GOVERNMENT OF
WESTERN AUSTRALIA

Parliamentary Inspector of the Corruption and Crime Commission

ANNUAL REPORT 2025 - 2026

Quis custodiet ipsos custodes?

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TO: THE PARLIAMENT OF WESTERN AUSTRALIA

I hereby present the Annual Report for the year ending 30 June 2026 pursuant to section 203 of the *Corruption, Crime and Misconduct Act 2003* and section 63 of the *Financial Management Act 2006*. The Annual Report has been prepared in accordance with the provisions of the *Financial Management Act 2006.*

MATTHEW ZILKO SC
PARLIAMENTARY INSPECTOR

16 September 2026

Index

Introduction: Office of the Parliamentary Inspector

This Annual Report is made pursuant to section 203 of the *Corruption, Crime and Misconduct Act 2003* (WA) (the CCM Act).

It is my sixth Annual Report as Parliamentary Inspector, and the first since my new term commenced on 17 December 2025.

The Parliamentary Inspector's functions include auditing the CCM Act's operation, auditing the operations of the Corruption and Crime Commission (Commission) to monitor compliance with Western Australian law; dealing with misconduct on the part of the Commission and its officers; and assessing the effectiveness and appropriateness of the Commission's procedures.

I can also appoint members of staff to assist me in discharging these functions. Although there is no prescribed upper limit on the number of individuals who may be appointed, the office has only ever comprised the Inspector and his advisor. My Principal Advisor, Sarah Burnside, has occupied this role since 2020 and I acknowledge her significant input during this time. Towards the tail end of the 2025-26 financial year, an officer from the Department of Justice (Department), Ms Lai Yee Woo, was seconded to my office to provide leave cover for Ms Burnside for several weeks. I am grateful to Ms Woo for her assistance.

The office functions well as a two-person operation, but as a practical matter, an agency of this size would not be feasible without considerable external support. The Department provides us with administrative, accounting, human resources, information technology, secretarial and budgetary services, and this assistance is greatly appreciated.

The CCM Act provides for the appointment of Acting Parliamentary Inspectors who can perform the office's functions when the Parliamentary Inspector is unavailable. Last year the Hon Andrew Beech SC was appointed as Acting Parliamentary Inspector for a three-year term commencing on 17 December 2025. During the 2025-26 financial year he stepped in to fulfil the office's functions while I was out of the state, and I appreciate his support and assistance.

Last year was a period of change for the Commission with the retirement of its long-term Commissioner, the Hon John McKechnie AO KC, on 30 June 2025. The current Commissioner, the Hon Michael Corboy SC, was appointed on 31 October 2025. I congratulate him on his appointment, and I am pleased to report that my office's positive working relationship with the Commission continues under his leadership.

The CCM Act makes me responsible for assisting the Joint Standing Committee on the Corruption and Crime Commission (Joint Standing Committee) in the performance of its functions, and this is an important aspect of my work. During the reporting period the former Chair, Colleen Egan MLA, stepped down from the Committee, and I wish her well in all her future endeavours.

The Committee is now chaired by the Hon. Andrew O'Donnell MLC, with the Hon Michelle Boylan MLC remaining as Deputy Chair and Libby Mettam MLA as Committee member. I welcome Mr Dan Bull MLA, who is new to the Committee, and I thank all its members for their keen interest in the operations of the Commission and of my office.

Investigative Function and Overview of Cases

The source of what has been termed my 'investigative function' is section 195(1)(c) of the CCM Act, which enables me to assess the effectiveness and appropriateness of the Commission's procedures. I usually conduct these assessments after receiving a complaint from a member of the public. In most such cases, the complainant has lodged allegations of serious misconduct with the Commission and is unhappy with the way the Commission has dealt with them.

In conducting these assessments, my position is not analogous to that of an appeal court. I cannot undertake a merits review of a decision made by the Commission or overturn such a decision. Rather, I can review the procedures that the Commission has used in dealing with an allegation, and if I find a procedural error I can recommend that the Commission reconsider the matter. Each review is recorded as a separate investigation or case.

In 2024-25, 60% of my work was devoted to cases. I took on 107 new cases and finalised 103.

In 2025-26, once again 60% of the office's work was devoted to cases. My office took on 121 new cases and finalised 121. Of the finalised matters, eleven had originally been received in previous financial years. The cases received in 2025-26 were as follows:

- There were 103 complaints about the Commission's assessment of a complainant's allegation of serious misconduct. This was 17 more than in the previous financial year.

  Of these complaints about the Commission's assessment of allegations lodged with it, 69 related in some way to WA Police. The underlying allegations ranged from claims of a lack of professionalism to alleged neglect of duty, unlawful arrest and excessive use of force.

  The remaining cases originated in complaints about other public sector organisations. Some were expressed in very general terms, while others related to specific individuals or bodies. For example, eight cases related to named government departments and two concerned allegations of judicial corruption.

  As I previously observed in the Annual Reports tabled in 2023 and 2024, my office consistently receives complaints about the Commission's procedures that originate in disputes relating to local governments.

  In 2025-26, seven of the cases I dealt with related at least in part to particular local governments. In only one of those cases was the allegation substantiated.

  The complainants in such cases will often be extremely unhappy and frustrated about actions taken, and decisions made, by local government bodies, but for the most part such complaints do not raise or relate to corruption or criminality. Often a complainant is unaware of the breadth of powers conferred on local governments and views the ordinary exercise of these powers as illegitimate.

- The Commission did not notify me of any allegations made about it or one of its officers pursuant to section 196(4) of the CCM Act.

  I received a late notification during the 2026-27 financial year, and that case will be included in my next Annual Report. In 2024-25, I received two notifications pursuant to section 196(4) of the CCM Act.

  The reason for the paucity of notifications pursuant to section 196(4) of the CCM Act in recent years is a simple one. As I have previously reported, in November 2023, the then Commissioner and I agreed that it was only necessary to notify me of allegations containing at least some substance. As a result, the number of notifications received pursuant to section 196(4) has decreased significantly. In the circumstances, the absence of such notifications in the reporting period is not a cause for alarm.

- I received two complaints relating to the Commission itself and/or its personnel. One of these was anonymous and the other was made by a self-identified former Commission officer.
- Two cases were commenced on my own motion.
- The office received 13 allegations that were classed as miscellaneous, compared with 11 the previous financial year.

  A case will be miscellaneous if a complainant has not lodged an allegation with the Commission (meaning that my function in section 195(1)(c) of the CCM Act is not enlivened), or where a complaint is withdrawn.

  In other instances, a person will write to my office on a subject that falls outside my jurisdiction. For example, in 2025-26 I received a complaint about conditions in a Western Australian prison. As that is not within my remit, I reminded the complainant of the role of the Inspector of Custodial Services.

CASES: RECOMMENDATIONS AND REQUESTS FOR INFORMATION

In most of the above cases, I ultimately concluded that the Commission's procedures had been appropriate, but this does not mean that I reflexively accepted its view. To give an accurate picture of my work in reviewing the Commission's procedures, it may be helpful to note the number of occasions on which I wrote to it about some aspect of its handling of an allegation or sought additional information from it.

In 2025-26, out of 103 complaints I received from a member of the public, I wrote to the Commission formally to either raise a concern, recommend that it reassess an allegation, or provide more information to me on 13 occasions.

In addition, one matter I raised with the Commission in 2024-25, which appeared to have been overlooked by it, was referred to the relevant agency as a fresh allegation in 2025-26. Although the allegation itself was not sustained, I was able to satisfy myself that the full factual circumstance reported to the Commission by the complainant had been properly considered. That case is discussed later in this Annual Report as one of two case studies from the 2025-26 financial year.

Two cases were commenced on my own motion, in that once I had read the Commission's closure reports on two of its investigations, I obtained the relevant files and reviewed them. In both of those instances, I was satisfied with the Commission's procedures.

COMPLAINTS MADE BY CURRENT OR FORMER COMMISSION OFFICERS

As noted above, the cases I dealt with in 2025-26 also included a complaint raised by an individual who had previously been employed by the Commission (the complainant). This was not unprecedented, as I have also been contacted by current or former Commission officers in previous years.

To date, these communications have not necessitated the use of my statutory powers. This is because the complaints aired by these individuals have been in the nature of human resources complaints, with no evidence of either minor or serious misconduct within the Commission. I cannot interfere with the internal workings of the Commission, and section 196(9) of the CCM Act provides that I am not to undertake a review of a matter that arises from, or can be dealt with under a jurisdiction created by, or that is subject to, the *Industrial Relations Act 1979 (WA)*.

Investigative Function and Overview of Cases (cont)

Some of the issues raised by the complainant who contacted me in 2025-26 fell within the scope of industrial relations, but others were wide-ranging and went back several years. Complaints about the Commisssion itself are a serious matter and I dedicated considerable time to grappling with the concerns that had been notified to me.

In determining whether any action was required on my part, I met and corresponded with the Commissioner and the Commission's Chief Executive. Ultimately, I concluded that the matters raised by the complainant were historical in nature and did not require investigation.

When I wrote to the complainant, I explained that my main focus as Parliamentary Inspector was the Commission's current and ongoing ability to faithfully discharge its functions under the CCM Act. Through this lens, the issues raised by the complainant could be contrasted with the matters that had led to my 2024 report *Going Rogue* (discussed later in this report where I outline my oversight of procedural changes being implemented by the Commission).

While both sets of circumstances could be viewed as historical, only one of them merited an investigation. As well as multiple acts of serious misconduct on the part of someone who had been a senior Commission officer, the investigation outlined in *Going Rogue* demonstrated a very troubling lack of managerial oversight within the Commission and a failure to follow best practice. It was necessary to fully canvass the circumstances which had created these circumstances to ensure that they were not repeated, and I made recommendations to this effect.

By contrast, the complainant's allegations raised concerns about events some years earlier which had already been largely addressed by the Commission. These were not operational matters, and I was satisfied that they had no ongoing significance to the Commission's functioning.

Importantly, there was no evidence of corruption or criminal behaviour by any Commission officer.

Nevertheless, I thanked the complainant for drawing these matters to my attention. It is important that Commission officers are aware of their ability to report concerns to the Parliamentary Inspector as the Commission's oversight body. I also wrote formally to the Joint Standing Committee to outline the information I had received and the way I had dealt with it.

Audit Function

My audit function derives from sections 195(1)(aa), (a) and (cc) of the CCM Act, which enable me to audit the operation of the CCM Act itself and the Commission's operations under both the CCM Act and other Western Australian legislation. During the reporting period 40% of the office's work was devoted to my audit function. This is carried out in three principal ways.

First, every time I review a Commission file for the purpose of assessing its procedures, I am effectively conducting a granular audit on the exercise of those procedures.

Second, the Commission provides me with the closure reports it prepares at the end of each investigation either conducted by it or referred to a separate agency and then reviewed by it.

Third, section 195(1)(a) provides that I am to audit the Commission's operations for the purpose of monitoring compliance with the laws of the State. Accordingly, each quarter the Commission supplies my office with documentation relating to the use of its statutory powers during the previous three months.

As I reported last year, in 2024-25 discussions were held at officer level regarding the appropriate scope of the quarterly audit. A new and more expansive guideline was agreed to in August 2025. As a result, I now receive documents relating to all uses of the Commission's statutory powers under Western Australian legislation, such as:

- copies of the Commission's applications for warrants issued pursuant to the *Surveillance Devices Act 1998* (WA), including affidavits in support of the applications, as well as copies of the warrants themselves;
- formal authorities to commence a controlled operation under the CCM Act, in which officers can engage in conduct that would otherwise be criminal in the course of collecting evidence for the purpose of an investigation;
- applications made by a Commission officer pursuant to the CCM Act to adopt an assumed identity for the purpose of assisting with a controlled operation or investigation;
- details of notices to produce information issued by the Commission and served on a public officer or public authority pursuant to the CCM Act;
- details of witness summonses to give oral evidence issued by the Commission pursuant to the CCM Act; and
- copies of the Commission's applications for search warrants issued pursuant to the *Criminal Property Confiscation Act 2000* (WA), including affidavits in support of the applications, as well as copies of the warrants themselves.

My audit functions under the CCM Act relate specifically to Western Australian laws. Following amendments to the *Telecommunications (Interception and Access) Act 1979* (Cth) made in 2024, the Commission now also provides me each quarter with any documents relating to warrants sought by it to intercept telephone communications and/or access stored communications, such as text messages or emails.

Report Tabled in the Parliament in 2025-26

On 23 October 2025, the Joint Standing Committee tabled my report *Opinions of serious misconduct pursuant to section 4(c)*. The report was fairly legalistic in nature, focusing on the interplay between two sections of the CCM Act.

Each Australian integrity commission is different. In particular, there is substantial variety in the kinds of conduct these bodies can investigate, and the extent of their powers to report publicly on the outcome of an investigation. Some integrity commissions can only investigate corrupt conduct that could constitute a criminal offence, and each jurisdiction also sets limits on an agency's powers to make its opinions or findings public.

In Western Australia, there are several bases for an opinion of serious misconduct by the Commission. My report focused on section 4(c) of the CCM Act, which provides that if a public officer 'commits' an offence punishable by two years' imprisonment while acting or purporting to act in their official capacity, this constitutes serious misconduct.

As the Commission is not a court, it cannot reach a verdict as to a person's culpability or otherwise for a criminal offence. Therefore, section 217A(2) forbids the Commission to publish or report a finding or opinion that a person is guilty of or has committed a criminal offence, and section 217A(3) provides that a finding or opinion that misconduct has occurred is not, and is not to be taken as, a finding or opinion that a person is guilty of or has committed a criminal offence.

There is a very fine distinction between an opinion of serious misconduct based on the commission of an offence and an opinion that a person is guilty of the offence itself. Moreover, the intended meaning of section 4(c) is ambiguous. The word 'commits' in that section could refer to situations in which a public officer's offending has already been conclusively determined by a court. Alternatively, it could refer to a public officer engaging in actions that, if later proven in court, would constitute a criminal offence. Having originally adopted the former interpretation, since 2015 the Commission has adhered to the latter.

The Commission discussed section 4(c) in its recent submissions to the Joint Standing Committee's inquiry on ways to modernise the CCM Act. At paragraph [68] the Commission suggested that it was 'open to restricting the range of criminal offences which it could investigate to offences which have some connection with corrupt conduct', such as fraud. Although I have not previously turned my mind to that approach, such a provision would appear more logical than limiting the range of offences falling within the scope of section 4(c) by possible sentence quantum alone. The Commission's submission also noted at paragraph [113] that:

> Many of the allegations of serious misconduct received and dealt with by the Commission involve possible criminal conduct. The investigations conducted by the Commission are inevitably into the most serious allegations received. The Commission must be able to make findings and form opinions about conduct that comes within any of s 4(a), s 4(b) or s 4(c) and which might also constitute a criminal offence, and it must be able to report publicly and to agencies about such conduct. That is at the very heart of the Commission's functions and statutory purpose.

Bodies such as the Commission perform very specific roles. Like the police, they investigate conduct that may involve criminal offending, but unlike the police, they are not involved in prosecuting criminal offences. As noted above, not being courts, such bodies are also unable to determine whether a person has committed an offence. As I observed in my report, this is simply the zone in which integrity commissions operate, and I have no desire to fetter the Commission's ability to carry out its statutory functions. Nevertheless, it seems to me that the intended meaning of section 4(c) is unclear, which is far from ideal.

Joint Standing Committee

As previously noted, I report to the Joint Standing Committee, and this is central to my role as an officer of the Western Australian Parliament. On several occasions during the last year I wrote to the Chair to alert the Committee to issues that had arisen in the course of my work.

JOINT STANDING COMMITTEE – INQUIRY ON WAYS TO MODERNISE THE CCM ACT

On 10 February 2026 I made a submission to the above inquiry, and detailed aspects of the CCM Act which could in my view be improved. I appeared before the Joint Standing Committee on 30 July 2026 to give evidence about that submission. I will not discuss my preferred amendments here in any detail as my submission to, and evidence before, the Committee can be found on its website.

However, it is worth noting that I agree with the Commission regarding the definition of serious misconduct. That is, I am satisfied with the Commission's proposal that it ought to be replaced with a definition of 'corrupt conduct'.

The Commission's view is that the definition of 'corrupt conduct' in the *National Anti-Corruption Commission Act 2022* should be adopted in Western Australia. I am agnostic as to what the precise definition should be because there are a number of competing formulations used in other Australian jurisdictions, which have their own merits of one kind or another. Having said that, I would be content with the definition in the NACC Act, should the adoption of that approach be favoured by the parliament, save to say that the NACC Act does not deal specifically with police misconduct as that term is defined in the CCM Act. For the avoidance of doubt, I am of the view that if any amendments come to fruition, the definition of 'corrupt conduct' in future legislation should include police misconduct (which, in turn, should continue to include reviewable police action).

Some readers may question the need for a definitional change, but in my experience members of the public, by and large, find the term serious misconduct to be opaque and confusing. The current definition provides that serious misconduct occurs when a public officer:

- corruptly acts or fails to act in the performance of his or her employment;
- corruptly takes advantage of his or her employment to obtain a benefit or to cause a detriment to another person; or,
- while acting or purporting to act in his or her official capacity, commits an offence punishable by two or more years' imprisonment.

When I write to complainants, I explain that this is a narrow definition, as the public officer in question must have either acted corruptly or committed a criminal offence of some seriousness. I also explain that although the CCM Act does not define the term 'corruption', generally speaking a person will act corruptly if they secretly use their knowledge or position to make a personal gain to which they are not entitled, to confer such a gain on a third party, or to detrimentally affect a third party. There must be an intention to act covertly to obtain or confer a benefit, or to cause a detriment, which will usually (but not always) be financial in nature.

Despite my best efforts to explain what is and is not serious misconduct, the current definition continues to cause confusion, and for this reason 'corrupt conduct' is a better description of the conduct proscribed by the CCM Act.

REPORT TABLED BY THE JOINT STANDING COMMITTEE – THE CORRECT ACTION

It is appropriate that I formally acknowledge the Committee's report *The Correct Action*, tabled on 4 December 2025. This report detailed the Committee's request that the Commission

Joint Standing Committee (cont)

retrospectively amend its 2019 *Report on the WA Commissioner* in Japan to reflect findings I had made in my 2023 report *Corrigendum*.

In short, several years ago the Commission investigated alleged serious misconduct on the part of Mr Craig Peacock, who was at the time the WA Trade Commissioner in Japan. The report on that investigation was tabled in 2019, but it was not until 2023 that Mr Peacock sought my assessment of the Commission's procedures. On conducting this assessment, I was satisfied that the Commission's opinions of serious misconduct were open to it and, for the most part, its procedures had been effective and appropriate. However, I concluded that the Commission's report was marred by an omission, a factual mistake and, most seriously, a material error.

In my view, the Commission's report on Mr Peacock would have left any readers with the erroneous impression that he had committed tax evasion, and this constituted a material error on the Commission's part. I wrote to the Commission at the time and suggested that it should table a short supplementary report withdrawing any imputation that Mr Peacock had engaged in tax evasion. The Commission declined to do so and I tabled *Corrigendum*.

In *The Correct Action*, the Committee noted that Mr Peacock had written to it about the Commission's 2019 report and press release, which remained on the Commission's website. The Committee wrote to the current Commissioner (who was then the Deputy Commissioner) and asked that he consider whether incorrect information on the Commission's website should be addressed.

The Commission reconsidered the matter, tabled an amended version of its 2019 report with three paragraphs redacted and also removed the original press release from its website. The Committee's decision to raise this issue, and the Commission's action in correcting its earlier report, are both to be welcomed.

My file on Mr Peacock's complaint has been closed for some time, but the central point discussed here has a significance that goes beyond the factual circumstances of that case. That is, the power to table reports in the Parliament, which both the Commission and I possess, must be exercised responsibly and with great care.

Oversight of the Commission's Implementation of Procedural Changes Following *Going Rogue*

My report *Going Rogue: Serious Misconduct by a Commission Officer*, which was tabled by the then Joint Standing Committee on 21 March 2024, detailed a lengthy investigation into internal misconduct at the Commission. *Going Rogue* also included, and explained, my opinions of serious misconduct on the part of a former Commission officer. At all relevant times, this officer had been the Commission's former Human Source Coordinator. In that role, she had been responsible for the Commission's arrangements with men and women wishing to provide ongoing intelligence regarding serious misconduct.

Although I formed opinions of serious misconduct about only one individual, the investigation revealed gaps in the Commission's oversight of its staff. It was concerning that the officer in question had been able to repeatedly breach policy, procedure and the Commission's Code of Conduct over a four-year period before her misconduct came to light.

Accordingly, my report recommended that the Commission undertake a full internal inquiry into how the officer's conduct had been able to continue undetected for this period. I also recommended that the Commission report to Parliament by the end of 2024 as to the outcomes of that inquiry and the procedural changes it proposed to adopt as a result.

The Commission accepted these recommendations and engaged a consultant to conduct an inquiry into the circumstances that had enabled these acts of serious misconduct to take place. The consultant prepared a Review Report, which the Commission provided to me and to the then Joint Standing Committee. An abridged version of the Review Report was tabled in Parliament on 28 November 2024.

Of the seventeen recommendations made in the Review Report, seven were specific to the conduct of operations using Human Sources, and will be relevant if the Commission ultimately decides to reintroduce a Human Sources capability.

In my 2024-25 Annual Report, I provided an interim update on the Commission's implementation of the remaining ten recommendations. I also noted that I had arranged to receive a comprehensive briefing on the matter from the Commission later that calendar year.

I attended the Commission and received this briefing in November 2025. Of the ten recommendations unrelated to Human Sources, seven had been completed at the time I met with the Commission. For example, the Commission had rolled out a new Code of Conduct and arranged for annual training in the Code's requirements, had introduced psychological and suitability testing for individuals seeking to work in roles involving covert operations, and made changes to recruitment policies to ensure that when an applicant's references are checked, their most recent past employer must be contacted. Changes had been made to the Commission's controlled operations procedure to provide greater oversight, and a new investigative and operational prioritisation framework had been implemented to make it clear where Commission resources should and should not be allocated.

I understand that since that time, further progress has been made on the three remaining recommendations, including the scheduling of management and leadership training. Overall,

I am satisfied that the Commission is pursuing organisational change, and I will continue to monitor the situation.

Cases During the 2025-26 Reporting Period

A RISING TREND: THE USE OF AI BY COMPLAINANTS

It is now trite to observe that artificial intelligence is changing the world we live in, and my office is not immune. The past year or so has seen a definite increase in complaints which have clearly been produced with the assistance of various large language models.

On occasion, complainants have also provided the Commission and my office with what is said to be evidentiary material supporting their allegations, which has also been created using these tools. For the most part, this will consist of documents resembling legal submissions, and on one occasion a complainant submitted a recording of what appeared to be a podcast episode about their allegations, produced by them using a generative AI chatbot. Naturally, such materials do not assist the Commission in determining whether a public officer has engaged in serious misconduct, and nor are they helpful when I am assessing the Commission's procedures.

Beyond this, the problem with AI-written complaints is that the language used is often so formulaic, verbose and illogical it is difficult to understand either the allegations the person has lodged with the Commission or the basis of their disagreement with the outcome. No doubt there are members of the public who are unfamiliar with the process of making formal complaints and find it difficult to articulate their reasoning. In communicating with bodies such as the Commission and my office, they may feel that a legalistic approach is required, and accordingly they use AI to generate an appropriately serious-looking screed.

While this is understandable, from my perspective it is infinitely preferable to receive communications in a person's own words.

CASE STUDY 1: AN OVERLOOKED ALLEGATION

One of the cases I dealt with in 2025-26 originated in a complaint I had received late in the previous reporting period. The complainant had made allegations of police misconduct in connection with a search warrant exercised over his home as well as his arrest and prosecution. Once he had been acquitted, the complainant raised these issues with the Police Conduct Investigation Unit (PCIU), the Commission, and my office. The complainant provided transcript from his trial in the Magistrates Court and suggested that the presiding magistrate had 'highlighted police misconduct'.

When the PCIU notified the Commission of the complaint pursuant to section 28 of the CCM Act, it stated that the court transcript had been reviewed, the magistrate had been 'critical regarding one aspect which relates to DNA' and no police misconduct had been identified. The Commission assessed the information provided and decided that no investigation was required.

On conducting my review, I was satisfied that the Commission had dealt appropriately with the complainant's explicit allegations. However, I was not persuaded that either the PCIU or the Commission had grappled with the seriousness of the magistrate's comments in the transcript supplied by the complainant.

This was not simply a case in which the magistrate had been presented with two different accounts of events and had determined which carried the most weight. Rather, the magistrate found that a police officer had 'significantly misstated' the nature of the DNA evidence against the complainant during his electronic record of interview. The magistrate found it 'highly concerning' that the officer had either misunderstood or misrepresented the evidence and commented that it was 'difficult to conclude that this was an error'.

Troublingly, the file demonstrated that neither the Commission nor the PCIU had treated the police officer's conduct during the interview as a discrete allegation of police misconduct. Therefore, this allegation had not been assessed by the Commission.

I wrote to the Commission and observed that an allegation of police misconduct seemed to have fallen by the wayside. I acknowledged that the complainant's trial had taken place several months previously and he had been acquitted, but this was still a credible allegation that a police officer may have deliberately been untruthful during an interview with a suspect. I suggested that in view of the seriousness of the matter, it needed to be addressed.

The Commission conducted an assessment and referred this allegation to WA Police for action. The Internal Affairs Unit (IAU) conducted an investigation, which concluded that the subject officer had made an error in good faith and had not deliberately sought to mislead the complainant. Both the Commission and I were provided with a copy of the IAU report, which was thorough. The Commission was satisfied that the conclusion reached by the IAU was open to it on the available evidence, and I concurred with that assessment.

I wrote to the complainant, explained these processes, and closed my file. From the complainant's perspective, this outcome was no doubt disappointing as no investigation was conducted, and no opinions of police misconduct were reached. Still, there is an inherent benefit in ensuring that all allegations of serious misconduct are appropriately dealt with, and this case provides an example of the way my office can support the Commission in this endeavour.

CASE STUDY 2: A 'LOW RISK' ALLEGATION

The CCM Act requires that the Commission assess each allegation of serious misconduct received by it. In the course of this assessment, the Commission must form an opinion as to whether serious misconduct has or may have occurred and whether an investigation is required.

This is a task of some magnitude. The Commission's 2024-25 Annual Report recorded that during that period it received 2,980 allegations, all of which had to be assessed. This work is carried out by officers within its Assessments and Oversight Directorate.

The allegations received by the Commission vary widely. Some will raise a real possibility of serious misconduct and come accompanied by supporting evidence, while others may be frivolous, made in bad faith, or simply reflect a complainant's fragile mental health.

The Commission must manage this workload efficiently, and in recent years it has implemented changes to assessment procedures, as outlined in its previous Annual Reports. On 1 July 2023, it introduced a prioritisation-based assessment model whereby a senior manager allocates each new allegation a priority based on the nature and volume of information provided by the person reporting it. An allegation may be classified as either expedited, low risk, standard assessment or further assessment. In this way, guidance is provided on the level of assessment required, and any further enquiries or value-adding activities to be conducted.

These measures are a sensible way for the Commission to ensure that its officers can dedicate their energies to substantive allegations of serious misconduct, but from time to time I find that, on reviewing the procedures employed in a low risk assessment, I am unable to determine whether and why events referred to by a complainant took place. This makes it difficult to

Cases During the 2025-26 Reporting Period (cont)

determine the effectiveness and appropriateness of the Commission's procedures.

For example, earlier this year I received a complaint from an individual who alleged that police officers had conducted an illegal search of his house. The Commission assessed his allegation and wrote to him to advise that it had decided not to take any further action.

The complainant contacted my office and I obtained the Commission's file, which demonstrated that it had categorised this as a low risk allegation. Among other things, the complainant had provided the Commission with fairly detailed correspondence received from WA Police in which the relevant officers had advised him that the search had been lawful.

In addition, in the context of allegations of police misconduct received by the Commission, this was a relatively minor matter. The complainant had not been arrested or charged with any offence and no claim of excessive use of force or corruption had been raised. Nevertheless, this was still an allegation of the misuse of police powers, which is no small thing.

On reviewing the Commission's file, and even with the benefit of the police correspondence that the complainant had supplied, the alleged basis for the search was still unclear to me. That is, on the information then available, I could not be certain that the conduct of the police officers involved had been lawful and did not think it appropriate to take this on trust. I was therefore not satisfied that the complainant's allegation had been appropriately dealt with, and I wrote to the Commission and suggested that it conduct a reassessment.

The Commission declined to reassess the complainant's allegation, but it provided me with additional information relevant to it. On receiving this information, it became clear that at the time of the search, the police had plausible grounds to believe that a person at risk of harm was or had been in the house and therefore there was a prima facie basis to search the house pursuant to the *Criminal Investigation Act 2006* (WA).

In the circumstances, there was no evidence to support the complainant's allegation that the police officers who searched the house had exceeded the scope of their powers. From my perspective, I was finally able to satisfy myself that the procedures used by the Commission in assessing the complainant's allegation had been effective and appropriate.

The prioritisation-based assessment model may throw up issues for my office from time to time, but I am satisfied that, to date, it has not impeded my ability to review the Commission's procedures.

Additional Reporting Requirements 2025-2026

1. RECORD-KEEPING

As noted previously, the Department of Justice provides administrative support to the office. Among other things, the Department saves relevant records in an Electronic Document and Records Management Systems (EDRMS) database.

Investigation and audit files created by my office are not captured or stored on EDRMS. This is because of the confidential nature of the information contained within these files. The office's registers of investigation and audit files are maintained on a secure server.

The office is required to have an approved Recordkeeping Plan in accordance with section 19 of the *State Records Act 2000*. The office's plan was approved as part of the Department's Recordkeeping Plan at the State Records Commission meeting of 25 November 2025.

This arrangement reflects the fact that, although the office is a separate and independent entity under the CCM Act, it largely adopts the Department's policies and procedures in relation to records and information management. The Department includes an appropriate section in the Annual Report which addresses the requirements outlined in State Records Commission Standard 2 – Recordkeeping Plans.

The office's revised Retention and Disposal Authority was formally approved by the State Records Commission on 8 May 2026.

2. WA MULTICULTURAL POLICY FRAMEWORK

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

3. WORKFORCE INCLUSIVENESS AND DIVERSITY

The office is included within the diversity plan managed by the Department of Justice.

4. 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

2026

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 (the Office) which comprise:

- the statement of financial position as at 30 June 2026, 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 material 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 Office for the year ended 30 June 2026 and the financial position as 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.

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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 Office.

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 Office. The controls exercised by the Office 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 the State's financial reporting framework (the overall control objectives).

In my opinion, in all material respects, the controls exercised by the Office are sufficiently adequate to provide reasonable assurance that the controls within the system were suitably designed to achieve the overall control objectives identified as at 30 June 2026, and the controls were implemented as designed as at 30 June 2026.

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 Office for the year ended 30 June 2026 reported in accordance with the *Financial Management Act 2006* and the Treasurer's Instructions (legislative requirements). 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 report of the Office for the year ended 30 June 2026 is in accordance with the legislative requirements, and the key performance indicators are relevant and appropriate to assist users to assess the Office's performance and fairly represent indicated performance for the year ended 30 June 2026.

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 controls 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 3 Financial Sustainability – Requirement 5 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 Office'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 3 - Requirement 5 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 management relating to the report on financial statements, 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 ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements,* the Office of the Auditor General maintains a comprehensive system of quality management 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 2026, but not the financial statements, key performance indicators and my auditor's report.

My opinions on the financial statements, controls and key performance indicators do 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, controls and key performance indicators my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and key performance indicators 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 Commision for the year ended 30 June 2026 included in the annual report on the Office's website. The Office's management is responsible for the integrity of the Office's website. This audit does not provide assurance on the integrity of the Office's 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 Office 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
10 September 2026

Key Performance Indicators

Certification of Key Performance Indicators for the Year Ended 30 June 2026

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 2026.

Matthew Zilko SC
8 September 2026

OAG AUDITED

PERFORMANCE INDICATOR REPORT

For the period 1 July 2025 to 30 June 2026.

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
Strong and Sustainable Finances: Responsible, achievable, affordable budget management.	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 3 Financial Sustainability, 5 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 2025-26 actual results and budget targets or between actual results of current year and prior year.

KEY EFFECTIVENESS INDICATOR

	2023-24 Target	2023-24 Actual	2024-25 Target	2024-25 Actual	2025-26 Target	2025-26 Actual
Number of reports completed and tabled in Parliament within target timeframes *	1	1	1	1	1	1

* These targets refer to the tabling of the office's Annual Report each year. The Parliamentary Inspector is also empowered to report to Parliament on any matters arising in the exercise of his functions, and in 2025-26 a report prepared by him was tabled on 23 October 2025. That report is not included in the above table as there was no target timeframe for it.

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* as detailed below:

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

	2023-24 Target	2023-24 Actual	2024-25 Target	2024-25 Actual	2025-26 Target	2025-26 Actual
Average cost per investigation/case	$4,475	$4,795	$5,039	$4,624	$5,782	$3,846
Cost of the audit function as a percentage of total cost of operations	40%	42%	42%	40%	41%	40%

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. During the 2025-26 financial year, 121 investigations/cases were closed.

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 complaint and recorded in a register of complaints. When the investigation is completed, it is recorded as closed. The number of investigations is drawn from this information.

During 2025-26, the average cost per investigation/case was $3,846. This is lower than the target as the total expenditure of the office was lower than had been budgeted. In addition, more investigations/cases were closed in 2025-26 than in the previous years.

In 2023-24 the office closed 94 investigations/cases. In 2024-25, 103 were closed, including six longer running investigations which had been commenced in previous financial years. In 2025-26, 121 were closed. The number of investigations/cases closed in any particular year will vary due to differences in the size and complexity of each investigation.

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 2025-26 financial year, the audit function represented 40% of the work of the office, and therefore 40% of the total cost of operations was devoted to the audit function.

Disclosures and legal compliance

Certification of financial statements

For the financial year ended 30 June 2026

The accompanying financial statements of the Office of the Parliamentary Inspector of the Corruption and Crime Commission of Western Australia have been prepared in compliance with the provisions of the *Financial Management Act 2006* from proper accounts and records to present fairly the financial transactions for the financial year ended 30 June 2026 and the financial position as at 30 June 2026.

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.

Rodolfo Montilva	**Matthew Zilko SC**
Chief Finance Officer	Accountable Authority
08 September 2026	08 September 2026

OAG AUDITED

Financial statements

The Office of the Parliamentary Inspector of the Corruption and Crime Commission of Western Australia (the 'Office') has pleasure in presenting its audited general purpose financial statements for the reporting period ended 30 June 2026 which provides users with the information about the Office's stewardship of resources entrusted to it. The financial information is presented in the following structure:

Financial Statements

Statement of comprehensive income

For the year ended 30 June 2026

	Notes	2026 $	2025 $
COST OF SERVICES			
Expenses			
Employee benefits expenses	2.1(a)	467,570	477,913
Supplies and services	2.2	190,117	165,771
Depreciation expenses	4.1	5,077	30,461
Accommodation expenses	2.2	91,167	88,852
Other expenses	2.2	24,646	30,699
Total cost of services		**778,577**	**793,696**
Net cost of services		**778,577**	**793,696**
Income from State Government			
Service appropriation	3.1	838,000	828,000
Resources received	3.1	162,804	139,344
Total income from State Government		**1,000,804**	**967,344**
Surplus for the period		**222,227**	**173,648**
Total comprehensive income for the period		**222,227**	**173,648**

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

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Statement of financial position

As at 30 June 2026

	Notes	2026 $	2025 $
Assets			
Current Assets			
Cash and cash equivalents	6.1	1,190,489	1,063,168
Receivables	5.1	2,474	2,303
Other current assets	5.3	306	289
Total Current Assets		**1,193,269**	**1,065,760**
Non-Current Assets			
Receivables	5.1	17,311	14,821
Amounts receivable for services	5.2	417,000	417,000
Property, plant and equipment	4.1	-	5,077
Total Non-Current Assets		**434,311**	**436,898**
Total Assets		**1,627,580**	**1,502,658**
Liabilities			
Current Liabilities			
Payables	5.4	23,496	37,061
Employee related provisions	2.1(b)	69,425	153,165
Total Current Liabilities		**92,921**	**190,226**
Total Liabilities		**92,921**	**190,226**
Net Assets		**1,534,659**	**1,312,432**
Equity			
Contributed equity		160,000	160,000
Accumulated surplus		1,374,659	1,152,432
Total Equity		**1,534,659**	**1,312,432**

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

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Statement of changes in equity

For the year ended 30 June 2026

	Contributed equity $	Accumulated surplus $	Total equity $
Balance at 1 July 2024	160,000	978,784	1,138,784
Surplus	-	173,648	173,648
Total comprehensive income for the period	-	173,648	173,648
Balance at 30 June 2025	**160,000**	**1,152,432**	**1,312,432**
Balance at 1 July 2025	160,000	1,152,432	1,312,432
Surplus	-	222,227	222,227
Total comprehensive income for the period	-	222,227	222,227
Balance at 30 June 2026	**160,000**	**1,374,659**	**1,534,659**

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

OAG AUDITED

Statement of cash flows

For the year ended 30 June 2026

	Notes	2026 $	2025 $
Cash flows from the State Government			
Service appropriation		838,000	798,000
Net cash provided by the State Government		**838,000**	**798,000**
Utilised as follows:			
Cash flows from operating activities			
Payments			
Employee benefits		(542,325)	(470,175)
Supplies and services		(44,073)	(14,475)
Other payments		(24,646)	(30,699)
Accommodation		(94,854)	(89,395)
GST payments on purchases		(10,096)	(8,233)
Receipts			
GST receipts from taxation authority		7,805	8,309
Net cash provided by/(used in) operating activities		**(708,189)**	**(604,668)**
Cash flows from financing activities			
Payments			
Payment to accrued salaries account		(2,490)	(2,224)
Net cash provided by/(used in) financing activities		**(2,490)**	**(2,224)**
Net increase in cash and cash equivalents		127,321	191,088
Cash and cash equivalents at the beginning of the period		1,063,168	872,080
Cash and cash equivalents at the end of the period	6.1	**1,190,489**	**1,063,168**

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 government not-for-profit entity controlled by the State of Western Australia, which is the ultimate parent.

A description of the nature of its operations and its principal activities has 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 08 September 2026.

Statement of compliance

The financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards – Simplified Disclosures, the Conceptual Framework and other authoritative pronouncements issued by the Australian Accounting Standards Board (AABS) as modified by Treasurer's instructions. Some of these pronouncements are modified to vary their application and disclosure.

The *Financial Management Act 2006* and Treasurer's instructions, which are legislative provisions governing the preparation of financial statements for agencies, take precedence over AASB pronouncements. Where an AASB pronouncement is modified and has had a significant financial effect on 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.

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

Contributed equity

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, as designated as contributions by owners (at the time of, or prior to, transfer) be recognised as equity contributions. Capital appropriations have been designated as contributions by owners by TI 8 – Requirement 8.1(i) and have been credited directly to Contributed Equity.

Comparative information

Except when an Australian Accounting Standard 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;
- Intangible Asset reconciliations; and
- Right-of-Use Asset 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.

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	2.1(a)
Employee related provisions	2.1(b)
Other expenditure	2.2

2.1(a) Employee benefits expenses

	2026 $	2025 $
Employee benefits	418,168	429,340
Superannuation – defined contribution plans	49,402	48,573
Employee benefits expenses	**467,570**	**477,913**
Total employee benefits expenses	**467,570**	**477,913**

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 other than AASB 16 (such as medical care, housing, cars and free or subsidised goods or services) for employees.

Superannuation is the amount recognised in profit or loss of the Statement of comprehensive income comprising employer contributions paid to the Gold State Super (concurrent contributions), West State Super, GESB Super or other superannuation funds.

2.1(b) Employee related provisions

	2026 $	2025 $
Current		
Employee benefits provisions		
Annual leave	13,600	39,891
Long service leave	53,136	107,752
	66,736	**147,643**
Other provisions		
Employment on-costs	2,689	5,522
Total current employee related provisions	**69,425**	**153,165**
Total employee related provisions	**69,425**	**153,165**

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

Annual leave liabilities are classified as current as there is no right at the end of the reporting period 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.

Long service leave liabilities are unconditional long service leave provisions and are classified as current liabilities as the Office does not have the right at the end of the reporting period 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 the 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, to the estimated future cash outflows.

Employment on-costs involve settlements of annual and long service leave liabilities giving 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 expenditure note 2.2 (apart from the unwinding of the discount (finance cost))' and are not included as part of the Office's 'employee benefits expense'. The related liability is included in 'Employment on-costs provision'.

Employment on-costs provision	2026 $	2025 $
Carrying amount at start of period	5,522	13,483
Additional/(reversals of) provisions recognised	(2,833)	(7,961)
Carrying amount at end of period	**2,689**	**5,522**

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 reporting period.

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

	2026	2025
	$	$
Supplies and services		
Communications	402	273
Consumables	2,604	3,708
Consultants and contractors [a]	24,307	22,446
Services received free of charge (note 3.1)	162,804	139,344
Total supplies and services expenses	**190,117**	**165,771**
Accommodation expenses		
Office Rental	87,265	86,607
Cleaning	3,902	2,245
Total accommodation expenses	**91,167**	**88,852**
Other expenses		
Insurance for Property, liability, Workers Compensation, Miscellaneous	13,464	10,688
Travel expenditure	8,202	5,490
Other expenses	2,980	14,521
Total other expenses	**24,646**	**30,699**
Total other expenditure	**305,930**	**285,322**

[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.

Office rental is expensed as incurred as Memorandum of Understanding Agreements between the Office and the Department of Housing and Works for the leasing of office accommodation contain significant substitution rights.

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

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

	2026 $	2025 $
Appropriation received during the period:		
- Service appropriation[(a)]	838,000	818,000
- Wages Policy Transfer	-	10,000
Total service appropriation	**838,000**	**828,000**
Resources received from other public sector entities during the period:		
Services received free of charge[(b)]:		
- Department of Justice - financial, human resources and information technology services	149,020	126,030
- Department of Housing and Works – Government Accommodation Leasing accommodation service	13,784	13,314
Total resources received	**162,804**	**139,344**
Total income from State Government	**1,000,804**	**967,344**

(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 the Department of Treasury and Finance.

(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.

Summary of consolidated account appropriations

For the year ended 30 June 2026

	2026 Budget $	2026 Revised Budget $	2026 Actual $	2026 Variance $
Delivery of Services				
Item 77 Net amount appropriated to deliver services	451,000	451,000	451,000	-
Amount authorised by other statutes:				
- *Corruption, Crime and Misconduct Act 2003*	387,000	387,000	387,000	-
Total appropriations provided to deliver services	**838,000**	**838,000**	**838,000**	**-**
Total consolidated account appropriations	**838,000**	**838,000**	**838,000**	**-**

4. Key assets

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

	Notes
Property, plant and equipment	4.1

4.1 Property, plant and equipment

Year ended 30 June 2026	Leasehold Improvement $	Office Equipment $	Total $
1 July 2025			
Gross carrying amount	304,612	8,227	**312,839**
Accumulated depreciation	(299,535)	(8,227)	**(307,762)**
Carrying amount at start of period	**5,077**	**-**	**5,077**
Depreciation	(5,077)	-	**(5,077)**
Carrying amount at end of period	-	-	**-**
Gross carrying amount	304,612	8,227	**312,839**
Accumulated depreciation	**(304,612)**	**(8,227)**	**(312,839)**

Initial recognition

Items of property, plant and equipment and infrastructure, 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 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, property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

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 generally 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 are made where appropriate.

Impairment

Non-financial assets, including 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 to the extent that the impairment loss does not exceed the amount in the revaluation surplus for the class of asset.

As the Office is a not-for-profit entity, the recoverable amount of regularly revalued specialised assets is anticipated to be materially the same as fair value.

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.

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 assets	5.3
Payables	5.4

5.1 Receivables

	2026	**2025**
	$	**$**
Current		
GST receivable	2,474	2,303
Total current	**2,474**	**2,303**
Non-current		
Accrued salaries account [(a)]	17,311	14,821
Total non-current	17,311	14,821
Total receivables at end of period	**19,785**	**17,124**

(a) Funds transferred to the Department of Treasury and Finance for the purpose of meeting the 27th pay in a reporting period that occurs every 11 years. This account is classified as non-current except for the year before the 27th pay year.

Accrued salaries account contains amounts paid annually into the Treasurer's special purpose account. It is restricted for meeting the additional cash outflow for employee salary payments in reporting periods with 27 pay days instead of the normal 26. No interest is received on this account.

The Office does not hold any collateral or other credit enhancements as security for receivables.

5.2 Amounts receivable for services (Holding Account)

	2026	**2025**
	$	**$**
Non-current	417,000	417,000
Total amounts receivable for services at end of period	**417,000**	**417,000**

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

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 accounts).

5.3 Other assets

	2026	2025
	$	$
Prepayments	306	289
Total other assets at end of period	**306**	**289**

Prepayments 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. The Office has one prepayment for postage services.

5.4 Payables

	2026	2025
	$	$
Current		
Trade payables	14	22,565
Accrued salaries	23,482	14,496
Total payables at end of period	**23,496**	**37,061**

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

Trade payables include accounts payable, credit card accruals, and intercompany payable.

Accrued salaries represent the amount due to staff but unpaid at the end of the reporting period. Accrued salaries are settled within a fortnight after 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

	2026	2025
	$	$
Cash and cash equivalents	1,190,489	1,063,168
Balance at end of period	**1,190,489**	**1,063,168**

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.

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 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:

	2026 $	2025 $
Financial assets		
Cash and cash equivalents	1,190,489	1,063,168
Financial assets at amortised cost[(a)]	434,311	431,821
Total financial assets	**1,624,800**	**1,494,989**
Financial liabilities		
Financial liabilities at amortised cost[(b)]	23,496	37,061
Total financial liability	**23,496**	**37,061**

(a) The amount of financial assets at amortised cost excludes GST recoverable from the ATO (statutory receivable).

(b) The amount of financial liabilities at amortised cost excludes GST payable to the ATO (statutory payable).

7.2 Contingent assets and liabilities

The Office has no contingent assets or liabilities to disclose at the end of the reporting period (2025: nil).

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 parties	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

The Office had no material events occurring after the end of the reporting period that require adjustment or disclosure.

8.2 Key management personnel

The Office has determined key management personnel to include cabinet ministers and senior officers of the Office. The Office does not incur expenditures to compensate ministers and those disclosures may be found in the *Annual Report on State Finances*.

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

Compensation band ($)	2026	2025
Compensation of members of the accountable authority		
300,001- 350,000	1	1
Compensation of senior officer		
100,001 - 150,000	1	1

	2026 $	2025 $
Total compensation of the accountable authority and senior officer	**471,225**	**477,913**

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

8.3 Related parties

The Office is a wholly owned public sector entity that is controlled by 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 (GESB).

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 (2025: nil).

8.5 Affiliated bodies

The Office had no affiliated bodies during the financial year (2025: nil).

8.6 Remuneration of auditors

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

	2026	**2025**
	$	**$**
Auditing the accounts, financial statements, controls and key performance indicators	25,200	24,307

8.7 Supplementary financial information

(a) Write-offs

There were no write offs of public or other public property during the financial year (2025: nil).

(b) Losses through theft, defaults and other causes

There was no loss of public property during the financial year (2025: nil).

(c) Forgiveness of debts

There were no debts waived during the financial year (2025: nil).

(d) Gift of public property

There were no gifts of public property during the financial year (2025: nil)

9. Explanatory Statements

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

	Notes
Explanatory statement for controlled operations	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 2026, and between the actual results for 2026 and 2025 are shown below. Narratives are provided for key major variances which are more than 10% of the comparative and which are more than 1% of the following (as appropriate):

1) Estimate and actual results for the current year:
   - Total Cost of Services of the annual estimates for the Statement of comprehensive income and Statement of cash flows (i.e. 1% of $980,000); and
   - Total Assets of the annual estimates for the Statement of financial position (i.e. 1% of $1,309,000).

2) Actual results between the current year and the previous year:
   - Total Cost of Services of the previous year for the Statement of comprehensive income and Statement of cash flows (i.e. 1% of $793,696); and
   - Total Assets of the previous year for the Statement of financial position (i.e. 1% of $1,502,658).

9.1.1 Statement of comprehensive income variances

	Variance Note	Estimate[1] 2026	Actual 2026	Actual 2025	Variance between actual and estimate	Variance between actual results for 2026 and 2025
		$	$	$	$	$
Expenses						
Employee benefits expenses	1	634,000	467,570	477,913	(166,430)	(10,343)
Supplies and services	2,A	212,000	190,117	165,771	(21,883)	24,346
Depreciation expenses	B	-	5,077	30,461	5,077	(25,384)
Accommodation expenses		93,000	91,167	88,852	(1,833)	2,315
Other expenses	3	41,000	24,646	30,699	(16,354)	(6,053)
Total cost of services		**980,000**	**778,577**	**793,696**	**(201,423)**	**(15,119)**
Net cost of services		**980,000**	**778,577**	**793,696**	**(201,423)**	**(15,119)**
Income from State Government						
Service appropriation		838,000	838,000	828,000	-	10,000
Resources received	4,C	142,000	162,804	139,344	20,804	23,460
Total income from State Government		**980,000**	**1,000,804**	**967,344**	**20,804**	**33,460**
Surplus/(deficit) for the period		**-**	**222,227**	**173,648**	**222,227**	**48,579**
Total comprehensive income for the period		**-**	**222,227**	**173,648**	**222,227**	**48,579**

[1] These are annual estimates published for the financial year ended 30 June 2026.

9.1.2 Statement of financial position variances

	Variance notes	Estimate[1] 2026	Actual 2026	Actual 2025	Variance between actual and estimate	Variance between actual results for 2026 and 2025
		$	$	$	$	$
Assets						
Current assets						
Cash and cash equivalents		872,000	1,190,489	1,063,168	318,489	127,321
Receivables		2,000	2,474	2,303	474	171
Other assets		-	306	289	306	17
Total current assets		**874,000**	**1,193,269**	**1,065,760**	**319,269**	**127,509**
Non-current assets						
Amounts receivable for services		417,000	417,000	417,000	-	-
Property, plant and equipment		6,000	-	5,077	(6,000)	(5,077)
Receivables		12,000	17,311	14,821	5,311	2,490
Total non-current assets		**435,000**	**434,311**	**436,898**	**(689)**	**(2,587)**
Total assets		**1,309,000**	**1,627,580**	**1,502,658**	**318,580**	**124,922**
Liabilities						
Current liabilities						
Payables		10,000	23,496	37,061	13,496	(13,565)
Employee related provisions	5,D	146,000	69,425	153,165	(76,575)	(83,740)
Total current liabilities		**156,000**	**92,921**	**190,226**	**(63,079)**	**(97,305)**
Total liabilities		**156,000**	**92,921**	**190,226**	**(63,079)**	**(97,305)**
Net Assets		**1,153,000**	**1,534,659**	**1,312,432**	**381,659**	**222,227**

9.1.2 Statement of financial position variances (continued)

	Variance notes	Estimate[1] 2026	Actual 2026	Actual 2025	Variance between actual and estimate	Variance between actual results for 2026 and 2025
		$	$	$	$	$
Equity						
Contributed equity		160,000	160,000	160,000	-	-
Accumulated surplus/(deficit)		979,000	1,374,659	1,152,432	395,659	222,227
Total equity		**1,139,000**	**1,534,659**	**1,312,432**	**395,659**	**222,227**

1. These are annual estimates published for the financial year ended 30 June 2026.

9.1.3 Statement of cash flows variances

	Variance notes	Estimate[(1)] 2026	Actual 2026	Actual 2025	Variance between actual and estimate	Variance between actual results for 2026 and 2025
		$	$	$	$	$
Cash flows from State Government						
Service appropriation		838,000	838,000	798,000	-	40,000
Net cash provided by State Government		**838,000**	**838,000**	**798,000**	**-**	**40,000**
Cash flows from operating activities						
Payments						
Employee benefits	6,E	(634,000)	(542,325)	(470,175)	91,675	(72,150)
Supplies and services	7,F	(71,000)	(44,073)	(14,475)	26,927	(29,598)
Accommodation	G	(93,000)	(94,854)	(89,395)	(1,854)	(5,459)
GST payments on purchases		(16,000)	(10,096)	(8,233)	5,904	(1,863)
Other payments	8	(40,000)	(24,646)	(30,699)	15,354	6,053
Receipts						
GST receipts from taxation authority		16,000	7,805	8,309	(8,195)	(504)
Net cash provided by/(used in) operating activities		**(838,000)**	**(708,189)**	**(604,668)**	**129,811**	**(103,521)**
Cash flows from financing activities						
Payments						
Payment to accrued salaries account		-	(2,490)	(2,244)	(2,490)	(246)
Net cash provided by/(used in) financing activities		**-**	**(2,490)**	**(2,244)**	**(2,490)**	**(246)**
Net increase in cash and cash equivalents		-	127,321	191,088	127,321	(63,767)
Cash and cash equivalents at the beginning of the period		872,000	1,063,168	872,080	191,168	191,088
Cash and cash equivalents at the end of the period		**872,000**	**1,190,489**	**1,063,168**	**318,489**	**127,321**

1. These are annual estimates published for the financial year ended 30 June 2026.

Major estimate and actual (2026) variance narratives:

1. Employee benefits expenses were $166,430 (26%) below the published estimate, primarily because services for the Acting Parliamentary Inspector were not required for most of the 2025-26 financial year.
2. Supplies and services expenses were $21,883 (10%) lower than estimated, primarily due to lower-than-budgeted expenditure on legal, consulting and professional services. The budget included provision for the Parliamentary Inspector to engage legal practitioners to assist in undertaking their functions; however, the extent of such engagements is unknown at the time the budget is prepared.
3. Other expenses were $16,354 (40%) below the published estimate, primarily due to higher estimated legal and consulting expenses made at the time the budget papers were prepared.
4. Resources received were $20,804 (15%) higher than the published estimate, primarily due to the increase in costs associated with corporate services provided by the Department of Justice.
5. Employee related provisions (current) were $76,575 (52%) lower than the estimated, primarily due to a reduction in annual and long service leave liabilities. The expiry of the Inspector's previous five-year term resulted in the payment of accrued leave entitlements, reducing the provision balance. Upon reappointment to a new five-year term, leave entitlements began accruing again from a lower base, resulting in a lower provision balance in 2025-26. This impact was not anticipated at the time the budget estimates were prepared.
6. The lower than estimated employee benefits expenses pertains to the explanation provided in point 1.
7. The lower than estimated payment for supplies and services pertains to the explanation provided in point 2.
8. The lower than estimated payment for other payments pertains to the explanation provided in point 3.

Major actual (2026) and Comparative (2025) variance narratives:

A. Supplies and services expenditure is $24,546 (15%) higher than in 2024-25, primarily due to an increase in resources received free of charge from the Department of Justice.

B. The Office's leasehold improvement assets were fully depreciated in 2025-26.

C. The increase in resources received pertains to the explanation provided in point 4.

D. The decrease in employee-related provisions (current) pertains to the explanation provided in point 5.

E. Employee benefits payments were $72,150 (15%) higher than in 2024-25, primarily due to leave payments made to the Inspector upon termination of their previous contract and increased salary and superannuation rates.

F. Supplies and services payments were $29,598 (204%) higher than in 2024-25, primarily due to increased costs for consumables, travel, insurance premiums and advertising costs.

G. Accommodation payments were $5,459 (6%) higher than the previous financial year, reflecting 13 accommodation payments made in 2025-26 compared with 11 payments made in 2024-25.