

Annual Report

2018–19



New South Wales
Crime Commission

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Annual Report 2018-19

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1 October 2019

The Hon. David Elliott MP
Minister for Police and Emergency Services
52 Martin Place
SYDNEY NSW 2000

Dear Minister

RE: ANNUAL REPORT FOR 2018-19

The Management Committee received and noted the Annual Report of the Commission 2018-19. Pursuant to section 82 of the *Crime Commission Act 2012* the Report is transmitted to you with this letter.

Yours faithfully

The Hon. Anthony Whealy QC
Chairperson – Management Committee

1 October 2019

The Hon. David Elliott MP
Minister for Police and Emergency Services
52 Martin Place
SYDNEY NSW 2000

Dear Minister

RE: ANNUAL REPORT FOR 2018-19

Pursuant to sections 11A and 12 of the *Annual Reports (Departments) Act 1985* (the Act), I submit to you this Commission's Annual Report for 2018-19 (in accordance with section 9 of the Act) and Report of Operations (in accordance with sections 10 and 11 of the Act). In accordance with section 6 of the Act, the two reports are included within the one document (the Report). The Report is being submitted to you for presentation to Parliament.

In accordance with section 82 of the *Crime Commission Act 2012*, the Report has also been furnished to the New South Wales Crime Commission Management Committee. Section 82 of the *Crime Commission Act 2012* provides for that Committee to transmit the Report to you with such comments on the Report as it sees fit.

Yours sincerely



Peter Cotter APM
Commissioner

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THE COMMISSIONER'S FOREWORD

It was a great honour in November 2018 to be appointed the Commissioner of the NSW Crime Commission and to have the opportunity to lead a body of professional people who combat organised and serious crime every day with dedication and energy, and who play a significant role in keeping the community of NSW safe.

I am proud of and thank all my team for the success the Commission has achieved this year, but moreover the way we work in tandem with our State and national law enforcement partners to tackle the illicit drug trade, target the millions which flow from it and disrupt the violent crime cycle that flows when the organised crime domain becomes disorganised.



Our expertise lies in analysis, intelligence sharing and exercising our unique legislative authority to conduct coercive hearings and to ensure that 'crime doesn't pay' by seizing the assets of those who have financially prospered from crime.

I equally recognise the Commission's leadership, particularly my predecessor and current Assistant Commissioner (Legal), Peter Bodor QC, the previous Assistant Commissioner (Legal), Maria Cinque SC, and the Executive Team, all of whom are steadfast in their ethical leadership. I also thank and recognise the wise counsel of the Commission's Management Committee and its Chair, Anthony Whealy QC, for their guidance and governance.

The Commission is a resilient organisation with a proud history shrouded with joint investigative and crime disruption success. Organised and serious crime will continue to evolve and criminals will remain innovative and opportunistic, embracing technology to extend their reach, enhance their stealth and maximise their economic return.

The Commission does not exist in isolation and we are an integral fit with all our allies in law enforcement who together can not only challenge but defeat the criminal milieu through our people, powers, professionalism and most crucially our persistence.

A handwritten signature in black ink, which reads "Peter Cotter". The signature is written in a cursive, flowing style.

Peter Cotter APM
Commissioner

OUR HIGHLIGHTS 2018-19



**99 joint arrests
and
616 charges**



**Confiscation orders of
\$30,302,377 under
the *Criminal Assets
Recovery Act 1990***



**517 intelligence and
information reports
disseminated under
the *Crime
Commission Act
2012***



**103 summonses
issued for coercive
hearings**



**741 technical
deployments**

CHAPTER ONE - THE NSW CRIME COMMISSION

The NSW Crime Commission (the Commission) is constituted as a corporation under the *Crime Commission Act 2012* (the *CC Act*). The current Commissioner is Mr Peter Cotter APM, who was appointed to the role on 9 November 2018. Mr Peter Bodor QC is the current Assistant Commissioner (Legal) and was Commissioner during the reporting period from 1 July 2018 to 8 November 2018. Ms Maria Cinque SC acted in the role of Assistant Commissioner (Legal) during the reporting period from 1 July 2018 to 8 November 2018.

The Commission has functions under the *CC Act* and the *Criminal Assets Recovery Act 1990* (the *CAR Act*). During the period, Mr Cotter APM, Mr Bodor QC, Ms Cinque SC, and delegated staff members exercised the functions of the Commission under the *CC Act* and the *CAR Act*.

Functions, Aims and Objectives of the Commission

Established in 1986, the function of the Commission under the *CC Act* is to reduce the incidence of organised and other serious crime to create a safer NSW. The *CAR Act* has multiple objects; however, the overarching object is to attempt to ensure that persons involved in criminal activity do not retain the proceeds or benefits of their crimes.

The principal functions of the Commission are:

- to investigate matters relating to relevant criminal activity, serious crime concerns, and the criminal activities of criminal groups referred to the Commission by the Management Committee for investigation;
- to assemble evidence that would be admissible in the prosecution of a person for a relevant offence arising out of any such matters and to furnish it to the Director of Public Prosecutions (the NSW DPP);
- to furnish evidence obtained in the course of its investigations (being evidence that would be admissible in the prosecution of a person for an indictable offence against the law of the Commonwealth or another State or Territory) to the Attorney General or to the appropriate authority in the jurisdiction concerned;
- to re-investigate matters relating to any criminal activity that were the subject of a police inquiry (being an inquiry referred for review to the Commission by the Management Committee) and to furnish its findings to the Management Committee together with any recommendation as to action the Commission considers should be taken in relation to those findings;
- to furnish, in accordance with the *CC Act*, reports relating to organised and other crime that include, where appropriate, recommendations for legislative or regulatory change;

- to provide investigatory, technological and analytical services to such persons or bodies as the Commission thinks fit;
- with the approval of the Management Committee, to work in co-operation with such persons or authorities of the Commonwealth, the State or another State or Territory (including any task force and any member of a task force) as the Commission considers appropriate.

The Commission may:

- furnish any information the Commission obtains relating to the exercise of the functions of a government agency, or a report on that information, to the relevant Minister and make such recommendations relating to the exercise of the functions of the government agency, as the Commission considers appropriate;
- furnish any information relating to the conduct of a member of a government agency, in his or her capacity as such, that the Commission obtains, or a report on that information, to the head of that agency or (if the member is the head of the agency) to the relevant Minister and make such recommendations relating to the conduct of the member as the Commission considers appropriate;
- in accordance with any guidelines furnished by the Management Committee, disseminate intelligence and information to such persons or bodies of the Commonwealth, the State or another State or Territory (including any task force and any member of a task force) as the Commission thinks appropriate;
- co-operate and consult with such persons or bodies as the Management Committee thinks appropriate.

The principal objects of the *CAR Act* are:

- to provide for the confiscation, without conviction, of property of a person if the NSW Supreme Court (the Court) finds it to be more probable than not that the person has engaged in a serious crime related activity (SCRA);
- to enable the current and past wealth of a person to be recovered as a debt due to the Crown if the Court finds there is a reasonable suspicion that the person has engaged in a SCRA, or acquired the proceeds of a SCRA of another, unless they can show the wealth was acquired lawfully;
- to enable the proceeds of illegal activities to be recovered as a debt to the Crown if the Court finds it more reasonable than not that the person engaged in a SCRA, or acquired the proceeds of the SCRA or illegal activities of another, in the past six years;
- to provide for the confiscation, without conviction, of property of a person that is illegally acquired property held in a false name or is not declared in confiscation proceedings;

- to enable law enforcement authorities to identify and recover property effectively.

Under the *CAR Act*, the Commission takes action against alleged criminals and persons who have benefited from criminal actions through the civil courts.

The Commission aims to discharge its functions in a lawful, ethical, economical, and effective way.

Responsible Minister

During the reporting period, the administration of the *CC Act* and the *CAR Act* was assigned to the Hon. Troy Grant MP, Minister for Police and Minister for Emergency Services. The Hon. David Elliott MP became the Minister for Police and Emergency Services on 2 April 2019.

The Commissioner and Assistant Commissioners

Mr Peter Cotter APM

Peter Cotter APM was appointed the Commissioner of the NSW Crime Commission on 9 November 2018. With 35 years of policing experience, Mr Cotter has worked in the major crime domains of Homicide, Armed Robbery, Extortion, Kidnap for Ransom, Fraud, Sexual Assault and Abuse of Children as a practitioner, manager, and ultimately senior manager, Commander and Director. Prior to his appointment as Commissioner, Mr Cotter had been the Commander and Assistant Commissioner of the Forensic Evidence and Technical Services Command within the NSW Police Force (NSWPF). Mr Cotter holds a Bachelor of Laws Degree with Honours and is admitted as a Legal Practitioner in New South Wales (NSW). He also holds an Associate Diploma in Criminal Justice (Police). In the Australia Day Honours of 2008, Mr Cotter was awarded the Australian Police Medal for distinguished service.

Mr Peter Bodor QC

Peter Bodor QC was admitted as a barrister in 1976 and appointed as Queen's Counsel in 1988. Prior to his appointment, Mr Bodor's career focused predominantly on criminal law trials, appeals and associated proceedings as both prosecutor and defender across the gamut of serious criminal offences in various Australian States and Territories and internationally. He also practised extensively in Royal Commissions, Commissions of Inquiry, Coronial Inquiries and at the Independent Commission Against Corruption (ICAC). Mr Bodor also frequently advised and appeared as leading counsel to act on behalf of the NSWPF and other government agencies in inquiries, complex civil law trials and appeals. Since Mr Bodor's appointment as Assistant Commissioner (Legal) on 1 July 2015, he had acted as Commissioner on occasions as required before his appointment as Commissioner from 8 November 2017 for 12 months whereupon Mr Bodor resumed his role as Assistant Commissioner (Legal).

Ms Maria Cinque SC

Assistant Commissioner (Legal) Maria Cinque was admitted as a barrister in 1998 and appointed Senior Counsel in 2015. Ms Cinque was appointed in-house counsel at the Commonwealth Director of Public Prosecutions (CDPP) in 1998 and continued in that position until 2005, when she was appointed a Crown Prosecutor for the State of NSW. In those roles Ms Cinque regularly appeared in the Supreme Court and the Court of Criminal Appeal, having appeared for the Crown in over 200 appeals in that Court, particularly in complex conviction appeals involving murder and other serious crimes. During the reporting period, Ms Cinque held the position of Assistant Commissioner (Legal) from 1 July 2018 to 8 November 2018.

Management Committee

Functions of the Management Committee

The Management Committee and its membership is constituted under sections 49(1) and 50(1) of the *CC Act* respectively. Under section 51 of the Act, the functions of the Management Committee are:

- to refer, by written notice, matters relating to relevant criminal activities, serious crime concerns, or the criminal activities of a specified criminal group to the Commission for investigation;
- to refer, by written notice, police inquiries into matters relating to any criminal activities for re-investigation;
- to make arrangements for task forces to assist the Commission to exercise its functions;
- to approve the Commission to work in co-operation with such persons or authorities of the Commonwealth, the State or another State or Territory, including any task force or any member of a task force, as the Commission considers appropriate;
- to review and monitor generally the work of the Commission;
- to make decisions on when the Commission should co-operate and consult with other bodies and persons.

The Management Committee may also:

- give directions and furnish guidelines to the Commission with respect to the exercise of its functions;
- give directions and furnish guidelines to the Commission with respect to the internal management of the Commission.

The Commission must comply with directions or guidelines given by the Management Committee.

Conditions for References

The Management Committee is not to refer a matter to the Commission for investigation unless it is satisfied that:

- the use of the Commission's powers appears to be necessary to fully investigate the matter;
- the investigation of the matter by the Commission is in the public interest;
- the matter is sufficiently serious or prevalent to warrant its investigation by the Commission.

Membership of the Management Committee

During the reporting period, the Management Committee included:

- Chairperson, the Hon. Anthony Whealy QC (1 July 2018 - 30 June 2019);
- Commissioner of the NSW Crime Commission, Mr Peter Cotter APM (9 November 2018 - 30 June 2019);
- Commissioner of the NSW Crime Commission, Mr Peter Bodor QC (1 July 2018 - 8 November 2018);
- Commissioner of the NSW Police Force, Mr Michael Fuller APM (1 July 2018 - 30 June 2019);
- Chair of the Board of the Australian Criminal Intelligence Commission, Mr Andrew Colvin (1 July 2018 - 30 June 2019);
- Secretary, Department of Justice, Mr Andrew Cappie-Wood (1 July 2018 - 26 March 2019).
- Deputy Secretary, Department of Justice, Ms Kathrina Lo (21 May 2019 - 30 June 2019).

The Chairperson is appointed for a period of up to three years and is eligible for re-appointment after this time. Tenure for members is consistent with the term of appointment for their role.

Management Committee Activities

During the reporting period, the Management Committee met on a bi-monthly basis.

The Management Committee referred five new matters to the Commission for investigation: three homicide cases and two investigations into the importation and supply of prohibited drugs.

The Management Committee authorised the renewal of 13 existing references and discontinued four references.

References Granted

Table 1

References Granted 2018-19			
Freshwater	Greta	Howlong	Indi
Jennings			

References Renewed

Table 2

References Renewed 2018-19			
Abbotsford	Blackwell	Crosslands	Eureka
Minnesota	Nebraska	Sandgate II	Sherwood
Urana	Valla	Waterfall	Wayo
Yenda			

References Discontinued

Table 3

References Discontinued 2018-19			
Araluen	Bagnoo	Pambula	Rosedale

CHAPTER TWO – CRIMINAL INVESTIGATIONS DIVISION

The Commission's Criminal Investigations Division (CID) is responsible for discharging the criminal investigation functions. A typical investigation is conducted jointly with one or more partner State or Commonwealth law enforcement agencies, which has the primary responsibility to undertake such investigations, pursuant to a Management Committee Reference or a Joint Investigation Agreement.

The Commission provides a variety of services including coercive powers, technical surveillance, human source tasking, analytical resources and intelligence support to assist the partner agency in the investigation.

Two dedicated teams work closely with the NSWPF Organised Crime Squad (OCS). There is also a Homicide and Serious Crime Team who work in conjunction with the NSWPF Homicide Squad or, on occasions, with officers from a Police Area Command (PAC).

The Commission has a small component of three analysts and a linguist attached to and located with the Joint Counter Terrorism Team (JCTT) and there is a Human Source Team and Intelligence Development Unit, which are primarily intelligence gathering units, to assist in current investigations and to identify emerging criminal groups or identities.

The CID Capability Team provides support to the investigations through the provision of technical assistance and surveillance, forensic examination of computers and phones, and the provision of electronic surveillance monitoring.

Officers from other agencies, including the Australian Federal Police (AFP), Australian Border Force (ABF), Australian Criminal Intelligence Commission (ACIC) and Australian Transaction Reports and Analysis Centre (AUSTRAC), often participate in Commission investigations, contributing their additional skills, resources and powers to each operation. As in other years, ABF officers worked on-site at the Commission and made an invaluable contribution to the success of Commission investigations.

Participation in Joint Task Forces

During 2018-19 the Commission participated in four multi-agency task forces.

Fintel Alliance

Led by AUSTRAC, *Fintel Alliance* is a public/private partnership between 19 agencies, including law enforcement and intelligence agencies and financial institutions. The Task Force's purpose is to investigate terrorism financing and money laundering, and the Commission provides it with criminal and financial analytical services, operational support and access to the Commission's statutory powers.

Organised Crime Squad

During the reporting period the Commission and the OCS continued to investigate high level organised crime in NSW. In addition to providing the OCS with access to

the Commission's criminal analytical services, the Commission also provides the OCS with financial analysis, technical and linguistic support, operational and technical support and access to the Commission's statutory powers.

Joint Organised Crime Group

The Joint Organised Crime Group (JOCG) was a multi-agency Task Force comprising representatives from the Commission, NSWPF, AFP, ABF and ACIC. The Commission provided the JOCG with on-site analytical, financial, technical and linguistic services, operational support and access to the Commission's statutory powers. The Task Force was disbanded on 31 August 2018.

Joint Counter Terrorism Team

Formally established in December 2007, the JCTT comprises officers from the AFP, NSWPF, Commission and the Australian Security and Intelligence Organisation (ASIO). Counter terrorism investigations are led by either the AFP or the NSWPF. The Commission provides the JCTT with on-site technical, analytical and linguistic services, operational support and access to the Commission's statutory powers, including hearings for the compulsory examination of witnesses.

Use of Statutory Powers and Authority

The Commission exercises its powers under the *CC Act* and the *CAR Act* to assist it in discharging its functions. The powers conferred by the *CC Act* are available to support the Commission's investigations and evidence gathering for both criminal prosecutions and proceedings under the *CAR Act*.

Additionally, the Commission is recognised as a law enforcement agency for the purposes of a number of other Commonwealth and State statutes that confer investigative powers and rights on law enforcement agencies. The Commission's position under these statutes is the same as that of other law enforcement agencies.

Aside from the *CC Act*, the principal statutes that the Commission uses for investigative purposes are as follows:

- *Law Enforcement (Controlled Operations) Act 1997* (NSW) (the *LECO Act*), which provides for authorisation of controlled operations involving what would otherwise be unlawful conduct;
- *Law Enforcement (Powers and Responsibilities) Act 2002* (NSW) (the *LEPR Act*), which grants the Commission the authority to apply for a covert search warrant;
- *Law Enforcement and National Security (Assumed Identities) Act 2010* (NSW) (the *LENSAI Act*), which provides for the creation and use of assumed identities;
- *Surveillance Devices Act 2007* (NSW) (the *SD Act*), which provides for the use of surveillance devices (listening, optical, data and tracking devices) pursuant to a warrant;

- *Telecommunications (Interception and Access) Act 1979* (Cth) (the *TIA Act*), which provides for the interception, pursuant to a warrant, of certain telecommunications (e.g. telephone calls); for access to certain stored communications (e.g. short message service [SMS] messages); and for access, pursuant to authorisation, to certain telecommunications data.

The figures in Table 4 relate to the CID and Financial Investigations Division (FID) aspects of the Commission's work. Tables 5 to 10 set out how often the Commission exercised or used its statutory powers and authorities under other legislation. Statistics on applications made by the Commission pursuant to the provisions of the *CAR Act* can be found in Table 15 in Chapter Three of this Annual Report.

Crime Commission Act 2012

Table 4

Use of the Legislation (and Section of Act)	CID	FID	Total
Applications for search warrants (section 17)	0	N/A	0
Search warrants granted	0	N/A	0
Summonses to appear at hearings (section 24)	103	N/A	103
Notices to State public agencies (section 28)*	40	22	62
Notices to produce (section 29)*	207	1116	1323
Arrest warrants (section 36)	0	N/A	0
Applications to the Supreme Court (section 33)	0	N/A	0
Other Court proceedings (section 35A)	2	N/A	2

*The figure for notices issued pursuant to FID investigations are also reported at Table 14 in this Annual Report.

Telecommunications (Interception and Access) Act 1979 (Cth)

Table 5

Applications/Warrants (and Section of Act)	Total
Applications for A-party service warrants (section 46(1)(d)(i))	62
Applications for A-party service warrants withdrawn	0
A-party service warrants refused	0
Total A-party service warrants issued	62
Applications for B-party service warrants (section 46(1)(d)(ii))	3
Applications for B-party service warrants withdrawn	0
B-party service warrants refused	0
Total B-party service warrants issued	3
Applications for named person warrants (section 46A)	66

Applications/Warrants (and Section of Act)	Total
Applications for named person warrants withdrawn	0
Named person warrants refused	0
Total named person warrants issued	66
Applications for stored communications warrants (section 116)	1
Applications for stored communications warrants withdrawn	0
Stored communications warrants refused	0
Total stored communications warrants issued	1
Applications for entry warrants (section 48)	0
Applications for entry warrants withdrawn	0
Entry warrants refused	0
Total entry warrants issued	0
Total	132

Table 6

Applications/Warrants (and Section of Act)	Total
Destructions of intercepted material	0
Destructions of stored communications	0
Existing data authorisations (section 178)	3323
Prospective data authorisations (section 180)	1176

Law Enforcement (Controlled Operations Act) 1997

Table 7

Use of the Legislation	Total
Applications for authorities	0
Authorities granted	0

Law Enforcement (Powers and Responsibilities) Act 2002

Table 8

Use of the Legislation	Total
Applications for covert search warrants	0
Covert search warrants granted	0

*A copy of the Commission's Annual Report under section 242A of the *LEPR Act* is reproduced at Appendix A.

Law Enforcement and National Security (Assumed Identities) Act 2010

Table 9

Use of the Legislation	Total
Applications to acquire and use an assumed identity	0
Applications granted	0
Authorities cancelled	0

*A copy of the Commission's Annual Report under section 35 of the *LENSAI Act* is reproduced at Appendix B.

Surveillance Devices Act 2007

Table 10

Use of the Legislation	Total
Applications made	3
Warrants sought in those applications	6
Warrants granted	6
Warrants refused	0
Emergency authorisations sought	0
Emergency authorisations approved	0

*A copy of the Commission's Annual Report under section 45(3) of the *SD Act* is reproduced at Appendix C.

Dissemination of Intelligence and Information

The Commission liaises with other agencies and disseminates intelligence and information to them as the Commission considers appropriate. Throughout the reporting period, the Commission disseminated information and intelligence to its partner agencies pursuant to the *CC Act*, the *TIA Act*, and the *SD Act*.

Dissemination is not required in circumstances where the information or intelligence is being communicated from one staff member to another and, given that the Commission conducts much of its work pursuant to Task Force arrangements in which police and others are made members of staff of the Commission, the Commission's dissemination figures do not include a significant amount of intelligence passed to the police and other partner agencies.

In this reporting period, disseminations were sent to the following domestic and international entities: Australian Commission for Law Enforcement Integrity (ACLEI), ACIC, AFP, Australia Post, AUSTRAC, ASIO, Australian Taxation Office (ATO), Corrective Services NSW, Crime and Corruption Commission, Department of Home Affairs, Department of Justice, ICAC, JCTT, New Zealand Police, NSW DPP, CDPP, NSWPF, Revenue NSW, Queensland Police, South Australia Police, Tasmania Police,

National Crime Agency (UK), Drug Enforcement Agency (USA), Federal Bureau of Investigation (USA), Victoria Police, and Western Australia Police.

Table 11

<i>CC Act</i> Section 13	<i>TIA Act</i> Section 68	<i>TIA Act</i> Section 139(2)	<i>TIA Act</i> Section 67	<i>SD Act</i> Section 40(4)	<i>SD Act</i> Section 40(5)	Total
517	30	0	171	11	0	729

Results of Investigations

There are difficulties associated with measuring the performance of Commission operations. Some of the measures used by the Commission are listed in Tables 4, 11 and 12, and include joint arrests and charges, the number of summonses and notices to produce issued by the Commission, the number of search warrants and the number of disseminations made by the Commission.

The Commission acknowledges that these measures are limited in how they reflect the performance of the Commission's CID. Factors beyond the control of the Commission and its partner agencies often distort performance. For example, an investigation may run for several years before a single arrest is made in the matter. However, the lack of arrests does not reflect the performance of the investigation and may instead mean that in one year the number of arrests and charges appears to be smaller but in the next year a significant improvement in performance appears. In addition, the basic numbers associated with joint arrests and charges reflect neither the significance of the nature of the offences involved nor the standing of the charged persons in criminal groups.

It is not practicable for the Commission to track or report on arrests, charges and seizures arising from its dissemination of intelligence information to other agencies however, those are significant. The Commission also does not generally track or report on the results of prosecutions.

Arrests and Charges by Commission Reference

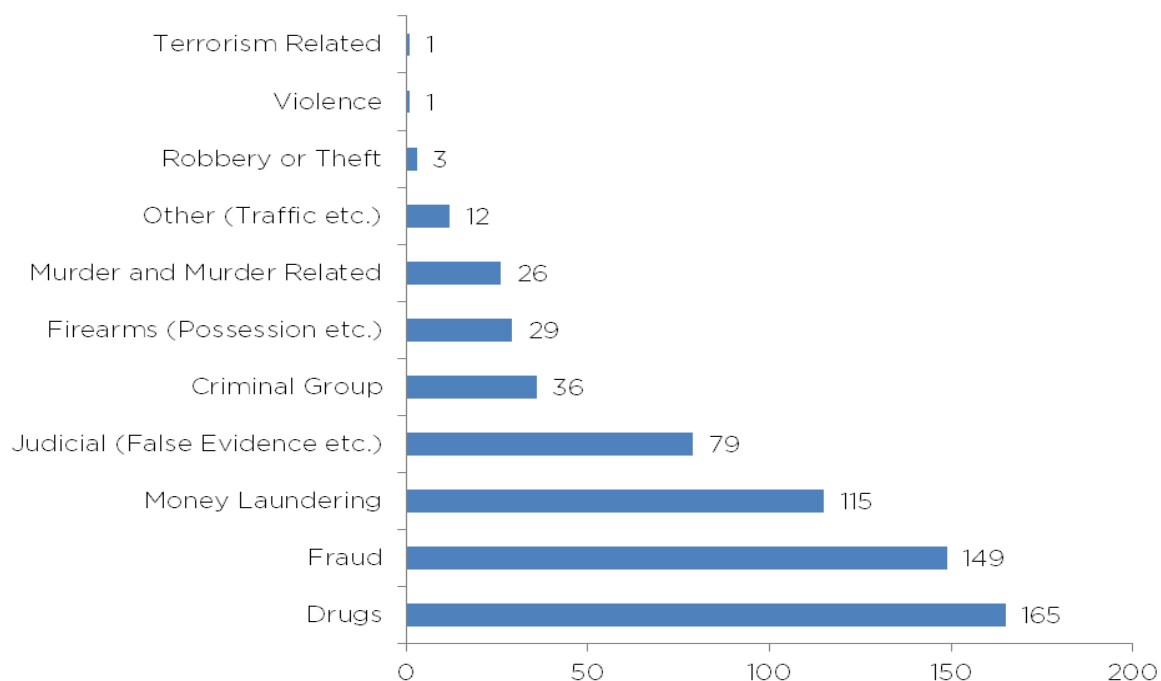
Table 12

Reference	Operation	Number of Joint Arrests	Number of Charges
Blackwall	Kiaka	2	3
Crosslands	Wongala	5	24
Dudley	Anent	3	11
Dudley	Gilbulla	3	24
Ebor	Eugene	1	2
Eureka	Millstream	1	4
Eureka	Sharrock	1	7
Freshwater	Amirs	4	5

Reference	Operation	Number of Joint Arrests	Number of Charges
Gilmore	Taipan	1	2
Henley	Armstrong	4	14
Henley	Mardenoora	3	57
Henley	Ryan	5	30
Henley	Triandra	1	3
JCTT	Moorsel	4	5
JOCG	Sudwala	3	5
Kinchela	Halfbeak	1	10
OCS	Bibury	3	16
OCS	Burrebury	2	43
OCS	Catwalk	5	9
OCS	Georgeson	3	21
OCS	Jetlag	1	1
OCS	Lego	4	17
OCS	Lintern	1	8
OCS	Lucky	2	2
OCS	Mangowa	2	20
OCS	Mortray	3	10
OCS	Petrie	10	156
OCS	Redgurnard	6	16
OCS	Tubberabach	1	6
OCS	Warranbool	1	2
OCS	Watling	3	15
Osborne	Yarramba	2	29
Sherwood	Mackane	4	35
Urana	Estop	2	2
Urana	Glenorchy	2	2
Total		99	616

Charges by Offence Type

Table 13



Analysis of Arrests and Charges

Table 12 represents results according to Commission references, or approvals to work in co-operation with a Task Force, under which the relevant investigations took place. Table 12 reports figures for all of the references that led to the joint arrests in the reporting period or for the purpose of which the Commission exercised its statutory powers.

Compared to last financial year, the number of jointly arrested persons has decreased slightly from 113 to 99 at the end of the reporting period; however, the charges against these persons have increased from 444 last year to 613 this year.

For the first time in three years, drug charges have surpassed money laundering charges. The Commission has maintained its strategy of targeting money laundering networks; however, there has been a degree of 'target hardening' by those being investigated. In previous years numerous money laundering suspects and organised crime individuals were identified, arrested and charged in relation to professional money laundering activity. This was reflected in a large number of charges in previous years. As many of the money laundering networks were not necessarily part of the organised crime networks they were servicing, communications between the two tended to be on disposable burner phones, which could be identified and intercepted by the Commission. This inevitably gave rise to investigative opportunities.

Over the last three years many of the networks have identified this vulnerability and have moved to encrypted communications. This has added a layer of complexity to Commission investigations resulting in fewer investigative opportunities and, ultimately, fewer charges and arrests.

As in previous years when money laundering networks are detected, persons involved in the provision of funds are identified in other criminal activity, mostly offences relating to drug importation and distribution. These persons are often investigated, leading to arrests for those types of offences.

There was a substantial increase in arrests for fraud offences from 11 charges last year to 149 this year. This was primarily a result of one successful investigation. With the assistance of NSW Fair Trading (NSWFT) and the Australian Skills Quality Authority (ASQA) in May 2018, the Commission participated in a joint investigation with the OCS targeting the activities of a number of individuals involved in forgery offences.

Money laundering charges are still in the top three categories of charges laid during Commission investigations, reflecting the Commission's efforts in targeting and investigating professional money laundering networks. Firearm offences have declined slightly, but these are offences not specifically targeted during Commission investigations and are usually identified incidentally to a money laundering or drug investigation.

Charges for murder and murder related offences have remained static as have those for participating in a criminal group.

There was a substantial increase of over 100 percent, from 36 charges to 79 charges for persons giving false or misleading evidence to the Commission. The majority of persons convicted for these types of offences received a custodial sentence.

Patterns and Trends in the Nature and Scope of Organised Crime

Section 82 of the *CC Act* requires the Commission's Annual Report to include a description of patterns and trends in the nature and scope of organised crime, and other crime encountered by the Commission during its investigation over the course of the year.

During the reporting period the Commission has continued to investigate various organised crime networks operating in NSW. Almost all of these networks have been involved in the importation and distribution of prohibited drugs which continues to be the mainstay of income for organised crime in Australia.

National Wastewater Drug Monitoring Program Report

Results reported in the ACIC's *National Wastewater Drug Monitoring Program Report 7*, dated April 2019, revealed interesting insights into drug consumption around Australia. The data were compiled from 50 sites around Australia and covers approximately 54 percent of the Australian population, or around 12.6 million people.

The program's report noted the following:

- With the exception of cocaine, heroin and alcohol, the regional average for drug consumption exceeded capital city consumption.
- Methylamphetamine remains the most consumed illicit drug.

- The average consumption of most drugs increased or remained relatively stable between August and December 2018.
- The population weighted average consumption of Methylenedioxymethamphetamine (MDMA) in both capital city and regional sites increased to its highest levels.
- Stimulant consumption in Australia continues to be driven primarily by methylamphetamine use and, of 25 countries with comparable data, Australia ranks second (behind the USA) in total estimated stimulant consumption.
- Cocaine use in capital cities across Australia has shown an overall decline in almost every State and Territory (Queensland being the exception) since December 2017.
- National consumption estimation of methylamphetamine is 9.8 tonnes, with 2.6 tonnes estimated for NSW. The national consumption estimation of cocaine is 4.1 tonnes, with an estimated 2.4 tonnes consumed in NSW. The national consumption estimation of MDMA is 1.1 tonnes, with an estimation of 450 kilograms for NSW.

Interpreting a selection of that data gives rise to the following hypotheses:

1. High average use in regional areas.

The high concentration of law enforcement activity in capital cities provides opportunities for organised crime groups to target regional areas for methylamphetamine trafficking. There are lower risks of detection and most law enforcement activity targeting serious organised crime such as that provided by the Commission, NSWPF, ACIC and AFP is almost exclusively based in Sydney, thus leaving fewer law enforcement personnel available to investigate and disrupt organised crime in regional areas.

Comparatively higher prices are achieved for prohibited drugs in regional areas, delivering more profit for organised crime and driving crime such as break-and-enters in regional areas. Compounding this, drug rehabilitation treatment is less accessible in regional NSW.

2. Cocaine use has decreased.

Recent large seizures of cocaine around the country appear to make the drug less available and is artificially keeping the prices high, leading to a reduction in its use.

Methylamphetamine appears to be the drug of choice of organised crime groups around the country. The drug can be manufactured within Australia, although source countries also include Myanmar, China, The Netherlands and Mexico. There is available intelligence on international organised crime groups targeting Australia because of the relatively high price paid for the drug, which maximises profit, and the apparent readiness of the Australian market to consume high quantities of methylamphetamine.

According to the *World Drug Report 2018*, published by the United Nations Office of Drugs and Crime, the estimated global manufacture of cocaine reached an all-time

high of 1,976 tonnes in 2017, with Colombia producing 70 percent of it. Compared with statistics from the National Wastewater Analysis Program, the total estimated national consumption of cocaine in Australia is 4.1 tonnes, which is .207% of the world's cocaine. The Report went on to estimate that 18.1 million people internationally had used cocaine in the past year with the highest rates of consumption attributed to North America (2.1 percent) and Oceania (Australia) (1.6 percent). By world standards, cocaine is consumed in Australia at a rate second only to the United States. This is despite recent waste water analysis indicating cocaine use has decreased slightly, which may be attributed to successful policing activity in the past 12 months.

Astonishingly, seizure rates for cocaine internationally in 2017 increased by 13 percent, to 1,275 tonnes or an estimated 64.5 percent of all cocaine manufactured. In the last decade seizure rates have increased by 74 percent while production has risen only 50 percent.

It is reasonable to suggest that global law enforcement efforts and international co-operation has led to rising seizures over recent years.

3. Drug traffickers can replace drugs lost through seizures at wholesale cost; seizures alone cannot be expected to disrupt markets unless they are exceedingly large.

The Commission has observed large drug seizures becoming more common in Australia. In the last 12 months there were several large seizures including 1.6 tonnes of methylamphetamine in Melbourne, and, in Sydney, 500 kilograms of methylamphetamine in one shipment, and 260 kilograms of cocaine and 240 kilograms of methylamphetamine in another. It should be noted that these seizures did not appear to have affected the market price of the drug, which has remained stable throughout the period. When these seizures are compared with the waste water analysis figures, it indicates a dip in consumption reflecting successful law enforcement efforts. However, over a relatively short period of time, usually several months, the consumption rates revert to their previous levels.

4. International organised crime groups have continued to target Australia in the past 12 months and it is highly likely that this will continue into the future because of the relatively high prices paid for drugs.

In 2015 the Commission began reporting on the increased professionalism and sophistication demonstrated by persons involved in organised crime in Australia, a trend which has continued, and the Commission has noted the increasing tendency of organised crime networks to operate along the line of more traditional business models. This has included groups diversifying into multiple crime types using one type of crime to provide the funding for a secondary crime, and buying in required skill sets, particularly in the area of drug manufacture, fraud (including cybercrime) and communications technology. This diversification has made investigations more complex as an investigation into drug supply and money laundering may also encounter fraud and firearms offences, tax evasion, and other matters.

On a number of investigations undertaken by the Commission in the reporting period the following methods of operation were detected, adding to the complexity of the investigations:

- the hijacking of legitimate company identities to provide import history records and anonymity for those involved in drug importation;
- the use of serviced offices and telephone forwarding systems;
- the extensive use of false identities, which, in turn, have been used to set up companies or ABN numbers, establish bank accounts, rent storage units and serviced offices, connect phones and set up social media pages, to create an air of legitimacy;
- the use of internet sites such as Gumtree and Airtasker, to create legitimate reasons for people to be taking delivery and transporting contraband;
- the movement of imported goods from one storage facility to another and the mixing of drug consignments with legitimate consignments, in order to make the identification of the original drug import more difficult;
- the use of Parcel Lockers to collect packages of drugs from overseas;
- the use of Airbnb by organised crime groups to facilitate their drug activities. In three recent Commission investigations syndicates used Airbnb to rent Sydney premises with accessible lock up garages in order to store drugs, and they provided the addresses to transport companies for delivery of the contraband goods. In another investigation a criminal group used Airbnb to rent a rural property in which they established a clandestine drug laboratory. The property was known to be used for Airbnb, so nearby residents did not consider the attendance of unknown persons and vehicles to be out of the ordinary.

Encryption

The use of encrypted communication by organised crime groups is widespread in Australia. As reported previously, the take-down of Phantom Secure was quickly followed by the expansion of rival companies including Ciphre, Sky ECC and Encrochat.

Encryption tools including VPNs, Dark Net and communication apps are exploited to evade law enforcement. It is no longer the case that such tools are reserved for the top tier organised crime groups as they are now used routinely by the majority of all levels of organised crime groups operating in Australia.

Money Laundering

The OCS in conjunction with the Commission seized approximately \$8 million in cash during the reporting period. Many of the seizures arose out of surveillance conducted upon one of the many money laundering/ clandestine remittance networks operating in Sydney. The source of these funds is invariably unlawful activity, primarily drug sales, but also the sale of weapons, and illicit tobacco, the proceeds of fraud and undeclared business takings (tax evasion).

One network detected during the year was accepting money from persons involved in the drug trade but was also observed taking money from a person who was

involved in the sale of illicit tobacco. The money was handled and processed in the same way, and it is likely that the network involved did not know of its origin.

The volume of cash moving through the illegal economy is significant. In a paper by the Reserve Bank entitled *Where's the Money? An Investigation into the Whereabouts and Uses of Australian Banknotes*, released in December 2018, there was an attempt to quantify how much money is involved in the drug trade in Australia. The report started with the ACIC's wastewater analysis to quantify the amount of drugs being consumed and then made certain assumptions, the first being that most drugs are purchased in cash, and the second that drugs are sold at purity levels of less than 100 percent. Drugs are cut to lower levels of purity for user consumption to increase profit. The estimate suggests that national illicit drug expenditure for the year ending August 2017 was approximately \$13.5 billion.

Dividing the illicit expenditure by the cash velocity rate (the number of times a single note is used during a period), the amount of cash used to facilitate purchases of illicit drugs was a little over \$1 billion or almost 2 percent of the total value of bank notes in circulation.

The report also estimated the amount of cash used in the shadow economy for the production and purchase of drugs, and the storing of profits of criminal activity, which is estimated at roughly \$3.5-\$6 billion worth of Australian bank notes, representing 4-8 percent of all bank notes on issue. The total confiscation of proceeds of crime by the Commission in NSW was a little over \$30 million for the 2018-19 financial year, which is a favourable figure when compared with other agencies around the country. However, this is only a fraction of what is being used and held by organised crime groups.

The transfer of funds using the hawala system continues to represent a large portion of unreported transactions around Australia. Groups using hawala have been reported on in previous annual reports and, despite significant arrests and seizures, they continue to operate successfully despite frequent disruptions by law enforcement. Some of the new methodologies detected in this reporting period include the increased use of smart ATMs and card-less cash deposits.

Smart ATMs allow cash and cheque deposits to be made into the relevant bank account without the need to present a debit/credit card. The only identification required is a mobile telephone number to which the confirmation SMS can be sent. When conducting a card-less cash deposit at a smart ATM, a person is required to firstly enter the BSB and account number to which the funds are to be deposited. Once these details have been entered into the ATM, a person must enter a phone number before inserting cheques and/or cash. A maximum of 40 items can be accepted at one time and once the deposit has been inserted and the details confirmed as being correct, the recipient account will receive an instant value for cash.

The Commission is seeing various money laundering syndicates exploiting this type of transaction, which allows them to remain relatively anonymous. These syndicates receive the confirmation texts on 'burner' phones, which they change relatively frequently, making it extremely difficult for law enforcement to track the activity.

Homicide

The Commission has observed a reduction in organised crime related homicides, continuing a trend detailed in last year's Annual Report. This reduction is primarily attributable to successful joint Commission and NSWPF investigations that led to the arrest and imprisonment of a small number of offenders responsible for numerous murders, but it may also be related to the departure overseas of high level organised crime figures, the imprisonment of other persons of interest on unrelated charges and other factors.

In the reporting period, the Commission's Homicide and Serious Crime team was actively involved in the investigation of 16 murders pursuant to 12 references, with several other matters before the courts or the Coroner. Hearings continue to form an invaluable part of these investigations. In the reporting period, seven persons were charged with a total of 79 offences against the *CC Act*, chiefly being knowingly give false or misleading evidence. The Commission has noted a general tendency for those charged under the Act to plead guilty, and for custodial sentences to be imposed.

Fraud

During the reporting period the Commission and the OCS investigated a group of individuals engaged in the provision of falsified trade certificates.

In May 2018 Operation *Petri*, with the assistance of NSWFT and ASQA, commenced enquiries into the activities of a number of individuals involved in forgery offences.

ASQA is the national regulator for Australia's vocational, educational and training sector and is responsible for ensuring that registered training organisations (RTOs) and others comply with the requirements of the *National Vocational Education and Training Regulator Act 2011*. The RTOs are registered by ASQA (or, in some cases, a State regulator) to deliver vocational, educational and training services. The RTOs are responsible for providing quality assured and nationally recognised training and qualifications.

On Tuesday 4 December 2018 four search warrants were executed in NSW, Victoria and Queensland. Several persons were arrested and charged with knowingly participate in criminal groups, forgery and making a false document, knowingly deal with proceeds of crime and possession and use of a prohibited weapon.

During the *Petri* investigation, one of the persons of interest informed an associate that he and another person had been committing these types of offences for many years and had issued thousands of fraudulent certificates. Investigations estimated that hundreds of fake qualifications may have been issued through the scheme, resulting in a large number of unqualified and unskilled trade persons potentially working throughout NSW and interstate. The issuing of fraudulent certificates in trades such as building and electrical to unqualified persons has the potential to not only damage homes and businesses, but also to cause fire, serious injury and death.

Recommendations for Legislative Change

Commission money laundering investigations to date have indicated that NSW legislation could be improved to adequately address the issues raised by the proliferation of professional money laundering networks including money laundering services offered by professional facilitators.

Professional money laundering networks and professional facilitators serve as enablers for serious offences incorporating drug and firearm trafficking, and fraud and illegal tobacco distribution, which generate significant profits. Without the services provided by professional money laundering networks and professional facilitators, persons involved in organised and other serious crime would have less opportunity to fund their off-shore activities or enjoy the proceeds of their offending in NSW.

The Commission recommends that the *Crimes Act 1900* (NSW) and other Acts be amended:

- to better reflect the professionalisation of persons involved in money laundering;
- to deal with cases in which the group offering the money laundering services takes deliberate steps to ensure that they are not aware of the predicate offence associated with the generation of the money being laundered;
- to deal with cases where there is no direct evidence of the source of the value but where the nature of the transaction indicates there have been efforts to hide the origin of the money;
- to acknowledge that laundering involves the transfer of value between individuals and/or jurisdictions;
- to structure penalties associated with money laundering offences in a way that reflects the levels, complexity, culpability, and value of the offending.

These actions would assist in combatting money laundering in NSW and go some way to harmonising NSW and Commonwealth legislation.

CHAPTER THREE – FINANCIAL INVESTIGATIONS DIVISION

The Commission employs expert forensic accountants and financial analysts who specialise in tracing the proceeds of crime and identifying assets held by, or on behalf of, those suspected of criminal misconduct, including proceeds and assets that have been subjected to money laundering and other efforts to hide them.

The primary purpose of the Commission's financial investigators is to support the discharge of the Commission's functions under the *CAR Act*, which is discussed below. However, financial inquiries are an invaluable aid in criminal investigations. Financial investigations are sometimes deployed as the leading investigative strategy, as organised criminal groups are primarily motivated by money. As authorised by section 11 of the *CC Act*, the CID gathers intelligence and evidence in the course of its investigations under the Act for the FID to use in its confiscation action.

The Commission has protocols to ensure a proper separation of the two roles. In particular, the Commission does not trade information and intelligence for leniency in confiscation.

The Confiscation Process

The confiscation process begins when the FID receives a referral from another part of the Commission (generally the CID) or from a partner agency (generally the NSWPF). The FID then assesses the referral to determine whether or not the Commission should commence confiscation proceedings in the matter. In the event that the Commission determines that there are sufficient grounds to start confiscation proceedings, the Commission makes the relevant applications through the Court.

Confiscation proceedings are civil proceedings. As such, they are governed by the Court and statutory rules in respect of civil proceedings, and the Commission is bound by the Model Litigant Policy for Civil Litigation. The Commission thus attempts to settle each matter by negotiation rather than proceeding directly to a contested hearing. The majority of the Commission's confiscation proceedings are settled following negotiations with the defendants and their lawyers.

If the proceedings are settled, the Commission prepares and presents orders to the Court. These orders include a certification that the Commission has complied with the Management Committee guidelines about negotiating the terms of settlement.

If the Commission is unable to reach agreement with the defendant, the matter proceeds to a contested hearing based on the evidence available at the time. The result of the hearing is an order, or orders, of the Court disposing of the proceedings either in favour of or against the Commission.

Once the Court has made orders in the matter, the Commission takes the actions necessary to give effect to the orders. In the case of an asset forfeiture order (AFO), the NSW Trustee and Guardian sells the assets and remits the proceeds to the NSW Treasury (Treasury). In the cases of a proceeds assessment order (PAO) and an unexplained wealth order (UWO), the Commission has a role in obtaining payment. In

most cases, the debt due to the Crown is secured by real estate or other collateral, and interest accrues.

Use of Statutory Information Gathering Powers

In its efforts to gather information, material and evidence in confiscation matters, the Commission uses a range of statutory provisions that are appropriate in the circumstances.

The powers available to the Commission pursuant to the *CC Act*, and statistics on their use, are given in Table 4 in this report and are repeated in Table 14.

Use of Statutory Powers by FID

Table 14

Summons and Notices Issued	No. Issued
Summons (section 24)	0
Notice to produce (section 28)	22
Notice to produce (section 29)	1116
Total	1138

The combined total number of notices issued under these provisions (1138) during the reporting period was 45 more than the previous year (1093). The number of notices issued is one measure of the level of output in the FID. This is the second year in succession where the number of notices issued has increased.

The *CAR Act* also provides for the Commission to apply to the Court for the issuing of certain orders and warrants to gather evidence in confiscation proceedings. These include orders for the compulsory examination of persons under oath in the Court, orders for the defendant to provide a sworn statement of financial particulars, orders to produce documents and search warrants. The use of those provisions during the reporting period is shown in Table 15.

Use of CAR Act Provisions

Table 15

Orders	No. Sought	No. Granted
Examination orders (section 12)	134	134
Examination orders (section 31D)	0	0
Statement of affairs orders (section 12)	112	112
Statement of affairs orders (section 31D)	0	0
Production orders (section 33)	4	4
Search warrants (section 38)	0	0
Search warrants (sections 44 and 45)	21	21
Monitoring orders (section 48)	0	0

Referrals

The Commission receives referrals for consideration of confiscation proceedings from a variety of sources, including other parts of the Commission and partner agencies. This year, 1499 people were the subject of referrals and assessments compared to 1526 people last year.

As shown in Table 16 below, proceedings were commenced against 128 defendants during the reporting period. This is an increase from the previous reporting period (during which proceedings were commenced against 105 defendants) of approximately 22 percent. It is significant to note that in last year's Annual Report the number of new commencements (105) represented a 14 percent increase over the previous reporting period (92).

There are two main situations in which the Commission does not commence confiscation proceedings:

- if the value of the potential defendant's assets is not high enough to make proceedings worthwhile; or
- if the assessment process indicates that it is unlikely that the potential defendant has derived sufficient proceeds of crime to make the proceedings viable.

The Commission's analysis of referrals indicates that the Commission receives the majority of confiscation referrals from a NSWPF PAC following the arrest and charging of a person with a relevant offence. These arrests are often the result of short-term investigations focused on a particular criminal activity with little reference to the potential recovery of proceeds of crime. These referrals form the bulk of referrals assessed by the FID but are the least likely to result in the start of confiscation proceedings.

In contrast, the matters that are most likely to result in significant confiscation outcomes are those that the Commission's CID has investigated. This is partly because the Commission is able to make an assessment of the person's financial position early in the investigation and work to uncover hidden assets throughout the inquiry, but also because of the serious and high-level criminality of the subjects of Commission investigations. The Commission is assisted in this endeavour by some of the most experienced police investigators in NSW.

Confiscation and Restraining Orders

As noted previously, the number of defendants against whom proceedings have commenced has significantly increased over the last two reporting periods.

Confiscation Cases

Table 16

	2016-17	2017-18	2018-19
Cases commenced	78	98	115
Number of defendants	92	105	128

Applications for confiscation orders were made against 128 defendants (Table 16) during the reporting period, and four of these were made without a concurrent application for a restraining order. There are two main circumstances in which the Commission will seek a confiscation order without an associated restraining order:

- matters where the defendant is not in a position to deal with the interest or interests in property that would otherwise be the subject of the restraining order application. Most commonly, this is where the interest is in an item of property, generally cash, which the NSWPF have seized. The NSWPF hold the property pursuant to non-CAR Act legislation. One of the four matters was a case of this type;
- cases in which the Commission has obtained a restraining order for a defendant's jointly owned interest in real property, generally property owned with a spouse, or in which more than one person may have an interest in the same property. During the course of the proceedings, the Commission may determine that there are grounds for seeking a confiscation order against the second person as well as the original defendant. Two matters were of this type however, both cases were sought and made by consent as part of the settlement of existing proceedings against other defendants.

The fourth matter involved a defendant who agreed to consent to the forfeiture of property at a time when there were no proceedings on foot. This meant that the application for the order and its making were done virtually simultaneously.

During the reporting period, the Court made 124 restraining orders on the application of the Commission. All but one of the applications was made on an *ex parte* basis. All the applications were successful.

The only application that was not made on an *ex parte* basis was made with the consent of the defendant. In that matter, the defendant consented to the making of a restraining order as one of the terms of settlement of the proceedings against him. It was necessary to obtain a restraining order to provide security for the confiscation order the defendant agreed to pay.

When the Court grants a restraining order, the Court requires the Commission, on behalf of the State, to give an undertaking as to damages. The Commission has not been sued on any such undertaking during this, or any other, reporting period.

As far as applications made for confiscation, as opposed to restraining, orders are concerned, the Commission made 205 applications for confiscation orders (compared with 166 in the last reporting period), consisting of 124 applications for UWOs (103 in the last reporting period), 81 applications for AFOs (63 in the last reporting period) and no applications for PAOs.

The reason that more confiscation orders were applied for than the number of defendants against whom proceedings were commenced is because in respect of several defendants, the Commission made applications for more than one type of confiscation order.

The main reason for this is that the Commission continues to make significant use of the provisions in the *CAR Act* that provide for the forfeiture of interests in property:

- used in commission of offences; or
- if the person used another person's property in the commission of an offence, other property owned by the person in substitution for the property used in the commission of the offence.

The majority of the 81 applications for AFOs during the reporting period were applications for the forfeiture of large sums of cash, several of which exceed \$1 million. Over the last few years, there has been a significant growth in the number of successful NSWPF operations that have resulted in the seizure of large sums of cash. These provisions have also been used successfully in confiscating real property, or amounts referable to the value of that real property used in connection with the cultivation of cannabis.

Analysis of Confiscations

The estimated realisable value of confiscation orders that were made during the reporting period was \$30,302,377.

By way of comparison with results in other reporting periods, the figure is approximately \$830,000 more than the average of the preceding 5 years (that average being \$29,472,052) and approximately \$957,000 more than the figure for the last reporting period (which was \$29,344,946).

Statistics for the reporting period in relation to these various confiscation outcomes are shown in Table 17.

Warranties

When proceedings are finalised by consent, the Commission requires a defendant to provide a warranty as to his, her or its interests in property as at the date of the signing of the final consent orders. If the Commission subsequently discovers that the defendant failed to disclose an interest in property, the provisions of the *CAR Act* provide for the forfeiture of the undisclosed interest. If the defendant disposed of the undisclosed interest before it was discovered, the provisions allow for an order to be made requiring the defendant to pay to the Treasurer an amount equal to the value of the undisclosed interest.

During the reporting period there was one matter that involved a breach of warranty (BOW). The original proceedings had been finalised in the preceding reporting period. It was subsequently determined that the defendant had an undisclosed interest in a quantity of luxury goods such as designer handbags that had been seized by police. The defendant consented to the forfeiture of these items of property, which had an estimated realisable value of approximately \$30,000 under the BOW provisions.

Performance Measures

Table 17

Outcome	By Consent	Contested Hearing	Total
AFOs made	45	1	46
PAOs made	8	0	8
UWOs made	21	1	22
BOW	1	0	1
Proceedings finalised by confiscation order application(s) being dismissed or proceedings discontinued	9	0	9

During the reporting period, proceedings against 79 defendants were finalised. The total number of these disposals differs from the total number of applications because some of the disposals related to applications made in the previous reporting period and some will not be finalised until the next or subsequent reporting period. In addition to this, there are several matters in which more than one confiscation order was made against the defendant when the proceedings were finalised. This is a further reason why the total number of confiscation orders and orders dismissing or discontinuing proceedings differs from the number of disposals. For example, in some cases a defendant will consent to an AFO in respect of certain interests in property and will also agree to pay a monetary amount to the Crown by way of a PAO or a UWO.

Table 17 shows that only two confiscation orders were obtained as a result of a contested hearing, however both these orders were made in one proceeding against the same defendant. The defendant in that matter was Shyam Acharya (also known as Sarang Chitale) who was referred to the Commission in April 2017. The allegation was that between 2003 and early 2015 Acharya pretended to the NSW Medical Board that he was Dr Chitale, a medical specialist working in the United Kingdom. During this period he had continuously worked as a doctor in various hospitals in NSW. When the matter was referred, the Australian Health Practitioner Regulatory Agency had completed its prosecution against Acharya for providing medical services as a doctor while not registered. Acharya left Australia in January 2017 and has not returned.

On 20 April 2017 the Commission obtained a restraining order and commenced its financial investigation. During the 12 years that Acharya was employed he had obtained salary and superannuation. The salary amounts formed the basis of the quantification of a UWO against Acharya, because although it was 'explained' as having been derived from an otherwise innocent source, the circumstances of his derivation of the income made the salary illegally acquired in his hands. Similarly, the amount invested with First State Super was serious crime derived property and therefore liable to forfeiture. The Commission included in its proceedings an application for an AFO in respect of the superannuation funds because AFOs in respect of superannuation funds are enforceable against superannuation trustees whereas UWOs are not.

Justice Fagan of the Supreme Court of NSW gave judgment for the Commission on 20 November 2018. He made a UWO in the amount of \$1,928,474 against Acharya and an AFO in respect of his superannuation. In respect of the UWO, only the sum of \$425,000 is included in the estimated realisable value of confiscation orders for the reporting period because only property of that value was held by Acharya. That property will be applied in partial satisfaction of the UWO and it is unlikely the balance will be recovered.

Each year a number of proceedings are finalised, usually by consent, with no confiscation order being made against the defendant. The most common reason for this will be that the Commission will have commenced proceedings against two related defendants, either in one set of proceedings (for example, a person charged with drug offences and their spouse) or separate proceedings (for example, where each defendant's interest in the same property, usually a sum of cash, is restrained in each of those proceedings), and will ultimately resolve those proceedings with a confiscation order being made against one and the application against the other being dismissed. It can be seen from Table 17 that proceedings were finalised against nine defendants without a confiscation order being made. Five of these nine disposals were of this type.

A description of the four others is as follows:

1. Proceedings against one defendant were settled with no confiscation order being made after the defendant was found not guilty of the drug offences with which he had been charged due to it being proved that the substance was not actually a prohibited drug. As a result, it could not be proven that the defendant had engaged in a serious crime related activity.
2. In another proceeding an order was made against the defendant under the provisions of the *Confiscation of Proceeds of Crime Act 1989* following her conviction in concurrent criminal proceedings. As a result of this, the Commission consented to the finalisation of her proceedings without any further orders being made under the provisions of the *CAR Act*.
3. In the third matter, although it could be proven that the defendant had engaged in a serious crime related activity (he had been convicted of a role in the cultivation of cannabis), the financial investigation revealed his wealth to have been explained as having been derived from legitimate sources and there was very little other evidence that he had derived any proceeds of crime.
4. In the final matter it was determined that the only property that was the subject of the proceedings (a sum of cash and a quantity of gold bullion) were not an interest in property of the defendant in the proceedings and that they instead belonged to a third party. As a consequence, the Commission consented to the dismissal of its applications for confiscation orders, as the defendant had no assets from which any confiscation order that may have been made could be realised.

By way of note, the Commission believes the property that was the subject of the first and fourth proceedings above is now the subject of further unrelated action by a Commonwealth agency.

The number of confiscation orders, and their estimated realisable values, with reference to the agencies that referred the matters to the Commission for assessment and possible proceedings are shown in Table 18.

Estimated Realisable Value by Referral

Table 18

Source of Referral	Number of Orders	Value (\$)
NSWPF	54	15,690,554
Commission - NSWPF joint investigation	13	10,516,795
NSWPF & ACIC	4	1,746,578
Commission	2	1,206,950
NSW Department of Health	2	675,000
NSWPF, WA Police, ACIC	2	466,500
Total	77	30,302,377

By reference to the type of order, the estimated realisable values of the various confiscation orders are shown in Table 19.

Estimated Realisable Value by Order

Table 19

Type of Order	Number of Orders	Estimated Realisable Value (\$)
AFO	46	18,870,945
UWO	22	7,898,932
PAO	8	3,502,500
BOW	1	30,000
Total	77	30,302,377

In each year since the *CAR Act* was amended to include UWOs, it has been reported that, although many proceedings are commenced by seeking an UWO, they are often ultimately resolved by the proceedings being settled with the defendant consenting to the UWO being dismissed and one of the other confiscation orders being made instead.

It can be seen from Table 19 that 22 UWOs were made, with an estimated realisable value of \$7,898,932. However, in addition to this, a further five confiscation orders, with an estimated realisable value of \$1,062,766, were made in conjunction with the original application for an UWO being dismissed.

Under the heading 'Confiscation and Restraining Orders' previously, the number of matters commenced that rely, at least in part, on the amendments to the *CAR Act* to provide for the forfeiture of property used in the commission of offences is noted. In this regard it is significant to note that in the summons that was filed to commence proceedings against 34 of the 79 defendants against whom proceedings were finalised during the reporting period the Commission had sought these types of AFOs. While it cannot be said that a confiscation order or orders would not have

been made against those 34 defendants for these provisions, it does show that these orders made a significant contribution to confiscation outcomes during the period.

Estimated Realisable Value of Confiscation Orders

Two of the principal objects of the *CAR Act* are the recovery of proceeds of illegal activity and the recovery of unlawfully obtained wealth. As such, the Commission believes that the estimated realisable value of confiscation orders made during the year provides the best measure of the effectiveness and results of confiscation proceedings.

As discussed in previous annual reports, the Commission believes that using the estimated value of interests in property which are subject to restraining orders or, alternatively, the nominal value of confiscation orders, to assess results of confiscation proceedings is problematic. Both figures can overestimate the amount that could be paid to the State and result in an inflated impression of the Commission's success in this area. The difference in the estimates is again highlighted in Table 20.

Comparison with Previous Years

Table 20

	2016-17 (\$)	2017-18 (\$)	2018-19 (\$)
Estimated value of property subject of proceedings	60,712,000	83,213,994	75,182,716
Estimated value of realisable confiscation orders and order for the payment of ATO	30,095,309	29,344,946	30,302,377

By way of comment on the two measures reported in Table 20:

1. The estimated value of property subject of the proceedings

This is the estimated value of all the interests in property of the defendant that would be available to satisfy any confiscation order that may be made against the defendant. Accordingly, in calculating this value only the interest of the defendant is estimated in, for example, real estate and other assets that are held jointly with another person. Similarly, the value is estimated after deducting the value of any debt that is secured over the relevant interest in property such as, for example, a loan secured by registered mortgage over real estate.

This measure is important in respect of each proceeding because it estimates the absolute maximum that the Commission could expect to realise from the proceedings. However, it can equally be seen that it does not necessarily reflect what is *actually* realised from the proceedings.

2. The estimated realisable value of confiscation orders

This is the measure of what will actually be recovered at the time the proceedings have been finalised, either by way of the Court making a confiscation order by consent or as a result of a contested hearing.

The estimated realisable value of a confiscation order is based on a range of factors depending on the type of confiscation order sought and the nature of the interest in the property.

In the case of AFOs in respect of money, the estimated realisable value is usually the same as the amount of money. In the case of interests in property that are forfeited and then have to be sold (with the proceeds then going to the Treasury), the estimate is less certain. The asset is taken into the control of the NSW Trustee and Guardian for disposal (e.g. by auction), and not only is an estimate less likely to be accurate, but the delay between the making of the estimate and the disposal of the asset can affect the accuracy of the estimate.

In PAOs and UWOs, the first component is the amount specified in the Court's orders. If the defendant is estimated to have sufficient property interests that are liquid or can be liquidated, then the estimate equals the Court's order and it is likely that the amount will be realised. If it does not appear that the defendant has sufficient property interests to cover the debt, then the Commission's estimate of the realisable value of the order is its estimate of the realisable value of the available property interests, this estimate being necessarily somewhat less certain than in the type of case mentioned previously.

When measured by their gross rather than realisable value, the value of all confiscation orders made during the reporting period was \$31,805,851. The difference between this and the estimated realisable value of orders made of \$30,302,377 is as a result of the Acharya matter which is described earlier in the chapter. As stated above, the defendant in that matter only has property with an estimated realisable value of about \$425,000 available to satisfy the \$1,928,474 UWO made in the proceedings, so it is not considered that the \$1,503,474 balance of the UWO will be realised.

It is significant to note from Table 20 that in the 2016-17 reporting period, the total value of interests in property that were the subject of proceedings commenced during that reporting period was approximately double the realisable value of confiscation orders made in that same period. However in 2017-18 and 2018-19, this increased to multiples of 2.84 and 2.48 respectively.

Although these measures are not directly comparable, because the matters that are commenced each year are not all finalised in that same year of commencement, it can reasonably be assumed that the higher the estimated value of property that is the subject of proceedings the more will be recovered as final confiscation orders in those proceedings. So, the increased total value of interests in property that were the subject of proceedings in this and the last reporting period can be expected to translate to greater final confiscation outcomes in future periods.

Exclusion Orders

When the Commission resolves confiscation proceedings by consent, the terms of settlement usually include a term that the defendant will not challenge the making of the confiscation order. In some cases, the defendant will consent to the making of the order but will preserve his or her right to make an application for relief from the effect of the confiscation order.

This most commonly occurs when the Commission has applied for an AFO and the defendant has been convicted of a serious crime related activity. In such cases, the making of an AFO cannot be defended, but the defendant may consider that they can prove that some, or all, of the forfeited interest in property was acquired from legitimate sources. In such circumstances, the defendant may consent to the making of the order but retain their statutory right to seek to have some or all of the forfeited interest in property excluded from the order on the grounds that the interest was not illegally acquired.

During the reporting period there were no cases of this type and there were no other matters in which an exclusion order was made.

Summary Judgments and Appeals

In matters where all avenues to try to settle the proceedings have been unsuccessful, but the defendant has been convicted of a sufficiently serious offence, the Commission usually makes an application for summary judgment on its claim for a confiscation order. This generally occurs in matters where the Commission sought a PAO or an UWO at the commencement of proceedings. In such cases, the Commission seeks leave to amend its summons to seek an AFO as well as the PAO or UWO and, on proof of a SCRA, will obtain both orders. The Commission will also request that the quantum of the PAO or UWO be assessed at a later date.

By employing this strategy, the Commission only incurs the cost of the summary judgment application (which simply requires proof of the SCRA in respect of which the defendant has already been convicted) and, depending on whether the defendant files an application for exclusion, may not need to go to the considerable expense of quantifying the PAO. If the defendant files an exclusion application, the Commission generally seeks to have the exclusion application heard at the same time as quantifying the PAO.

This strategy does have an impact on reported confiscation outcomes. In these matters, at the time the orders are made, the Commission reports on the estimated realisable value of the forfeited interests in property. Whether or not this will be the final outcome of the matter will depend on such contingencies as to whether the defendant makes an exclusion application, the degree of success the defendant has in that application, and the amount that is finally quantified as a proceeds assessment matter.

The Acharya matter was the only matter where the Commission sought to finalise proceedings by way of application for summary judgment. Although these proceedings were decided in the defendant's absence it is considered unlikely that he

will return to NSW and, having regard to the circumstances, even if he was to do so it is considered equally unlikely that he would be successful if he was to make any applications to diminish the effect of the AFO and UWO made against him.

Living and Legal Expenses

The *CAR Act* makes allowances for applications for reasonable living and legal expenses under section 10B(3). People whose interests in property are restrained can make an application to the Court for an order varying the restraining order to allow for reasonable living expenses (of the defendant or his or her dependents) and/or reasonable legal expenses (of confiscation or criminal proceedings) to be met. Applications pursuant to section 10B(3) were made and determined as shown in Table 21.

Applications under Section 10B(3)

Table 21

Result Type	Living Expenses	Legal Expenses
Orders made by consent*	3	29
Application for order dismissed by consent	0	0
Application for order granted after contested hearing	0	0
Application for order dismissed after contested hearing	0	0
Total	3	29

*22 of the 29 legal expenses orders were made by consent as part of the finalisation of the confiscation proceedings by negotiated settlement.

Costs

A consequence of the Commission resolving almost all proceedings by negotiated settlement is that it is rare for an order to be made that the Commission pay the defendant's costs for the proceedings or that the defendant pay the Commission's costs for the proceedings.

Within proceedings, the Commission will often defend applications made under section 10C of the *CAR Act* that allow the Court to set aside restraining orders if it believes the Commission has failed to satisfy the Court that there are reasonable grounds for the relevant suspicion, or for living expenses or legal expenses. Although an order for the payment of costs may be made in such matters, it is often the case that whether or not the amount is actually paid will depend on the outcome of the substantive proceedings.

The Commission employs lawyers and paralegals who work principally on confiscation litigation. Those legal staff draft legal documentation and appear for the Commission to make most applications for restraining orders and consent orders. In more complex cases, the Commission will occasionally brief counsel to make applications for restraining and consent orders. During the reporting period, counsel

were briefed to conduct examinations of defendants and to appear for the Commission when matters were taken to final hearing.

There was only one matter, being the proceedings against Mr Acharya described above, where an order was made for the defendant to pay the legal costs of the Commission. The costs order has not been assessed, and the Commission does not intend to have it assessed at this time as the defendant has left Australia and has no property from which the costs could be recovered.

Legal Costs

Table 22

Costs	
Number of costs orders in favour of the Commission	1
Estimated realisable value of those costs orders	Unlikely to be assessed
Number of costs orders in favour of the defendant	0
Amount paid in respect of that costs order	N/A
Total cost of briefing outside counsel in the reporting period	\$86,746
Total cost of briefing outside counsel as percentage of realisable orders*	0.29%

*The Commission bears the full cost of counsel fees. The full amount realised from confiscation orders goes to Treasury. This figure, being the costs incurred in briefing outside counsel in proceedings that had been commenced as a percentage of the total estimated realised value of all confiscation orders, is less than the figure for 2017-18 (which was 0.33 percent).

Comparisons with Previous Two Years

Table 23 sets out figures for the reporting period and the previous two years in respect of several key measures.

Table 23

Measure	2016-17	2017-18	2018-19
CAR Act restraining orders	89	102	124
Confiscation orders sought without a restraining order	3	3	4
AFOs made	38	46	46
Estimated realisable value of AFOs	\$17,234,389	\$22,034,386	\$18,870,945
PAOs made	25	22	8
Estimated realisable value of PAOs	\$8,901,900	\$4,130,400	\$3,502,500
UWOs made	7	15	22
Estimated realisable value of UWOs	\$3,228,119	\$3,104,242	\$7,898,932
Orders for BOWs	0	0	1

Measure	2016-17	2017-18	2018-19
Estimated realisable value of BOWs	0	0	\$30,000
Orders for compensation of victims (COVs)	1	1*	0
Estimated realisable value of COVs	\$730,901	\$75,918	N/A
Total no. of confiscation orders and COVs	71	84	77
Total estimated realisable value of confiscation orders and COVs	\$30,095,309	\$29,344,946	30,302,377
Production orders (<i>CAR Act</i>)	10	11	4
Search warrants (<i>CAR Act</i>)	22	19	21
Monitoring orders (<i>CAR Act</i>)	0	0	0

*The order made in 2017-18 was for the payment of an ATO liability from restrained property and not strictly an order for the compensation of a victim.

Sharing with Other Jurisdictions

The National Co-operative Scheme on Unexplained Wealth (NCSUW) came into full operation in December 2018. Under the NCSUW:

- The Commonwealth can rely on offences of participating jurisdictions to commence unexplained wealth confiscation proceedings in appropriate matters. The participating jurisdictions are currently the Commonwealth, New South Wales, Australian Capital Territory and Northern Territory.
- There is a process of 'deconfliction' in cases where confiscation proceedings potentially, or have actually, been commenced in two or more participating jurisdictions against the same defendant.
- Participating jurisdictions may utilise certain information gathering powers found in the Commonwealth *Proceeds of Crime Act 2002* and it provides for improved processes for Commonwealth agencies to provide information to be used in unexplained wealth criminal asset confiscation proceedings.
- Sharing of confiscation proceedings is mandatory where there is cross-jurisdictional contribution in any confiscation proceedings or the criminal investigation that gives rise to those confiscation proceedings. The process provides for a default position of equal sharing between jurisdictions that have contributed in relation to the particular confiscation matter. The default position will only be departed from in matters where a sub-committee formed by representatives of the contributing jurisdictions unanimously agrees that the confiscation proceeds be shared in another proportion.

During the reporting period there have been meetings of the Co-operating Jurisdiction Committee, which is the committee of participating jurisdiction representatives with responsibility for considering and reporting on certain matters

under the NCSUW, particularly the resolution of any 'deconfliction' issues and the sharing of confiscation proceeds.

In relation to the sharing of confiscation proceeds a large number of matters were notified to the Co-operating Jurisdiction Committee during the reporting period. Several matters that were identified as involving cross-jurisdictional co-operation between the Commonwealth and NSW were considered by a sub-committee of those jurisdictions. An agreement was reached as to the recommended proportion in which those matters should be shared, but as at the end of the reporting period there had been no actual sharing by, or with, NSW under the NCSUW.

CHAPTER FOUR – CORPORATE SERVICES DIVISION

The Corporate Services Division is responsible for the provision of core systems and support functions to the Commission to enable our desired operational outcomes. Key functions provided by the Division include:

- finance, budget, payroll and procurement;
- human resource and operational support;
- personnel security vetting functions;
- enterprise and operational ICT systems and;
- information and records management;
- building services and facilities management;
- physical and personnel security;
- corporate strategic planning and performance;
- media and communications;
- executive support.

Executive Team

The Commission's Executive Team as at 30 June 2019 consisted of the Commissioner, one Assistant Commissioner (Legal), one Executive Director (Criminal Investigations), one Executive Director (Financial Investigations), one Executive Director (Corporate Services) and one Internal Audit and Risk Manager (Governance). These officers were responsible for the management of the Commission and met monthly throughout the year.

Organisation Structure

During 2017-18 the Commission was engaged in a 're-engineering review' and a statutory review of the *CC Act*, which was conducted by the Office of Police (dissolved in April 2019 but carried on by the Department of Communities and Justice from 1 July 2019). At the conclusion of the 're-engineering review' no changes were made to the organisation structure of the Commission. However, during the course of this reporting period some internal realignment of roles, responsibilities and functions were made, which led to minor changes to the organisation structure.

During the reporting period the Commission reduced the number of senior executives, namely the Assistant Commissioner (Operations), Director Governance and Director Legal Services, providing the Commission with a flatter leadership structure and simultaneously meeting compliance with efficiency dividends. These roles have remained vacant to enable the Commission to meet its labour expense cap

obligations following the application of efficiency dividends and savings to the budget. Remaining funding has been prioritised to functional operational roles at the Commission as part of the focus to deliver key outcomes.

A chart illustrating the Commission's organisation structure as at 30 June 2019 can be found at Appendix F.

Corporate Plan

The Commission has maintained its current Corporate Plan, which was first developed in 2014-15 and is routinely monitored, reviewed and revised by the Executive Team noting progress made towards achieving the agreed goals and strategies. The Commission has continued to progress towards goals and strategies and has completed the majority of the planned activities during the reporting period. More specific divisional corporate plans are linked to the performance development plans of staff.

The published 2018-19 Corporate Plan has been updated to reflect this progress. It can be reviewed at Appendix E of this report.

Human Resources

Under the *CC Act*, a significant number of officers and members of other law enforcement agencies (most numerous, officers of the NSWPF) are deemed to be members of staff of the Commission in order to facilitate effective investigations.

A smaller number of people are employed to enable the Commission to discharge its functions. These persons are remunerated from the Commission's budget and are considered to be employees of the Commission. The Commission's employees are part of the Public Service, employed by the NSW Crime Commission Staff Agency (a separate Public Service agency).

As at 30 June 2019, the NSW Crime Commission Staff Agency employed 133 staff members. At the conclusion of 2018-19 and taking into account part-time working arrangements, the Commission had 126.4 full-time equivalent employees, including those on forms of extended leave.

The Commission had two statutory officers at 30 June 2019, one being the Commissioner, who is on secondment from the NSWPF, and the other being the Assistant Commissioner. The Statutory and Other Offices Remuneration Tribunal set the salary for the Commissioner at \$486,255 and the Assistant Commissioner at \$460,665 per annum.

During the financial year the Commission employed a total of nine public service senior executives, which was reduced to seven during the course of the reporting period, and their remuneration is established within the appropriate Statutory and Other Offices and public service senior executives.

Personnel numbers as at 30 June 2019 and as at 30 June in the three preceding years are shown in Table 24.

Personnel

Table 24

Personnel Category	2015-16	2016-17	2017-18	2018-19
Statutory officers	3	3	2	2
Senior Executive Service	0	9	9	7
GSE Act (ongoing)	132	119	111	114
GSE Act (casual)	2	1	0	0
GSE Act (temporary)	6	3	4	10

The Commission employs 75 females and 58 males.

The majority of the personnel of the Commission mainly or exclusively performed operational tasks. These included intelligence officers, intelligence analysts, intelligence managers, forensic accountants, financial analysts, warrant administration officers, electronic surveillance officers, technical operations staff, transcriptionists, administration assistants, Information and Communication Technology (ICT) staff, and officers working on specialist investigative systems, and involved in human source management.

Some personnel had a more even division of operational and managerial responsibilities (for example the Commissioner and Assistant Commissioner, Executive Directors, Directors and some managers). Other Commission staff mainly or exclusively were involved in administrative roles. Examples include the Executive Director (Corporate Services), Operations Support Manager, and staff of Finance and Procurement, Building and Security, Security Vetting, Information Management, ICT and the Governance Unit.

Numbers and Remuneration of Senior Executives

Table 25 provides the average remuneration packages (inclusive of salaries, superannuation and allowances) for the senior Executive Team including the statutory officers and public service senior executives at 30 June 2019.

Table 25

Band Level	Male	Female	Average Remuneration Package 2018-19 (\$)	Average Remuneration Package 2017-18 (\$)
SOORT	2	0	496,865	483,576
PSSE Band 3	0	0	0	0
PSSE Band 2	3	0	358,596	349,841
PSSE Band 1	3	1	222,454	210,035

The percentage of total remuneration packages for those officers classified as senior executives of the total employee related expenditure for the Commission was 13 percent (for the 2017–18 period it was 16 percent). For Statutory Officers the percentage of total remuneration packages of the total employee related expenditure for the Commission was 7 percent (for the 2017–18 period it was 8 percent).

The Statutory and Other Officers Remuneration Tribunal has set a special determination for the remuneration packages of the Executive Director Criminal Investigations and the Executive Director Financial Investigations.

ICT Services

During this reporting period ICT continued its focus on providing and supporting the critical ICT platforms and systems to expand information and intelligence gathering, conduct financial investigations and confiscation activities, and enhance intelligence and analytical capabilities. With ongoing resource pressures, ICT has delivered key electronic workflows, and continued to invest resources in its electronic document management system to increase productivity and reduce overall operating costs whilst minimising the environmental impact of these activities.

Information security, governance and compliance initiatives were all successfully delivered during the 2018–19 period. The Commission obtained ISO 27001 certification, established a robust Business Continuity Management (BCM) System and ICT disaster recovery plans, and provided information security awareness training and advice to staff. Upgrades to core infrastructure, the introduction of mobility services, enhanced end user experience and closer relationships with partner agencies to further develop ICT capabilities for the Commission are focuses in the coming financial year.

Key Corporate Projects

The Corporate Services Division has undertaken a number of key corporate projects during the reporting period. These projects have addressed ICT performance, compliance requirements, and improvements to services and security upgrades. The projects have prioritised the remediation of significant risks to the Commission and contributed to the development of a platform of stable service provision and systems, which have provided value for money, increased capability and efficiency.

Major projects undertaken during the reporting period include:

Development of an Employee Award

The Commission has commenced the development of an Employee Award for Commission staff as part of a strategy of alignment with the NSW State Public Sector. This project will provide for all Commission Staff a terms and conditions award, and a salaries award. This project is anticipated to be finalised in 2019–20.

Information Security Management Systems

The Commission achieved the ISO 27001 certification of its Information Security Management System (ISMS) in August 2018. Regular performance evaluation of the objectives of the Commission's ISMS demonstrates that the ISMS is highly effective. NSW Cyber Security Policy has influenced the evaluation and ongoing reporting requirements, as has a recent ICT health check.

Business Continuity Management

The Commission undertook a project to overhaul the BCM framework. This included a significant review and update of the BCM policy, plans and procedures. The Commission's BCM framework is continually monitored and improved to ensure the Commission is able to deliver critical services in the event of a business disruption.

Protective Security Framework

The Commission has started a major project to implement a holistic protective security framework and strategy. This project will align all security functions, practices, policies, procedures and systems with applicable NSW and Commonwealth Government policies and best practices in the key areas of security governance, ICT security, Information Security, Personnel Security and Physical/Personal Security.

Security Enhancement Projects

A number of projects undertaken in the reporting period delivered enhancements and upgrades to security systems, access control, and monitoring systems and was combined with the roll-out of security awareness training, including information, physical and personnel security.

Disaster Recovery

The Commission has undertaken several disaster recovery projects in the reporting period, including testing ICT disaster recovery systems, and procedures and business continuity recovery.

Digitisation Projects

The Commission has delivered a number of projects to increase digitisation of information and records, as well as improving 'digital workflows' to deliver easier to access, and effective administrative and operational processes and services.

Scalable Search Solutions

The Commission has commenced a project to improve digital search functionality through the assessment and testing of a scalable and security compliant search tool to enhance identification and retrieval of data, records and information.

Financial Management, Budget and Reporting

The Commission operates comprehensive financial management, budgeting and reporting functions and services. All internal financial systems and external Treasury systems are maintained and provide clear, concise and accurate financial reporting.

Financial reporting is made to the Commission's Management Committee, Executive Management, Audit and Risk Committee, and Cluster and Treasury stakeholders. A cost centre program based approach to finances and budgeting is aligned to informing the achievement of government and operational priorities and outcomes.

Training and Development

The Commission has continued its commitment to an investment in people strategy for training and development through the provision of Commission-wide training programs designed to build organisational and individual capabilities. The program for the reporting period included:

- undertaking a detailed training needs analysis to identify training and development needs;
- continued improvement of the performance development planning system;
- providing learning opportunities, including experiential learning, on the job training, secondment opportunities and access to formal internal and external training courses;
- whole of Commission training in physical and personnel security awareness, ICT security awareness and information security awareness;
- whole of Commission training on Building a Healthy Workplace Culture, and Sexual Harassment and Bullying Awareness;
- participation in Public Service Commission development courses, including leadership, management, business management and public administration.

The Commission provided opportunities for continued professional development and facilitated a study support scheme, including access to study leave and flexible working arrangements.

Employee Assistance Program

The Commission values the importance of having in place an Employment Assistance Program for both Commission staff and their families. This confidential service is actively promoted to staff.

Equal Employment Opportunity

The Commission continues to be committed to delivering a stronger NSW in social, cultural and economic prosperity through cultural diversity. The Commission is committed to enabling an equitable access to services and programs for all staff. Whilst not a direct customer or citizen facing agency, the Commission seeks to engage as appropriate with all sections of our society and to break down any barriers to participation.

In line with the NSW Public Sector, the Commission is committed to the development of a culture that is supportive of workforce diversity principles and has developed strategies to enhance employment equity. During the reporting period, the Commission engaged the services of the Anti-Discrimination Board NSW to undertake compulsory training for all Commission staff on building a healthy workplace culture, and sexual harassment and bullying awareness.

The Commission has in place an Equal Employment Opportunity Management Plan 2017-21, which has been prepared in accordance with Part 9A of the *Anti-Discrimination Act 1977*. The Plan aims to facilitate the identification and removal of systemic barriers to the participation and promotion in employment of workforce diversity groups.

The Commission also has in place a current Workforce Diversity Policy, which is used to convey the legislated requirements of implementing workforce diversity into workforce planning and, in recruiting for the Commission workforce, not unlawfully discriminating against any person who can perform the inherent requirements of the job. This policy was reviewed in August 2018.

The Commission has in place a Multicultural Plan for the period 2017-21, which is based on the key focus areas and outcomes for a multicultural NSW.

Consultants

The Commission engaged one consultant at a cost of \$2,450 for media and public relations services during the 2018-19 reporting period.

Promotion

During the reporting period the below Commission officers travelled overseas as part of their official duties.

- One officer attended a forensic linguistics training course in the USA.
- Two officers attended a technical operational training session in Cyprus.
- One officer attended a residential school in Singapore as part of an approved course of study through the Public Service Commission.
- One officer met with representatives from the United Kingdom's National Crime Agency in London whilst on recreation leave.

Agreements with Multicultural NSW

In September 2006, the Commission entered into a Memorandum of Understanding with the Community Relations Commission (now Multicultural NSW) to ensure that

persons appearing at Court in respect of proceedings under the *CAR Act* are not disadvantaged as a result of language difficulties.

The agreement provides that Multicultural NSW will provide professional interpreting services on a fee-exempt basis to any person whose first language is not English and who may experience difficulty in comprehending or fully participating in proceedings under the *CAR Act*.

The Commission continues to arrange interpreting services on behalf of persons appearing at Court in accordance with the agreement.

Budgets

Table 26 provides an outline of the original budget for the 2018-19 financial year and the 2019-20 budget allocation for the Commission. The Commission receives a grant allocation annually from Government through a cluster arrangement. For the 2018-19 financial year this was through the Justice Cluster.

Table 26

Expenses	2018-19 Budget (\$,000)	2019-20 Budget (\$,000)
Employee related	17,924	17,306
Other operating expenses	8,041	5,867
Depreciation & amortisation	1,280	3,997
Interest expense	-	239
Total expenses	27,245	27,409
Gain/Loss on disposal	-	-
Net result	-704	-496

During the reporting period the 2018-19 budget had the following adjustments:

- a reduction of \$0.219m in savings to the employee related expense budget;
- a carry-forward of \$0.200m from the 2017-18 financial year to the 2018-19 financial year to the employee related expense budget.

Purchase of Major Assets

The Commission's purchasing of major assets during the reporting period is shown in the Table 27.

Table 27

Asset	Cost (\$,000)
Operational equipment	47
ICT hardware	278
Computer software	65
Building refurbishment	97
Other plant and equipment	3
Telecommunication upgrade	139
Motor vehicle	41
Total	670

Payment of Accounts

Account Payment Performance

The Commission's policy on accounts payable is that, where practicable, claims for payments are processed within the supplier's terms or, if no terms are stated, within thirty days of receipt of the invoice. The Commission's performance in paying its bills in a timely manner is shown in Tables 28 to 31. There were no instances of interest being paid for overdue payments.

Table 28

Aged analysis at the end of each quarter - All suppliers (\$,000)					
Quarter	Current (within due date)	Less than 30 days overdue	31 to 60 days overdue	60 to 90 days overdue	More than 90 overdue
Sep-18	3,205	1	0	0	0
Dec-18	2,840	0	0	0	0
Mar-19	2,947	11	0	0	0
Jun-19	5,426	2	0	0	0

Table 29

Aged analysis at the end of each quarter - Small business suppliers (\$,000)					
Quarter	Current (within due date)	Less than 30 days overdue	31 to 60 days overdue	60 to 90 days overdue	More than 90 overdue
Sep-18	186	0	0	0	0
Dec-18	272	0	0	0	0
Mar-19	283	2	0	0	0
Jun-19	973	0	0	0	0

Table 30

Total accounts paid on time				
Quarter	Target (%)	Actual (%)	Total paid (\$)	Total due (\$)
Sep-18	85	100	3,205,101	3,205,915
Dec-18	85	100	2,840,344	2,840,663
Mar-19	85	99	2,947,338	2,958,058
Jun-19	85	99	5,425,960	5,428,360

Table 31

Accounts due or paid within each quarter				
Measure	Sep 2018	Dec 2018	Mar 2019	Jun 2019
All suppliers				
Number of accounts due for payment	490	430	450	599
Number of accounts paid on time	489	429	447	593
Actual percentage of accounts paid on time (based on number of accounts)	100%	100%	99%	99%
Dollar amount of accounts due for payment*	3,205,915	2,840,663	2,958,058	5,560,715
Dollar amount of accounts paid on time*	3,205,101	2,840,344	2,947,338	5,558,315
Actual percentage of accounts paid on time (based on amount)	100%	100%	100%	100%
Number of payments for interest on overdue accounts	0	0	0	0
Interest paid on overdue accounts	0	0	0	0
Small business suppliers				
Number of accounts due for payment	103	111	97	142
Number of accounts paid on time	103	111	96	142
Actual percentage of accounts paid on time (based on number of accounts)	100%	100%	99%	100%

Accounts due or paid within each quarter				
Measure	Sep 2018	Dec 2018	Mar 2019	Jun 2019
All suppliers				
Dollar amount of accounts due for payment*	185,788	272,236	285,507	843,165
Dollar amount of accounts paid on time*	185,788	272,236	283,307	843,165
Actual percentage of accounts paid on time (based on amount)	100%	100%	99%	100%
Number of payments for interest on overdue accounts	0	0	0	0
Interest paid on overdue accounts	0	0	0	0

*Dollar amounts are inclusive of GST.

Insurance Activities

Through the Treasury Managed Fund, the Commission insures against a range of risks that include such things as workers' compensation, motor vehicle damage, property damage and public liability.

In 2018-19, the Commission made five insurance claims, compared to two claims made in 2017-18. These claims related to property, legal liability and workers' compensation.

Building Management

Overall management of the Commission's premises was undertaken by collaboration between the Commission's Building and Security Team and Jones Lang LaSalle (JLL) on behalf of Property NSW (PNSW) as part of a government-wide facilities management contract. Significant responsibility for the management of the Commission's property is borne by the Commission's Building and Security Team.

The collaboration undertakes routine preventative and reactive maintenance programs of work to maintain services, enhance security facilities and upgrade the building as required.

A project for the relocation of the Commission during the reporting period was terminated and it is envisaged that the Commission will remain at its current location for the foreseeable future.

Waste Management

The Commission operates a continuous improvement program in its management of all waste and recycling, energy, water consumption and purchasing practices, and implements measures that have enabled increased use of recycled material and better management of waste reduction.

The Commission has made a significant impact on its environmental footprint. A considerable reduction in waste for the 2018-19 reporting period compared to the previous reporting period exceeded the Commission's reduction target.

Table 32

Category	Waste Processed 2017-18 (Tonnes)	Waste Processed 2018-19 (Tonnes)
Cardboard recycled	15	3.38
Comingle recycled	3	1.44
Waste general	68.3	29.82

Measures adopted by the Commission include:

- increased focus on improving waste avoidance and maximising recycling;
- re-use of office equipment and other resources wherever possible;
- use of only 100% recycled paper;
- recycling of all waste paper, cardboard and empty toner cartridges;
- active projects to adopt energy efficient practices and reduce consumption;
- focused reduction of energy consumption including lighting and air conditioning;
- purchasing of energy efficient equipment;
- disposal of obsolete electrical and computer equipment (e-waste) through approved recycling providers.

During the reporting period the Commission was awarded a Nabers rating of 4 stars for energy consumption and 3.5 stars for water consumption. These ratings are the result of a major project to reduce energy and water consumption led by the Corporate Services Team. The Commission was advised by PNSW during the reporting period that it had the largest reduction in energy consumption of all NSW Government agencies.

CHAPTER FIVE – COMMISSION LEGAL SERVICES

Legal services are provided within the Commission to the Commissioner, the Assistant Commissioner (Legal) and the staff of the Commission. The Legal Services are tripartite to the FID, CID and the Commission’s agency needs.

During the reporting period, a restructure of the Commission’s Legal Services was undertaken to better meet the ongoing needs and allocate sufficient resources to meet operational demands. The position of Director Legal Services was made redundant, and the CID and Corporate legal teams now report directly to the Assistant Commissioner (Legal).

FID Legal Team

The Division’s FID Legal Team provides legal services to the FID and works with that division to conduct proceedings in Court pursuant to the *CAR Act*. This work involves the commencement of proceedings, generally through restraining order applications, the management of interlocutory proceedings, including the examination of defendants and persons associated with them, and the conduct of contested hearings. Commission lawyers appear in Court both as advocates, and to instruct counsel, depending on the nature of the proceedings at any point in time. The FID Legal Team also has carriage of any related or appeal proceedings stemming from *CAR Act* litigations including matters in the Court of Appeal, Federal Circuit Court, Family Court of Australia and, at times, the High Court.

In the 2018–19 reporting year, the Commission commenced *CAR Act* proceedings against 128 defendants. As at 30 June 2019, the Commission had a record 241 *CAR Act* proceedings (involving 263 defendants) in active litigation. The number of *CAR Act* matters in litigation has steadily increased over the years, and this year’s figures are an increase of some 90 percent when compared to the number of *CAR Act* matters in litigation in the 2013–14 reporting period. Below is a snapshot of the *CAR Act* matters in litigation over the preceding 5 years:

Table 33

Date as at	Number of Matters in Litigation	Number of Defendants
30 Jun 2019	241	263
30 Jun 2018	189	211
30 Jun 2017	164	188
30 Jun 2016	152	178
30 Jun 2015	118	133
30 Jun 2014	122	144

FID Legal monitors the effectiveness of the *CAR Act* and makes recommendations for legislative change where this is appropriate. As an example, when the Commission reaches a settlement with a defendant in proceedings under the *CAR Act* it is

common for it to receive a warranty from the defendant in relation to the state of his or her assets as at the signing of the orders.

If the Commission subsequently finds out that the warranty was false or disingenuous and that the defendant was concealing assets from the Commission and the Court, the *CAR Act* now provides that the Commission can commence proceedings against these newly identified assets (see sections 31A and 31B) and, the Commission inevitably pursues those concealed assets.

Criminal Investigations and Corporate Legal Teams

The CID and Corporate Legal teams provide legal advice and services in support of the Commission's criminal investigation operations and agency litigation. The Commission's investigations take place within a complex legal framework. The Commission is a service provider to traditional law enforcement agencies. In its day-to-day operations, the Commission encounters many State and Federal acts, and complex judgments of the Superior Courts that support, contradict or intercept with operational intent or governance obligations. No operational area of activity which impacts the Commission can avoid legal accountability in criminal investigation support activity; hence, the criminal investigations legal services are critical throughout the progress of investigations.

The team is responsible for all applications for warrants and other authorities pursuant to the *SD Act*, *TIA Act*, *LECO Act*, *Service and Execution of Process Act 1992* and the *CC Act* (search warrants). Further, where leave to examine a witness is required pursuant to section 35A of the *CC Act*, Commission lawyers prepare and present such applications to the Court.

CID lawyers assess and meet the Commission's common law and statutory disclosure obligations, and respond to subpoenas served on the Commission as well as public interest immunity claims that may affect these responses. This legal team also spends significant time responding to applications under section 45(4) of the *CC Act* following applications made to the Court for the publication or disclosure of evidence.

The Commission has refined and continues to develop its disclosure policy and procedures, and facilitates relevant disclosure taking place through the NSWPF so that they, as the informant, can acquit law enforcement disclosure obligations to the prosecutor.

The Corporate Legal Team provide Executive legal support as well as manage the Commission's 'agency' litigation.

CHAPTER SIX – GOVERNANCE UNIT

During the reporting period, the Commission’s Governance Unit was restructured, with the deletion of the position of Director Governance and the transfer of the Business Analyst position to Corporate Services.

The Internal Audit & Risk Manager now heads the Governance Unit and is supported by the Policy Legal Officer and the Policy and Governance Officer. This new structure is reflective of the maturing needs of the Commission since the formation of the Unit in 2013.

The Governance Unit supports the Commission to achieve its goals and uphold high ethical standards while meeting its legislative and government policy obligations. It does this by providing analysis, tools, advice and assurance that aids effective decision-making and promotes accountability throughout the Commission.

The Commission’s Corporate Governance Framework can be found at Appendix I.

The key activities of the Governance Unit include:

- policy and procedure development;
- delegations management;
- internal audit;
- risk management;
- the compliance framework;
- the fraud and corruption control plan;
- internal and external communications;
- providing educational seminars to staff.

Upon the recruitment of the Policy Legal Officer in June 2019, the Governance Unit also gained responsibility for:

- providing internal advice on administrative law matters;
- overseeing the Commission’s compliance with the *Government Information (Public Access) Act 2009 (GIPA Act)* and the *Public Interest Disclosures Act 1994 (PID Act)*.

Governance Unit Performance Measures

A suite of KPIs was introduced for the Commission’s Internal Audit function in 2017 and these are reported every quarter to the Audit and Risk Committee. Some measures of the Unit’s performance and outputs are listed.

- Five new and 34 revised policies and procedures were produced during the reporting period;
- All operational, financial and administrative delegations were revised as necessary;
- Intranet content was kept up-to-date, including operational 'toolkits';
- Six internal audits were completed, generating 46 recommendations for improvement;
- 92 percent of internal audit recommendations were accepted by management;
- 100 percent of post-engagement survey results were positive;
- 90 percent positive, 7 percent neutral and 3 percent negative ratings were received in the annual survey of management attitudes towards Internal Audit;
- All database access audits were completed by the due dates;
- All statutory audits were completed by the due dates;
- The annual risk assessment update was completed;
- Five staff educational seminars were provided.

Internal Controls

Policies, Procedures and Delegations

The creation and maintenance of Commission policies and procedures is overseen by the Governance Unit in collaboration with relevant subject matter experts.

Policies, procedures and other guidance are made available to staff through the Commission's intranet. Some of these materials are broken down further and made more easily accessible to staff via electronic 'toolkits'.

Financial, administrative and operational delegations were also updated when required and made available to staff via the intranet.

Internal audits that were undertaken examined the adequacy and effectiveness of the policies and procedures in place within the Commission.

Internal Audit and Risk Management

The Commission continued to have an appointed Chief Audit Executive and Chief Risk Officer throughout the year and maintained effective internal audit and risk management functions that were compliant with Treasury Guidelines and Policy Paper TPP 15-03 *Internal Audit and Risk Management Policy for the NSW Public Sector*. The Commission's Audit and Risk Management Attestation statement can be found at Appendix J.

Internal Audit

The Commission used a co-sourced model to undertake a program of risk-based internal audits, with in-house resources augmented from time to time with those of an external service provider. Operational, administrative and compliance audits were undertaken during the reporting period.

All audit reports were tabled at the quarterly meetings of the Commission's Audit and Risk Committee (refer separate heading below).

Risk Management

Organisational risk registers were maintained at both the Executive and Divisional levels. In recognition of the importance of integrity to the Commission's operations, a separate fraud and corruption risk register was also maintained. These registers were reviewed and updated. Individual risks may also be updated contemporaneously where needed.

In-house designed risk assessment tools were also used by Commission staff to better manage workplace health and safety risks across a range of Commission activities.

Audit and Risk Committee

The Commission's Audit and Risk Committee (ARC) continued to operate throughout the reporting period and met on a quarterly basis. The ARC had a fully independent membership as required by TPP 15-03. The ARC was chaired by Mr Peter Lucas, with Mr Tim Holden and Mr Paul Crombie as the other members.

The ARC met every quarter to discharge its obligations under its charter. A number of permanent invitees also attended the ARC meetings held during the reporting period. These included the Commissioner, Internal Audit & Risk Manager (in the capacity of Chief Audit Executive and Chief Risk Officer), Executive Director Corporate Services, Law Enforcement Conduct Commission's (LECC) Commissioner for Oversight, and representatives of the Audit Office of NSW.

The Committee supported and oversaw the Internal Audit function by monitoring the development and execution of the risk-based 2018-19 Internal Audit Plan and also by monitoring the implementation of audit recommendations.

The Committee also discharged its other oversight responsibilities in relation to the Commission's risk management, control framework, external accountability, compliance with applicable laws and regulations, and external audit.

Legislative Compliance

New administrative requirements and legislative changes continued to be monitored and recorded to ensure the Commission meets its legislative obligations. Work commenced to revamp and update the Commission's Operational and Administrative Compliance Registers.

Working Groups

The Governance Unit provided secretariat support to the Legislative Working Group, which met on an ad hoc basis throughout the year. Chaired by the Commissioner, the group considered proposals regarding legislative change that may have impacted the Commission and provided comments as required. In addition, the group reviewed and commented on, for the consideration of the Ministry, any proposals to amend the CC Act.

The Policy Working Group membership was drawn from staff from across the Commission. It can provide feedback and comment on draft policies and procedures as part of the development process.

From time to time the Commission may form other working groups, drawing membership from subject matter experts as required. The Governance Unit may also provide support to these working groups.

Employee Conduct

Fraud and Corruption Control and the Code of Conduct

The Commission's Fraud and Corruption Control Plan continued to apply to all Commission staff members in the relevant reporting period, as did the Commission's Code of Conduct.

The Fraud and Corruption Control Plan will be reviewed and updated by the Commission in 2019–20. Specific policy and procedure documents, intended to further mitigate the risk of fraud and corrupt conduct, and address any emerging risks and issues are also due to be developed by the Commission, including, for example, a Statement of Business Ethics, which is intended to be in place for the Commission by the end of 2019.

In the interim, the Commission continues to amend and consolidate its existing policy frameworks and procedures to assist Commission staff to better understand and meet their ethical and legal obligations in relation to their conduct at work.

In September 2018, the Commission sought its annual attestation from all Commission staff in relation to compliance with the Code of Conduct. It is noted that all relevant Commission staff were recorded as having complied with the Code of Conduct.

In early 2019, the Code of Conduct was reviewed and amended to update information relating to the role of the LECC and its role in managing and receiving complaints that may be received about Commission staff.

The Commission continues to reflect annually on its Code of Conduct, making revisions and amendments where appropriate.

Ethics Committee

The Commission's Ethics Committee did not meet during the year and was formally disbanded on 25 January 2019.

Internal Communications

The Commission's intranet, together with other internal communication channels, continued to be a source of up-to-date information for staff on a range of topics.

Notifications about the release of new policies and procedures were placed on the Commission's intranet, and posters placed in lift lobbies and other areas around the Commission office alerted staff about upcoming events.

Commission staff attended monthly lunchtime seminars on operational and administrative matters of interest, featuring an assortment of speakers and topics. Speakers delivered presentations on topics relevant to Commission staff, including mental health and resilience in the workplace, and workshops on legislation relevant to the Commission's functions. These seminars recorded high levels of participation, and will continue to be utilised by the Commission as an effective internal communications tool for staff members.

Induction training on staff members' ethical obligations continued to be provided to all new employees upon commencing work at the Commission. This training included prescribed mandatory reading of the Fraud and Corruption Control Plan, the Code of Conduct, Gifts Benefits and Hospitality Policy, and other policies and procedures relevant to the staff member's role.

The Commissioner presented a 'Q&A' session in the reporting period, providing an opportunity for Commission staff to raise any relevant issues and discuss the strategic themes of the Commission.

External Communications and Proactive Disclosure

Due to the nature of the Commission's business, the Commission is only able to publish limited information on its website. The Commission, however, proactively reviews its available policies and procedure documents each reporting period to determine whether additional information relating to the Commission can be made available to members of the public.

Information available on the website in the relevant reporting period included the Commission's Corporate Plan, the Organised Crime Disruption Strategy, Confiscations Factsheet and the Code of Conduct.

The information published on the Commission's website has been released by the Commission on its own initiative, and not as a result of a request for information or due to legislation. Where possible, the Commission's website also contains referral links to relevant external websites.

The Commission continues to review its new policies, statistical information and other documents to determine what can be made publicly available.

External Stakeholder Relationships

The Commission's Stakeholder Management Plan continued to operate in the relevant reporting period. The Commission strives to work closely with stakeholders and

across all areas of government to achieve organisational excellence. The Commission's Stakeholder Management Plan documents key existing relationships, and identifies objectives and expectations of stakeholders. This document ensures that stakeholder relationship strategies in place with the Commission can be effectively monitored and improved upon in future. The Stakeholder Management Plan is effective at encouraging rigorous and collaborative working relationships with stakeholders, and there are no immediate plans for any substantial revision of the Plan.

Statutory Reporting

Members of the public have the right to apply for access to the Commission's information under the *GIPA Act*. The Commission, in accordance with the object of the *GIPA Act*, aims to promote open, accountable, fair and effective government in NSW, and seeks at all times, to provide information about the Commission to members of the public in a manner that is consistent with the *GIPA Act*. The Commission continuously reviews its program to determine whether any additional agency information can be made publicly available on its website. Access to information is restricted only when there is an overriding public interest against disclosure.

Information currently available to members of the public on the Commission's website includes the Agency Information Guide, Disclosure Log, Work Health and Safety Policy, and Code of Conduct. Information relating to the Commission's Government Contract Disclosure Requirements also continued to be published and updated on the Commission's website.

Finally, the Commission continued to meet its obligations in relation to statutory reporting, including providing reports and information required at either a State or Commonwealth level. This included those required by the Ombudsman and those required under the *PID Act*, the *LEPR Act* and the *SD Act*.

External Audit

The Audit Office of NSW provides reasonable assurance that the Commission's financial statements:

- give a true and fair view of the financial position, financial performance and cash flows of the Commission in accordance with Australian Accounting Standards;
- are in accordance with section 45F of the *Public Finance and Audit Act 1983* and the *Public Finance and Audit Regulation 2015*.

Judicial Decisions and Other External Scrutiny

The Commission has not been subject to any judicial decisions or decisions of administrative tribunals and/or the Information Commissioner in the 2018-19 reporting period that have had, or may have, a significant effect on the Commission's operations.

External Oversight of the Commission

Commonwealth Ombudsman

The Commonwealth Ombudsman audits the Commission's and other agencies' compliance with requirements contained in the *TIA Act* and reports the results of such audits to the Australian Parliament.

As at 30 June 2019 the last stored communications audit undertaken by the Ombudsman that included the Commission had taken place in September 2017 and the last audit of the Commission's telecommunications data requests had taken place in October 2017. Both audits related to the 2016–17 financial year.

The Ombudsman's office did not include the Commission in audits that were undertaken during 2018–19; however, it has since conducted an audit in July 2019 that covered the two-year period of 1 July 2017 to 30 June 2019.

Parliamentary Joint Committee

Since the commencement of the *CC Act*, the Commission has been subject to oversight of the Parliamentary Joint Committee (PJC), which also reviews performance of the Office of the Ombudsman and the LECC.

In accordance with section 71 of the *CC Act*, the functions of the PJC are as follows:

- to monitor and review the Commission, the Management Committee and the Inspector's exercise of their functions;
- to report to both Houses of Parliament, with such comments as it thinks fit, on any matter appertaining to the Commission and the Management Committee or connected with the exercise of their respective functions to which, in the opinion of the PJC, the attention of Parliament should be directed;
- to examine each annual and other report of the Commission and report to both Houses of Parliament on any matter appearing in, or arising out of, any such report;
- to inquire into any question in connection with its functions which is referred to it by both Houses of Parliament and report to both Houses on that question.

Law Enforcement Conduct Commission

On 1 July 2017, LECC was established to oversight the Commission and its officers, and also the NSWPF.

The LECC has two defined objectives relating to the Commission: detecting and investigating misconduct and corruption of former and current Commission officers that could amount to serious maladministration, and managing complaints handling.

Under the *LECC Act*, a person may make a complaint to the LECC about a matter that involves or may involve misconduct of a Commission officer, which the LECC

may investigate. During the reporting period, the Commissioner was under a duty to notify the LECC of any possible misconduct by an officer of the Commission.

The Office of the Inspector of the Law Enforcement Conduct Commission

The LECC is held accountable for its actions by an independent statutory officer, The Hon. Terry Buddin SC from the Office of the Inspector of the Law Enforcement Conduct Commission (OILECC). Additionally, the role has the powers and responsibilities to conduct inspections or audits of the Commission's records and operations pursuant to:

- section 11(1) of the *Telecommunications (Interception and Access) (New South Wales) Act 1987*;
- section 242(3) of the *LEPR Act* (annual reports are publicly available through the OILECC website);
- section 49(1) of the *SD Act* (bi-annual reports are publicly available through the OILECC website);
- sections 22 and 23(2) of the *LECO Act* (annual reports are publicly available through the OILECC website).

Complaint Handling

The Commission is committed to properly addressing complaints effectively and efficiently in a timely and ethical fashion. The Commission maintains a Complaints Handling Policy and Procedure, which covers both internal and external complaints. The Commission also has a work-related Grievance Handling Policy and an Internal Reporting Policy. Complaint processes are regularly reviewed throughout the year.

Complaints about the Commission can be made by members of the public or others either directly to the Commission or to the LECC. Details of how to make such complaints are on the Commission's website.

The Commission receives on average approximately one communication per week that constitutes some form of 'complaint'. In a typical year, only a handful of such communications might relate to the Commission's decisions or services, or the conduct of its employees. The remainder of these communications have nothing to do with the Commission and require no action, apart from redirection to an appropriate agency. The Commission occasionally receives complaints about the NSWPF. The Commission does not investigate such complaints but might refer the complaint to LECC where required to do so by the *LECC Act*.

In relation to internal complaints, the Commission encourages staff to raise any complaints with their supervisors and the Executive Team. The Commission's Executive Team meets regularly and complaints are a standing agenda item.

During the reporting period, the Commission received three complaints that were relevant to Commission decisions, services or the conduct of its employees. The LECC was notified of these complaints under section 33 of the *LECC Act*.

Other Reporting Requirements and Additional Matters

Internal Audit and Risk Management Attestation Statement

This is supplied in Appendix J.

Privacy and Personal Information Protection Act Compliance

The Commission manages personal and health information through its Privacy Management Plan. In the relevant reporting period, the Commission continued to maintain a Privacy Management Plan. The Privacy Management Plan is due to be reviewed and updated by the Commission in 2019–20.

The Commission has an appointed Privacy Officer, who has a dedicated email address to receive complaints – privacyofficer@crimecommission.nsw.gov.au.

There were no complaints received by the Commission, or internal reviews undertaken by the Commission, about its compliance with the *Privacy and Personal Information Protection Act 1998* during 2018–19.

Public Interest Disclosures Compliance

The Commission has an Internal Reporting Policy that is communicated to staff and is accessible on the intranet.

Pursuant to the *PID Act*, the Commission nominated a number of male and female Disclosure Officers and a Disclosures Co-ordinator.

During the reporting period, the Commission did not receive any public interest disclosures.

The Commission's Annual Report under section 31 of the *PID Act* is reproduced at Appendix K.

Law Enforcement and National Security (Assumed Identities) Compliance

The Commission's report pursuant to section 35 of the *LENSAI Act* is supplied in Appendix B.

Government Information (Public Access) Compliance

Members of the public have the right to apply for access to the Commission's information under the *GIPA Act*. The Commission, in accordance with the object of the *GIPA Act*, aims to promote open, accountable, fair and effective government in NSW, and seeks at all times, to provide information about the Commission to members of the public in a manner that is consistent with the *GIPA Act*. Information relating to the Commission's investigative and reporting functions is specifically listed in the *GIPA Act* as excluded information. Section 43 of the *GIPA Act* prevents an access application being made to any agency for excluded information of the agency.

Any requests for information pursuant to the GIPA Act can be made to the Commission in writing, addressed as follows:

Government Information Officer
NSW Crime Commission
453-463 Kent Street
SYDNEY NSW 2000
Email: governmentinformationofficer@crimecommission.nsw.gov.au

Telephone inquiries can be made during regular business hours. Telephone numbers and the mailing address for inquiries about access to information can be found on the inside cover of this report. A form to make applications under the *GIPA Act* for access to information is available on the Commission's website.

The Commission's *GIPA Act* Annual Report for 2019–20 can be found at Appendix D.

Production of 2018–19 Annual Report

Both the *CC Act* and the *Annual Reports (Departments) Act 1985* require the Commission to report annually and submit a report to the Minister (with a copy to the Treasurer). In preparing this report, the Commission has sought to provide the public with as full an account of itself and its activities as is lawful, economical and not prejudicial to its functions.

The Governance Unit co-ordinated production of the 2018–19 Annual Report, which will be available on the Commission's website after it is presented to Parliament (www.crimecommission.nsw.gov.au). The *CC Act* provides the Minister with authority to give directions on the manner and time of the preparation of the Annual Report (but not its contents). No such directions have been made with respect to this Annual Report. No extension of time for the submission of this report was sought or granted. No consultants were retained for any aspect of the preparation of this Annual Report and no external costs were incurred.

Exemptions from the Reporting Provisions

The below mentioned provisions need only be reported on triennially and are exempt from this Annual Report:

- workforce diversity (reported in the 2016–17 Annual Report);
- disability inclusion action plans (reported in the 2016–17 Annual Report);
- multicultural policies and services program (reported in the 2016–17 Annual Report);
- work health and safety (reported in the 2017–18 Annual Report).

APPENDICES



Appendix A: Section 242A Law Enforcement (Powers and Responsibilities) Act Report



Law Enforcement (Powers and Responsibilities) Act 2002

Section 242A

ANNUAL REPORT BY THE
NEW SOUTH WALES CRIME COMMISSION

1 July 2018 – 30 June 2019

Section 242A of the *Law Enforcement (Powers and Responsibilities) Act 2002* ('the Act') requires the Commissioner for the New South Wales Crime Commission ('the Commission') to report annually on the exercise of powers under Part 5 of the Act with respect to covert search warrants by staff members of the Commission. The report is to be provided, within 4 months after each 30 June, to the Minister for Police and the Attorney General and is to be tabled in each House of Parliament as soon as practicable after it is received by the Attorney General.

1. Applications for Covert Search Warrants

Paragraph 242A (3) (a) of the Act provides that the report is to specify the number of applications for covert search warrants made under Part 5 of the Act and the number of those applications that were granted.

The Commission made no such applications in 2018–2019.

2. Applications for Telephone Covert Search Warrants

Paragraph 242A (3) (b) of the Act provides that the report is to specify the number of applications for telephone covert search warrants and the number of those applications that were granted.

The Commission made no such applications in 2018–2019.

3. Covert Search Warrants Executed

Paragraph 242A (3) (c) of the Act provides that the report is to specify the number of covert search warrants executed.

The Commission did not execute any covert search warrants under the Act in 2018–2019.

4. Seizures

Paragraph 242A (3) (d) of the Act provides that the report is to specify the number of covert search warrants under which any things were seized.

The Commission did not seize any things under a covert search warrant under the Act in 2018–2019.

5. Substitution of Things

Paragraph 242A (3) (e) of the Act provides that the report is to specify the number of covert search warrants under which any things were placed in substitution for seized things.

The Commission did not place any things in substitution for things seized under a covert search warrant under the Act in 2018–2019.

6. Return or Retrieval of Things

Paragraph 242A (3) (f) of the Act provides that the report is to specify the number of covert search warrants under which any things were returned or retrieved.

The Commission did not return or retrieve any things under a covert search warrant under the Act in 2018–2019.

7. Sections 75A and 75B Powers

Paragraph 242A (3) (g) of the Act provides that the report is to specify the number of covert search warrants under which the powers referred to in sections 75A and 75B of the Act were exercised.

The Commission did not exercise the powers mentioned in sections 75A and 75B under a covert search warrant under the Act in 2018–2019.

8. Things Tested

Paragraph 242A (3) (h) of the Act provides that the report is to specify the number of covert search warrants under which any things were tested.

The Commission did not test any things under a covert search warrant under the Act in 2018–2019.

9. Arrests

Paragraph 242A (3) (i) of the Act provides that the report is to specify the number of arrests made in connection with searchable offences in respect of which covert search warrants were executed and the number of those arrests that have led to the laying of charges in relation to the searchable offences concerned.

There have been no such arrests, and there have been no arrests that have led to the laying of charges in relation to searchable offences, in 2018–2019.

10. Complaints

Paragraph 242A (3) (j) of the Act requires the Commission to specify the number of complaints that were made under any Act about conduct relating to the execution of a covert search warrant by an executing officer and the number of those complaints that are, or have been, the subject of an investigation under any Act.

No such complaints were made, and no complaints are or have been the subject of an investigation under any Act, in 2018–2019.

11. Other Matters

Paragraph 242A (3) (k) of the Act requires the Commission to specify any other matters requested by the Minister for Police or the Attorney General.

The Commission has received no requests made under this provision in 2018–2019.



Peter Cotter APM
Commissioner
Date: 26 August 2019

Appendix B: Law Enforcement and National Security (Assumed Identities) Act Report



Law Enforcement and National Security (Assumed Identities) Act 2010

Section 35

ANNUAL REPORT BY THE NEW SOUTH WALES CRIME COMMISSION

1 July 2018 to 30 June 2019

Section 35 of the *Law Enforcement and National Security (Assumed Identities) Act 2010* ('the Act') requires the Commissioner for the New South Wales Crime Commission ('the Commission') to report annually on authorities for assumed identities. The report is to be provided to the Minister as soon as practicable after the end of each financial year.

1. Authorities Granted and Authorities Cancelled

Paragraph 35(1)(a) of the Act provides that the report is to specify the number of authorities granted, and the number of authorities cancelled, during the year.

The Commission has not granted or cancelled any authorities under the Act in 2018-2019.

2. Description of Activities Undertaken

Paragraph 35(1)(b) of the Act provides that the report is to contain a general description of the activities undertaken by authorised persons when using assumed identities under the Act during the year.

The general nature of the activities undertaken by the Commission's assumed identities is to support the covert activities of the Commission in relation to its

criminal investigations. This includes the operation of covert bank accounts and covert vehicles.

3. Applications Refused

Paragraph 35(1)(c) of the Act provides that the report is to specify the number of applications for authorities that were refused during the year.

The Commission refused no applications under the Act in 2018-2019.

4. Fraud or Unlawful Activity

Paragraph 35(1)(d) of the Act provides that the report is to contain a statement as to whether or not any fraud or other unlawful activity was identified by an audit conducted under section 37 of the Act during the year.

Under section 37 of the Act the Commission's Internal Audit and Risk Manager conducted an audit of the Commission's use of assumed identities during 2018-2019. This audit did not identify any instances of fraud or unlawful activity.

5. Other Information

Paragraph 35(1)(e) of the Act requires the Commission to specify any other information relating to authorities and assumed identities and the administration of the Act that the Minister considers appropriate.

The Commission has no other information to report pursuant to this provision in 2018-2019.



Peter Cotter APM
Commissioner
Date: 3 September 2019

Appendix C: Section 45(3) Surveillance Devices Act Report



Surveillance Devices Act 2007

Subsection 45 (3)

ANNUAL REPORT BY THE NEW SOUTH WALES CRIME COMMISSION

1 July 2018 – 30 June 2019

Pursuant to subsection 45 (1) of the *Surveillance Devices Act 2007* ('the Act'), the Attorney General is to prepare a report as soon as practicable after the end of each financial year, and in any event within 3 months after the end of the financial year, that includes the information sought in paragraphs 45 (1) (a)-(c) of the Act.

Subsection 45 (3) of the Act provides that the Attorney General may require the chief officer of a law enforcement agency, including the New South Wales Crime Commission ('the Commission'), to furnish such information relating to the use of surveillance devices by law enforcement officers of the agency as is necessary to enable the Attorney General to prepare the report.

1. Applications for Warrants

Paragraph 45 (1) (a) of the Act provides that the annual report is to include the number of applications for warrants by, and the number of warrants issued to, law enforcement officers during the financial year concerned.

The Commission made 3 applications seeking the issue of 6 warrants to law enforcement officers under the Act in 2018-2019, all of which were granted. This information has been presented in Table 1 below.

2. Applications for Emergency Authorisations

Paragraph 45 (1) (b) of the Act provides that the annual report is to also include the number of applications for emergency authorisations by, and the number of

emergency authorisations given to, law enforcement officers during the financial year concerned.

The Commission did not make any emergency authorisation applications in 2018–2019. This information has been presented in Table 2 below.

3. Remote Applications

Paragraph 45 (1) (b1) of the Act provides that the annual report is to specify the number of remote applications made by law enforcement officers during the financial year concerned for surveillance device warrants to be issued in this jurisdiction and executed in a participating jurisdiction.

The Commission did not make any such remote applications in 2018–2019. This information has been presented in Table 3 below.

4. Refused applications for surveillance device warrants to be issued in this jurisdiction and executed in a participating jurisdiction

Paragraph 45 (1) (b2) of the Act provides that the annual report is to specify the number of applications made by law enforcement officers for surveillance device warrants to be issued in this jurisdiction and executed in a participating jurisdiction that were refused during the financial year concerned and the reasons for refusal.

The Commission did not make any such applications in 2018–2019 and as such no applications were refused, so there are no reasons for refusal to particularise. This information has been presented in Table 4 below.

5. Applications for Extensions of Surveillance Device Warrants Issued in this Jurisdiction and Executed in a Participating Jurisdiction

Paragraph 45 (1) (b3) of the Act provides that the annual report is to specify the number of applications for extensions of surveillance device warrants issued in this jurisdiction and executed in a participating jurisdiction, made by law enforcement officers during the financial year concerned, the number of extensions granted or refused and the reason why they were granted or refused.

The Commission did not make any such applications in 2018–2019 and as such no applications were granted or refused, so there are no reasons for the granting or refusal to particularise. This information has been presented in Table 5 below.

6. Number of Arrests

Paragraph 45 (1) (b4) of the Act provides that the annual report is to specify the number of arrests made by law enforcement officers during the financial year

concerned on the basis (wholly or partly) of information obtained by the use of a surveillance device under a surveillance device warrant or emergency authorisation issued in this jurisdiction and executed in a participating jurisdiction.

There were no such arrests in 2018–2019.

7. Number of Prosecutions

Paragraph 45 (1) (b5) of the Act provides that the annual report is to specify the number of prosecutions that were commenced in this jurisdiction during the financial year concerned in which information obtained by the use of a surveillance device under a surveillance device warrant or emergency authorisation issued in this jurisdiction and executed in a participating jurisdiction was given in evidence, and the number of those prosecutions in which a person was found guilty.

To the best of the Commission's knowledge, no such prosecutions were commenced in 2018–2019.

8. Other Information

Paragraph 45 (1) (c) of the Act provides that the annual report is to specify any other information relating to the use of surveillance devices and the administration of the Act that the Attorney General considers appropriate.

The Commission did not receive any request for other information from the Attorney General that is considered appropriate to specify in 2018–2019.

9. Warrants Issued and Emergency Authorisations Given by Device Type

Subsection 45 (2) of the Act requires that the information mentioned in paragraphs 45 (1) (a) - (b3) of the Act must be presented in such a way as to identify the number of warrants issued and emergency authorisations given in respect of each different kind of surveillance device.

This information has been presented in Table 1, Table 2, Table 3, Table 4 and Table 5 below.

Table 1. Devices authorised by warrant, by device type

Number of devices by device type							
Number of applications	Number of warrants issued	Listening devices	Optical surveillance devices	Tracking devices	Data surveillance devices	Combination listening/tracking devices	Combination listening/optical surveillance devices
3	6	29	18	18	1	15	15

Table 2. Devices authorised by an emergency approval, by device type

Number of devices by device type							
Number of applications	Number of warrants issued	Listening devices	Optical surveillance devices	Tracking devices	Data surveillance devices	Combination listening/tracking devices	Combination listening/optical surveillance devices
0	0	0	0	0	0	0	0

Table 3. Devices authorised by remote applications for warrants to be issued in this jurisdiction and executed in a participating jurisdiction, by device type

Number of devices by device type							
Number of applications	Number of warrants issued	Listening devices	Optical surveillance devices	Tracking devices	Data surveillance devices	Combination listening/tracking devices	Combination listening/optical surveillance devices
0	0	0	0	0	0	0	0

Table 4. Refusals of applications for warrants to be issued in this jurisdiction and executed in a participating jurisdiction, by device type

Number of devices by device type							
Number of applications	Number of warrants issued	Listening devices	Optical surveillance devices	Tracking devices	Data surveillance devices	Combination listening/tracking devices	Combination listening/optical surveillance devices
0	0	0	0	0	0	0	0

Table 5. Refusals of applications for extensions of warrants to be issued in this jurisdiction and executed in a participating jurisdiction, by device type

Number of devices by device type							
Number of applications	Number of warrants issued	Listening devices	Optical surveillance devices	Tracking devices	Data surveillance devices	Combination listening/tracking devices	Combination listening/optical surveillance devices
0	0	0	0	0	0	0	0



Peter Cotter APM
 Commissioner
 Date: 26 August 2019



Government Information (Public Access) Act 2009

Section 125

ANNUAL REPORT BY THE
NEW SOUTH WALES CRIME COMMISSION

1 July 2018 – 30 June 2019

Section 125 of the *Government Information (Public Access) Act 2009* ('the Act') requires the New South Wales Crime Commission ('the Commission') (being an agency within the meaning of the Act), within 4 months after the end of each reporting year, to prepare an annual report on its obligations under the Act (the annual GIPA Report). The report is to be submitted to the Minister and a copy is to be provided to the Information Commissioner.

The Commission's reporting, as required under subsection 125(2) of the Act, was submitted to the Information and Privacy Commission ('IPC') on 9 August 2019 through the IPC online 'GIPA Tool' reporting application.

The *Government Information (Public Access) Regulation 2018* ('the Regulation') makes provision for the information to be included in the annual GIPA report and the form in which the annual GIPA report is to be prepared.

1. Subsection (3) of the Act - Review

Subclause 8 (a) of the Regulation requires the annual GIPA report to specify the details of the review carried out by the Commission under subsection 7 (3) of the Act during the reporting year and the details of any information made publicly available by the Commission as a result of the review.

Subsection 7 (3) of the Act provides that agencies must, at intervals of not more than 12 months, review its program for the release of government information under section 7 of the Act to identify the kinds of government information held by the agency that should in the public interest be made publicly available and that can be made publicly available without imposing unreasonable additional costs on the agency.

In the 2018–2019 reporting year the Commission conducted an annual review of the program for the release of government information. The program was updated to clarify the duties and obligations of the Government Information Officer in relation to the Act. The annual review did not identify any additional information that could be made publicly available by the Commission as a result of the review. The Commission’s Agency Information Guide was also updated in the relevant reporting period.

2. Number of Access Applications

Subclause 8 (b) of the Regulation provides that the annual GIPA report must include the total number of access applications received by the agency during the reporting year (including withdrawn applications but not including invalid applications).

During the 2018–2019 reporting year, the Commission did not receive any access applications.

3. Number of Applications Refused

Subclause 8 (c) of the Regulation provides that the annual GIPA report must include the total number of access applications received by the agency during the reporting year that the agency refused, either wholly or partly, because the application was for the disclosure of information referred to in Schedule 1 to the Act (information for which there is conclusive presumption of overriding public interest against disclosure).

During the 2018–2019 reporting year, the Commission did not receive any access applications and no access applications were refused.

4. Statistical Information About Access Applications

Subclause 8 (d) of the Regulation requires an agency’s annual GIPA report to set out statistical information in the form required by Schedule 2 to the Regulation, relating to the access applications (if any) made to the agency during the reporting year.

Schedule 2 prescribes nine tables to be included in the annual GIPA report relating to statistical information about access applications. The nine tables on the following pages detail the statistical information of the Commission during the 2018–2019 reporting year.

Table A: Number of applications by type of applicant and outcome*								
	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Media	0	0	0	0	0	0	0	0
Members of Parliament	0	0	0	0	0	0	0	0
Private sector business	0	0	0	0	0	0	0	0
Not for profit organisations or community groups	0	0	0	0	0	0	0	0
Members of the public (application by legal representative)	0	0	0	0	0	0	0	0
Members of the public (other)	0	0	0	0	0	0	0	0

*More than one decision can be made in respect of a particular access application. If so, a recording must be made in relation to each such decision. This also applies to Table B.

Table B: Number of applications by type of application and outcome								
	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Personal information applications*	0	0	0	0	0	0	0	0
Access applications (other than personal information applications)	0	0	0	0	0	0	0	0
Access applications that are partly personal information applications and partly other	0	0	0	0	0	0	0	0

*A personal information application is an access application for personal information (as defined in clause 4 of Schedule 4 to the Act) about the applicant (the applicant being an individual).

Table C: Invalid applications	
Reason for invalidity	Number of applications
Application does not comply with formal requirements (section 41 of the Act)	0
Application is for excluded information of the agency (section 43 of the Act)	0
Application contravenes restraint order (section 110 of the Act)	0

Table C: Invalid applications	
Reason for invalidity	Number of applications
Total number of invalid applications received	0
Invalid applications that subsequently became valid applications	0

Table D: Conclusive presumption of overriding public interest against disclosure: matters listed in Schedule 1 of the Act	
	Number of times consideration used*
Overriding secrecy laws	0
Cabinet information	0
Executive Council information	0
Contempt	0
Legal professional privilege	0
Excluded information	0
Documents affecting law enforcement and public safety	0
Transport safety	0
Adoption	0
Care and protection of children	0
Ministerial code of conduct	0
Aboriginal and environmental heritage	0

*More than one public interest consideration may apply in relation to a particular access application and, if so, each such consideration is to be recorded (but only once per application). This also applies in relation to Table E.

Table E: Other public interest considerations against disclosure: matters listed in table to section 14 of the Act	
	Number of occasions when application not successful
Responsible and effective government	0
Law enforcement and security	0
Individual rights, judicial processes and natural justice	0
Business interests of agencies and other persons	0
Environment, culture, economy and general matters	0
Secrecy provisions	0
Exempt documents under interstate Freedom of Information legislation	0

Table F: Timeliness	
	Number of applications
Decided within the statutory timeframe (20 days plus any extensions)	0
Decided after 35 days (by agreement with applicant)	0
Not decided within time (deemed refusal)	0

Table F: Timeliness	
	Number of applications
Total	0

Table G: Number of applications reviewed under Part 5 of the Act (by type of review and outcome)			
	Decision varied	Decision upheld	Total
Internal review	0	0	0
Review by Information Commissioner*	0	0	0
Internal review following recommendation under section 93 of Act	0	0	0
Review by ADT	0	0	0
Total	0	0	0

*The Information Commissioner does not have the authority to vary decisions, but can make recommendation to the original decision-maker. The data in this case indicates that a recommendation to vary or uphold the original decision has been made.

Table H: Applications for review under Part 5 of the Act (by type of applicant)	
	Number of applications for review
Applications by access applicants	0
Applications by persons to whom information the subject of access application relates (see section 54 of the Act)	0

Table I: Applications transferred to other agencies under Division 2 of Part 4 of the Act (by type of transfer)	
	Number of applications for review
Agency-initiated transfers	0
Applicant-initiated transfers	0



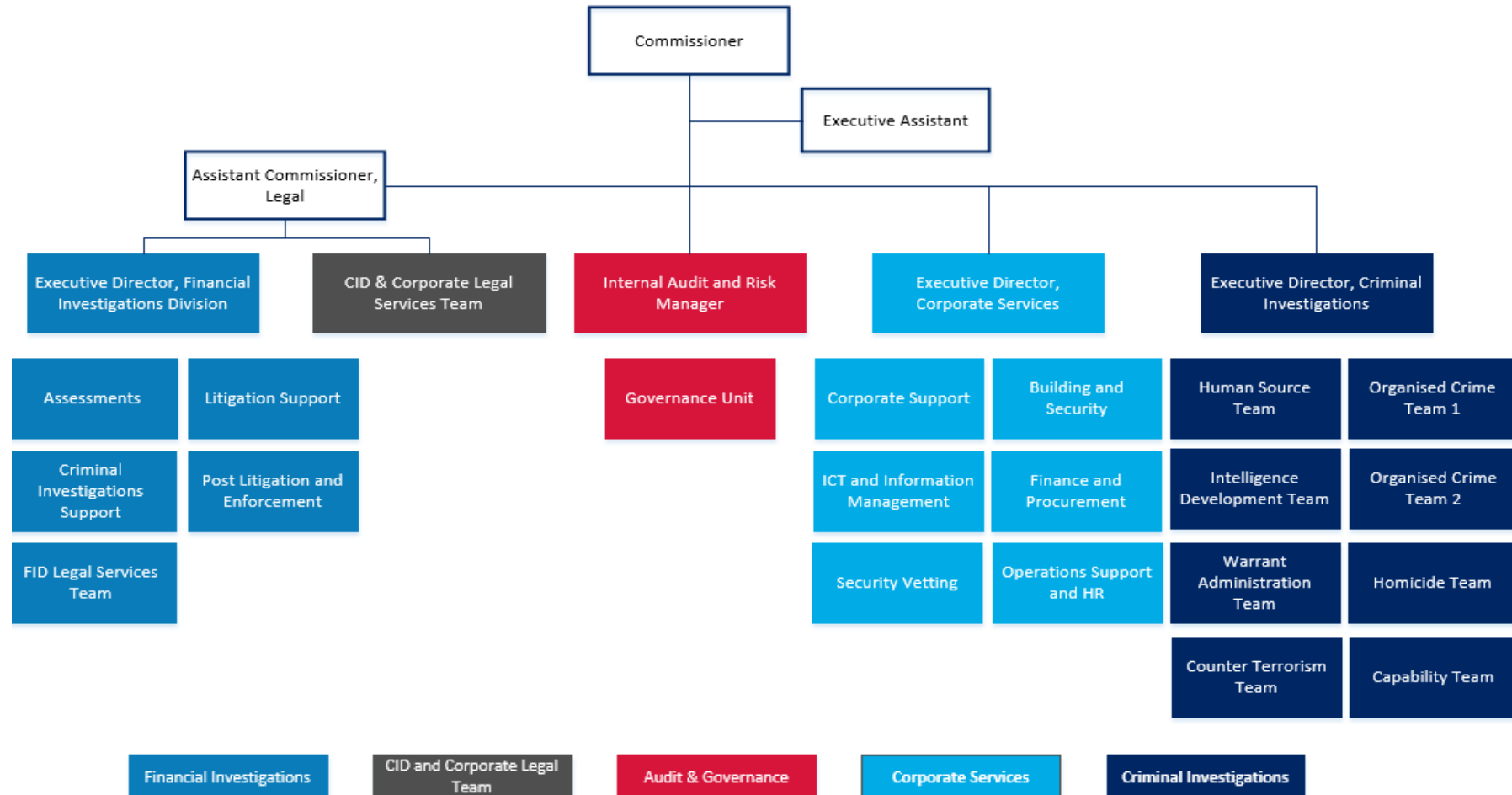
Peter Cotter APM
 Commissioner
 Date: 26 August 2019

Appendix E: Corporate Plan

Goals	Strategies	Progress as at 30 June 2019
Disruption of organised and other serious crime	1. Refine the strategic review	Completed
	2. Expand information and intelligence gathering	Completed
	3. Enhance intelligence analysis capabilities	Completed
Maximised confiscation values	1. Broaden identification of confiscation matters	Completed
	2. Expand educational role with partner agencies	Completed
	3. Implement new confiscation techniques	Completed
Improved capability of our people	1. Enhance investigative expertise	Completed
	2. Enhance workforce capability	Completed
	3. Undertake succession planning for key positions	Completed
Corporate capability and capacity	1. Enhance ICT services	Complete
	2. Mature governance arrangements	Complete

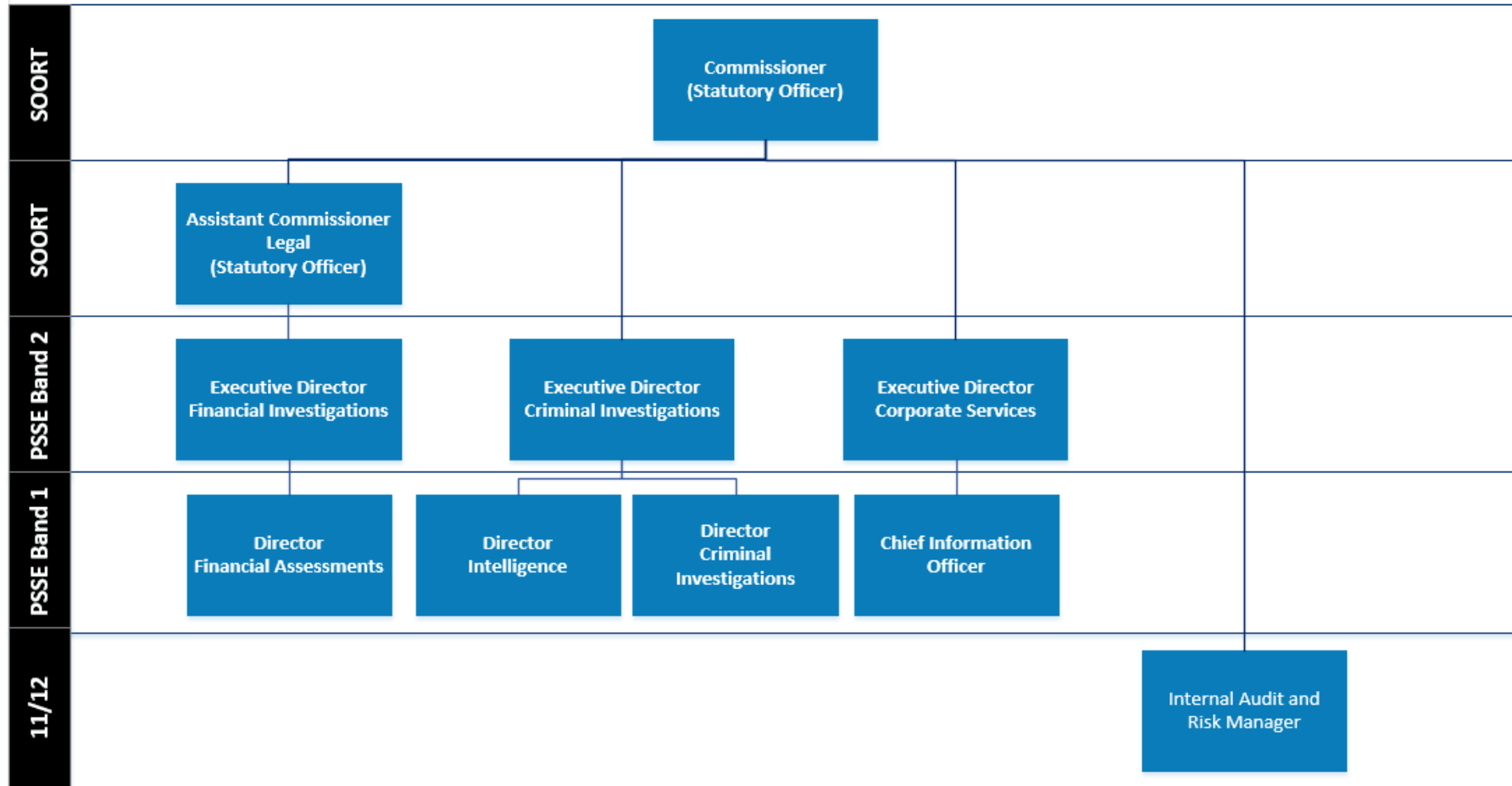
Appendix F: Organisation Structure

As at 30 June 2019



Appendix G: Executive Structure

As at 30 June 2019



Appendix H: Cyber Security Annual Attestation Statement



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Eaglenet 57022
Email crimecommission@crimecommission.nsw.gov.au

Monday 22 July 2019

Mr Tony Chapman
Government Chief Cyber Security Officer
Cyber Security NSW
Department of Customer Service

Dear Mr Chapman

Cyber Security Annual Attestation Statement for the 2018-2019 Financial Year for the New South Wales Crime Commission

I, Peter Cotter APM, am of the opinion that the New South Wales Crime Commission (the Commission) has managed cyber security risks in a manner consistent with the Mandatory Requirements set out in the NSW Government Cyber Security Policy.

Risks to the information and systems of the Commission have been assessed and are managed in accordance with the Commission's Risk Management Framework, which incorporates the risk assessment and management techniques outlined in the global standard ISO 27005. An Information Security Risk Management Plan has been implemented, and the Commission undertakes monthly risk reviews in accordance with that plan.

Governance is in place to manage the cybersecurity maturity and initiatives of the New South Wales Crime Commission. A Security Steering Committee was established in 2018, and management of cybersecurity maturity and initiatives of the New South Wales Crime Commission is one of the responsibilities of that committee. The Commission created a new role of ICT Compliance Manager, and the occupant of this position is responsible for co-ordinating and managing all activities relating to governance and compliance requirements.

The Commission's cyber incident response plan is incorporated within its ISMS and Business Continuity Management Framework, and has been tested during the reporting period.

The New South Wales Crime Commission's ISMS is ISO 27001 certified.

An independent review/audit of the Agency's ISMS or effectiveness of controls or reporting against the mandatory requirements of the NSW Cyber Security Policy was undertaken and found to be appropriate or being properly addressed in a timely manner.

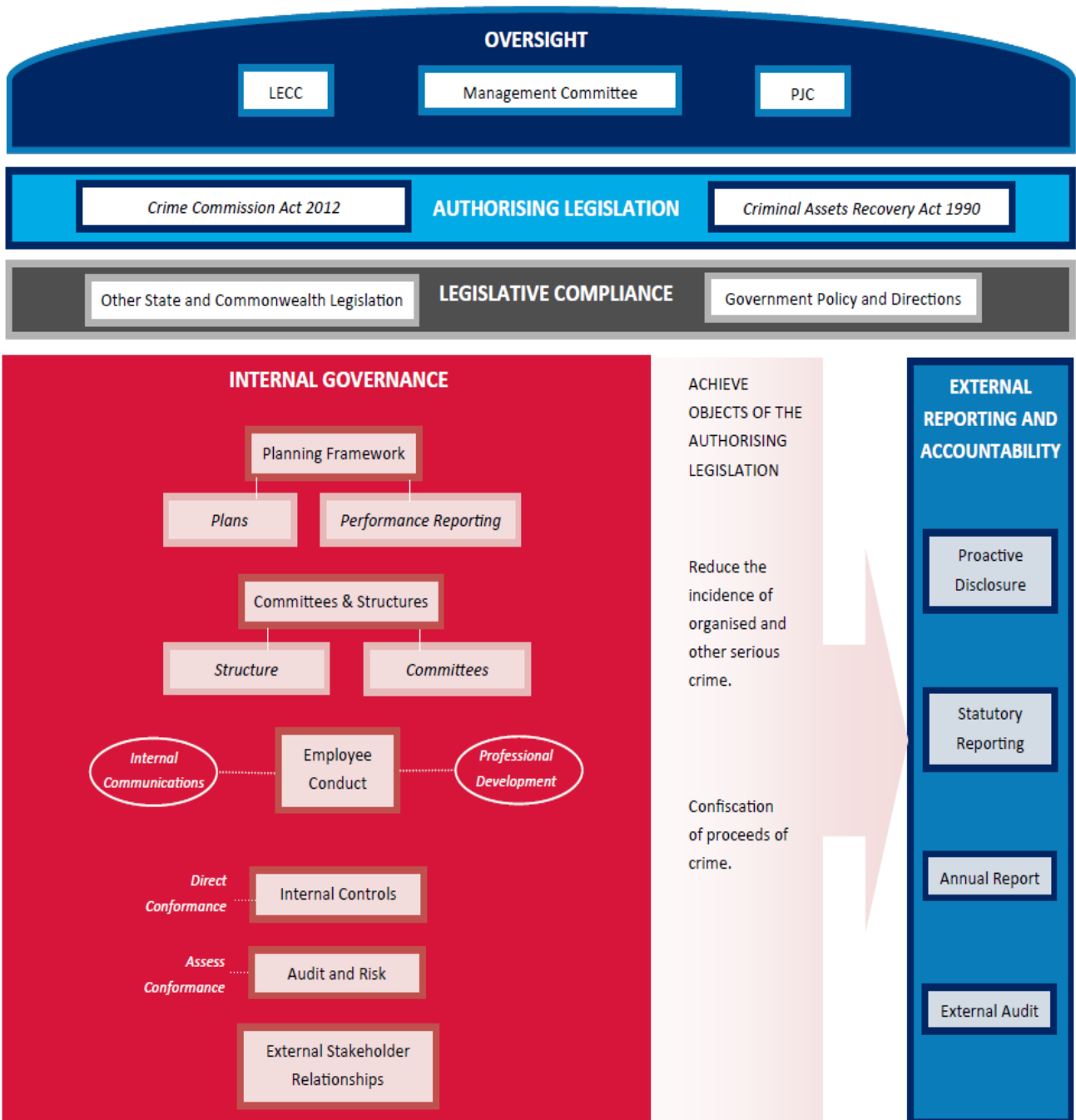
The Commission's assessment against all mandatory requirements in the NSW Cyber Security Policy for the previous financial year, including a maturity assessment against the Australian Cyber Security Centre (ACSC) Essential 8 requirements is attached.

For further information about this matter please contact Mike Wilde, Executive Director on 02 9269 9717 or at mwilde@crimecommission.nsw.gov.au.



Peter Cotter APM
Commissioner

Appendix I: Governance Framework

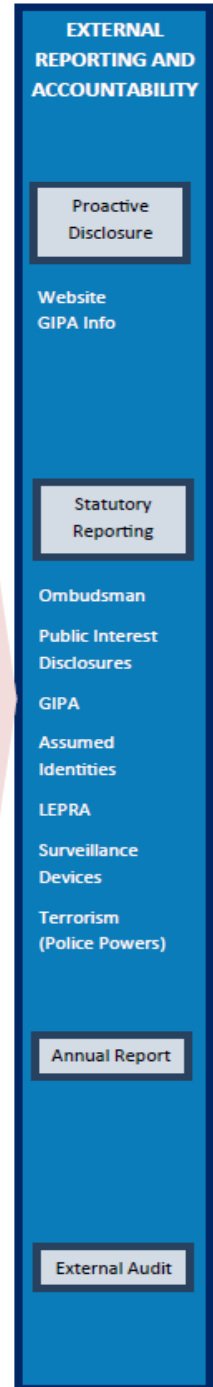




ACHIEVE OBJECTS OF THE AUTHORISING LEGISLATION

Reduce the incidence of organised and other serious crime.

Confiscation of proceeds of crime.



Appendix J - Internal Audit and Risk Management Attestation



Internal Audit and Risk Management Attestation Statement for the 2018-2019 Financial Year for the New South Wales Crime Commission

I, Peter Cotter APM, am of the opinion that the New South Wales Crime Commission has internal audit and risk management processes in operation that are compliant with the eight (8) core requirements set out in the *Internal Audit and Risk Management Policy for the NSW Public Sector*, specifically:

Core Requirements		For each requirement, please specify whether compliant, non-compliant, or in transition
Risk management Framework		
1.1	The agency head is ultimately responsible and accountable for risk management in the agency	Compliant
1.2	A risk management framework that is appropriate to the agency has been established and maintained and the framework is consistent with AS/NZS ISO 31000:2009	Compliant
Internal Audit Function		
2.1	An Internal Audit function has been established and maintained	Compliant
2.2	The operation of the internal audit function is consistent with the International Standards for the Professional Practice of Internal Auditing	Compliant
2.3	The agency has an Internal Audit Charter that is consistent with the content of the 'model charter'	Compliant

Audit and Risk Committee

- | | | |
|-----|---|------------------|
| 3.1 | An independent Audit and Risk Committee with appropriate expertise has been established | Compliant |
| 3.2 | The Audit and Risk Committee is an advisory committee providing assistance to the agency head on the agency's governance processes, risk management and control frameworks, and its external accountability obligations | Compliant |
| 3.3 | The Audit and Risk Committee has a Charter that is consistent with the content of the 'model charter' | Compliant |

Membership

The chair and members of the Audit and Risk Committee are:

- Independent Chair, **Peter Lucas:**
 - Initial term as member 12 August 2013 to 30 June 2014 (ten and a half month term served of a four year appointment)
 - Initial term as chair 1 July 2014 to 30 June 2018 (four year term)
 - Second term as chair 1 July 2018 to 30 June 2019 (one year term to the maximum of five years cumulative for a chair)
 - Second term as member 1 July 2019 to 30 June 2020 (one year term)
- Independent Member, **Timothy Holden:**
 - Initial term 1 July 2015 to 30 June 2018 (three year term)
 - Second term 1 July 2018 to 30 June 2019 (one year term)
- Independent Member, **Paul Crombie:**
 - Initial term 1 July 2016 to 30 June 2019 (three year term)



Peter Cotter APM
Commissioner
Date: 26 August 2019

Contact Officer: **Scott Webb**
Internal Audit & Risk Manager
E: swebb@crimecommission.nsw.gov.au
T: 9269 3888



Public Interest Disclosures Act 1994 (NSW)

Section 31

REPORT BY THE
NEW SOUTH WALES CRIME COMMISSION

1 July 2018 – 30 June 2019

Section 31 of the *Public Interest Disclosures Act 1994* ('the Act') requires public authorities, including the New South Wales Crime Commission ('the Commission'), to report on certain matters arising under the Act within 4 months after the end of each reporting year. The report must provide the statistics and information prescribed by clause 4(2) and clause 4(2A) of the *Public Interest Disclosures Regulation 2011* and is to be submitted to the Minister responsible for the Commission, being the Minister for Police and Emergency Services, and a copy of the report is to be provided to the Ombudsman. The required statistics and information are below.

Statistics

During the reporting period:

- no public officials made a Public Interest Disclosure to the Commission;
- no Public Interest Disclosures were received by the Commission; and
- there were no outstanding Public Interest Disclosures carried over from the prior reporting period, and as such, no Public Interest Disclosures were finalised.

Further information

During the reporting period, did the Commission have a public interest disclosures policy in place?

The Commission had a public interest disclosures policy, titled 'Internal Reporting Policy', in place throughout the reporting period.

Pursuant to the *Government Information (Public Access) Act 2009* (NSW), the Commission's Internal Reporting Policy has been publicly available, free of charge, on the Commission's external website (www.crimecommission.nsw.gov.au) since 1 October 2011.

For staff of the Commission, the Internal Reporting Policy is easily accessible on the Commission's Intranet.

During the reporting period, what actions has the Commissioner, as head of the Commission, taken to ensure that his staff awareness responsibilities under section 6E (1) (b) of the Act have been met?

In the relevant reporting period, the Commissioner's measures have included:

1. Throughout the reporting period, posters issued by the Ombudsman have continued to be displayed on noticeboards and in meal rooms throughout the Commission with the aim of promoting:
 - the key objectives of the Act;
 - the current Disclosure Officers of the Commission to whom disclosures can be made; and
 - directing staff as to where the Commission's Internal Reporting Policy can be accessed.
2. Throughout the reporting period, Commission employees have continued to have access to the names and details of current Disclosure Officers and the Internal Reporting Policy via the Commission's Intranet. This information was also highlighted to new employees during induction training.
3. Throughout the reporting period, Commission employees have been advised about any new or revised policies and to consider and abide by Commission policies, which are all available to staff to read and print through its intranet. One of the intranet pages is titled 'Complaints & Grievances'. Information about the Act and a link to the Internal Reporting Policy appear on that page.
4. In September 2018 Commission employees were required to declare compliance with the Commission's Code of Conduct. Section 7.3 of this Code advises employees that the *Public Interest Disclosures Act 1994* provides certain protections against reprisals for officers who voluntarily

report concerns about corrupt conduct, maladministration, and serious and substantial waste. The section advises employees that disclosures may be made in the first instance to one of the Commission's Disclosure Officers. For completeness, it is noted that all relevant Commission staff were recorded as having complied with the Code of Conduct.

A handwritten signature in black ink, appearing to read "Peter Cotter". The signature is stylized with a large initial "P" and "C".

Peter Cotter APM
Commissioner
Date: 26 August 2019

GLOSSARY AND ABBREVIATIONS

Term	Definition
ABF	Australian Border Force
ACIC	Australian Criminal Intelligence Commission
AFO	Asset Forfeiture Order
AFP	Australian Federal Police
ARC	Audit and Risk Committee
ASQA	Australian Skills Quality Authority
ATO	Australian Taxation Office
AUSTRAC	Australian Transaction Reports and Analysis Centre
BCM	Business Continuity Management
BOW	Breach of Warranty
<i>CAR Act</i>	<i>Criminal Assets Recovery Act 1990</i>
<i>CC Act</i>	<i>Crime Commission Act 2012</i>
CDPP	Commonwealth Director of Public Prosecutions
CID	Criminal Investigations Division
<i>COV</i>	Compensation of Victims
Cth	Commonwealth
DPP	Director of Public Prosecutions (NSW)
FID	Financial Investigations Division
<i>GIPA Act</i>	<i>Government Information (Public Access) Act 2009</i>
ICAC	Independent Commission Against Corruption
ICT	Information and Communication Technology
ISMS	Information Security Management System
JCTT	Joint Counter Terrorism Team
JOCG	Joint Organised Crime Group
LECC	Law Enforcement Conduct Commission
<i>LECO Act</i>	<i>Law Enforcement (Controlled Operations) Act 1997</i>
<i>LENSAI Act</i>	<i>Law Enforcement and National Security (Assumed Identities) Act 2010 (NSW)</i>
<i>LEPR Act</i>	<i>Law Enforcement (Powers and Responsibilities) Act 2002</i>
MDMA	Methylenedioxyamphetamine
NCSUW	National Co-operative Scheme on Unexplained Wealth
NSWFT	NSW Fair Trading
NSWPF	NSW Police Force

OCS	Organised Crime Squad
OILECC	Office of the Inspector of the Law Enforcement Conduct Commission
PAC	Police Area Command
PAO	Proceeds Assessment Order
<i>PID Act</i>	<i>Public Interest Disclosures Act 1994</i>
PJC	Parliamentary Joint Committee on the Ombudsman, Law Enforcement Conduct Commission and the Crime Commission
PNSW	Property NSW
PSSE	Public Service Senior Executive
Reporting period	1 July 2018 to 30 June 2019
RTOs	Registered Training Organisations
SCRA	Serious crime related activity
<i>SD Act</i>	<i>Surveillance Devices Act 2007</i>
The Commission	NSW Crime Commission
The Court	Supreme Court of NSW
<i>TIA Act</i>	<i>Telecommunications (Interception and Access) Act 1979 (Cth)</i>
<i>Treasury</i>	NSW Treasury
UWO	Unexplained Wealth Order

COMPLIANCE INDEX

The Commission includes in its Annual Report certain information specified in the *Annual Reports (Departments) Act 1985*, *Annual Reports (Departments) Regulation 2010*, *CC Act*, and Treasury circulars. The specified information categories, and the locations within this report where the information may be found, are as follows:

Requirement	Page/Comment
Access	2
Additional matters for inclusion	71-72
Agreements with Multicultural NSW	55-56
Aims and objectives	13-15
Application for extension of time	Not applicable
Applications to the Supreme Court under section 33 <i>CC Act 2012</i>	21
Budgets	56
Charter	13-15
Compliance with <i>Privacy and Personal Information Protection Act 1998</i>	71
Consultants	55
Consumer response	70
Court proceedings involving the Commission	21, 61- 62, 68
Cyber security annual attestation	92-93
Disability inclusion action plans	Exempt
Disclosure of controlled entities	None to be disclosed
Disclosure of subsidiaries	Not applicable
Economic or other factors	Not applicable
Exemptions	72
Form of annual report	72
Financial statements	106
Funds granted to non-government community organisations	Not applicable
<i>Government Information (Public Access) Act 2009</i>	71-72, 84-88
Human resources	50-52
Identification of audited financial statements	106

Implementation of price determination	Not applicable
Inclusion of unaudited financial statements	Not applicable
Information furnished to investigative agencies	23-24
Internal audit and risk management attestation	96-97
Investment performance	Not applicable
Land disposal	Not applicable
Legal change	33, 61-62
Letters of submission	3, 4
Liability management performance	Not applicable
Management and activities	15-72
Management and structure	15-17, 49-50, 90-91
Matters referred for investigation	18
Multicultural policies and services program	Exempt
Numbers and remuneration of senior executives	51-52
Patterns and trends in the nature and scope of organised crime	27- 32
Payment of accounts	57-59
Printing and distribution requirements	72
Promotion	55
Prosecutions resulting from investigations	24
Public availability of annual report	www.crimecommission.nsw.gov.au
Public Interest Disclosures (PID)	71, 98-100
Recommendations for changes in laws or for administrative action	33
Requirements arising from employment arrangements	Not applicable
Research and development	Disclosure would adversely affect business
Risk management and insurance activities	59, 64, 96-97
Summary review of operations	19-72
Time for payment of accounts	57-59
Warrants issued under section 36 <i>CC Act 2012</i>	21
Workforce diversity	Exempt

Work health & safety (WHS)

Exempt

AUDITED FINANCIAL STATEMENTS



**NEW SOUTH WALES CRIME COMMISSION
CONSOLIDATED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

New South Wales Crime Commission

**Financial Statements for the
year ended 30 June 2019**

STATEMENT BY COMMISSIONER

Pursuant to section 45F of the *Public Finance and Audit Act 1983*, I state that:

- (a) The accompanying financial statement and notes have been prepared in accordance with:
- applicable Australian Accounting Standards (which include Australian Accounting Interpretations)
 - the requirements of the *Public Finance and Audit Act 1983* and *Public Finance and Audit Regulation 2015* and Treasurer's Directions.
- (b) The statements present a true and fair view of the financial position as at 30 June 2019 and financial performance of the Commission for the year then ended.
- (c) There are no circumstances that would render any particulars included in the Financial Statements misleading or inaccurate.



Peter Cotter APM
Commissioner

Dated: 17 September 2019



INDEPENDENT AUDITOR'S REPORT

New South Wales Crime Commission

To Members of the New South Wales Parliament

Opinion

I have audited the accompanying financial statements of the New South Wales Crime Commission (the Commission), which comprise the Statement of Comprehensive Income for the year ended 30 June 2019, the Statement of Financial Position as at 30 June 2019, the Statement of Changes in Equity and the Statement of Cash Flows, for the year then ended, notes comprising a Summary of Significant Accounting Policies and other explanatory information.

In my opinion, the financial statements:

- give a true and fair view of the financial position of the Commission as at 30 June 2019, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards
- are in accordance with section 45E of the *Public Finance and Audit Act 1983* (PF&A Act) and the Public Finance and Audit Regulation 2015

My opinion should be read in conjunction with the rest of this report.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report.

I am independent of the Commission in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants' (APES 110).

I have fulfilled my other ethical responsibilities in accordance with APES 110.

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of public sector agencies
- precluding the Auditor-General from providing non-audit services.

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

Other Information

The Commission's annual report for the year ended 30 June 2019 includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The Commissioner of the Commission is responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the Statement in Accordance with section 45F of the PF&A Act.

My opinion on the financial statements does not cover the other information. Accordingly, I do not express any form of assurance conclusion on the other information.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude there is a material misstatement of the other information, I must report that fact.

I have nothing to report in this regard.

The Commissioner's Responsibilities for the Financial Statements

The Commissioner is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and the PF&A Act, and for such internal control as the Commissioner determines is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Commissioner is responsible for assessing the Commission's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting except where the Commission's operations will cease as a result of an administrative restructure.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar4.pdf. The description forms part of my auditor's report.

My opinion does not provide assurance:

- that the Commission carried out its activities effectively, efficiently and economically
- about the assumptions used in formulating the budget figures disclosed in the financial statements
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.

A handwritten signature in black ink, appearing to read 'SML'.

Min Lee
A/Director, Financial Audit Services

Delegate of the Auditor-General for New South Wales

18 September 2019
SYDNEY

Start of audited financial statements.

NEW SOUTH WALES CRIME COMMISSION

Statement of Comprehensive Income for the year ended 30 June 2019

	Notes	Consolidated			Statutory Corporation	
		Actual	Budget	Actual	Actual	Actual
		2019	2019	2018	2019	2018
		\$'000	\$'000	\$'000	\$'000	\$'000
Expenses excluding losses						
Employee-related expenses	2(a)	18,267	17,924	16,129	-	-
Operating expenses	2(b)	7,704	8,041	8,279	7,704	8,279
Personnel services	2(c)	-	-	-	17,143	15,837
Depreciation and amortisation	2(d)	1,144	1,280	1,365	1,144	1,365
Total expenses excluding losses		27,115	27,245	25,773	25,991	25,481
Revenue						
Grants and contributions	3(a)	24,021	25,796	26,482	24,021	26,482
Acceptance by the Crown Entity of employee benefits and other liabilities	3(b)	1,124	690	292	-	-
Other income		21	55	29	21	29
Total revenue		25,166	26,541	26,803	24,042	26,511
Gains / (losses) on disposal	4	(5)	-	(779)	(5)	(779)
Net result		(1,954)	(704)	251	(1,954)	251
Other comprehensive income		-	-	-	-	-
TOTAL COMPREHENSIVE INCOME		(1,954)	(704)	251	(1,954)	251

The accompanying notes form part of these financial statements.

NEW SOUTH WALES CRIME COMMISSION

Statement of Financial Position as at 30 June 2019

	Notes	Consolidated			Statutory Corporation	
		Actual 2019 \$'000	Budget 2019 \$'000	Actual 2018 \$'000	Actual 2019 \$'000	Actual 2018 \$'000
ASSETS						
Current Assets						
Cash and cash equivalents	5	938	543	2,234	938	2,234
Receivables	6	664	605	660	664	660
Non-current assets held-for-sale	10	-	111	111	-	111
Total Current Assets		1,602	1,259	3,005	1,602	3,005
Non-Current Assets						
Receivables	7	9	10	13	9	13
Property, plant and equipment	8					
Land and buildings		111	-	-	111	-
Plant and equipment		1,640	1,508	1,665	1,640	1,665
Intangible assets	9	1,735	1,881	2,200	1,735	2,200
Total Non-Current Assets		3,495	3,399	3,878	3,495	3,878
Total Assets		5,097	4,658	6,883	5,097	6,883
LIABILITIES						
Current Liabilities						
Payables	11	427	461	386	361	326
Provisions	12	1,797	1,716	1,678	1,922	1,789
Total Current Liabilities		2,224	2,177	2,064	2,283	2,115
Non-Current Liabilities						
Provisions	13	59	65	51	-	-
Total Non-Current Liabilities		59	65	51	-	-
Total Liabilities		2,283	2,242	2,115	2,283	2,115
Net Assets		2,814	2,416	4,768	2,814	4,768
EQUITY						
Accumulated funds	14	2,814	2,416	4,768	2,814	4,768
Total Equity		2,814	2,416	4,768	2,814	4,768

The accompanying notes form part of these financial statements.

NEW SOUTH WALES CRIME COMMISSION

Statement of Changes in Equity for the year ended 30 June 2019

	Accumulated	
	Funds	Total
	\$'000	\$'000
Balance at 1 July 2018	4,768	4,768
Net result for the year	(1,954)	(1,954)
Other comprehensive income	-	-
Total comprehensive income for the year	(1,954)	(1,954)
Balance at 30 June 2019	2,814	2,814
Balance at 1 July 2017	4,517	4,517
Net result for the year	251	251
Other comprehensive income	-	-
Total comprehensive income for the year	251	251
Balance at 30 June 2018	4,768	4,768

The above Statement of changes in equity refers to the Consolidated Entity and the Statutory Corporation as the figures are the same in both instances.

The accompanying notes form part of these financial statements.

NEW SOUTH WALES CRIME COMMISSION

Statement of Cash Flows for the year ended 30 June 2019

	Notes	Consolidated			Statutory Corporation	
		Actual 2019 \$'000	Budget 2019 \$'000	Actual 2018 \$'000	Actual 2019 \$'000	Actual 2018 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES						
Payments						
Employee related		(17,012)	(17,174)	(15,842)	-	-
Personnel Services		-	-	-	(17,012)	(15,842)
Other		(8,629)	(8,701)	(9,149)	(8,629)	(9,149)
Total Payments		(25,641)	(25,875)	(24,991)	(25,641)	(24,991)
Receipts						
Sales of goods and services		-	-	68	-	68
Grants and contributions		24,021	25,796	26,482	24,021	26,482
Other		983	655	855	983	855
Total Receipts		25,004	26,451	27,405	25,004	27,405
NET CASH FLOWS FROM OPERATING ACTIVITIES	18	(637)	576	2,414	(637)	2,414
CASH FLOWS FROM INVESTING ACTIVITIES						
Proceeds from sale of property, plant and equipment		10	-	13	10	13
Purchase of property, plant and equipment		(571)	(591)	(931)	(571)	(931)
Purchase of intangibles		(98)	(341)	(162)	(98)	(162)
NET CASH FLOWS FROM INVESTING ACTIVITIES		(659)	(932)	(1,080)	(659)	(1,080)
CASH FLOWS FROM FINANCING ACTIVITIES						
Repayments of borrowings and advances		-	-	-	-	-
NET CASH FLOWS FROM FINANCING ACTIVITIES		-	-	-	-	-
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS						
		(1,296)	(356)	1,334	(1,296)	1,334
Opening cash and cash equivalents		2,234	899	900	2,234	900
CLOSING CASH AND CASH EQUIVALENTS	5	938	543	2,234	938	2,234

The accompanying notes form part of these financial statements.

1. Summary of Significant Accounting Policies

(a) Reporting entity

The New South Wales Crime Commission (the Commission), is a New South Wales government entity and is controlled by the State of New South Wales, which is the ultimate parent. The Commission is a not-for-profit entity (as profit is not its principal objective) and it has no cash generating units.

The New South Wales Crime Commission, as a reporting entity, comprises of itself and one other entity under its control, the New South Wales Crime Commission Staff Agency.

In the process of preparing the consolidated financial statements for the economic entity, consisting of the controlling and controlled entities, all inter-entity transactions and balances have been eliminated, and like transactions and other events are accounted for using uniform accounting policies.

The consolidated financial statements for the year ended 30 June 2019 have been authorised for issue by the Commissioner on 17 September 2019.

(b) Basis of consolidation and preparation

The Commission's consolidated financial statements include the financial statements of the economic entity and the New South Wales Crime Commission Staff Agency.

The Commission's financial statements are general purpose financial statements which have been prepared on an accruals basis and in accordance with:

- applicable Australian Accounting Standards (AAS) (which include Australian Accounting Interpretations)
- the requirements of the *Public Finance and Audit Act 1983* and *Public Finance and Audit Regulation 2015* and
- Treasurer's Directions issued under the Act.

Property, plant and equipment and assets held for sale are measured at fair value. Other financial statement items are prepared in accordance with the historical cost convention except where specified otherwise.

Judgements, key assumptions and estimations management has made are disclosed in the relevant notes to the financial statements.

All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency, which is the Commission's presentation and functional currency.

(c) Statement of compliance

The financial statements and notes comply with Australian Accounting Standards, which include Australian Accounting Interpretations.

(d) Administered activities

The Commission administers, but does not control, certain activities on behalf of the Crown Entity. It is accountable for the transactions relating to those administered activities but does not have the discretion to deploy the resources for the achievement of the Commission's own objectives.

Transactions and balances relating to the administered activities are not recognised as the Commission's income, expenses, assets and liabilities, but are disclosed in the accompanying schedules as 'Administered Assets'.

The accrual basis of accounting and applicable accounting standards have been adopted.

(e) Accounting for the Goods and Services Tax

Income, expenses and assets are recognised net of the amount of goods and services tax (GST), except that the:

- amount of GST incurred by the Commission as a purchaser that is not recoverable from the Australian Taxation Office (ATO) is recognised as part of an asset's cost of acquisition or as part of an item of expense and
- receivables and payables are stated with the amount of GST included.

Cash flows are included in the Statement of Cash Flows on a gross basis. However, the GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

1. Summary of Significant Accounting Policies (continued)

(f) Comparative information

Except when an AAS permits or requires otherwise, comparative information is presented in respect of the previous period for all amounts reported in the financial statements.

(g) Changes in accounting policies, including new or revised AAS

(i) Effective for the first time in 2018-19

- AASB 9 *Financial Instruments*

The Commission has adopted AASB 9 *Financial Instruments* (AASB 9), which resulted in changes in accounting policies in respect of recognition classification and measurement of financial assets and financial liabilities; derecognition of financial instruments; impairment of financial assets and hedge accounting. AASB 9 also significantly amends other standards dealing with financial instruments such as the revised AASB 7 *Financial Instruments: Disclosures* (AASB 7R).

The Commission applied AASB 9 retrospectively but has not restated the comparative information which is reported under AASB 139 *Financial Instruments: Recognition and Measurement* (AASB 139). Any differences arising from the adoption of AASB 9 have been recognised directly in accumulated funds and other components of equity.

(a) Classification and measurement of financial instruments

The classification and measurement requirements of AASB 9 did not have a significant impact to the Commission. The Commission continued measuring at fair value, all financial assets previously held at fair value under AASB 139.

The following are the changes in the classification of the Commission's financial assets:

- Trade receivables classified as 'Loans and receivables' under AASB 139 as at 30 June 2018 are held to collect contractual cash flows representing solely payments of principal and interest. At 1 July 2018, these are classified and measured as debt instruments at amortised cost.
- The Commission has not designated any financial liabilities at fair value through profit or loss. There are no changes in the classification and measurement for the Commission's financial liabilities.

In summary, upon the adoption of AASB 9, there has been no material impact to the Commission.

(b) Impairment

The adoption of AASB 9 has changed the Commission's accounting for impairment losses for financial assets by replacing AASB 139's incurred loss approach with a forward-looking expected credit loss (ECL) approach. AASB 9 requires the Commission to recognise an allowance for ECLs for all debt instruments not held at fair value through profit or loss. There is no material impact to the Commission on adopting the new impairment model.

(ii) Issued but not yet effective

NSW public sector entities are not permitted to early adopt new AAS, unless Treasury determines otherwise.

The following new AAS have not been applied and are not yet effective:

- AASB 2016-7 *Amendments to Australian Accounting Standards - Deferral of AASB 15 for Not-for-Profit Entities*
- AASB 15, AASB 2014-5, AASB 2015-8 and 2016-3 regarding *Revenue from Contracts with Customers*

AASB 15 *Revenue from Contracts with Customers* is effective for reporting periods commencing on or after 1 January 2019. AASB 15 establishes a five-step model to account for revenue arising from contracts with customers. Revenue is recognised when control of goods or services is transferred to the customer at amounts that reflect the consideration to which the Commission expects to be entitled in exchange for transferring the goods or services to the customer. Under AASB 118 *Revenue*, revenue recognition is currently based on when risks and rewards are transferred.

1. Summary of Significant Accounting Policies (continued)

- *AASB 1058 Income of Not-for-profit Entities*

AASB 1058 *Income of Not-for-Profits* is effective for reporting periods commencing on or after 1 January 2019 and will replace most of the existing requirements in AASB 1004 *Contributions*. The scope of AASB 1004 is now limited mainly to parliamentary appropriations, administrative arrangements and contributions by owners. Under AASB 1058, the Commission will need to determine whether a transaction is consideration received below fair value principally to enable the Commission to further its objectives (accounted for under AASB 1058) or a revenue contract with a customer (accounted for under AASB 15).

The Commission will adopt AASB 15 and AASB 1058 on 1 July 2019 through application of the full retrospective transition approach. Recognition and measurement principles of the new standards will be applied for the current year and comparative year as though AASB 15 and AASB 1058 had always applied.

Under AASB 1058, the Commission will recognise as liabilities, obligations for funding received where there are performance obligations that are enforceable and sufficiently specific for the funding received by the Commission.

The Commission does not derive any income or value applicable to the standard.

- *AASB 16 Leases*

AASB 16 *Leases* is effective from reporting periods commencing on or after 1 January 2019. AASB 16 will result in most leases being recognised on the Statement of Financial Position, as the distinction between operating and finance leases is largely removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised at the commencement of the lease. The only exceptions are short-term and low-value leases. AASB 16 will therefore increase assets and liabilities reported on the Statement of Financial Position. It will also increase depreciation and interest expenses and reduce operating lease rental expenses on the Statement of Comprehensive Income. Expenses recognised in the earlier years of the lease term will be higher as the interest charges will be calculated on a larger lease liability balance. Existing leases are not expected to be significantly impacted from the transition to AASB 16.

The Commission will adopt AASB 16 on 1 July 2019 through application of the partial retrospective approach, where only the current year is adjusted as though AASB 16 had always applied. Comparative information will not be restated. The Commission will also adopt the practical expedient whereby the fair value of the right-of-use asset will be the same as the lease liability at 1 July 2019.

Based on the impact assessments the Commission has undertaken on currently available information, the Commission estimates additional lease liabilities of \$10.868 million and right-of-use assets of \$10.868 million will be recognised as at 1 July 2019 for leases in which the Commission is a lessee. Most operating lease expenses will be replaced by depreciation of the right-of-use asset and interest on the lease liability. The impact on the statement of comprehensive income is expected to be an expense of \$801 thousand in the 2019-20 financial year. The impact represents the current best estimates and is still under review. The amount recognised at 1 July 2019 in the Statement of Financial position may differ from this estimate.

- *AASB 2016-8 Amendments to Australian Accounting Standards - Australian Implementation Guidance for Not-for-Profit Entities*
- *AASB 2018-3 Amendments to Australian Accounting Standards - Reduced Disclosure Requirements*
- *AASB 2018-7 Amendments to Australian Accounting Standards - Definition of Material*
- *AASB 2018-8 Amendments to Australian Accounting Standards - Right-of-Use Assets of Not-for-Profit Entities*

The possible impact of these remaining standards in the period of initial application are not expected to materially impact the financial statements.

2. Expenses Excluding Losses

	Consolidated		Statutory Corporation	
	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000
(a) Employee related expenses				
Salaries and wages (including annual leave)	14,546	13,536	-	-
Superannuation - defined benefit plans	88	94	-	-
Superannuation - defined contribution plans	1,178	1,165	-	-
Long service leave	1,132	255	-	-
Workers' compensation insurance	84	73	-	-
Payroll tax and fringe benefit tax	850	827	-	-
Other	389	179	-	-
	<u>18,267</u>	<u>16,129</u>	<u>-</u>	<u>-</u>
(b) Other operating expenses include the following:				
Auditor's remuneration				
- audit of the financial statements	49	48	49	48
Operating lease rental expense				
- minimum lease payments	2,223	2,266	2,223	2,266
Maintenance*	209	148	209	148
Insurance	16	20	16	20
Office utilities	239	236	239	236
Office supplies	205	315	205	315
Computer services	1,921	2,648	1,921	2,648
Travel expenses	69	82	69	82
Motor vehicle expenses	17	15	17	15
Service and legal fees	540	660	540	660
Telecommunications	941	801	941	801
Maintenance agreements	894	658	894	658
Other	381	382	381	382
	<u>7,704</u>	<u>8,279</u>	<u>7,704</u>	<u>8,279</u>
* Reconciliation - Total Maintenance				
Maintenance expense - contracted labour and other (non-employee related), as above	209	148	209	148
Personnel services maintenance expense included in Note 2(a)	53	52	-	-
Total maintenance expenses included in Note 2(a) and 2(b)	<u>262</u>	<u>200</u>	<u>209</u>	<u>148</u>
(c) Personnel services				
New South Wales Crime Commission Staff Agency	-	-	17,143	15,837
	<u>-</u>	<u>-</u>	<u>17,143</u>	<u>15,837</u>

2. Expenses Excluding Losses (continued)

Recognition and Measurement

Maintenance expense

Day-to-day servicing costs or maintenance are charged as expenses as incurred, except where they relate to the replacement or an enhancement of a part or component of an asset, in which case the costs are capitalised and depreciated.

Insurance

The Commission's insurance activities are conducted through the New South Wales Treasury Managed Fund Scheme of self-insurance for Government entities. The expense (premium) is determined by the Fund Manager based on past claims experience.

Operating leases

An operating lease is a lease other than a finance lease. Operating lease payments are recognised as an operating expense in the Statement of Comprehensive Income on a straight-line basis over the lease term. The lease arrangements relates to the premises rental agreement with Property NSW.

	Consolidated		Statutory Corporation	
	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000
(d) Depreciation and amortisation expense				
Depreciation				
Plant and equipment	175	159	175	159
Computer equipment	385	258	385	258
Motor vehicles	21	23	21	23
	<u>581</u>	<u>440</u>	<u>581</u>	<u>440</u>
Amortisation	563	925	563	925
Total Depreciation and amortisation	<u>1,144</u>	<u>1,365</u>	<u>1,144</u>	<u>1,365</u>

Refer to Notes 8 and 9 for recognition and measurement policies on depreciation and amortisation.

3. Revenue

Recognition and Measurement

Income is measured at the fair value of the consideration or contribution received or receivable. Comments regarding the accounting policies for the recognition of income are discussed below.

(a) Grants and contributions				
Recurrent grants	23,350	25,400	23,350	25,400
Capital grants	671	1,082	671	1,082
	<u>24,021</u>	<u>26,482</u>	<u>24,021</u>	<u>26,482</u>

Recognition and Measurement

Income from grants (other than contribution by owners) is recognised when the Commission obtains control over the contribution. The Commission is deemed to have assumed control when the grant is received or receivable.

Contributions are recognised at their fair value. Contributions of services are recognised when and only when a fair value of those services can be reliably determined and the services would be purchased if not donated.

3. Revenue (continued)

Consolidated		Statutory Corporation	
2019	2018	2019	2018
\$'000	\$'000	\$'000	\$'000

- (b) Acceptance by the Crown Entity of employee benefits and other liabilities.

The following liabilities and/or expenses have been assumed by the Crown Entity or other entities:

Superannuation - defined benefit	88	94	-	-
Long service leave	1,031	194	-	-
Payroll tax	5	4	-	-
	<u>1,124</u>	<u>292</u>	<u>-</u>	<u>-</u>

4. Gain / (Loss) on Disposal

Written down value of assets sold/scrapped	(15)	(792)	(15)	(792)
Proceeds from disposal	10	13	10	13
	<u>(5)</u>	<u>(779)</u>	<u>(5)</u>	<u>(779)</u>

5. Current Assets - Cash and Cash Equivalents

Cash at bank and on hand	938	2,234	938	2,234
	<u>938</u>	<u>2,234</u>	<u>938</u>	<u>2,234</u>

For the purposes of the Statement of Cash Flows, cash and cash equivalents include cash at bank and cash on hand.

Cash and cash equivalent assets recognised in the statement of financial position are reconciled at the end of the financial year to the statement of cash flows as follows:

Cash and cash equivalents (per Statement of Financial Position)	938	2,234	938	2,234
Closing cash and cash equivalents (per Statement of Cash Flows)	<u>938</u>	<u>2,234</u>	<u>938</u>	<u>2,234</u>

Refer Note 20 for details regarding credit risk, liquidity risk and market risk arising from financial instruments.

6. Current Assets - Receivables

Operational expenses to be recouped	27	78	27	78
Other debtors	220	190	220	190
Prepayments	417	392	417	392
	<u>664</u>	<u>660</u>	<u>664</u>	<u>660</u>

Details regarding credit risk of trade debtors that are neither past due nor impaired, are disclosed in Note 20.

7. Non-Current Assets - Receivables

Professional costs to be recovered	9	13	9	13
	<u>9</u>	<u>13</u>	<u>9</u>	<u>13</u>

7. Non-Current Assets - Receivables (continued)

Recognition and Measurement

Income from professional costs recovered comprises revenue awarded to the Commission from litigation proceedings. This income is recognised following the making of a costs order by a court.

All 'regular way' purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. No allowance for expected credit losses has been made.

Receivables are initially recognised at fair value plus any directly attributable transaction costs. Trade receivables that do not contain a significant financing component are measured at the transaction price.

Subsequent measurement under AASB 9 (from 1 July 2018)

The Commission holds receivables with the objective to collect the contractual cash flows and therefore measures them at amortised cost using the effective interest method, less any impairment. Changes are recognised in the net result for the year when impaired, derecognised or through the amortisation process.

Subsequent measurement under AASB 139 (for comparative period ended 30 June 2018)

Subsequent measurement is at amortised cost using the effective interest method, less any impairment. Changes are recognised in the net result for the year when impaired, derecognised or through the amortisation process.

Impairment under AASB 9 (from 1 July 2018)

The Commission recognises an allowance for expected credit losses (ECLs) for all debt financial assets not held at fair value through profit and loss. ECLs are based on the difference between the contractual cash flows and the cash flows that the Commission expects to receive, discounted at the original effective interest rate.

For trade receivables, the Commission applies a simplified approach in calculating ECLs. The Commission recognises a loss allowance based on lifetime ECLs at each reporting date. The Commission has established a provision matrix based on its historical credit loss experience for trade receivables, adjusted for forward-looking factors specific to the receivable.

Impairment under AASB 139 (for comparative period ended 30 June 2018)

Receivables are subject to an annual review for impairment. These are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

The Commission first assesses whether impairment exists individually for receivables that are individually significant, or collectively for those that are not individually significant. Further, receivables are assessed for impairment on a collective basis if they were assessed not to be impaired individually.

The amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The amount of the impairment loss is recognised in the net result for the year.

Any reversals of impairment losses are reversed through the net result for the year, if objectively related to an event occurring after the impairment was recognised. Reversals of impairment losses cannot result in a carrying amount that exceeds what the carrying amount would have been had there not been an impairment loss.

8. Non-Current Assets - Property, Plant and Equipment

	<u>Consolidated</u>			<u>Statutory Corporation</u>		
	Land and buildings	Plant and equipment	Total	Land and buildings	Plant and equipment	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 July 2018 - fair value						
Gross carrying amount	-	5,511	5,511	-	5,511	5,511
Accumulated depreciation	-	(3,846)	(3,846)	-	(3,846)	(3,846)
Net carrying amount	-	1,665	1,665	-	1,665	1,665
At 30 June 2019 - fair value						
Gross carrying amount	111	5,663	5,774	111	5,663	5,774
Accumulated depreciation	-	(4,023)	(4,023)	-	(4,023)	(4,023)
Net carrying amount	111	1,640	1,751	111	1,640	1,751

Reconciliation

A reconciliation of the carrying amount of each class of property, plant and equipment at the beginning and end of the reporting period is set out below:

	<u>Land and buildings</u>			<u>Plant and equipment</u>		
	Land and buildings	Plant and equipment	Total	Land and buildings	Plant and equipment	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Year ended 30 June 2019						
Net carrying amount at start of year	-	1,665	1,665	-	1,665	1,665
Additions	-	571	571	-	571	571
Reclassification from Assets held-for-sale (see Note 10)	111	-	111	111	-	111
Disposals	-	(15)	(15)	-	(15)	(15)
Depreciation expense	-	(581)	(581)	-	(581)	(581)
Net carrying amount at end of year	111	1,640	1,751	111	1,640	1,751

	<u>Land and buildings</u>			<u>Plant and equipment</u>		
	Land and buildings	Plant and equipment	Total	Land and buildings	Plant and equipment	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 July 2017 - fair value						
Gross carrying amount	111	8,508	8,619	111	8,508	8,619
Accumulated depreciation	-	(6,645)	(6,645)	-	(6,645)	(6,645)
Net carrying amount	111	1,863	1,974	111	1,863	1,974

At 30 June 2018 - fair value

Gross carrying amount	-	5,511	5,511	-	5,511	5,511
Accumulated depreciation	-	(3,846)	(3,846)	-	(3,846)	(3,846)
Net carrying amount	-	1,665	1,665	-	1,665	1,665

Reconciliation

A reconciliation of the carrying amount of each class of property, plant & equipment at the beginning and end of the previous reporting period is set out below:

8. Non-Current Assets - Property, Plant and Equipment (continued)

	<u>Consolidated</u>			<u>Statutory Corporation</u>		
	Land and	Plant and	Total	Land and	Plant and	Total
	buildings	equipment		buildings	equipment	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Year ended 30 June 2018						
Net carrying amount at start of year	111	1,863	1,974	111	1,863	1,974
Additions	-	931	931	-	931	931
Assets Held-for-Sale (see Note 10)	(111)	-	(111)	(111)	-	(111)
Disposals	-	(689)	(689)	-	(689)	(689)
Depreciation expense	-	(440)	(440)	-	(440)	(440)
Net carrying amount at end of year	-	1,665	1,665	-	1,665	1,665

Recognition and Measurement

Acquisition of property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently revalued at fair value less accumulated depreciation and impairment. Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire the asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the requirements of other AAS.

Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at measurement date.

Where payment for an asset is deferred beyond normal credit terms, its cost is the cash price equivalent; i.e. deferred payment amount is effectively discounted over the period of credit.

Assets acquired at no cost, or for nominal consideration, are initially recognised at their fair value at the date of acquisition.

Capitalisation thresholds

Property, plant and equipment and intangible assets costing \$5,000 and above individually (or forming part of a network costing more than \$5,000) are capitalised.

Major inspection costs

When a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied.

Restoration costs

The present value of the expected cost for the restoration or cost of dismantling of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Depreciation of property, plant and equipment

Except for certain non-depreciable assets, depreciation is provided for on a straight-line basis so as to write off the depreciable amount of each asset as it is consumed over its useful life to the Commission.

All material identifiable components of assets are depreciated separately over their useful lives.

8. Non-Current Assets - Property, Plant and Equipment (continued)

Depreciation asset category	Rate (%)
Computer equipment	20 - 33
Plant and equipment	10 - 50
Motor vehicles	15

Revaluation of property, plant and equipment

Physical non-current assets are valued in accordance with the 'Valuation of Physical Non-Current Assets at Fair Value' Policy and Guidelines Paper (TPP14-01). This policy adopts fair value in accordance with AASB 13 and AASB 116.

Property, plant and equipment is measured at the highest and best use by market participants that is physically possible, legally permissible and financially feasible. The highest and best use must be available at a period that is not remote and take into account the characteristics of the asset being measured, including any socio-political restrictions imposed by government. In most cases, after taking into account these considerations, the highest and best use is the existing use. In limited circumstances, the highest and best use may be a feasible alternative use, where there are no restrictions on use or where there is a feasible higher restricted alternative use.

The Commission assesses each class of property, plant and equipment with sufficient regularity to ensure that the carrying amount at each asset in the class does not differ materially from its fair value at the reporting date. The Commission has assessed that any difference between fair value and depreciated historical cost is unlikely to be material.

The majority of the Commission's assets are non-specialised with short useful lives and therefore measured at depreciated historical cost, as an approximation of fair value.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end.

Impairment of property, plant and equipment

As a not-for-profit entity with no cash generating units, impairment under AASB 136 *Impairment of Assets* is unlikely to arise. Since property, plant and equipment is carried at fair value or an amount that approximates fair value, impairment can only arise in rare circumstances such as where the costs of disposal are material.

The Commission assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Commission estimates the asset's recoverable amount. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

As a not-for-profit entity, an impairment loss is recognised in the net result to the extent the impairment loss exceeds the amount in the revaluation surplus for the class of asset.

After an impairment loss has been recognised, it is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in net result and is treated as a revaluation increase. However, to the extent that an impairment loss on the same class of asset was previously recognised in net result, a reversal of that impairment loss is also recognised in net result.

9. Intangible Assets

	Consolidated	Statutory Corporation
	Total	Total
	\$'000	\$'000
At 1 July 2018		
Cost (gross carrying amount)	6,441	6,441
Accumulated amortisation and impairment	(4,241)	(4,241)
Net carrying amount	2,200	2,200

9. Intangible Assets (continued)

	Consolidated	Statutory Corporation
	Total	Total
	\$'000	\$'000
At 30 June 2019		
Cost (gross carrying amount)	5,871	5,871
Accumulated amortisation and impairment	(4,136)	(4,136)
Net carrying amount	<u>1,735</u>	<u>1,735</u>
Year ended 30 June 2019		
Net carrying amount at start of year	2,200	2,200
Additions	98	98
Disposals	-	-
Amortisation (recognised in "depreciation and amortisation")	(563)	(563)
Net carrying amount at end of year	<u>1,735</u>	<u>1,735</u>
At 1 July 2017		
Cost (gross carrying amount)	7,799	7,799
Accumulated amortisation and impairment	(4,733)	(4,733)
Net carrying amount	<u>3,066</u>	<u>3,066</u>
At 30 June 2018		
Cost (gross carrying amount)	6,441	6,441
Accumulated amortisation and impairment	(4,241)	(4,241)
Net carrying amount	<u>2,200</u>	<u>2,200</u>
Year ended 30 June 2018		
Net carrying amount at start of year	3,066	3,066
Additions	162	162
Disposals	(103)	(103)
Amortisation (recognised in "depreciation and amortisation")	(925)	(925)
Net carrying amount at end of year	<u>2,200</u>	<u>2,200</u>

The majority of Intangible assets represent computer software, including specialised enterprise software.

Recognition and Measurement

The Commission recognises intangible assets only if it is probable that future economic benefits will flow to the Commission and the cost of the asset can be measured reliably. Intangible assets are measured initially at cost. Where an asset is acquired at no or nominal cost, the cost is its fair value as at the date of acquisition. Following initial recognition, intangible assets are subsequently measured at fair value only if there is an active market. If there is no active market for the Commission's intangible assets, the assets are carried at cost less any accumulated amortisation and impairment losses.

All research costs are expensed. Development costs are only capitalised when certain criteria are met.

The useful lives of intangible assets are assessed to be finite.

The Commission's intangible assets are amortised using the straight-line method over a period of 3 to 10 years.

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

Intangible assets are tested for impairment where an indicator of impairment exists. If the recoverable amount is less than its carrying amount, the carrying amount is reduced to recoverable amount and the reduction is recognised as an impairment loss.

10. Non-Current Assets Held-for-Sale

	Consolidated		Statutory Corporation	
	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000
Assets held-for-sale				
Land and buildings	-	111	-	111
	-	111	-	111

The Commission has reclassified the 3 parking spaces from assets held-for-sale to Land and Buildings due to market disinterest.

Recognition and Measurement

The Commission had certain non-current assets classified as held-for-sale, where their carrying amount was to be recovered principally through a sale transaction, not through continuing use. Non-current assets held-for-sale are recognised at the lower of their carrying amount and fair value less costs of disposal. These assets did not depreciate while they were classified as held-for-sale.

11. Current Liabilities - Payables

Accrued salaries, wages and on-costs	66	60	-	-
Creditors	81	129	81	129
Accrued other operating expenses	280	197	280	197
	427	386	361	326

Details regarding liquidity risk, including a maturity analysis of the above payables are disclosed in Note 20.

Recognition and measurement

Payables represent liabilities for goods and services provided to the Commission and other amounts. Short-term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

Payables are financial liabilities at amortised cost, initially measured at fair value, net of directly attributable transaction costs. These are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised net result when the liabilities are derecognised as well as through the amortisation process.

12. Current Liabilities - Provisions

Employee benefits and related on-costs

Provision for personnel services	-	-	1,922	1,789
Annual leave	1,117	1,091	-	-
Long service leave on-costs	680	587	-	-
Total Provisions	1,797	1,678	1,922	1,789

Aggregate employee benefits and related on-costs

Expected to be settled within 12 months	787	978	-	-
Expected to be settled after 12 months	1,010	700	-	-
	1,797	1,678	-	-

13. Non-Current Liabilities - Provisions

	Consolidated		Statutory Corporation	
	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000
Employee benefits and related on-costs				
Long service leave on-costs	59	51	-	-
Total provisions	59	51	-	-
Aggregate employee benefits and related on-costs				
Provisions - current	1,797	1,678	-	-
Provisions - non-current	59	51	-	-
Accrued salaries, wages and on-costs (Note 11)	66	60	-	-
	1,922	1,789	-	-

Recognition and Measurement

Employee benefits and related on-costs

Salaries and wages, annual leave and sick leave

Salaries and wages (including non-monetary benefits) and paid sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the service are recognised and measured at the undiscounted amounts of the benefits.

Annual leave is not expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service. As such, it is required to be measured at present value in accordance with AASB 119 *Employee Benefits* (although short-cut methods are permitted).

Actuarial advice obtained by Treasury has confirmed that using the nominal annual leave balance plus the annual leave entitlements accrued while taking annual leave (calculated using 9.29% of the nominal value of annual leave) can be used to approximate the present value of the annual leave liability. The Commission has assessed the actuarial advice based on the Commission's circumstances and has determined that the effect of discounting is immaterial to annual leave. All annual leave is classified as a current liability even where the Commission does not expect to settle the liability within 12 months as the Commission does not have an unconditional right to defer settlement.

Unused non-vesting sick leave does not give rise to a liability as it is not considered probable that sick leave taken in the future will be greater than the benefits accrued in the future.

Long service leave and superannuation

The Commission's liabilities for long service leave and defined benefit superannuation are assumed by the Crown Entity. The Commission accounts for the liability as having been extinguished, resulting in the amount assumed being shown as part of the non-monetary revenue item described as 'Acceptance by the Crown Entity of employee benefits and other liabilities'.

Long service leave is measured at the present value of expected future payments to be made in respect of services provided up to the reporting date. Consideration is given to certain factors based on actuarial review, including expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using Commonwealth government bond rate at the reporting date.

The superannuation expense for the financial year is determined by using the formulae specified in the Treasurer's Directions. The expense for certain superannuation schemes (i.e. Basic Benefit and First State Super) is calculated as a percentage of the employees' salary. For other superannuation schemes (i.e. State Superannuation Scheme and State Authorities Superannuation Scheme), the expense is calculated as a multiple of the employees' superannuation contributions.

Consequential on-costs

Consequential costs to employment are recognised as liabilities and expenses where the employee benefits to which they relate have been recognised. This includes outstanding amounts of payroll tax, workers' compensation insurance premiums and fringe benefits tax.

14. Equity

Accumulated Funds

The category 'Accumulated Funds' includes all current and prior period retained funds.

15. Commitments

	Consolidated		Statutory Corporation	
	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000
(a) Capital Commitments				
Aggregate capital expenditure for the acquisition of computer related items contracted for at balance date and not provided for:				
Within one year	-	23	-	23
Later than one year and not later than five years	-	-	-	-
Later than five years	-	-	-	-
Total (including GST)	-	23	-	23
(b) Operating Lease Commitments				
Commission as lessee				
Future minimum rentals payable under non-cancellable operating lease as at 30 June are, as follows:				
Within one year	3,163	2,379	3,163	2,379
Later than one year and not later than five years	12,650	9,515	12,650	9,515
Later than five years	-	2,379	-	2,379
Total (including GST)	15,813	14,272	15,813	14,272

16. Contingent Liabilities and Contingent Assets

Contingent Liabilities

The Commission commenced the financial year with one contingent liability which is yet to be settled. In July 2018 the Commission was notified of another potential contingent liability. Due to legal restrictions, the details of these contingent liabilities cannot be disclosed. Both contingent liabilities are covered by the Commission's insurance policy.

Contingent Assets

The Commission is not aware of any contingent assets that will materially affect its financial position as at the reporting date.

17. Budget Review

The budgeted amounts are drawn from the original budgeted financial statements presented to Parliament in respect of the reporting period. Subsequent amendments to the original budget (e.g. adjustment for transfer of functions between entities as a result of Administrative Arrangements Orders) are not reflected in the budgeted amounts. Major variances between the original budgeted amounts and the actual amounts disclosed in the financial statements are explained over page.

17. Budget Review (continued)

Net result

The actual net result as at 30 June 2019 was lower than the budget of \$0.704m by \$1.250m, with a final result of -\$1.954m.

Employee related expenses were higher than the budget by \$0.343m. This variation is attributed to larger than anticipated Long Service Leave present value adjustment, due to a significant drop in the Commonwealth ten-year-bond rate over the year.

Operating expenses were lower than the budget by \$0.337m as there was a decrease in spending in the areas of legal fees, and computer services, as well as an underspend in a protected line item.

Depreciation and amortisation was lower than the budget by \$0.136m. This variation is attributed to delays in capital acquisitions during the financial year; and an approved carry forward of \$0.250m to the 2019-20 financial year.

Total revenue was lower than the budget by \$1.375m as the Commission utilised its excess cash in lieu of further drawdowns of recurrent grants.

Assets and liabilities

The total of net assets at 30 June 2019 was higher than the budget by \$0.398m.

Total current assets were higher than the budget by \$0.343m. This variation is attributed to a higher than anticipated cash balance at year end.

Total non-current assets were higher than the budget by \$96k. This variation is attributed to the reclassification of land from assets held-for-sale (current assets) to land and buildings (non-current assets).

Total liabilities were higher than the budget by \$41k due to slightly higher than budgeted leave provisions.

Cash flows

The cash flows from operating activities were lower than the budget by \$1.213m, as a result of lower drawdowns in recurrent grants, noting the high cash balance from the previous year.

The cash flows from investing activities were lower than the budget by \$0.273m, due to a carry forward of capital grants and minor proceeds of sales from disposals.

18. Reconciliation of Cash Flows from Operating Activities to Net Result

Reconciliation of cash flows from operating activities to the net result as reported in the Statement of Comprehensive Income as follows:

	Consolidated		Statutory Corporation	
	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000
Net cash used on operating activities	(637)	2,414	(637)	2,414
Depreciation & amortisation	(1,144)	(1,365)	(1,144)	(1,365)
Decrease / (increase) in provisions	(127)	4	(133)	7
Increase / (decrease) in receivables and other assets	-	(63)	-	(63)
Decrease / (increase) in payables	(41)	40	(35)	37
Net gain / (loss) on sale of plant and equipment	(5)	(779)	(5)	(779)
Net result	(1,954)	251	(1,954)	251

19. Administered Assets

As part of a previous operational practice during the course of criminal investigations, the Commission seized funds under various legislative powers, which were not a result of confiscations under the *Criminal Assets Recovery Act 1990*. These funds were received following activities such as search warrants, notices to produce and other activities. In some cases this included funds with no clear position as to its title or disposition. The funds were paid into an escrow account pending determination of such issues. The account is interest bearing and it is reconciled as to principal and interest on a regular basis. The balance is not treated as an asset of the Commission. These funds are administered by the New South Wales Trustee and Guardian. An amount of \$90k was being held on behalf of the Commission as at 30 June 2019 (\$88k as at 30 June 2018).

20. Financial Instruments

The Commission's principal financial instruments are outlined below. These financial instruments arise directly from the Commission's operations or are required to finance the Commission's operations. The Commission does not enter into or trade financial instruments including derivative financial instruments, for speculative purposes.

The Commission's main risks arising from financial instruments are outlined below, together with the Commission's objectives, policies and processes for measuring and managing risk. Further quantitative and qualitative disclosures are included throughout these Financial Statements.

The Commissioner has overall responsibility for the establishment and oversight of risk management and reviews and agrees policies for managing each of these risks. Risk management policies are established to identify and analyse the risks faced by the Commission, to set risk limits and controls and to monitor risks. Compliance with these policies is reviewed by the Audit and Risk Committee on a continuous basis.

The Commission determines the classification of its financial assets and liabilities after initial recognition and, when allowed and appropriate, re-evaluates that at each year end.

(a) Financial instrument categories

i. As at 30 June 2019 under AASB 9

Financial Assets	Note	Category	Carrying Amount
			2019
Class:			\$'000
Cash and cash equivalents	5	N/A	938
Receivables ¹	6	Amortised Cost	36
Financial Liabilities	Note	Category	Carrying Amount
			2019
Class:			\$'000
Payables ²	11	Financial liabilities measured at amortised cost	416

Notes:

1. Excludes statutory receivables and prepayments (i.e. not within scope of AASB 7).
2. Excludes statutory payables and unearned revenue (i.e. not within scope of AASB 7).

ii. As at 30 June 2018 under AASB 139 (comparative period)

Financial Assets	Note	Category	Carrying Amount
			2018
Class:			\$'000
Cash and cash equivalents	5	N/A	2,234
Receivables ¹	6	Loans and receivables (at amortised cost)	91
Financial Liabilities	Note	Category	Carrying Amount
			2018
Class:			\$'000
Payables ²	11	Financial liabilities measured at amortised cost	367

20. Financial Instruments (continued)

Notes:

1. Excludes statutory receivables and prepayments (i.e. not within scope of AASB 7).
2. Excludes statutory payables and unearned revenue (i.e. not within scope of AASB 7).

(b) Derecognition of financial assets and financial liabilities

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the contractual rights to the cash flows from the financial assets expire; or if the Commission transfers its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:

- the Commission has transferred substantially all the risks and rewards of the asset; or
- the Commission has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control.

When the Commission has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. Where the Commission has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset continues to be recognised to the extent of the Commission's continuing involvement in the asset. In that case, the Commission also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Commission has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Commission could be required to repay.

A financial liability is derecognised when the obligation specified in the contract is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the net result.

(c) Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

(d) Financial risks

i. Credit Risk

Credit risk arises when there is the possibility that the counterparty will default on their contractual obligations, resulting in a financial loss to the Commission. The maximum exposure to credit risk is generally represented by the carrying amount of the financial assets (net of any allowance for credit losses or allowance for impairment).

Credit risk arises from the financial assets of the Commission, including cash and receivables. No collateral is held by the Commission. The Commission has not granted any financial guarantees.

Credit risk associated with the Commission's financial assets, other than receivables, is managed through the selection of counterparties and establishment of minimum credit rating standards.

Cash and cash equivalents

Cash comprises of cash on hand and bank balances within the New South Wales Treasury Banking System.

Receivables - trade debtors

Collectability of trade debtors is reviewed on an ongoing basis. Procedures as established in the Treasurer's Directions are followed to recover outstanding amounts, including letters of demand.

20. Financial Instruments (continued)

The Commission applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade debtors.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on historical observed loss rates. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Commission has identified these to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

Trade debtors are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others a failure to make contractual payments for a period of greater than 30 days past due.

The loss allowance for trade debtors as at 30 June 2019 and 1 July 2018 (on adoption of AASB) was determined as follows:

	30 June 2019					Total
	Current	< 30 days	30-60 days	61-90 days	> 91 days	
Expected credit loss rate (%)	-	-	-	-	-	
Estimated total gross carrying amount at default (\$'000)	22	-	-	-	9	31
Expected credit loss (\$'000)	-	-	-	-	-	-

	1 July 2018					Total
	Current	< 30 days	30-60 days	61-90 days	> 91 days	
Expected credit loss rate (%)	-	-	-	-	-	
Estimated total gross carrying amount at default (\$'000)	34	-	41	2	13	91
Expected credit loss (\$'000)	-	-	-	-	-	-

Notes:

The analysis excludes statutory receivable, prepayments, as these are not within the scope of AASB 7. Therefore, the 'total' will not reconcile to the receivables total in Note 6 or 7.

The Commission is not materially exposed to concentrations of credit risk to a single trade debtor or group of debtors as at 30 June 2019. Most of the Commission's debtors have a 'AAA' credit rating.

Collectability of trade debtors is reviewed on an ongoing basis. Procedures as established in the Treasurer's Directions are followed to recover outstanding amounts, including letters of demand. Debtors which are known to be uncollectible are written off. An allowance for impairment is raised when there is objective evidence that the Commission will not be able to collect all amounts due. This evidence includes past experience, and current and expected changes in economic conditions and debtor credit ratings. No interest is earned on trade debtors. Sales are made on 30 day terms.

For the comparative period 30 June 2018, the ageing analysis of trade debtors is as follows:

	2018
	\$'000
Neither past due nor impaired	34
Past due but not impaired	
< 3 months overdue	41
3 months - 6 months overdue	2
> 6 months overdue	13
	<u>91</u>

20. Financial Instruments (continued)

	2018 \$'000
Impaired	
< 3 months overdue	-
3 months - 6 months overdue	-
> 6 months overdue	-
	-
Total receivables - gross of allowance for impairment	-

Notes:

The ageing analysis excludes statutory receivable, prepayments, as these are not within the scope of AASB 7. Therefore, the 'total' will not reconcile to the receivables total in Note 6 or 7.

The Commission is not materially exposed to concentrations of credit risk to a single trade debtor or group of debtors. Based on past experience, debtors that are not past due (2019: \$27k; 2018:\$34k) and less than 3 months past due (2019: nil, 2018: \$41k) are not considered impaired. Together, these represent 76% (2018: 84%) of the total trade debtors. No provision for doubtful debts have been recognised as all amounts are considered to be collectable.

ii. Liquidity risk

Liquidity risk is the risk that the Commission will be unable to meet its payment obligations when they fall due. The Commission continuously manages risk through monitoring future cash flows and maturities planning to ensure adequate holding of high quality liquid assets.

During the current and prior year, there were no defaults of borrowings. No assets have been pledged as collateral. The Commission's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

Liabilities are recognised for amounts due to be paid in the future for goods or services received, whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set out in TC11-12. For small business suppliers, where terms are not specified, payment is made not later than 30 days from date of receipt of a correctly rendered invoice. For other suppliers, if trade terms are not specified, payment is made no later than the end of the month following the month in which an invoice or a statement is received. For small business suppliers where payment is not made within the specified time period, simple interest must be paid automatically unless an existing contract specifies otherwise.

The table below summarises the maturity profile of the Commission's financial liabilities based on contractual undiscounted payments, together with the interest rate exposure.

Maturity analysis and interest rate exposure of financial liabilities

	\$'000				Maturity Dates			
	Weighted Average Effective Int. Rate	Interest Rate Exposure Nominal Amount	Fixed Interest Rate	Variable Interest Rate	Non- interest Bearing	<1 yr	1-5 yrs	>5 yrs
2019								
<i>Payables</i> ¹		416	-	-	416	416	-	-
		416	-	-	416	416	-	-
2018								
<i>Payables</i> ¹		367	-	-	367	367	-	-
		367	-	-	367	367	-	-

Notes:

1. The amounts disclosed are the contractual undiscounted cash flows of each class of financial liabilities based on the earliest date on which the Commission can be required to pay. The tables include both interest and principal cash flows and therefore will not reconcile to the statement of financial position.

20. Financial Instruments (continued)

iii. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Commission's exposures to market risk are primarily through interest rate risk on the Commission's cash and cash equivalents. The Commission has no exposure to foreign currency risk and does not enter into commodity contracts.

The effect on profit and equity due to a reasonably possible change in risk variable is outlined in the information below, for the interest rate risk. A reasonably possible change in risk variable has been determined after taking into account the economic environment in which the Commission operates and the time frame for the assessment (i.e. until the end of the next annual reporting period). The sensitivity analysis is based on risk exposures in existence at the statement of financial position date. The analysis is performed on the same basis as for 2018. The analysis assumes that all other variables remain constant.

Interest rate risk

A reasonably possible change of +/- 1% is used, consistent with current trends in interest rates. The basis will be reviewed annually and amended where there is a structural change in the level of interest rate volatility. The Commission's exposure to interest rate risk is set out below.

		\$'000			
	Carrying Amount	-1%		1%	
		Profit	Equity	Profit	Equity
2019					
Financial Assets					
Cash and cash equivalents	938	(9)	(9)	9	9
2018					
Financial Assets					
Cash and cash equivalents	2,234	(22)	(22)	22	22

(e) Fair value measurement

i. Fair value compared to carrying amount

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability. Management assessed cash, trade receivables and trade payables approximates their fair value, largely due to the short-term maturities of these instruments.

21. Related Party Disclosures

The Commission's key management personnel compensation are as follows:

	Consolidated	
	2019	2018
	\$'000	\$'000
Short-term employee benefits	1,973	2,107
Total Remuneration	1,973	2,107

The Statutory Corporation received \$1.973m in respect of key management personnel services provided by the NSW Crime Commission Staff Agency.

The Commission did not enter into any transactions including any on arm's length terms and conditions with key management personnel, their close family members and controlled or jointly controlled entities thereof.

21. Related Party Disclosures (continued)

The Commission entered into transactions with other entities that are controlled/ jointly controlled/ significantly influenced by NSW Government. These transactions are a significant portion of the Commission's rendering of services.

	2019	2018
	\$000	\$000
Income		
NSW Department of Justice	24,021	26,482
Expenditure		
NSW Treasury Managed Fund	104	97
Property NSW	2,223	2,266
NSW Police Force	320	-
NSW Department of Justice	113	-

22. Events after the Reporting Period

There have been no significant events after the reporting period which would materially affect these financial statements.

End of audited financial statements.



New South Wales
Crime Commission

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