 June 2013

	Note	2013 \$	2012 \$
ASSETS			
Current Assets			
Cash and cash equivalents	18	480,602	422,689
Receivables	12	250	416
Other assets	13	-	603
Amounts receivable for services	14	-	48,000
Total Current Assets		480,852	471,708
Non Current Assets			
Amounts receivable for services	14	53,000	-
Total Non Current Assets		53,000	-
TOTAL ASSETS		533,852	471,708
LIABILITIES			
Current Liabilities			
Payables	15	9,410	10,706
Provisions	16	79,762	73,951
Total Current Liabilities		89,172	84,657
Non-Current Liabilities			
Provisions	16	33,981	8,635
Total Non-Current Liabilities		33,981	8,635
TOTAL LIABILITIES		123,153	93,292
NET ASSETS		410,699	378,416
EQUITY			
Contributed equity	17	160,000	160,000
Accumulated surplus		250,699	218,416
TOTAL EQUITY		410,699	378,416

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



**Office of the Parliamentary Inspector of the Corruption and Crime Commission
Annual Report 2012/2013**

Statement of Changes in Equity

For the year ended 30 June 2013

	Note	Contributed equity \$	Accumulated surplus \$	Total equity \$
Balance at 1 July 2011	17	160,000	187,560	347,560
Total comprehensive income for the period		-	30,856	30,856
Balance at 30 June 2012		160,000	218,416	378,416
Balance at 1 July 2012		160,000	218,416	378,416
Total comprehensive income for the period		-	32,283	32,283
Balance at 30 June 2013		160,000	250,699	410,699

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



Statement of Cash Flows

For the year ended 30 June 2013

	Note	2013 \$	2012 \$
CASH FLOWS FROM STATE GOVERNMENT			
Service appropriation		514,000	492,000
Holding account drawdown		-	10,000
Net cash provided by State Government		514,000	502,000
Utilised as follows:			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee benefits		(319,845)	(325,551)
Supplies and services		(84,945)	(93,492)
Accommodation		(51,463)	(58,162)
GST payments on purchases		(4,911)	(3,876)
Receipts			
GST receipts from taxation authority		5,077	3,671
Net cash used in operating activities	18	(456,087)	(477,410)
Net increase/(decrease) in cash and cash equivalents		57,913	24,590
Cash and cash equivalents at the beginning of the period		422,689	389,099
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	18	480,602	422,689

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



Notes to the Financial Statements

For the year ended 30 June 2013

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Notes to the Financial statements – 30 June 2013

Note 1. Australian Accounting Standards

General

The financial statements for the Office of the Parliamentary Inspector of the Corruption and Crime Commission (the Office) for the year ended 30 June 2013 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 has adopted any applicable new and revised Australian Accounting Standards from their operative dates.

Early adoption of standards

The Office cannot adopt an Australian Accounting Standard earlier than the commencement date unless specifically permitted by Treasurer's instruction 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 2013.

Note 2. Summary of significant accounting policies

(a) General statement

The Office 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 Treasurer's Instructions. Several of these are modified by the Treasurer's Instructions to vary application, disclosure, format and wording.

The Financial Management Act and the Treasurer's Instructions 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.

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.

(d) 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.

(e) 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:



Notes to the Financial statements – 30 June 2013 (continued)

Service appropriations

Service Appropriations are recognised as revenues at fair value in the period in which the Office gains control of the appropriated funds. The Office 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.

(f) 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

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 of an asset, 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

(g) 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. When an asset measured at cost is written down to recoverable amount, an impairment loss is recognised in profit or loss. As the Office 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.

(h) Leases

Operating leases are expensed on a straight line basis over the lease term as this represents the pattern of benefits derived from the leased properties.

(i) Financial instruments

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

- Receivables; and
- Financial liabilities measured at amortised cost

These have been disaggregated into the following classes:

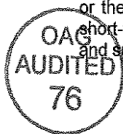
Financial Assets

- 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.



Notes to the Financial statements – 30 June 2013 (continued)

(j) Cash and cash equivalents

For the purpose of the Statement of Cash Flows, cash and cash equivalent (and restricted 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.

(k) Accrued salaries

Accrued salaries (see note 15 'Payables') 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 2012-2013 was 20 June 2013, therefore an accrual of 6 days was provided for this financial year.

(l) Amounts receivable for services (holding account)

The Office 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.

(m) 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 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.

(n) Payables

Payables are recognised when the Office 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.

(o) 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. Annual leave and 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 using the remuneration rate expected to apply at the term of settlement. Leave liabilities are in respect of services provided by employees up to the end of the reporting period, regardless of when the actual settlement is expected to occur.

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 does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period, regardless of when actual settlement is expected to occur.

Pre-conditional and conditional long service leave provisions are classified as non-current liabilities because the office has an unconditional right to defer the settlement of the liabilities until the employee has completed the requisite years of service.

Superannuation

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



Notes to the Financial statements – 30 June 2013 (continued)

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 has no liabilities under the Pension Scheme or the GSS. The liabilities for the unfunded Pension Scheme and the unfunded GSS transfer benefits attributable 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 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.

The GSS is a defined benefit scheme for the purposes of employees and whole of government reporting. However, it is a defined contribution plan for office purposes because the concurrent contributions (defined contributions) made by the Office to GESB extinguishes the Office's obligation to the related superannuation liability.

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 Scheme (GESBS). From 30 March 2012, existing members of the WSS or GESBS and new employees became able to choose their preferred superannuation fund provider. The Office makes concurrent contributions to GESB or other fund providers 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 from 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 'Employee benefits expense'. The related liability is included in 'Employment on-costs provision'.

(p) 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 funds.

The employer contribution paid to the GESB in respect of the GSS is paid back into the consolidated accounts by GESB.

(q) Resources received free of charge or for nominal cost

Resources (assets and services) received free of charge or for nominal cost are recognised as income at fair value where the fair value can be reliably measured and the resources would have been purchased if not donated. A corresponding expense is recognised. Receipts of assets are recognised in the Statement of Financial Position.

Resources received from other State Government agencies are separately disclosed under Income from State Government in the Statement of Comprehensive Income.

(r) Comparative figures

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

Note 3. 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 evaluates these judgements regularly.

Operating lease commitments

The Office 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.



Notes to the Financial statements – 30 June 2013 (continued)

Note 4. 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 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.

Note 5. Disclosure of changes in accounting policy and estimates

Initial application of an Australian Accounting Standard

The Office has applied the following Australian Accounting Standards effective for annual reporting periods beginning on or after 1 July 2012 that impacted on the Office.

AASB 2011-9 Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project [AASB 1, 5, 7, 101, 112, 120, 121, 132, 133, 134, 1039 & 1049]

This Standard requires to group items presented in other comprehensive income on the basis of whether they are potentially reclassifiable to profit or loss subsequently (reclassification adjustments). There is no financial impact.

Future impact of Australian Accounting Standards not yet operative

The Office 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 plans to apply these Australian Accounting Standards from their application date.

		Operative for reporting periods beginning on/after
AASB 9	<i>Financial Instruments</i> This Standard supersedes AASB 139 <i>Financial Instruments: Recognition and Measurement</i> , introducing a number of changes to accounting treatments. <i>AASB 2012-6 Amendments to Australian Accounting Standards – Mandatory Effective Date of AASB 9 and Transition Disclosures</i> amended the mandatory application date of this Standard to 1 January 2015. The Office of the Parliamentary Inspector has not yet determined the application or the potential impact of the Standard.	1 Jan 2015
AASB 119	<i>Employee Benefits</i> This Standard supersedes AASB 119 (October 2010), making changes to the recognition, presentation and disclosure requirements. The Office of the Parliamentary Inspector does not have any defined benefit plans, and therefore the financial impact will be limited to the effect of discounting annual leave and long service leave liabilities that were previously measured at the undiscounted amounts. The financial impact will be immaterial.	1 Jan 2013
AASB 2010-7	<i>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]</i> This Standard makes consequential amendments to other Australian Accounting Standards and Interpretations as a result of issuing AASB 9 in December 2010. AASB 2012-6 amended the mandatory application date of this standard to 1 January 2015. The Office of the Parliamentary Inspector has not yet determined the application or the potential impact of the Standard.	1 Jan 2013



Notes to the Financial statements – 30 June 2013 (continued)

Note 5. Disclosure of changes in accounting policy and compliance (continued)

		Operative for reporting periods beginning on/after
AASB 2011-10	<i>Amendments to Australian Accounting Standards arising from AASB 119 (September 2011) [AASB 1, 8, 101, 124, 134, 1049 & 2011-8 and Interpretation 14]</i>	1 Jan 2013
	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 2012-2	<i>Amendments to Australian Accounting Standards – Disclosures – Offsetting Financial Assets and Financial Liabilities [AASB 7 & 132]</i>	1 Jan 2013
	This Standard amends the required disclosures in AASB 7 to include information that will enable users of an entity's financial statements to evaluate the effect or potential effect of netting arrangements, including rights of set-off associated with the entity's recognised financial assets and recognised financial liabilities, on the entity's financial position. There is no financial impact.	
AASB 2012-3	<i>Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities [AASB 132]</i>	1 Jan 2014
	This Standard adds application guidance to AASB 132 to address inconsistencies identified in applying some of the offsetting criteria, including clarifying the meaning of "currently has a legally enforceable right of set-off" and that some gross settlement systems may be considered equivalent to net settlement. There is no financial impact.	
AASB 2012-5	<i>Amendments to Australian Accounting Standards arising from Annual Improvements 2009-11 Cycle [AASB 1, 101, 116, 132 & 134 and Int 2]</i>	1 Jan 2013
	This Standard makes amendments to the Australian Accounting Standards and Interpretations as a consequence of the annual improvements process. There is no financial impact.	

Note 6. Employee benefits expense

	2013	2012
	\$	\$
Wages and salaries ^(a)	354,491	331,878
Superannuation – defined contribution plans ^(b)	23,370	29,000
	377,861	361,178

(a) Includes the value of the fringe benefit to the employee plus the fringe benefits tax component, leave entitlements including superannuation contribution component.

(b) Defined contribution plans include West State, Gold State, GESB and other eligible funds.

Employment on-costs expenses, such as workers' compensation insurance, are included at note 9 'Other expenses'.

Employment on-costs liability is included at note 16 'Provisions'.

Note 7. Supplies and services

	2013	2012
	\$	\$
Communications	4,260	5,825
Consumables	12,285	8,857
Consultants and contractors	16,406	16,229
Resources free of charge (see note 11)	114,110	71,053
	147,061	101,964



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Notes to the Financial statements – 30 June 2013 (continued)

Note 8. Accommodation expenses

	2013	2012
	\$	\$
Building rentals	51,463	58,162
	<u>51,463</u>	<u>58,162</u>

Note 9. Other expenses

	2013	2012
	\$	\$
Motor vehicle operating lease	1,715	10,336
Insurance other	5,500	4,959
Advertising and promoting	11,551	1,419
Other expenses ^(a)	5,676	7,869
	<u>24,442</u>	<u>24,583</u>

(a) Includes bank fees, court transcripts, electricity, travel and motor vehicle operating expense.

Note 10. Income

	2013	2012
	\$	\$
Other income	-	3,690
	<u>-</u>	<u>3,690</u>

Note 11. Income from State Government

	2013	2012
	\$	\$
Appropriation received during the period:		
Service appropriation ^(a)	519,000	502,000
	<u>519,000</u>	<u>502,000</u>
Resources received free of charge from other state government agencies during the period: ^(b)		
Department of the Attorney General		
- financial, human resources and information technology services	114,110	71,053
	<u>114,110</u>	<u>71,053</u>
Total Income from State Government	633,110	573,053

(a) Service appropriations fund the net cost of services delivered. Appropriation revenue comprises a cash component and a receivable (asset). The receivable (holding account) comprises the budgeted depreciation expense for the year and any agreed increase in leave liabilities during the year.

(b) Assets or services received free of charge or for nominal cost are recognised as revenue at fair value of the resources that can be reliably measured and which would have been purchased if they were not donated. The value of resources received free of charge recognised during the period was calculated based on estimates and information provided by agencies.

Note 12. Receivables

	2013	2012
	\$	\$
<u>Current</u>		
GST receivable	250	416
Total Current	250	416

Note 13. Other assets

	2013	2012
	\$	\$
<u>Current</u>		
Prepayments	-	603
Total current	-	603



Notes to the Financial statements – 30 June 2013 (continued)

Note 14. Amounts receivable for services (holding Account)

	2013	2012
	\$	\$
Current	-	48,000
Total Current	-	48,000
Non Current	53,000	-
Total Non Current	53,000	-

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

Note 15. Payables

	2013	2012
	\$	\$
Current		
Trade payables	570	1,970
Accrued salaries	8,840	8,736
Total current	9,410	10,706

Note 16. Provisions

	2013	2012
	\$	\$
Current		
Employee benefits provision		
Annual leave ^(a)	76,401	57,410
Long service leave ^(b)	3,361	16,541
	79,762	73,951
Other provision		
Employee benefits provision		
Carrying amount at start of period	-	697
Additional provisions recognised - other employee costs	-	(697)
Carrying amount at end of period	-	-
	79,762	73,951
Non-current		
Employee benefits provision		
Long service leave ^(b)	33,981	8,635
	33,981	8,635
Other provision		
Employee benefits provision		
Carrying amount at start of period	-	123
Additional provisions recognised - other employee costs	-	(123)
Carrying amount at end of period	-	-
	33,981	8,635

(a) Annual leave liabilities have been classified as current as there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period.

(b) Long service leave liabilities have been classified as current where there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period.



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Notes to the Financial statements – 30 June 2013 (continued)

Note 16. Provisions (Continued)

Assessments indicated that actual settlement of the annual leave liabilities is expected to occur as follows:

	2013	2012
	\$	\$
Within 12 months of the end of the reporting period	76,401	57,410
More than 12 months after the end of the reporting period	-	-
	<u>76,401</u>	<u>57,410</u>

Assessments indicate that actual settlement of the long service leave liabilities is expected to occur as follows:

	2013	2012
	\$	\$
Within 12 months of the end of the reporting period	2,240	11,027
More than 12 months after the end of the reporting period	35,102	14,149
	<u>37,342</u>	<u>25,176</u>

Note 17. Equity

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

	2013	2012
	\$	\$
Contributed equity		
Balance at start of period	160,000	160,000
Balance at end of period	<u>160,000</u>	<u>160,000</u>
Accumulated surplus/		
Balance at start of period	218,416	187,560
Result for the period	32,283	30,856
Balance at end of period	<u>250,699</u>	<u>218,416</u>
Total Equity at end of period	<u>410,699</u>	<u>378,416</u>



Notes to the Financial statements – 30 June 2013 (continued)

Note 18. 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:

	2013 \$	2012 \$
Cash and cash equivalents	480,602	422,689
	<u>480,602</u>	<u>422,689</u>

Reconciliation of net cost of services to net cash flows used in operating activities

	2013 \$	2012 \$
Net cost of services	(600,827)	(542,197)
<u>Non-cash items</u>		
Resources received free of charge	114,110	71,053
<u>(Increase)/decrease in assets</u>		
Prepayments	603	(603)
<u>Increase/(decrease) in liabilities</u>		
Current payables (a)	(1,296)	(1,020)
Provisions	5,811	(967)
Non-current provisions	25,346	(3,471)
Change in GST in receivables/payables (b)	166	(205)
Net cash (used in) operating activities	(456,087)	(477,410)

(a) Note that the Australian Taxation Office (ATO) receivable/payable in respect of GST and the receivable/payable in respect of the sale/purchase of non-current assets are not included in these items as they do not form part of the reconciling items.

(b) This reverses out the GST in receivables and payables.

Note 19. Commitments

	2013 \$	2012 \$
Non cancellable operating lease commitments		
Commitments for minimum lease payments are payable as follows:		
Within 1 Year	-	2,272
	<u>-</u>	<u>2,272</u>

The Office leases a motor vehicle. The lease expenditure is expensed as it is incurred.



Notes to the Financial statements – 30 June 2013 (continued)

Note 20. 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 for 2013

	2013 Estimate \$	2013 Actual \$	Variance \$
Expenses			
Employee benefits expenses	423,000	377,861	(45,139)
Depreciation and amortisation	5,000	-	(5,000)
Accommodation	37,000	51,463	14,463
Income from State Government			
Resources received free of charge	105,000	114,110	9,110

Employee benefits expense

The decrease is mainly attributable to the retirement of the Parliamentary Inspector Christopher Steytler QC at the beginning of the reporting period.

Depreciation and amortisation

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 against budget expectations is mainly due to the increase in rental costs and general rental market associated with the accommodation lease being more than expected.

Resources received free of charge

Resources received free of charge were greater than anticipated due to an increase in the provision of secretarial services and administrative support to the Office of the Parliamentary Inspector by the Department of the Attorney General.

Significant variances between actual results for 2013 and 2012

	2013 Actual \$	2012 Actual \$	Variance \$
Income			
Service appropriations	519,000	502,000	17,000
Resources received free of charge	114,110	71,053	43,057
Expense			
Employee benefits expense	377,861	361,178	16,683

Service appropriations

The increase in service appropriations is 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 resources received 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 increase is mainly due to an increment in salaries during 2012-13.



Notes to the Financial statements – 30 June 2013 (continued)

Note 21. Financial instruments

(a) Financial risk management objectives and policies

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

Credit risk

Credit risk arises when there is the possibility of the Office receivables defaulting on their contractual obligations resulting in financial loss to the Office. 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 21(c) 'Financial Instruments Disclosures' and Note 12 'Receivables'.

Credit risk associated with the Office financial assets is minimal because the main receivable is the amounts receivable for services (holding account). The Office does not have any significant credit risks as services are provided only to government agencies. In addition, receivable balances are monitored on an ongoing basis with the result that the Office exposure to bad debts is minimal. At the end of the reporting period there were no significant concentrations of credit risk other than in respect of cash and equivalents.

Liquidity risk

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

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect the Office's income on the value of its holdings of financial instruments. The Office does not trade in foreign currency and is not materially exposed to other price risks because it does not hold investments in securities on bonds.

The Office is not exposed to interest rate risk because cash and cash equivalents are non-interest bearing and it has no borrowings therefore neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

(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:

	2013	2012
	\$	\$
<u>Financial Assets</u>		
Cash and cash equivalents	480,602	422,689
Receivables ^(a)	53,000	48,000
	<u>533,602</u>	<u>470,689</u>
<u>Financial Liabilities</u>		
Payables	9,410	10,706
	<u>9,410</u>	<u>10,706</u>

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

(c) Financial instruments disclosures

Credit risk

The following table details the Office maximum exposure to credit risk, and the ageing analysis of financial assets. The Office 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 Office does not hold any collateral as security or other credit enhancements relating to the financial assets it holds.



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Notes to the Financial statements – 30 June 2013 (continued)

Note 21 Financial Instruments (continued)

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 \$	
2013								
Cash and cash equivalents	480,602	480,602	-	-	-	-	-	-
Amounts receivable for services	53,000	53,000	-	-	-	-	-	-
	533,602	533,602						
2012								
Cash and cash equivalents	422,689	422,689	-	-	-	-	-	-
Amounts receivable for services	48,000	48,000	-	-	-	-	-	-
	470,689	470,689	-	-	-	-	-	-

Liquidity risk

The following table details the contractual maturity analysis of financial assets and financial liabilities.

Maturity analysis of financial assets and financial liabilities

	Carrying Amount \$	Nominal Amount \$	Up to 1 month \$	1-3 months \$	3 months to 1 year \$	1-5 years \$	More than 5 years \$
2013							
<u>Financial Assets</u>							
Cash and cash equivalents	480,602	480,602	480,602	-	-	-	-
Amounts receivable for services	53,000	53,000	-	-	-	53,000	-
	533,602	533,602	480,602	-	-	53,000	-
<u>Financial Liabilities</u>							
Payables	9,410	9,410	9,410	-	-	-	-
	9,410	9,410	9,410	-	-	-	-
2012							
<u>Financial Assets</u>							
Cash and cash equivalents	422,689	422,689	422,689	-	-	-	-
Amounts receivable for services	48,000	48,000	48,000	-	-	-	-
	470,689	470,689	470,689	-	-	-	-
<u>Financial Liabilities</u>							
Payables	10,706	10,706	10,706	-	-	-	-
	10,706	10,706	10,706	-	-	-	-

Fair values

All financial assets and Liabilities recognised in the statement of financial position and recognised at amount that represent a reasonable approximation of fair value unless otherwise states in the applicable notes.



Notes to the Financial statements – 30 June 2013 (continued)

Note 22. Remuneration of members of the accountable authority and senior officers

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

\$	2013	2012
10,001 - 20,000	1	-
40,001 - 50,000	1	-
100,001 - 110,000	1	-
220,001 - 230,000	-	1

\$	\$
Total remuneration of members of the accountable authority	167,793 227,843

The Parliamentary Inspector (PI) retired during 2012/13 and acting PI was remunerated until a new PI was appointed mid-way through the financial year therefore three bands of remuneration are included

The total remuneration includes the superannuation expense incurred by the Office in respect of members of the accountable authority.

Remuneration of senior officers

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

\$	2013	2012
210,001 - 220,000	1	1

\$	\$
Total remuneration of senior officers	218,348 215,074

The total remuneration includes the superannuation expense incurred by the Authority in respect of senior officers other than senior officers reported as members of the accountable authority.

Note 23. Remuneration of auditor

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

	2013	2012
Auditing the accounts, financial statements and key performance indicators	\$ 15,500	\$ 14,900

Note 24. Events occurring after the end of the financial period

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

Note 25. Contingent liabilities and contingent assets

There were no contingent liabilities or contingent assets as at 30 June 2013 (2012: nil).

Note 26. Related bodies

The Office of the Parliamentary Inspector had no related bodies during the financial year (2012: nil).

Note 27. Affiliated bodies

The Office of the Parliamentary Inspector had no affiliated bodies during the financial year (2012: nil).

Note 28. Supplementary financial information

There were no losses of public moneys or other public property through theft or default during the financial year (2012: nil).

There were no write offs of public money or other public property during the financial year (2012: nil).

There were no gifts of public property during the financial year (2012: 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 2012 to 30 June 2013 in accordance with s 175ZE(1) of the *Electoral Act 1907*

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

10.6 MINISTERIAL DIRECTIVES

There were no ministerial directives during 2012/13.