

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

**ANNUAL REPORT
2021-2022**



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TO: The Parliament of Western Australia

I present the Annual Report for the year ending 30 June 2022 pursuant to section 203 of the *Corruption, Crime and Misconduct Act 2003* (WA).



**MATTHEW ZILKO SC
PARLIAMENTARY INSPECTOR**



THIS REPORT

This Annual Report is made pursuant to section 203 of the *Corruption, Crime and Misconduct Act 2003* (WA) (the Act) and deals with the activities of the office of the Parliamentary Inspector generally during the 2021-2022 year.

THE OFFICE OF PARLIAMENTARY INSPECTOR

My functions and powers are set out in section 195 and 196 of the Act respectively, and my primary responsibilities as Parliamentary Inspector are:

- auditing the operation of the Act;
- overseeing the activities of the Corruption and Crime Commission (Commission) and its officers;
- keeping the Parliament informed of material issues concerning the operation of the Commission;
- dealing with misconduct on the part of the Commission and its officers;
- assessing the effectiveness and appropriateness of the Commission's procedures;
- informing the Parliament of issues that arise in the exercise of my functions and powers under the Act; and
- assisting the Joint Standing Committee on the Corruption and Crime Commission (Joint Standing Committee) to perform its functions.

Although this is my second Annual Report as Parliamentary Inspector, the reporting period is the first full financial year that I have occupied this role. The work continues to be both interesting and varied, and I am grateful for the constructive way in which the Commission engages with my office and the positive working relationship between us.

My own office could fairly be described as minimalist: my very capable Principal Advisor, Sarah Burnside, and I work together on each and every case, investigation and audit. We also receive valuable assistance in the form of administrative, accounting, human resources, IT support, secretarial and budgetary services from the Department of Justice, without which it would be very difficult to carry out the office's statutory functions.

Notwithstanding the small size of the office, it works very efficiently, and has had a busy and productive twelve months. During this time, I have dealt with over one hundred individual matters, tabled two reports with the Joint Standing Committee and made submissions on a number of matters in connection with my role under the Act.

THE WORKLOAD OF THE OFFICE

My office undertook 109 new investigation/cases during the reporting period and finalised 119. During the previous reporting period, the office undertook 98 investigations/cases and finalised 74. Of the matters finalised during the 2021-2022 financial year, 95 were commenced in the reporting period and 24 were from the previous reporting period.

The previous financial year, 2020-2021, saw an increase in investigations/cases, particularly in complaints received from members of the public who sought an assessment of the Commission's procedures. As discussed in last year's Annual Report, I attribute that increase in large part to an agreed amendment in the Commission's outcome letters to complainants. In any event, the trend was consolidated in 2021-2022.

At present, the increase in complaints made to my office remains manageable within current resourcing. I make it a priority to respond to complainants in a timely fashion, and to write them letters that are as detailed as the Act's disclosure provisions will allow. If I find that my ability to meet these priorities is compromised by the volume of complaints received, I will raise the matter with the Joint Standing Committee.

The investigative work undertaken

During the reporting period, 59% of the work of the office was devoted to what has become known as my investigative or complaints function.

This function has its origins in section 195(1)(c) of the Act, which provides that I am to assess the effectiveness and appropriateness of the Commission's procedures. The most common way that I carry out this function is in dealing with complaints from members of the public about a decision that the Commission has made.

Pursuant to section 196(3)(b) of the Act, I am entitled to full access to the Commission's records. Therefore, when I receive a complaint about some aspect of the Commission's operations, I can obtain a copy of its file on the matter. I then review the file in order to assess the procedures used in that instance in accordance with my function in section 195(1)(c) of the Act. Depending on the nature of the complaint, the materials in the file may include correspondence, transcript, photographs, and footage from CCTV or body worn cameras.

Typically, the complaints I receive come from individuals who have made allegations of serious misconduct to the Commission and who are unhappy that the Commission has not discerned sufficient evidence to support those allegations. As I regularly explain to complainants, an assessment conducted pursuant to section 195(1)(c) is not in the nature of a merits review. That is, it is not my role to reassess their complaint and formulate my own view on the matter.

Instead, I am effectively checking for process failure, being instances where the Commission's officers might have neglected to take into account relevant considerations, had regard to irrelevant considerations, or misstated the nature of an allegation. If I find such errors, I need to determine whether they have materially affected the Commission's assessment of an allegation.

If I form the view that the procedures used by the Commission were free from error and the conclusions reached were open on the available materials, I consider the matter closed from my perspective. In those instances, I write to the complainant to outline the reasons for my decision, within the significant confines imposed by the Act's restrictions on disclosure. However, if I am not satisfied on these counts, I will write to the Commission to either seek clarification as to its reasoning, or to request that it reassess an allegation.

The ability to receive and act upon complaints made by members of the public is an important part of my role in scrutinising the way the Commission exercises its serious misconduct jurisdiction. Each time I review a file, I am effectively conducting an audit of the Commission's assessment procedures.

The nature and the number of investigations/cases undertaken by the office in 2021-2022 were:

- 39 allegations that were made against a Commission officer and were received by the Commission, about which I was notified, in accordance with an agreed protocol, under section 196(4) of the Act. This was fifteen more than during the previous financial year.

However, as discussed further below on page ten, I do not view this increase as cause for any concern.

- There were 55 complaints about some aspect of the Commission's assessment of allegations of serious misconduct. This was four fewer than during the previous reporting period but nevertheless still considerably higher than the number of complaints received in earlier years.

The allegations themselves vary greatly, being made against public officers employed in (for example) local governments, universities, schools, government departments, and prisons. Of the 55 complaints I received directly from complainants, 26, or around 47%, related to police in some way, including allegations by serving officers. No doubt this proportion reflects the nature of the role played by police and the heightened atmosphere in which members of the public interact with police officers.

- No new matters were referred to my office by the Joint Standing Committee pursuant to section 195(2)(d) of the Act. During the previous reporting period, the Committee referred three new matters to my office, one of which remains active.
- There were 15 miscellaneous matters. These included communications from members of the public who raised issues lying outside my jurisdiction, such as complaints regarding Commonwealth rather than Western Australian public officers. Other miscellaneous matters included concerns about potential misconduct expressed by individuals who had not yet made any allegations to the Commission, or who had done so but were not yet ready to make a further complaint to me. Some of these communications may ultimately result in complaints being made in the next financial year.

The audit work undertaken

During the reporting period 41% of the office's work was devoted to my audit function.

This function is enumerated in sections 195(1)(aa), (a) and (cc) of the Act, which provide that the Parliamentary Inspector is to audit the operation of the Act as well as the Commission's operations under both the Act itself and other Western Australian legislation. The Act does not however prescribe the manner in which I am to exercise these functions other than to empower me, by section 196(2), 'to do all things necessary or convenient for the performance of [my] functions'.

My audits of the Commission are presently conducted in two principal ways: in the assessment and investigation of complaints made about Commission activities, and when the office audits the Commission's records on a quarterly basis.

The quarterly audits were traditionally conducted by having the Parliamentary Inspector's Principal Advisor attend the Commission to examine its documents. In 2019 my predecessor the late Hon Michael Murray AM QC informed the Parliament that he had instituted a new procedure, with the agreement of the Commission, whereby the auditable documents were delivered securely to his office. This approach has continued since that time, and I appreciate the Commission's assistance with the audit each quarter.

I am currently considering ways in which the audit process itself could be enhanced to provide a more comprehensive oversight of the Commission's operations and have recently written to the

Commissioner to broach the subject. In this regard, I am aware from my counterparts in other jurisdictions that their audits are performed in ways that differ from the approach taken to date in Western Australia. There may be merit in adopting some of these other mechanisms, but at this stage I have not formed any concluded view on the issue. The annual meeting of Parliamentary Inspectors is taking place in Sydney later this year and this is one of several matters that I anticipate will be canvassed, due to the importance of auditing the work of each integrity commission throughout Australia.

Reports tabled with the Parliament or the Joint Standing Committee

I tabled two reports in 2021-2022. These related to the definition of ‘public officer’ in the Act and police powers of arrest and were tabled with the Joint Standing Committee on 7 and 8 February 2022 respectively. The Joint Standing Committee tabled its own reports on these matters in Parliament on 24 March 2022.

In my report on the Act’s definition of ‘public officer’, I recommended amendments to the definition so that it no longer excludes persons who are not employed directly by government departments. During the preparation of the report I consulted the Commissioner, who agreed with my concerns as to the narrowness of the definition. He observed that the current definition had not evolved to recognise the increasing use within the public sector of varying employment arrangements that are outside the traditional permanency of employment in the sector. In its own report on the matter, the Joint Standing Committee recommended:

That the Attorney General direct the Department of Justice to examine the definition of ‘public officer’ and matters raised in the attached report of the Parliamentary Inspector of the Corruption and Crime Commission as part of its project to modernise the *Corruption, Crime and Misconduct Act 2003*.

I am pleased to say that recommendation was accepted by the Government. In a response tabled on 21 June 2022, the Attorney General advised that he had instructed the Department of Justice that, in developing proposals for the reform of the Act, it should ensure the definition of ‘public officer’ is fit for purpose and relevant to contemporary public sector hiring practices. From the tenor of the discussion of the report in the Legislative Council on 31 August 2022, it would appear that this proposal has bipartisan support.

In my second report, which related to police powers of arrest, I outlined my concerns at a decision reached by the Commission in response to a complaint from a member of the public. The complainant had been arrested by two officers who had, in my view, not been in possession of sufficient information to reasonably suspect her of having committed the relevant offence.

However, the arrest was found by WA Police, and by the Commission, to have been lawful, albeit unreasonable. In my report, I briefly examined the relevant provisions of the *Criminal Investigation Act 2006* (CIA) and suggested that it would be appropriate to amend those sections which allow police to arrest a person without a warrant. In its own report, the Joint Standing Committee recommended:

That the Minister for Police consider matters raised in the attached report of the Parliamentary Inspector and respond to the request to consider amending the powers of arrest in the *Criminal Investigation Act 2006*.

The Government response to this recommendation was tabled in Parliament on 9 August 2022 and outlined the reasons why it did not agree with my analysis of the situation. Among other

things, the Police Minister suggested that the problem in this instance was not the legislation itself but ‘a combination of unintentional mistakes and unsatisfactory actions taken by the two police officers’, with the mistakes themselves being ‘partly down to inexperience and omissions in applying internal policies and procedures’. The Police Minister also outlined the steps taken within WA Police following the incident.

Submissions

In addition to tabling the above reports with the Joint Standing Committee, I made a brief submission to its current Inquiry *What happens next? Beyond a finding of serious misconduct*, which is due to report on 30 November 2023. A copy of the submission is available on the Joint Standing Committee’s website.

During the reporting period, the Parliamentary Committee on the Independent Commission Against Corruption in New South Wales (ICAC Committee) invited me to make a submission to its Inquiry into aspects of the *Independent Commission Against Corruption Act 1988* (NSW). My submission focused on the role and powers of the Inspector of the Independent Commission Against Corruption, whose position is analogous to my own. I have been asked to speak to my submission in a hearing before the ICAC Committee later this year via video link.

Cases during the 2021-2022 Reporting Period

Many interesting matters have occupied my time over the past year, and the complaints made to my office have varied greatly in complexity. Some cases can be settled relatively quickly: upon reading the Commission’s file it is often clear that its decisions were open on the evidence and that no errors were made. In other instances, assessing the Commission’s procedures involves close analysis of the allegations made, including research on the relevant subject area, and results in an exchange of correspondence with the Commissioner. As a consequence, some of the files in my office may remain live for many months before being finalised.

Some of my particularly long-running matters originate in complaints that have been made to the Commission and then referred to another agency for action. The relevant provisions are often not well understood, so they bear restating here. The Commission is not obliged to investigate each allegation it receives. Instead, it is required by section 32(1) of the Act to *assess* each allegation to determine what action to take. One option open to the Commission following this process is to refer an allegation to an independent agency or appropriate authority for action pursuant to section 33(1)(c) of the Act.

In my 2020-2021 Annual Report, I discussed a case in which the Commission had referred an allegation to a government department for action and had accepted a wholly inadequate report provided by that department. I concluded that the matter in question had ultimately been resolved satisfactorily, and that the Commission had implemented improvements to its closure process for matters referred for action pursuant to section 33(1)(c) of the Act. Unfortunately, however, I have recently had the need to again raise concerns about the management of allegations that are referred to external agencies. Two such cases are briefly outlined below.

On a happier note, I have also provided a synopsis of a third case, which remains current, regarding allegations made against a government department. In my view, this third example demonstrates the benefit to complainants and other members of the public of what may at first appear to be minor administrative changes.

Case 1: Alleged Unlawful Arrest

The first case has been with my office for the entire period that I have occupied the role of Parliamentary Inspector, as the initial complaint was received just prior to my appointment. The complainant was arrested in May 2020 and was subsequently charged with assaulting a police officer, a charge that was later dismissed by the Magistrates Court. The complainant made a complaint to WA Police alleging unlawful arrest and excessive use of force.

WA Police notified the Commission of the complaint on 19 May 2020 pursuant to section 28 of the Act. The Commission conducted an assessment and referred the allegation of unlawful arrest to WA Police on 8 June 2020 pursuant to section 33(1)(c) of the Act. The investigation conducted by police was finalised with no adverse findings made and an outcome of 'not accepted' recorded.

The complainant then made allegations to the Commission in identical terms regarding the May 2020 incident. Being dissatisfied with the outcome of his complaint, he contacted my office to seek an assessment of the procedures that the Commission had used. On 18 December 2020, my Principal Advisor contacted the Commission to request its file on the matter.

On 29 January 2021, the Acting Commissioner wrote to me and advised that the Commission had assessed the complainant's allegation of unlawful arrest twice and arrived at different conclusions. The first assessment was completed following the section 28 notification from WA Police and the second was conducted after the complainant contacted the Commission directly. The Commission only formed a reasonable suspicion of serious misconduct following the first assessment. Due to oversight, the second assessment did not consider the first, and on that occasion the Commission's assessment officers concluded that the arrest had been lawful.

The Acting Commissioner also provided access to the Commission's file on the complaint made directly to it. Being concerned that the Commission had reached two diametrically opposed conclusions about the allegation of unlawful arrest, I requested access to its previous file relating to the section 28 notification made by WA Police, so that I could compare the two assessments.

The earlier file regarding the section 28 notification was provided on 26 February 2021. Its contents included body worn camera footage, and I pause at this juncture to again comment on the importance of such footage. In several matters considered by me over the past twelve months the availability of this objective record made it clear that the police officers named in a complaint had behaved entirely appropriately, with the footage directly contradicting the allegations made. Unfortunately, however, that cannot be said for all body worn camera footage, because on other occasions the complaint made has been vindicated by the video evidence of an encounter between a police officer and a member of the public.

In this instance the footage, together with the other materials provided by the Commission, suggested to me that the complainant's arrest had been unlawful, and the force used to effect it had therefore been excessive. On the basis of the information in the file, it was not clear to me how the Commission had concluded otherwise. I wrote to the Commission outlining my concerns and on 30 March 2021 I met with the Acting Commissioner to discuss the matter.

On 6 April 2021, the Acting Commissioner advised that the Commission had reassessed the complaint, formed a reasonable suspicion of serious misconduct, and had referred two allegations to WA Police for action: that the complainant had been unlawfully arrested and that excessive force was used in so doing.

I wrote to the complainant to advise that these allegations had been referred to WA Police and noted that he, and I, would be advised of the outcome of the police investigation in due course. However, there then followed a period of extraordinary and most unsatisfactory delay. From my external vantage point, it seemed that WA Police was for some reason unable to determine whether or not these allegations were substantiated.

Recently, in early August of 2022, the Commissioner contacted me to advise that an outcome had at last been finalised from the perspective of WA Police. Once the Commission has reviewed WA Police's investigation report pursuant to section 41 of the Act to determine whether the action taken was adequate, I will be notified. I will then finally be able to conclude my assessment of the Commission's procedures in this instance.

The delay by WA Police in investigating the two allegations referred to it in April 2021 is troubling, not least because the complainant has been left with the very clear impression that his allegations of police misconduct are not viewed as a priority. When I am finally able to close my file on this complaint, I intend to report to Parliament on it.

Case 2: Allegations of Police Misconduct

The precise nature of the second case discussed here is not presently relevant as my concern is at this stage purely procedural. However, I will say that the original complaint involved several allegations against officers of WA Police, all of which were originally assessed as not constituting police misconduct. When I reviewed the file, I formed the view that although the Commission's conclusions had been open to it with respect to the majority of the allegations made, its assessment officers had materially understated the seriousness of two of those allegations.

Accordingly, I wrote to the Commission on 25 August 2021 and requested that it reassess two of the allegations made to it. On 16 December 2021 the Commissioner wrote to me to advise that the matter had been reassessed, a reasonable suspicion of serious misconduct had been formed, and the two allegations identified by me had been referred to WA Police for action pursuant to section 33(1)(c) of the Act two days earlier.

Although this was in my view an appropriate course of action, some nine months have now passed and no outcome has yet been reached. I have written to the Commission seeking updates on three occasions and spoken to the Commissioner about the matter, and I understand that the investigation has been at least in part delayed by illness within WA Police. I acknowledge that many workplaces are experiencing difficulties at present owing to the COVID19 pandemic. Nevertheless, I consider it most undesirable that it should take this length of time to investigate two allegations which were, in my view, relatively straightforward.

The Commission does not correspond with complainants once an allegation has been referred to an external agency for action, as the matter then becomes the responsibility of the relevant agency. I understand that some of those agencies will contact complainants about their investigations, while others do not. For its part, WA Police has not provided any updates on the actions it is taking.

I have therefore been in touch with the complainant's lawyer to provide such limited progress reports as I am able to in the circumstances. The lawyer, who is very experienced in criminal matters, has expressed understandable frustration at the delays in this case, and has provided the following comment:

The delay, the lack of communication and engagement by the Commission is demeaning to complainants and to the entire complaint process. It makes a complainant question whether there is any purpose in making complaints in WA, why there is no transparency to the process, and it erodes any trust or faith that a complainant may have that the Commission...has any intention of taking the matter seriously.

I am cognisant of the heavy workloads of both the Commission and WA Police, and the important nature of the functions they perform. As far as the Commission is concerned, I do not share the view expressed above, as it is my experience that it treats the allegations it receives with appropriate seriousness. It is however concerning to see such a profound lack of faith in the processes by which allegations of serious misconduct in the public sector are investigated in Western Australia.

Case 3: Time-Sensitive Allegations

One of the complaints received by my office in 2021-2022 was from a public officer who had made an allegation of serious financial misconduct regarding his own workplace ('the department'). In his original complaint to the Commission, the complainant advised that the allegation was time critical as one of the public officers named in the complaint, in fact the main instigator, was to leave the department in three weeks' time. By the time one of the Commission's Assessment Officers contacted the complainant to make some preliminary inquiries, a month had passed. The officer named in the complaint as the instigator had already departed.

The complainant was advised that the allegation was undergoing the Commission's assessment process. Eventually, however, he decided to alert the department to the allegation rather than continue to wait for the Commission's assessment decision. The day after the complainant notified his employer, the Commission advised that the allegation was to be referred to the department pursuant to section 33(1)(c) of the Act. The complainant did not disagree with this decision, but expressed concern at the process, asserting that the delays by the Commission had contributed to a two month wait for the department to learn of the alleged misconduct, by which time the main instigator had left.

I reviewed the Commission's file and found no error in the procedures it had used. When I wrote to the complainant, I observed that by its nature, the Commission was not well placed to receive, assess and act on an allegation within three weeks. I outlined that the Commission receives many thousands of complaints each year (in 2020-2021 it assessed 7,190 individual allegations) and aims to complete as many assessments as possible within 28 days. It was unfortunate that the complainant had not been aware of this context. Had he been aware, he could have decided whether to make his allegation directly to the Commission or to simply refer the matter to the department in the first instance.

I raised this matter with the Commission, commenting that although I understood that its website did advise of its inability to provide a timeframe for its responses to allegations, it was unfortunate that in this instance the complainant had not been aware of this. The Commissioner wrote back to me to advise that the Commission had made amendments to its automated reply email. The amended email response provides a more helpful overview of the Commission's assessment process, and clearly states that it cannot provide a definite timeframe for an assessment. This was a positive response which will, I am sure, be of assistance to future complainants who wish to make time-sensitive allegations of serious misconduct.

General issues

Notifications Pursuant to section 196(4) of the Act

As observed above on page four, the 2021-2022 financial year saw an increase in the number of allegations notified to me by the Commission on the basis that they concerned (or may have concerned) a Commission officer. In 2020-2021, 24 such notifications were provided; during the present reporting period I received 39 notifications.

This increase should not be viewed as a reason for concern. Pursuant to the protocol between our offices, the Commission informs me of even the most minor and trivial of allegations, many of which can be seen simply as expressions of a person's disappointment or disagreement with the outcome of the allegations made by them. By their very nature, such communications do not require investigation by me.

I am aware that providing such notifications must consume some proportion of the Commission's resources, and during the past year I wrote to the Commissioner to suggest that we refine the scope of the allegations that require notification.

However, it seems that the Commission is comfortable with the status quo, on the basis that, while time-consuming, it is preferable to requiring its officers to determine whether a statement merits notification in each and every instance and running the risk that allegations of misconduct might not, due to error, be notified. I can appreciate the Commission's position, as any attempt to filter or refine the notifications provided pursuant to section 196(4) will inevitably introduce an aspect of subjectivity to the process. I am, therefore, content to continue receiving notifications of what are often simply aggrieved emails or telephone calls from complainants rather than allegations of serious misconduct on the part of Commission officers.

I do note, however, that (as discussed further below) the lack of detail provided in the Commission's outcome letters to complainants may be a contributing factor to the volume of such communications received by the Commission.

Disclosure Provisions

I discussed the Act's restrictions on disclosure in my 2020-2021 Annual Report in some detail and I will not repeat myself here. Nevertheless, I remain of the view that people who make allegations of serious misconduct to the Commission should be given as much information as is reasonably possible about the way in which their complaints have been handled, in order to preserve public faith in the workings of integrity institutions. There have been some positive developments on this front in recent months.

I have raised this issue with the Commission several times and the Commissioner has agreed with me that the current framing of the disclosure provisions is a problem as it gives the Commission an insufficient discretion to provide relevant information to complainants.

In addition, on 24 February 2022, the Joint Standing Committee tabled a report entitled '*A Good Year*': *The work of the Parliamentary Inspector of the Corruption and Crime Commission* in which it recommended:

That the Attorney General direct the Department of Justice in its review of the *Corruption, Crime and Misconduct Act 2003* to review if legislative change is required to prescribe or clarify

whether the commission is authorised to disclose information which demonstrates that the complaint has been dealt with in an appropriate way.

This recommendation was accepted by the Government in its response tabled on 21 June 2022, which I have referred to on page five.

Amendments to the Act

As indicated previously, the Attorney General has directed the Department of Justice to develop proposals for the modernisation of the Act.

The Department sought my input into this process on 8 March 2022 and thereafter I provided submissions on two separate occasions. In these submissions I outlined my concerns about the disclosure provisions referred to above, as well as exploring issues such as the occasionally unclear scope of my ability to deal with matters of misconduct on the part of Commission officers. For instance, there would in my view be benefit in amendments to clarify that my function in section 195(1)(b) of the Act extends to allegations about a person who is no longer employed by the Commission. In addition, I consider that it would be appropriate for the Commission to be given the ability to deal with allegations of minor misconduct (and not just serious misconduct) made against its own officers.

I also raised the limits of the Commission's serious misconduct jurisdiction and the possibility that instances of negligence, maladministration or noncompliance with statute law by public officers may fall outside the jurisdiction of the various integrity and regulatory agencies in Western Australia and therefore go unaddressed.

At this stage I am unaware of any specific amendments proposed to be made to the Act, but I look forward to seeing the draft amending Bill in due course.

Identifying Complainants in Employment Records

From time to time, a complaint comes before me that includes conduct which, while not meeting the definition of serious misconduct in the Act, is nonetheless unsatisfactory. Recently, I dealt with one such matter, which is briefly discussed below.

The relevant complaint comprised numerous allegations of bullying, victimisation and corruption levelled against a department. The allegations were referred to the department for action and were, in my view, thoroughly investigated for the most part. One of the complainant's concerns was that comments had been left on his employee file that identified him as a potential complainant to the Commission. I agreed with the Commission that the inclusion of such information would not be serious misconduct as defined in the Act, nor would it constitute an offence. I nevertheless regarded such conduct as most undesirable.

I can see that if a public officer was in the habit of making frivolous and time-consuming misconduct allegations, that might be a matter of concern to their manager, or to Human Resources. The making of false, misleading, malicious or reckless allegations to the Commission is in any event an offence in itself pursuant to section 25(5) of the Act.

However, it is also not difficult to see how information on a person's personnel or employee file that identified them as a complainant, or even a potential complainant, might result in their being viewed with suspicion within a department, and thereby cause them a detriment. Equally, it seems clear that if it were the practice of public sector organisations to routinely identify

suspected complainants to the Commission in official employment documents, that would constitute a disincentive to making allegations of serious misconduct – an outcome that would surely be contrary to the scheme of the Act.

Ultimately, at my request, the Commission informed the relevant department of two recommendations made by me: first, that the comments should be removed, and second, that the relevant public officer should be counselled about the impropriety of including such remarks on an official document. It is therefore to be hoped that conduct of this kind will not reoccur either in that workplace or in any other public sector organisation.

Additional reporting requirements 2021-2022

Record-keeping by the PICCC

The office complies with section 19 of the *State Records Act 2000* which requires every State Organisation to have a record-keeping plan approved by the State Records Commission and confirmation that the organisation and its employees comply with that plan.

The current record-keeping plan was approved on 10 March 2016 and an amended plan was originally due by 30 November 2021. However, an extension has been granted on the basis that the new record-keeping plan will be incorporated into the Department of Justice's amended record-keeping plan, which is due by 23 March 2023.

The office utilises the Department of Justice's Electronic Document and Records Management Systems (EDRMS) database as its official record-keeping system for administrative files. Investigation files and audit files are not currently captured or stored on EDRMS. This is because of the confidential nature of the information contained within these files. The office has a register of audit files and this register is maintained on a secure server.

Occupational safety, health and injury management and the National Strategic Plan for Asbestos Awareness and Management 2019-2023

The office has experienced no workplace fatalities, injuries or lost work time due to injury during the reporting period. The office has a very low risk of injury and occupational health and safety training have not been required. Reporting on progress under the National Strategic Plan for Asbestos Awareness and Management 2019-2023 is undertaken by the Department of Justice on the office's behalf.

WA Multicultural Policy Framework

The office is included within the multicultural plan developed by the Department of Justice.

Compliance with public sector standards and ethical codes

The office is not an office in the public service but complies with public sector standards. Ethical conduct and integrity are fundamental to the work of the office.



Auditor General

INDEPENDENT AUDITOR'S REPORT

2022

Parliamentary Inspector of the Corruption and Crime Commission

To the Parliament of Western Australia

Report on the audit of the financial statements

Opinion

I have audited the financial statements of the Parliamentary Inspector of the Corruption and Crime Commission which comprise:

- the Statement of Financial Position at 30 June 2022, and the Statement of Comprehensive Income, Statement of Changes in Equity and 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 are:

- based on proper accounts and present fairly, in all material respects, the operating results and cash flows of the Parliamentary Inspector of the Corruption and Crime Commission for the year ended 30 June 2022 and the financial position at the end of that period
- in accordance with Australian Accounting Standards (applicable to Tier 2 entities), the *Financial Management Act 2006* and the Treasurer's Instructions.

Basis for opinion

I conducted my audit in accordance with the Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my report.

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

Responsibilities of the Parliamentary Inspector for the financial statements

The Parliamentary Inspector is responsible for:

- keeping proper accounts
- preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards (applicable to Tier 2 entities), the *Financial Management Act 2006* and the Treasurer's Instructions

- such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Parliamentary Inspector is responsible for:

- assessing the entity's ability to continue as a going concern
- disclosing, as applicable, matters related to going concern
- using the going concern basis of accounting unless the Western Australian Government has made policy or funding decisions affecting the continued existence of the Parliamentary Inspector of the Corruption and Crime Commission.

Auditor's responsibilities for the audit of the financial statements

As required by the *Auditor General Act 2006*, my responsibility is to express an opinion on the financial statements. The objectives of my audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

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

Report on the audit of controls

Opinion

I have undertaken a reasonable assurance engagement on the design and implementation of controls exercised by the Parliamentary Inspector of the Corruption and Crime Commission. The controls exercised by the Parliamentary Inspector are those policies and procedures established to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions (the overall control objectives).

In my opinion, in all material respects, the controls exercised by the Parliamentary Inspector of the Corruption and Crime Commission are sufficiently adequate to provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities have been in accordance with legislative provisions during the year ended 30 June 2022.

The Parliamentary Inspector's responsibilities

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

Auditor General's responsibilities

As required by the *Auditor General Act 2006*, my responsibility as an assurance practitioner is to express an opinion on the suitability of the design of the controls to achieve the overall control objectives and the implementation of the controls as designed. I conducted my engagement in accordance with Standard on Assurance Engagements ASAE 3150 *Assurance Engagements on Controls* issued by the Australian Auditing and Assurance Standards Board. That standard requires that I comply with relevant ethical requirements and plan and perform my procedures to obtain reasonable assurance about whether, in all material respects, the controls are suitably designed to achieve the overall control objectives and were implemented as designed.

An assurance engagement involves performing procedures to obtain evidence about the suitability of the controls design to achieve the overall control objectives and the implementation of those controls. The procedures selected depend on my judgement, including an assessment of the risks that controls are not suitably designed or implemented as designed. My procedures included testing the implementation of those controls that I consider necessary to achieve the overall control objectives.

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

Limitations of controls

Because of the inherent limitations of any internal control structure, it is possible that, even if the controls are suitably designed and implemented as designed, once in operation, the overall control objectives may not be achieved so that fraud, error or non-compliance with laws and regulations may occur and not be detected. Any projection of the outcome of the evaluation of the suitability of the design of controls to future periods is subject to the risk that the controls may become unsuitable because of changes in conditions.

Report on the audit of the key performance indicators

Opinion

I have undertaken a reasonable assurance engagement on the key performance indicators of the Parliamentary Inspector of the Corruption and Crime Commission for the year ended 30 June 2022. The key performance indicators are the Under Treasurer-approved key effectiveness indicators and key efficiency indicators that provide performance information about achieving outcomes and delivering services.

In my opinion, in all material respects, the key performance indicators of the Parliamentary Inspector of the Corruption and Crime Commission are relevant and appropriate to assist users to assess the Parliamentary Inspector of the Corruption and Crime Commission performance and fairly represent indicated performance for the year ended 30 June 2022.

The Parliamentary Inspector's responsibilities for the key performance indicators

The Parliamentary Inspector is responsible for the preparation and fair presentation of the key performance indicators in accordance with the *Financial Management Act 2006* and the Treasurer's Instructions and for such internal control as the Parliamentary Inspector determines necessary to enable the preparation of key performance indicators that are free from material misstatement, whether due to fraud or error.

In preparing the key performance indicators, the Parliamentary Inspector is responsible for identifying key performance indicators that are relevant and appropriate, having regard to their purpose in accordance with Treasurer's Instruction 904 *Key Performance Indicators*.

Auditor General's responsibilities

As required by the *Auditor General Act 2006*, my responsibility as an assurance practitioner is to express an opinion on the key performance indicators. The objectives of my engagement are to obtain reasonable assurance about whether the key performance indicators are relevant and appropriate to assist users to assess the entity's performance and whether the key performance indicators are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. I conducted my engagement in accordance with Standard on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* issued by the Australian Auditing and Assurance Standards Board. That standard requires that I comply with relevant ethical requirements relating to assurance engagements.

An assurance engagement involves performing procedures to obtain evidence about the amounts and disclosures in the key performance indicators. It also involves evaluating the relevance and appropriateness of the key performance indicators against the criteria and guidance in Treasurer's Instruction 904 for measuring the extent of outcome achievement and the efficiency of service delivery. The procedures selected depend on my judgement, including the assessment of the risks of material misstatement of the key performance indicators. In making these risk assessments I obtain an understanding of internal control relevant to the engagement in order to design procedures that are appropriate in the circumstances.

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

My independence and quality control relating to the reports on controls and key performance indicators

I have complied with the independence requirements of the *Auditor General Act 2006* and the relevant ethical requirements relating to assurance engagements. In accordance with ASQC 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, and Other Assurance Engagements*, the Office of the Auditor General maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Other information

The Parliamentary Inspector is responsible for the other information. The other information is the information in the entity's annual report for the year ended 30 June 2022, but not the financial statements and my auditor's report.

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

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 that there is a material misstatement of this other information, I am required to report that fact. I did not receive the other information prior to the date of this auditor's report. When I do receive it, I will read it and if I conclude that there is a material misstatement in this information, I am required to communicate the matter to those charged with governance and request them to correct the misstated information. If the misstated information is not corrected, I may need to retract this auditor's report and re-issue an amended report.

Matters relating to the electronic publication of the audited financial statements and key performance indicators

This auditor's report relates to the financial statements, and key performance indicators of the Parliamentary Inspector of the Corruption and Crime Commission for the year ended 30 June 2022 included in the annual report on the Parliamentary Inspector of the Corruption and Crime Commission's website. The Parliamentary Inspector of the Corruption and Crime Commission management is responsible for the integrity of the Parliamentary Inspector of the Corruption and Crime Commission website. This audit does not provide assurance on the integrity of the Parliamentary Inspector of the Corruption and Crime Commission website. The auditor's report refers only to the financial statements, controls and key performance indicators described above. It does not provide an opinion on any other information which may have been hyperlinked to/from the annual report. If users of the financial statements and key performance indicators are concerned with the inherent risks arising from publication on a website, they are advised to contact the entity to confirm the information contained in the website version.

Mark Ambrose

Mark Ambrose
Senior Director Financial Audit
Delegate of the Auditor General for Western Australia
Perth, Western Australia
12 September 2022

Key Performance Indicators

Certification of Key Performance Indicators for the Year Ended 30 June 2022

I hereby certify that the Key Performance Indicators are based on proper records, are relevant and appropriate for assisting users to assess the Office of the Parliamentary Inspector of the Corruption and Crime Commission's performance, and fairly represent the performance of the Office of the Parliamentary Inspector of the Corruption and Crime Commission for the financial year ended 30 June 2022.



Matthew Zilko SC
PARLIAMENTARY INSPECTOR

11 August 2022



PERFORMANCE INDICATOR REPORT

For the period 1 July 2021 to 30 June 2022.

OUTCOMES AND SERVICES

RELATIONSHIPS TO GOVERNMENT GOALS

Broad government goals are supported at agency level by specific outcomes. Agencies deliver services to achieve these outcomes. The following table illustrates the relationship between the agency's service and desired outcome, and the government goal it contributes to.

Government Goal	Desired Outcome	Service
Sustainable Finances: Responsible financial management and better service delivery	An informed Parliament on the integrity of the Corruption and Crime Commission.	Evaluation of the effectiveness and appropriateness of Corruption and Crime Commission operations.

KEY PERFORMANCE INDICATORS

The Parliamentary Inspector is required under Section 61 of the *Financial Management Act 2006* and Treasurer's Instruction TI 904, to disclose key performance indicators in the annual report.

The following performance indicators should be read in conjunction with the accompanying notes to the Key Performance Indicators. Explanations are provided where there is a significant variation of more than 10% between 2021-22 actual results and budget targets or between actual results of current year and prior year.

KEY EFFECTIVENESS INDICATOR

	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Target	2021-22 Actual
Number of reports completed and tabled in Parliament within target timeframes *	1	1	1	1	1**

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

** In addition to his Annual Report, the Parliamentary Inspector is also empowered to report to Parliament on any other matters arising in the exercise of his functions pursuant to section 199 of the *Corruption, Crime and Misconduct Act 2003*. In 2021-22 he provided two such reports. These additional reports were tabled in Parliament on 24 March 2022. They are however not included in the above table as there was no target timeframe for them.

AN INFORMED PARLIAMENT

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

203. Annual report to Parliament

- (1) *The Parliamentary Inspector is to prepare, within 3 months after 30 June of each year, a report as to his or her general activities during that year.*
- (2) *The Parliamentary Inspector is to cause a copy of a report prepared under this section to be laid before each House of Parliament, or dealt with under section 206, within 21 days of the preparation of the report.*
- (3) *This section does not limit Part 5 of the Financial Management Act 2006 and the report required under this section may be prepared and dealt with in conjunction with the report required under that Part.*

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

KEY EFFICIENCY INDICATORS

	2019-20 Target	2019-20 Actual	2020-21 Target	2020-21 Actual	2021-22 Target	2021-22 Actual
Average cost per investigation/case	\$9,520	*\$10,005	\$8,668	\$5,056	\$5,500	\$3,688
Cost of audit function as a percentage of total cost of operations	45%	*13%	40%	35%	38%	41%

*NB The key efficiency indicators for the 2019-2020 financial year were affected by the departure of key personnel from the office, which had the result that the customary detailed records of the time expended on the office's audit function as distinct from its investigation function were not kept between October 2019 and March 2020. The key efficiency indicators were calculated using the records that were kept during six months of the financial year (July-September 2019 and April-June 2020). This issue was disclosed to the OAG and to the Parliament in 2020. The gap in the records was not systemic in nature but resulted from the departures of key personnel. Further, once the issue was discovered it was immediately rectified. Since April 2020, detailed records of the time allocated to the audit function have been maintained as per the office's usual practice.

AVERAGE COST PER INVESTIGATION/CASE

The average cost per investigation/case is calculated by determining the total cost of the investigation function and dividing it by the number of investigations closed for the period. The total cost of the investigation function is calculated by determining the percentage of salaries devoted to the investigation function and then applying that percentage to the total expenditure of the Parliamentary Inspector for the period. This gives the total cost of the investigation function. The number of specific investigations conducted and completed by the Parliamentary Inspector is recorded electronically. Each investigation is commenced by receipt of a written complaint and recorded in a complaints register. When the investigation is completed, it is recorded as closed. The number of investigations is drawn from this information.

The average cost per investigation/case is significantly lower than predicted because a much higher number of cases/investigations were completed (and therefore closed) in the 2021-22 financial year than during the preceding financial year. In the 2020-2021 financial year the office closed 74 files. In the 2021-2022 financial year the office closed 119 files. Of those 119 files that were completed and closed, 24 had been commenced in the previous financial year.

There has also been a steady increase in complaints received by the office leading to investigations being commenced. In 2019-20 the office undertook 57 new matters, in 2020-21 it undertook 98 new matters, and in 2021-22 it undertook 109 new matters. This increase in investigations over the past two years can be attributed, at least in part, to the fact that the Corruption and Crime Commission (Commission) now advises all complainants of their ability to contact the Parliamentary Inspector if they are unhappy with the manner in which the Commission has dealt with their complaint.

COST OF THE AUDIT FUNCTION AS A PERCENTAGE OF TOTAL COST OF OPERATIONS

The cost of the audit function as a percentage of the total cost of operations is calculated by determining the percentage of total Parliamentary Inspector salaries devoted to the audit function and then applying that percentage to the total expenditure of the Parliamentary Inspector for the period. For example, if 50% of salaries cost is devoted to the audit function then it is considered that 50% of the total cost of the Office is devoted to the audit function. During the 2021-2022 financial year, the audit function represented 41% of the work of the office, and therefore 41% of the total cost of operations was devoted to the audit function.

Disclosures and legal compliance

Certification of financial statements

For the reporting period ended 30 June 2022

The accompanying financial statements of the Office of the Parliamentary Inspector of the Corruption and Crime Commission have been prepared in compliance with the provisions of the *Financial Management Act 2006* from proper accounts and records to present fairly the financial transactions for the reporting period ending 30 June 2022 and the financial position as at 30 June 2022.

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



Matthew Zilko SC
Accountable Authority

11 August 2022



John Deery
Chief Finance Officer

11 August 2022

**Office of the Parliamentary Inspector of the Corruption and Crime Commission
of Western Australia**

Financial statements

The Office of the Parliamentary Inspector of the Corruption and Crime Commission has pleasure in presenting its audited general purpose financial statements for the reporting period ended 30 June 2022 which provides users with the information about the Committee's stewardship of resource entrusted to it. The financial information is presented in the following structure:

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**Office of the Parliamentary Inspector of the Corruption and Crime Commission
of Western Australia**

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**Office of the Parliamentary Inspector of the Corruption and Crime Commission
of Western Australia**

Primary financial statements

Statement of comprehensive income

For the year ended 30 June 2022

	Notes	2022 \$	2021 \$
Cost of services			
Expenses			
Employee benefits expenses	2.1 (a)	474,999	288,208
Supplies and services	2.2	140,366	153,696
Depreciation expenses	4.1	30,461	30,735
Accommodation expenses	2.2	66,760	64,494
Other expenses	2.2	31,312	38,456
Total cost of services		743,898	575,589
Net cost of services		743,898	575,589
Income from State Government			
Service appropriation	3.1	668,000	659,000
Resources received	3.1	115,728	121,860
Total income from State Government		783,728	780,860
Surplus for the period		39,830	205,271
Total comprehensive income for the period		39,830	205,271

The Statement of comprehensive income should be read in conjunction with the accompanying notes.



**Office of the Parliamentary Inspector of the Corruption and Crime Commission of
Western Australia**

Primary financial statements

Statement of financial position

As at 30 June 2022

	Notes	2022 \$	2021 \$
Assets			
Current Assets			
Cash and cash equivalents	6.1	607,454	522,464
Receivables	5.1	28,758	4,056
Other current assets	5.3	7,863	222
Total Current Assets		644,075	526,742
Non-Current Assets			
Amounts receivable for services	5.2	323,000	291,000
Property, plant and equipment	4.1	96,460	126,922
Total Non-Current Assets		419,460	417,922
Total assets		1,063,535	944,664
Liabilities			
Current Liabilities			
Payables	5.4	19,051	16,440
Employee related provisions	2.1(b)	90,500	16,216
Total Current Liabilities		109,551	32,656
Non-Current Liabilities			
Employee related provisions	2.1(b)	4,851	2,705
Total Non-Current Liabilities		4,851	2,705
Total liabilities		114,402	35,361
Net assets		949,133	909,303
Equity			
Contributed equity		160,000	160,000
Accumulated surplus		789,133	749,303
Total equity		949,133	909,303

The Statement of financial position should be read in conjunction with the accompanying notes.



**Office of the Parliamentary Inspector of the Corruption and Crime Commission of
Western Australia**

Primary financial statements

Statement of changes in equity

For the year ended 30 June 2022

	Contributed equity	Accumulated surplus	Total equity
	\$	\$	\$
Balance at 1 July 2020	160,000	544,032	704,032
Surplus	-	205,271	205,271
Total comprehensive income for the period	-	205,271	205,271
Balance at 30 June 2021	160,000	749,303	909,303
Balance at 1 July 2021	160,000	749,303	909,303
Surplus	-	39,830	39,830
Total comprehensive income for the period	160,000	39,830	39,830
Balance at 30 June 2022	160,000	789,133	949,133

The Statement of changes in equity should be read in conjunction with the accompanying notes.

**Office of the Parliamentary Inspector of the Corruption and Crime Commission of
Western Australia**

Primary financial statements

Statement of cash flows

For the year ended 30 June 2022

	Notes	2022 \$	2021 \$
Cash flows from the State Government			
Service appropriation		636,000	627,000
Net cash provided by the State Government		636,000	627,000
<i>Utilised as follows:</i>			
Cash flows from operating activities			
Payments			
Employee benefits		(416,944)	(334,509)
Supplies and services		(57,823)	(58,480)
Accommodation		(72,288)	(53,665)
GST payments on purchases		(12,903)	(13,424)
Receipts			
GST receipts from taxation authority		8,948	3,787
Other receipts		-	443
Net cash used in operating activities		(551,010)	(455,848)
Net increase in cash and cash equivalents		84,990	171,152
Cash and cash equivalents at the beginning of the period		522,464	351,312
Cash and cash equivalents at the end of the period		607,454	522,464

The Statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the financial statements

1. Basis of preparation

The Office of the Parliamentary Inspector of the Corruption and Crime Commission of Western Australia (the Office) is a WA Government entity and is controlled by the State of Western Australia, which is the ultimate parent. The Office is a not-for-profit entity (as profit is not its principal objective).

A description of the nature of its operations and its principal activities have been included in the 'Overview' which does not form part of these financial statements.

These annual financial statements were authorised for issue by the Accountable Authority of the Office on 11 August 2022.

Statement of compliance

These general purpose financial statements have been prepared in accordance with:

- 1) the *Financial Management Act 2006 (FMA)*
- 2) Treasurer's instructions (TIs)
- 3) Australian Accounting Standards (AASs) – Simplified Disclosures
- 4) where appropriate, those AAS paragraphs applicable for not-for-profit entities have been applied.

The FMA and TIs take precedence over AASs. Several AASs are modified by the TIs to vary application, disclosure format and wording. Where modification is required and has had a material or significant financial effect upon the reported results, details of that modification and the resulting financial effect are disclosed in the notes to the financial statements.

Basis of preparation

These financial statements are presented in Australian dollars applying the accrual basis of accounting and using the historical cost convention. Certain balances will apply a different measurement basis (such as the fair value basis). Where this is the case the different measurement basis is disclosed in the associated note. All values are rounded to the nearest dollar.

Accounting for Goods and Services Tax (GST)

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

- (a) amount of GST incurred by the Office 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
- (b) 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.

Contributed equity

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

Office of the Parliamentary Inspector of the Corruption and Crime Commission of Western Australia

Notes to the financial statements

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. AASB 1060 provides relief from presenting comparatives for Property, Plant and Equipment reconciliations.

Judgements and estimates

Judgements, estimates and assumptions are required to be made about financial information being presented. The significant judgements and estimates made in the preparation of these financial statements are disclosed in the notes where amounts affected by those judgements and/or estimates are disclosed. Estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances.

**Office of the Parliamentary Inspector of the Corruption and Crime Commission of
Western Australia**

Notes to the financial statements

2. Use of our funding

Expenses incurred in the delivery of services

This section provides additional information about how the Office's funding is applied and the accounting policies that are relevant for an understanding of the items recognised in the financial statements. The primary expenses incurred by the Office in achieving its objectives and the relevant notes are:

	Notes
Employee benefits expenses	<u>2.1 (a)</u>
Employee related provisions	<u>2.1 (b)</u>
Other expenditure	<u>2.2</u>

2.1 (a) Employee benefits expenses

	2022	2021
	\$	\$
Employee benefits	436,943	266,386
Superannuation – defined contribution plans	38,056	21,822
Employee benefits expenses	474,999	288,208
Add: AASB 16 Non-monetary benefits (not included in employee benefits expense)	-	-
Less: Employee Contributions (per the statement of comprehensive income)	-	-
Net employee benefits	474,999	288,208

Employee Benefits include wages, salaries and social contributions, accrued and paid leave entitlements and paid sick leave, and non-monetary benefits recognised under accounting standards for employees.

Superannuation is the amount recognised in profit or loss of the Statement of comprehensive income and comprises employer contributions paid to the West State Superannuation Scheme, the Government Employees Superannuation Board (GESB), or other Super Guarantee:

AASB 16 non-monetary benefits are non-monetary employee benefits, predominantly relating to the provision of vehicle and housing benefits that are recognised under AASB 16 and are excluded from the employee benefits expense.

Employee Contributions are contributions made to the Office by employees towards employee benefits that have been provided by the Office. This includes both AASB 16 and non-AASB 16 employee contributions.

**Office of the Parliamentary Inspector of the Corruption and Crime Commission of
Western Australia**

Notes to the financial statements

2.1(b) Employee related provisions

	2022	2021
	\$	\$
Current		
<u>Employee benefits provisions</u>		
Annual leave ^(a)	29,317	10,663
Long service leave ^(b)	54,834	5,410
	84,151	16,073
<u>Other provisions</u>		
Employment on-costs ^(c)	6,349	143
Total current employee related provisions	90,500	16,216
Non-current		
<u>Employee benefits provisions</u>		
Long service leave ^(b)	4,519	2,681
<u>Other provisions</u>		
Employment on-costs ^(c)	332	24
Total non-current employee related provisions	4,851	2,705
Total employee related provisions*	95,351	18,921

Provision is made for benefits accruing to employees in respect of annual leave and long service leave for services rendered up to the reporting date and recorded as an expense during the period the services are delivered.

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

The provision for annual leave is calculated at the present value of expected payments to be made in relation to services provided by employees up to the reporting date.

- (b) **Long service leave liabilities** are unconditional long service leave provisions and are classified as current liabilities as the Office does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

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

The provision for long service leave is calculated at present value as the Office does not expect to wholly settle the amounts within 12 months. The present value is measured taking into account the present value of expected future payments to be made in relation to services provided by employees up to the reporting date. These payments are estimated using the remuneration rate expected to apply at the time of settlement, and discounted using market yields at the end of the reporting period on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

- (c) **Employment on-costs** involve settlements of annual and long service leave liabilities which gives rise to the payment of employment on-costs including workers' compensation insurance. The provision is the present value of expected future payments.

Employment on-costs, including workers' compensation insurance premiums, are not employee benefits and are recognised separately as liabilities and expenses when the employment to which they relate has occurred. Employment on-costs are included as part of 'Other expenses', Note 2.2 and are not included as part of the Office's 'Employee benefits expense'. The related liability is included in 'Employment on-costs provision'.

	2022	2021
	\$	\$
Employee on-costs provision		
Carrying amount at start of period	167	-
Additional provisions recognised	6,518	167
Carrying amount at end of period	6,681	167

Office of the Parliamentary Inspector of the Corruption and Crime Commission of Western Australia

Notes to the financial statements

2.1.1 Employee related provisions (continued)

Key sources of estimation uncertainty – long service leave

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

Several estimates and assumptions are used in calculating the Office's long service leave provision. These include:

- expected future salary rates;
- discount rates;
- employee retention rates; and
- expected future payments.

Changes in these estimations and assumptions may impact on the carrying amount of the long service leave provision. Any gain or loss following revaluation of the present value of long service leave liabilities is recognised as employee benefits expense.

2.2 Other expenditure

	2022	2021
	\$	\$
Supplies and services		
Communications	299	312
Consumables	5,163	10,264
Consultants and contractors ^(a)	19,176	21,260
Services received free of charge (note 3.1)	115,728	121,860
Total supplies and services expenses	140,366	153,696
Accommodation expenses		
Rental	66,760	64,494
Total accommodation expenses	66,760	64,494
Other expenses		
Rental Car Bays	20,698	19,738
Insurance for Property, Liability, Workers Compensation, Miscellaneous	7,222	6,338
Other expenses	3,392	12,380
Total other expenses	31,312	38,456
Total other expenditure	238,438	256,646

(a) Includes audit fee.

Supplies and services expenses are recognised as an expense in the reporting period in which they are incurred. The carrying amounts of any materials held for distribution are expensed when the materials are distributed.

Rental expenses include:

- i) Short-term leases with a lease term of 12 months or less;
- ii) Low-value leases with an underlying value of \$5,000 or less;
- iii) Variable lease payments, recognised in the period in which the event or condition that triggers those payments occurs; and
- iv) Government Office Accommodation under a Memorandum of Understanding Agreement with the Department of Finance for the leasing of office accommodation.

Repairs, maintenance and cleaning costs are recognised as expenses as incurred.

Other operating expenses generally represent the day-to-day running costs incurred in normal operations.

Office of the Parliamentary Inspector of the Corruption and Crime Commission of Western Australia

Notes to the financial statements

3. Our funding sources

How we obtain our funding

This section provides additional information about how the Office obtains its funding and the relevant accounting policy notes that govern the recognition and measurement of this funding. The primary income received by the Office and the relevant notes are:

	Notes
Income from State Government	3.1

3.1 Income from State Government

	2022	2021
	\$	\$
Appropriation received during the period:		
- Service appropriation ^(a)	668,000	659,000
Total service appropriation	668,000	659,000
Resources received from other public sector entities during the period: ^(b)		
- Services received free of charge:		
- Department of Justice: Financial, human resources and information technology services	104,242	110,009
- Department of Finance: Lease accommodation services	11,486	11,851
Total resources received	115,728	121,860
Total Income from State Government	783,728	780,860

- (a) **Service Appropriations** are recognised as income at the fair value of consideration received in the period in which the Office gains control of the appropriated funds. The Office gains control of the appropriated funds at the time those funds are deposited in the bank account or credited to the holding account held at Treasury.
- (b) **Resources received from other public sector entities** is recognised as income equivalent to the fair value of assets received, or the fair value of services received that can be reliably determined and which would have been purchased if not donated.

**Office of the Parliamentary Inspector of the Corruption and Crime Commission of
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Summary of Consolidated Account Appropriations

For the year ended 30 June 2022

	2022	2022	2022	2022	2022
	Budget Estimate	Supplementary Funding	Revised Budget	Actual	Variance
	\$	\$	\$	\$	\$
<u>Delivery of Services</u>					
Item 70 Net amount appropriated to deliver services	488,000	-	488,000	488,000	-
Amount Authorised by Other Statutes					
- <i>Corruption and Crime Commission Act 2003</i>	180,000	-	180,000	180,000	-
Total appropriations provided to deliver services	668,000	-	668,000	668,000	-
Total consolidated account appropriations	668,000	-	668,000	668,000	-

Office of the Parliamentary Inspector of the Corruption and Crime Commission of Western Australia

Notes to the financial statements

4. Key assets

This section includes information regarding the key assets the Office utilises to gain economic benefits or assets the Office utilises for economic benefit or service potential or provide service potential. The section sets out both the key accounting policies and financial information about the performance of these assets.

	Notes
Property, plant and equipment	4.1

4.1 Property, plant and equipment

	Leasehold Improvement \$	Office equipment \$	Total \$
Year ended 30 June 2022			
1 July 2021			
Gross carrying amount	304,612	8,227	312,839
Accumulated depreciation	(177,691)	(8,226)	(185,917)
Carrying amount at start of period	126,921	1	126,922
Depreciation	30,461	1	30,462
Carrying amount at end of period	96,460	0	96,460
Gross carrying amount	304,612	8,227	312,839
Accumulated depreciation	(208,152)	(8,227)	(216,379)

Initial recognition

Items of property, plant and equipment, costing \$5,000 or more are measured initially at cost. Where an asset is acquired for no cost or significantly less than fair value, the cost is valued at its fair value at the date of acquisition. Items of property, plant and equipment costing less than \$5,000 are immediately expensed direct to the Statement of comprehensive income (other than where they form part of a group of similar items which are significant in total).

The cost of a leasehold improvement is capitalised and depreciated over the shorter of the remaining term of the lease or the estimated useful life of the leasehold improvement.

Subsequent measurement

Subsequent to initial recognition of an asset, items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses

Office of the Parliamentary Inspector of the Corruption and Crime Commission of Western Australia

Notes to the financial statements

Useful lives

All property, plant and equipment having a limited useful life are systematically depreciated over their estimated useful lives in a manner that reflects the consumption of their future economic benefits.

Depreciation is calculated on a straight line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life. Typical estimated useful lives for the different asset classes for current and prior years are included in the table below:

Asset	Useful life
Leasehold improvement	10 years or the remaining useful life, whichever is lower
Office Equipment	5 years

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, and adjustments should be made where appropriate.

Impairment

Non-financial assets, including items of property, plant and equipment, are tested for impairment whenever there is an indication that the asset may be impaired. Where there is an indication of impairment, the recoverable amount is estimated. Where the recoverable amount is less than the carrying amount, the asset is considered impaired and is written down to the recoverable amount and an impairment loss is recognised.

Where an asset measured at cost is written down to its recoverable amount, an impairment loss is recognised through profit or loss.

Where a previously revalued asset is written down to its recoverable amount, the loss is recognised as a revaluation decrement through other comprehensive income.

If there is an indication that there has been a reversal in impairment, the carrying amount shall be increased to its recoverable amount. However, this reversal should not increase the asset's carrying amount above what would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised in prior years.

**Office of the Parliamentary Inspector of the Corruption and Crime Commission of
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Notes to the financial statements

5. Other assets and liabilities

This section sets out those assets and liabilities that arose from the Office's controlled operations and includes other assets utilised for economic benefits and liabilities incurred during normal operations:

	Notes
Receivables	5.1
Amounts receivable for services (Holding Account)	5.2
Other current assets	5.3
Payables	5.4

5.1 Receivables

	2022	2021
	\$	\$
<u>Current</u>		
GST receivable	2,336	4,056
Receivable from Department of Justice for transfer of leave provisions	26,422	-
Total receivables at end of the period	28,758	4,056

5.2 Amounts receivable for services (Holding Account)

	2022	2021
	\$	\$
<u>Non-current</u>		
	323,000	291,000
Total Amounts receivable for services at end of period	323,000	291,000

Amounts receivable for services represent the non-cash component of service appropriations. It is restricted in that it can only be used for asset replacement or payment of leave liability.

The amounts receivable for services are financial assets at amortised cost, and are not considered impaired. (i.e. there is no expected credit loss of the Holding Account).

5.3 Other current assets

	2022	2021
	\$	\$
<u>Prepayments</u>		
	7,863	222
Total other current assets at end of period	7,863	222

Other non-financial assets include prepayments which represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term extending beyond that period.

**Office of the Parliamentary Inspector of the Corruption and Crime Commission of
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Notes to the financial statements

5.4 Payables

	2022	2021
	\$	\$
<u>Current</u>		
Trade payables	9,604	7,734
Accrued salaries	9,447	8,706
Total payables at end of period	19,051	16,440

Payables are recognised at the amounts payable when the Office becomes obliged to make future payments as a result of a purchase of assets or services. The carrying amount is equivalent to fair value, as settlement is generally within 15-20 days.

Accrued salaries represent the amount due to staff but unpaid at the end of the reporting period. Accrued salaries are settled within a fortnight of the reporting period. The Office considers the carrying amount of accrued salaries to be equivalent to its fair value.

6. Financing

This section sets out the material balances and disclosures associated with the financing and cash flows of the Office:

	Notes
Cash and cash equivalents	6.1

6.1 Cash and cash equivalents

	2022	2021
	\$	\$
Cash and cash equivalents	607,454	522,464
Balance at end of period	607,454	522,464

For the purpose of the Statement of cash flows, cash and cash equivalent assets comprise cash on hand which is subject to insignificant risk of changes in value.

**Office of the Parliamentary Inspector of the Corruption and Crime Commission of
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Notes to the financial statements

7. Financial instruments and contingencies

This note sets out the key risk management policies and measurement techniques of the Office.

	Notes
Financial instruments	7.1
Contingent assets and contingent liabilities	7.2

7.1 Financial instruments

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

	2022	2021
	\$	\$
Financial Assets		
Cash and cash equivalents	607,454	522,464
Financial assets at amortised cost ^(a)	349,422	291,000
Total financial assets	956,876	813,464
Financial Liabilities		
Financial liabilities at amortised cost ^(b)	19,051	16,440
Total financial liability	19,051	16,440

(a) The amount of Financial assets at amortised cost excludes GST recoverable from the Australian Taxation Office (ATO) (statutory receivable).

(b) The amount of Financial liabilities at amortised cost excludes GST recoverable from the ATO (statutory payable).

7.2 Contingent assets and liabilities

There were no contingent liabilities and contingent assets as at 30 June 2022 (2021: nil).

**Office of the Parliamentary Inspector of the Corruption and Crime Commission of
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Notes to the financial statements

8. Other disclosures

This section includes additional material disclosures required by accounting standards or other pronouncements for the understanding of this financial report.

	Notes
Events occurring after the end of the reporting period	8.1
Key management personnel	8.2
Related party transactions	8.3
Related bodies	8.4
Affiliated bodies	8.5
Remuneration of auditors	8.6
Supplementary financial information	8.7

8.1 Events occurring after the end of the reporting period

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

8.2 Key management personnel

The Office has determined key management personnel to include senior officers of the Office.

The total fees, salaries, superannuation, non-monetary benefits and other benefits for the accountable authority and senior officers of the Office for the reporting period are presented within the following bands:

	2022	2021
Compensation of members of the accountable authority		
Compensation Band (\$)		
320,001 - 330,000	1	-
130,001 - 140,000	-	1
Compensation of senior officers		
Compensation Band (\$)		
140,001 - 150,000	1	-
130,001 - 140,000	-	1
10,001 - 20,000	-	2
0 - 10,000	1	1
	2022	2021
	\$	\$
Total compensation of senior officers	474,999	296,788

Total compensation includes the superannuation expense incurred by the Office in respect of senior officers.

Office of the Parliamentary Inspector of the Corruption and Crime Commission of Western Australia

Notes to the financial statements

8.3 Related party transactions

The Office is a wholly owned public sector entity of the State of Western Australia.

Related parties of the Office include:

- all Cabinet ministers and their close family members, and their controlled or jointly controlled entities;
- all senior officers and their close family members, and their controlled or jointly controlled entities;
- other agencies and statutory authorities, including related bodies, that are included in the whole of government consolidated financial statements (i.e. wholly-owned public sector entities);
- associates and joint ventures of a wholly-owned public sector entity; and
- the Government Employees Superannuation Board.

Material transactions with related parties:

Outside of normal citizen type transactions with the Office, there were no other related party transactions that involved key management personnel and/or their close family members and/or their controlled (or jointly controlled) entities.

8.4 Related bodies

The Office had no related bodies during the financial year (2021: nil).

8.5 Affiliated bodies

The Office had no affiliated bodies during the financial year (2021: nil).

8.6 Remuneration of auditors

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

	2022	2021
	\$	\$
Auditing the accounts, controls, financial statements and key performance indicators	18,100	17,600

8.7 Supplementary financial information

There were no losses of public moneys or other public property through theft or default during the financial year (2021: nil).

There were no write offs of public money or other public property during the financial year (2021: nil).

There were no gifts of public property during the financial year (2021: nil)

9. Explanatory Statements

This section explains variations in the financial performance of the Office.

Explanatory statement for controlled operations	Notes
	9.1

9.1 Explanatory statement for controlled operations

This explanatory section explains variations in the financial performance of the Office undertaking transactions under its own control, as represented by the primary financial statements. All variances between annual estimates (original budget) and actual results for 2022, and between the actual results for 2022 and 2021 are shown below. Narratives are provided for key major variances which vary more than 10% from their comparative and that the variation is more than 1% of the dollar aggregate of:

Total Cost of Services for the Statements of comprehensive income and Statement of cash flows; and

Total Assets for the Statement of financial position.

Office of the Parliamentary Inspector of the Corruption and Crime Commission of Western Australia

Notes to the financial statements

9.1.1 Statement of Comprehensive Income Variances

	Variance Note	Estimate 2022	Actual 2022	Actual 2021	Variance between actual and estimate	Variance between actual results for 2022 and 2021
		\$	\$	\$	\$	\$
Expenses						
Employee benefits expense	A	457,000	474,999	288,208	17,999	186,791
Supplies and services	1	203,000	140,366	153,696	(62,634)	(13,330)
Depreciation		32,000	30,461	30,735	(1,539)	(274)
Accommodation expenses	2	75,000	66,760	64,494	(8,240)	2,266
Other expenses	3B	43,000	31,312	38,456	(11,688)	(7,144)
Total cost of services		810,000	743,898	575,589	(66,102)	168,309
Income						
Other Income		-	-	-	-	-
Total income other than income from State Government		-	-	-	-	-
Net cost of services		810,000	743,898	575,589	(66,102)	168,309
Income from State Government						
Service appropriation		668,000	668,000	659,000	-	9,000
Resources received	4	142,000	115,728	121,860	(26,272)	(6,132)
Total income from State Government		810,000	783,728	780,860	(26,272)	2,868
Surplus for the period		-	39,830	205,271	39,830	(165,441)
Total comprehensive income for the period		-	39,830	205,271	39,830	(165,441)

Office of the Parliamentary Inspector of the Corruption and Crime Commission of Western Australia

Notes to the financial statements

Major estimate and actual (2022) variance narratives:

1. Supplies and Services decreased by \$62,634 (31%) compared to the estimate mostly due to a decrease in external services and operating costs due to COVID-19.
2. Accommodation Expenses decreased by \$8,240 (11%) compared to the estimate largely because the lease incentive offered in the Memorandum of Understanding between the Office and the Department of Finance was taken in abatement of rent over the rental period.
3. Other Expenses decreased by \$11,688 (27%) compared to the estimate largely due to a reduction in travel and conference costs due to COVID-19.
4. Resources received free of charge decreased by \$26,272 (19%) compared to the estimate primarily due to a reduction in services provided by the Department of Justice.

Major actual (2022) and comparative (2021) variance narratives:

- A. Employee Benefits increased by \$186,791 (65%) compared to the previous financial year largely due to a full year employment of the incoming Parliamentary Inspector (he worked eight months only in the previous financial year).
- B. Other Expenses decreased by \$7,144 (19%) compared to the estimate largely due to a reduction in travel and conference costs due to COVID-19.

Office of the Parliamentary Inspector of the Corruption and Crime Commission of Western Australia

Notes to the financial statements

9.1.2 Statement of Financial Position
Variances

	Variance notes	Estimate 2022	Actual 2022	Actual 2021	Variance between estimate and actual	Variance between actual results for 2022 and 2021
		\$	\$	\$	\$	\$
Assets						
Current Assets						
Cash and cash equivalents		343,000	607,454	522,464	264,454	84,990
Receivables		2,000	28,758	4,056	26,758	24,702
Other assets		8,000	7,863	222	(137)	7,641
Total current assets		353,000	644,075	526,742	291,075	117,333
Non-current assets						
Amounts receivable for services	C	323,000	323,000	291,000	-	32,000
Property, plant and equipment	D	94,000	96,460	126,922	2,460	(30,462)
Total non-current assets		417,000	419,460	417,922	2,460	1,538
Total assets		770,000	1,063,535	944,664	293,535	118,871
Liabilities						
Current Liabilities						
Payables		-	19,051	16,440	19,051	2,611
Provisions	5E	74,000	90,500	16,216	16,500	74,284
Total current liabilities		74,000	109,551	32,656	35,551	76,895
Non-current liabilities						
Provisions		-	4,851	2,705	4,851	2,146
Total non-current liabilities		-	4,851	2,705	4,851	2,146
Total liabilities		74,000	114,402	35,361	40,402	79,041
Net assets		696,000	949,133	909,303	253,133	39,830
Equity						
Contributed equity		160,000	160,000	160,000	-	-
Accumulated surplus		536,000	789,133	749,303	253,133	39,830
Total Equity		696,000	949,133	909,303	253,133	39,830

Major estimate and actual (2022) variance narratives:

5. Current provisions increased by 16,500 (22%) mostly due to the appointment of a permanent Parliamentary Inspector and Principal Advisor to the Parliamentary Inspector after the retirement of personnel in these positions during the previous financial year.

Major actual (2022) and comparative (2021) variance narratives:

- C. Amounts receivable for services increased by \$32,000 (11%) compared to the previous financial year which represents the non-cash appropriation for asset replacement.
- D. Property Plant and Equipment decreased by \$30,462 (24%) compared to the previous financial year which represents the yearly depreciation charge.
- E. Current provisions increased by \$74,284 (458%) compared to the previous financial year mostly due to the transfer of leave provisions for the Principal Advisor to the Parliamentary Inspector from the Department of Justice.

Office of the Parliamentary Inspector of the Corruption and Crime Commission of Western Australia

Notes to the financial statements

9.1.3 Statement of Cash flows variances

	Variance notes	Estimate 2022	Actual 2022	Actual 2021	Variance between actual and estimate	Variance between actual results for 2022 and 2021
		\$	\$	\$	\$	\$
Cash flows from State Government						
Service appropriation		636,000	636,000	627,000	-	9,000
Net cash provided by State Government		636,000	636,000	627,000	-	9,000
Cash flows from operating activities						
Payments						
Employee benefits	F	(457,000)	(416,944)	(334,509)	40,056	(82,435)
Supplies and services		(62,000)	(57,823)	(58,480)	4,177	657
Accommodation	G	(75,000)	(72,288)	(53,665)	2,712	(18,623)
GST payments on purchases		(16,000)	(12,903)	(13,424)	3,097	521
Other payments	6	(42,000)	-	-	42,000	-
Receipts						
GST receipts from taxation authority	7	16,000	8,948	3,787	(7,052)	5,161
Other receipts		-	-	443	-	(443)
Net cash used in operating activities		(636,000)	(551,010)	(455,848)	84,990	(95,162)
Net increase in cash and cash equivalents						
Cash and cash equivalents at the beginning of the period		-	84,990	171,152	84,990	(86,162)
Cash and cash equivalents at the end of the period		343,000	522,464	351,312	179,464	171,152
Cash and cash equivalents at the end of the period		343,000	607,454	522,464	264,454	84,990

Major estimate and actual (2022) variance narratives:

- 6. Other payments were lower than the estimate mainly due to staff development budget allocation not being utilised.
- 7. GST Receipts decreased by \$7,052 (44%) compared to the estimate largely due to lower payments for supplies and services.

Major actual (2022) and comparative (2021) variance narratives:

- F. Employee benefits payments increased by \$82,435 (25%) compared to the previous financial year largely due to a full year employment of the incoming Parliamentary Inspector (he worked eight months only in the previous financial year).
- G. Accommodation Expense payments increased by \$18,623 (35%) compared to the previous financial year largely due to timing in payment for the rental costs in the previous financial year.