

NSW Crime Commission
453 Kent Street
SYDNEY 2000

31 October 2001

The Hon P F P Whelan, MP
Minister for Police
Parliament House
SYDNEY 2000

Dear Minister,

I am pleased to submit to you the Commission's Annual Report and Financial Statements for the year ended 30 June 2001 for tabling in Parliament. The Report and Financial Statements have been prepared in accordance with the provisions of the *New South Wales Crime Commission Act 1985*, the *Annual Reports (Departments) Act 1985* and the *Public Finance and Audit Act 1983*. Its contents comply with the requirements of those Acts and Government policy.

Yours sincerely,

.....
P A Bradley
Commissioner

**COMMENT ON THE 2000/01 ANNUAL REPORT BY THE
NEW SOUTH WALES CRIME COMMISSION
MANAGEMENT COMMITTEE**

The Committee notes that the fifteenth full year of operation of the Crime Commission has been marked by continued growth in output while maintaining very low levels of consumption of public resources. The level of investment in capital resources during the course of the year is an indication of the continuing commitment to the Commission's future, particularly in the area of technology-based investigations.

The impact of the Commission's work on organised crime has been substantial, both through criminal investigations and confiscation.

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P F P Whelan

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P J Ryan

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G Crooke QC

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P A Bradley

FORWARD TO MINISTER	1	- Reference "Leura"	15
COMMENT ON ANNUAL REPORT	2	- Reference "Mascot II"	15
TABLE OF CONTENTS	3	- Reference "Nowra"	15
LIST OF ABBREVIATIONS	5	- Reference "Oberon"	15
COMMISSION MEMBERSHIP	6	- Reference "Oberon II"	15
SENIOR STAFF DURING 2000/01	6	- Reference "Putney"	16
PROGRAM OBJECTIVES AND DESCRIPTION	6	- Reference "Quaama II"	16
OVERVIEW OF 2000/01	7	- Reference "Raby"	16
CHAPTER ONE:		- Reference "Stanmore"	16
<u>ESTABLISHMENT & FUNCTIONS</u>		- Reference "Tacoma"	16
ESTABLISHMENT	9	- Reference "Ulong"	17
LEGISLATION GOVERNING THE COMMISSION	9	- Reference "Vittoria"	17
CHARTER	9	INVESTIGATIVE TOOLS	
FUNCTIONS AND OBJECTIVES	9	- NSW Crime Commission Act	17
MEETINGS OF THE COMMISSION	9	- Listening Devices	17
RESPONSIBLE MINISTER	9	- Telecommunications (Interception)	17
MANAGEMENT COMMITTEE	9	- Controlled Operations	17
		- Search Warrants	17
		- Arrest Warrants	17
		- Assumed Identities	17
		DISSEMINATION	17
		PROSECUTIONS	18
		COURT PROCEEDINGS AND APPLICATIONS	18
		ROLE OF THE ABCI	18
		DRUG TRAFFICKING AND ORGANISED CRIME	19
CHAPTER TWO:		CHAPTER THREE:	
<u>INVESTIGATIONS</u>		<u>LEGAL CHANGE</u>	
FUNCTIONS AND POWERS	11	CRIME COMMISSION LEGISLATION	21
MANAGEMENT OF INVESTIGATIONS	11	OTHER LEGISLATION	21
MATTERS REFERRED TO THE COMMISSION	12	CHAPTER FOUR:	
ACTIVE REFERENCES:		<u>CONFISCATION</u>	
- Reference "Azure V"	12	BACKGROUND	22
- Reference "Bianco III"	12	RESTRAINING ORDERS	22
- Reference "Gecko III"	12	ASSET FORFEITURE ORDERS	23
- Reference "Vacy III"	13	PRODUCTION ORDERS	24
- Reference "Waratah III"	13	SEARCH WARRANTS	25
- Reference "Zetland III"	13	MONITORING ORDERS	25
- Reference "Coogee"	14		
- Reference "Eden III"	14		
- Reference "Gymea III"	14		
- Reference "Jesmond II"	15		
- Reference "Kingsvale II"	15		

Table of Contents

DPP OFFICES	25	PUBLICATIONS	31
COPOC ACT	25	PRIVACY	31
AUSTRALIAN TAXATION OFFICE	25	DISABILITY PLAN	31
FINANCIAL INSTITUTIONS	25	ETHNIC AFFAIRS REPORT	31
INTERNATIONAL AND INTERSTATE INQUIRIES	26	FINANCIAL STATEMENTS	31
SUPREME COURT AND DISTRICT COURT	26	ACCOUNT PAYMENT PERFORMANCE	31
NSW POLICE SERVICE AND OTHER POLICE	26	STORES AND EQUIPMENT	32
PUBLIC TRUSTEE	27	VALUE OF STAFF LEAVE	32
CONFISCATED PROCEEDS ACCOUNT	27	MAJOR ASSETS PURCHASED	32
TRAINING	27	REAL PROPERTY	32
		INSURANCE	32
		GRANTS TO COMMUNITY ORGANISATIONS	32
		CONTRACTING & MARKET TESTING	32
		RISK MANAGEMENT	33
		COST OF ANNUAL REPORT	33
<u>CHAPTER FIVE:</u>			
<u>GENERAL MANAGEMENT</u>			
INTRODUCTION	28	<u>APPENDIX A: FINANCIAL STATEMENTS</u>	34
ADMINISTRATIVE OFFICE	28		
STAFFING	28	<u>APPENDIX B: 2001/02 BUDGET</u>	57
SES POSITIONS	28		
EEO	28	<u>APPENDIX C: PERFORMANCE STATEMENTS FOR COMMISSIONER & SENIOR STAFF</u>	58
STAFF TRAINING	29		
CODE OF CONDUCT / ETHICS	29	<u>APPENDIX D: ORGANISATION CHART</u>	61
OVERSEAS VISITS	29		
OH&S	29	<u>INDEX</u>	62
THE ENVIRONMENT	30		
INFORMATION MANAGEMENT	30		
RESEARCH & DEVELOPMENT	30		
CONSULTANTS	30		
SERVICES TO THE PUBLIC	30		
FREEDOM OF INFORMATION	31		

LIST OF ABBREVIATIONS

ABCI	Australian Bureau of Criminal Intelligence
ACS	Australian Customs Service
AFP	Australian Federal Police
ATO	Australian Taxation Office
ATS	Amphetamine-type stimulants
ATSI	Aboriginal or Torres Strait Islander
AUSTRAC	Australian Transaction Reports and Analysis Centre
CAR Act	Criminal Assets Recovery Act 1990
COPOC	Confiscation of Proceeds of Crime
DPP	Director of Public Prosecutions
EEO	Equal Employment Opportunity
FTRA	Financial Transactions Reports Act 1988 (C'th)
FOI	Freedom of Information
ICAC	Independent Commission Against Corruption
IT	Information Technology
JACG	Joint Asian Crime Group
LLB	Bachelor of Laws
MOU	Memorandum of Understanding
MP	Member of Parliament
NCA	National Crime Authority
NCIS	National Criminal Intelligence Service (UK)
NRMA	National Roads and Motorists Association
NSWCC	New South Wales Crime Commission
NSWPS	New South Wales Police Service
OMCG	Outlaw Motorcycle Gang
OSCA	Office of Strategic Criminal Assessments
PIC	Police Integrity Commission
PF&AA	Public Finance & Audit Act
QPM	Queen's Police Medal
REMG	People from a racial, ethnic or ethno-religious minority
SCIA	Special Crime and Internal Affairs
SCOCCI	Standing Committee on Organised Crime and Criminal Intelligence
SES	Senior Executive Service

COMMISSION MEMBERSHIP

Section 5 of the *NSW Crime Commission Act 1985* provides for one Commissioner and, if necessary, one or more Assistant Commissioners.

During 2000/01 Mr Phillip Bradley was the Commissioner of the New South Wales Crime Commission.

There were no Assistant Commissioners appointed during the reporting period.

Mr John Giorgiutti, Director and Solicitor to the Commission, was appointed as Acting Commissioner on the following dates, during periods of absence of the Commissioner:

- . 7 - 9 July 2000
- . 22 - 28 January 2001
- . 13 - 27 April 2001

SENIOR STAFF DURING 2000/01

Director and Solicitor to the Commission
John Giorgiutti (June 1990)

Assistant Director, Financial Investigations
Michael Lulan ACA (June 1986)

Assistant Director, Investigations
Tim O'Connor (June 1999)

Assistant Director, Investigations
Mark Standen (March 1996)

Assistant Director, Operations Support
Alison Brook (October 1993)

NEW SOUTH WALES CRIME COMMISSION PROGRAM OBJECTIVES AND DESCRIPTION
<p>Program Objective:</p> <p>To combat illegal drug trafficking and organised and other crime in New South Wales.</p> <p>Program Description:</p> <p>Targeting high-level drug traffickers and persons involved in organised crime.</p> <p>Obtaining evidence for the prosecution of those persons and/or the confiscation of their assets.</p> <p>Furnishing reports relating to illegal drug trafficking and organised crime.</p> <p>Disseminating information and intelligence, and investigatory, technological and analytical expertise.</p> <p>Restraining and confiscating property under the Criminal Assets Recovery Act 1990.</p>

OVERVIEW OF 2000/01

The Commission is limited by legislation and operational factors as to what it can say about specific matters. These limitations and the impact on performance reporting are referred to in previous reports.

Some of the fundamental issues which are of interest to the stakeholders are listed below:

Overall cost to Government	\$11,752,000
Cash allocated	\$9,962,000
Capital cost	\$1,592,000

Capital cost remained at an historically high level due to the continuing investment in electronic surveillance equipment, particularly in the area of telecommunications interception.

Annual recurrent expenditure remained stable at \$11,102,000 due to the Commission's deliberate policy of restricting growth and concentrating small numbers of specialised resources on particular activities. The biggest component was employee costs.

Outputs continued at a high level notwithstanding the static recurrent cost.

During the year, the Commission received 13 References to investigate relevant criminal activity. Three of these related to new subject matters. The Commission expanded its work on murders, entrenched organised crime and corruption.

Some objective indicators of outputs are set out below:

208	summonses under s16 of the NSW Crime Commission Act;
1,269	notices under s17 of the NSW Crime Commission Act
347	warrants under the Listening Devices Act; and
404	warrants under the Telecommunications (Interception) Act.

In the confiscation area, at the close of the year the total number of current matters in the Supreme Court was 106 compared with a peak of 245 in 1998.

Confiscation outputs included:

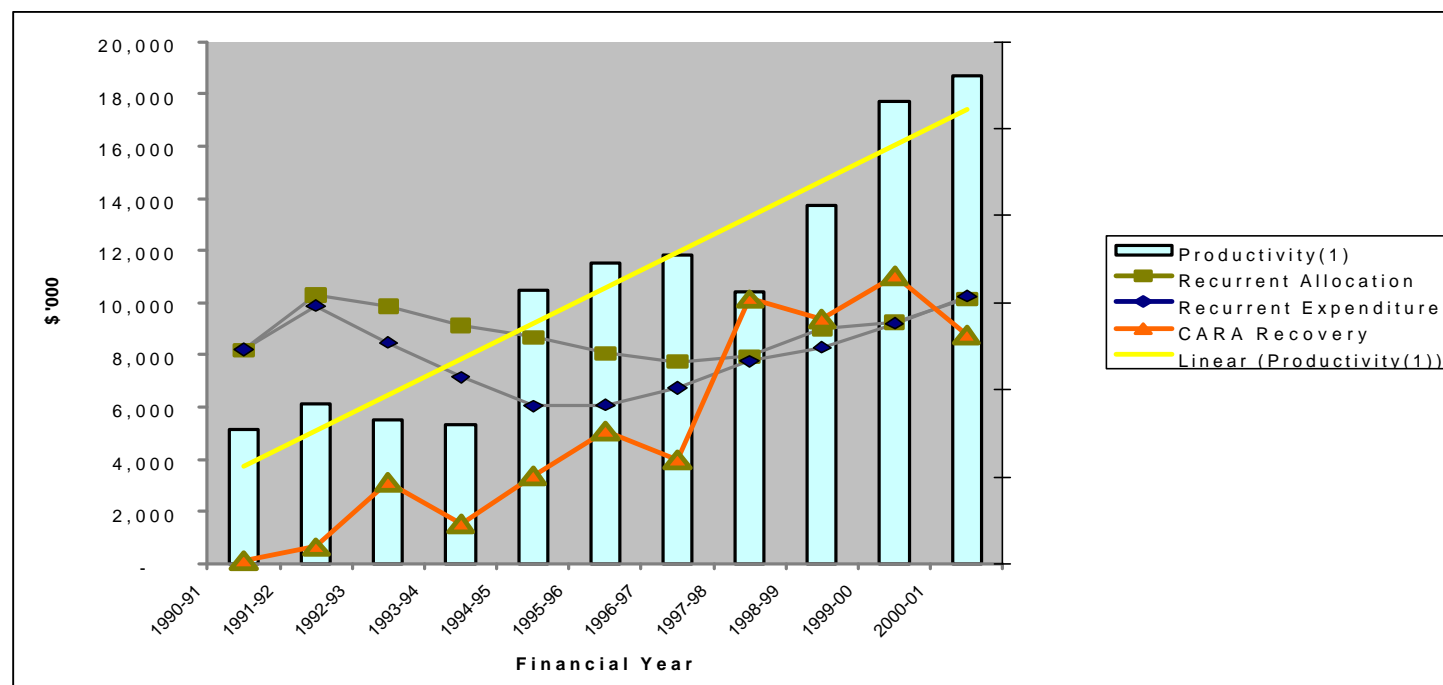
118	restraining orders obtained
88	confiscation orders obtained
\$9,515,138	recovered, including
\$770,213	legal costs.

The amount recovered is less than in the previous year and a large proportion of the total came from a small number of matters.

The following table provides some comparison between cost and measurable productivity:

Overview of 2000/01

	Recurrent Allocation	Recurrent Expenditure	CARA Recovery	Productivity ⁽¹⁾	s. 16	s. 17/10	LD	TI
1990-91	8,192	8,221	119	617	89	366	139	23
1991-92	10,307	9,893	651	733	28	440	229	36
1992-93	9,880	8,475	3,124	663	37	259	329	38
1993-94	9,120	7,153	1,528	637	88	232	259	58
1994-95	8,689	6,039	3,377	1256	92	756	310	98
1995-96	8,078	6,083	5,105	1379	260	700	307	112
1996-97	7,743	6,740	3,983	1418	329	612	360	117
1997-98	7,935	7,760	10,152	1252	172	665	331	84
1998-99	8,979	8,291	9,386	1645	195	668	609	173
1999-00	9,246	9,215	11,015	2123	327	1136	393	267
2000-01	10,154	10,252	8,745	2244	208	1289	343	404



Note 1: Total of measurable items in subsequent columns.

CHAPTER ONE

ESTABLISHMENT AND FUNCTIONS

ESTABLISHMENT

- 1.1 The Commission was established in January 1986 as a statutory corporation.

LEGISLATION GOVERNING THE COMMISSION

- 1.2 The Commission is constituted under the New South Wales Crime Commission Act 1985 (as amended) which provides for a Commissioner and one or more Assistant Commissioners. During the reporting period, the Commission was constituted by one full-time Commissioner, who has “special legal qualifications” and is appointed by the Governor, as set out in the Act.
- 1.3 The Criminal Assets Recovery Act 1990 provides for the confiscation of the assets of those involved in serious crime-related activity through civil proceedings in the Supreme Court. The Commission has primary responsibility for the administration of this legislation.

CHARTER

- 1.4 The Commission’s charter is to combat illegal drug trafficking and organised and other crime in New South Wales.

FUNCTIONS AND OBJECTIVES

- 1.5 The principal objective of the Commission is to reduce the incidence of illegal drug trafficking. A second objective is to reduce the incidence of organised and other crime.
- 1.6 The principal functions of the Commission are to:
- . investigate matters relating to “relevant criminal activity”;
 - . assemble admissible evidence for submission to the Director of Public Prosecutions;
 - . review police inquiries;

- . furnish reports relating to illegal drug trafficking and organised crime;
- . disseminate investigatory, technological and analytical expertise; and
- . make applications for the restraint and confiscation of property under the Criminal Assets Recovery Act 1990.

MEETINGS OF THE COMMISSION

- 1.7 Prior to 6 December 1996, when there was more than one Commissioner, the Commission met formally to decide policy matters and transact significant business. All meetings were minuted.
- 1.8 As noted above the Commission now consists of a sole Commissioner. Commission meetings have now been replaced by meetings between the Commissioner, the Director and Assistant Directors, who comprise the Management Team. Those meetings are minuted and are usually held weekly.

RESPONSIBLE MINISTER

- 1.9 The Minister for Police has responsibility for the New South Wales Crime Commission Act and the Criminal Assets Recovery Act and is Chairman of the Commission’s Management Committee.

MANAGEMENT COMMITTEE

- 1.10 During 2000/01 the Management Committee comprised the Minister for Police, the Hon P F P Whelan LLB MP (Chairman); the Commissioner of Police, Mr P J Ryan, QPM; the Chairperson of the National Crime Authority, Mr G Crooke QC; and Mr P A Bradley, the Commissioner of the Commission.

- 1.11 The principal functions of the Management Committee are to:
- . refer (by written notice) relevant criminal activities to the Commission for investigation;
 - . refer (by written notice) to the Commission, for review, police inquiries into matters relating to any criminal activities;
 - . arrange for police task forces to assist the Commission to carry out investigations into matters relating to relevant criminal activities;
 - . give directions and furnish guidelines for the purpose of coordinating any such investigations;
 - . review and monitor generally the work of the Commission; and
 - . coordinate (by giving approvals) the operations of the Commission with other bodies.
- 1.12 The Management Committee met on eight occasions during the year.
- 1.13 The meetings are minuted in accordance with the Commission's Act.
- 1.14 The Commissioner reports to the Committee in terms of its functions at each meeting.
- 1.15 Between meetings, on an *ad hoc* basis, the Commissioner informs the Minister and members of significant events.
- 1.16 The Commission reports on its operations annually in accordance with section 31 of the NSW Crime Commission Act. That report is incorporated in this annual report and is transmitted through the Committee to the Minister. Under section 31, the Minister may give directions as to the manner and time of preparation, but not the content of the report. The Minister is required to lay a copy of the report before each House of Parliament.
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CHAPTER TWO

INVESTIGATIONS

FUNCTIONS AND POWERS OF THE COMMISSION

- 2.1 Under section 6 of the New South Wales Crime Commission Act 1985 ('the Act'), the Commission is required to investigate matters relating to relevant criminal activity referred to the Commission by the Management Committee, to assemble admissible evidence of relevant offences and to furnish that evidence to the Director of Public Prosecutions.
- 2.2 The Commission may also review a police inquiry pursuant to a Management Committee Reference, and may exercise functions under the Criminal Assets Recovery Act 1990.
- 2.3 As defined in section 3 of the Act, 'relevant criminal activity' means 'any circumstances implying, or any allegations, that a relevant offence may have been, or may be being, or may be about to be, committed.'
- 2.4 'Relevant offence' is also defined in section 3 of the Act. It includes:
- . a serious drug offence;
 - . a serious offence that involves a serious fraud; or
 - . any other offence for which the Management Committee is satisfied that the use of the Commission's functions to investigate the offence is in the public interest, and the use of the Commission's functions may be necessary for the investigation.
- 2.5 To perform its function of investigating serious organised crime, the Commission has been given powers that are greater than normal policing powers. These powers include:
- . the power to conduct hearings *in camera* at which witnesses may be compelled to give evidence and produce documents;
 - . the power to compel the production of documents and things relevant to

an investigation by the Commission;
and

. the power to apply for special search warrants.

- 2.6 The services of NSW Police task forces are made available to assist the Commission, pursuant to section 27A of the Act. Members of these task forces have the usual police powers and remain under the command and control of the Commissioner of Police. Personnel from other State or Commonwealth agencies often join the Commission in operations, bringing additional powers and skills to the process.

MANAGEMENT OF INVESTIGATIONS

- 2.7 Investigations of matters referred to the Commission are usually conducted by teams consisting of members of the NSW Police Service and Commission staff and sometimes other agencies such as the NCA, the AFP and the ACS.
- 2.8 During 2000/01, much of the Commission's investigative work related to drug trafficking, under several ongoing References. This work was carried out by task forces of NSW Police officers and Commission staff. A number of other task forces were established to deal with *ad hoc* References on subjects such as murder and corruption.
- 2.9 The teams of task force police officers and Commission staff have day to day carriage of investigations and report to the Commission through weekly operations meetings. Police in task forces report through, and are supervised within, the NSW Police Service command structure.
- 2.10 With few exceptions, the results of criminal investigations work is the outcome of joint operations with other agencies, mainly the NSW Police Service. The Commission's contribution to these operations varies from case to case.
- 2.11 The arrangements with Police are embodied in the Directions and Guidelines issued by the Management Committee. These arrangements are between the Management Committee and the Police Commissioner in accordance with section 27A of the Act.

- 2.12 The Commissioner, as a member of the Crime Agencies Management Committee, is able to monitor the application of police resources to matters of interest to the Commission. Some dedicated task forces formed outside the Crime Agencies Command work on Commission References.
- 2.13 Central to the arrangement is the maintenance of the command structure within the Police Service. Section 27(A)(2) specifically provides that the Police task forces are 'under the direction and control of the Commissioner of Police', and subject to the Directions and Guidelines of the Management Committee.

MATTERS REFERRED TO THE COMMISSION

- 2.14 During the year, the Commission was granted three new References, with ten existing References being revised and reissued.
- 2.15 Arrests resulting from Commission investigations during the year are summarised in this chapter.
- 2.16 The Management Committee is provided with detailed monthly reports on the progress being made in each Reference.
- 2.17 However, for reasons of security and the requirements of the Act that individuals not be named, details of operational activities are not provided in this report. The following information relates to investigations conducted under References which were active in 2000/01.

ACTIVE REFERENCES

Reference "Azure V", referred on 7 May 2001

- 2.18 On 7 December 1987, the Management Committee referred the *Azure* Reference to the Commission to investigate drug trafficking by persons in the Australian/Lebanese community. Further References have issued on several occasions. Most recently, *Azure V* was granted on 7 May 2001.

2.19 Statistical Data for 2000/01

Arrests	40
Charges Laid	113
Cash Seized	\$3,300
Drugs Seized:	
Cocaine	101g
Cannabis	691.9g plus 371 plants
Ecstasy	162g plus 300 tablets
Firearms	4

Reference "*Bianco III*", referred on 30 November 1998

- 2.20 On 5 December 1988, the Management Committee referred the *Bianco* Reference to the Commission to investigate drug trafficking by persons in the Australian/Romanian community. A second Reference was referred on 10 September 1992 and *Bianco III* was referred on 30 November 1998.
- 2.21 The Commission worked closely with the AFP and NCA on investigations under this Reference.

2.22 Statistical Data for 2000/01

Arrests	5
Charges Laid	12
Cash Seized	\$6,000
Drugs Seized:	
Heroin	482g
Cocaine	176g

Reference "*Gecko III*", referred on 4 September 2000

- 2.23 On 3 May 1991, the Management Committee referred the *Gecko* Reference to the Commission to investigate drug trafficking, money laundering and other relevant criminal activity within Australian/South East Asian communities. A second Reference was issued on 1 December 1998, and *Gecko III* was issued on 4 September 2000.
- 2.24 The Commission worked closely with the NSW Police Service, in particular Crime Agencies (Organised Crime (South East Asian)) and the Joint Asian Crime Group (JACG) in relation to this Reference.

2.25 The Commission, along with the NSW Police Service, the AFP, ACS and the NCA, established the JACG in August 1997. The collaborative arrangement continues to be successful. Although this year saw a reduction in seizures and arrests in comparison with 1999/00, there were a number of significant achievements including the largest recorded seizure of 'ice' in Australia (79 kg).

2.26 Statistical Data for 2000/01 (including JACG)

Arrests	83
Charges Laid	140
Drugs Seized:	
· Heroin	199,000g plus 48 caps
· Ice	79,000g
· Cocaine	6,300g
· Ecstasy	188g (plus 43,000 tablets)
Cash Seized	\$80,000

Reference “Vacy III”, referred on 4 September 2000

- 2.27 The Management Committee granted the original *Vacy* Reference to the Commission on 2 November 1993. *Vacy III* was granted on 4 September 2000. The Reference relates to the manufacture and supply of amphetamines and psychotropic drugs, and associated money laundering offences.
- 2.28 The Commission works with officers from NSW Police Service Crime Agencies, the NCA and other law enforcement bodies in these investigations.

2.29 Statistical Data for 2000/01

Arrests	57
Charges Laid	212
Drugs Seized:	
· Methylamphetamine liquid/powder	11,070g
· Methylamphetamine tablets	2,221
· Amphetamine	28g
· Ecstasy tablets	2,251
· Cannabis	3,140g
· Cannabis plants	144
· Heroin	371g
· Cocaine	53g
· Pseudoephedrine based tablets	23,470
· Steroid tablets	300

Reference “Waratah III”, referred on 4 September 2000

- 2.30 The Management Committee granted the original *Waratah* Reference to the Commission on 2 November 1993. *Waratah III* was granted on 4 September 2001. The Reference was established to investigate the supply of prohibited drugs, particularly cocaine. The Commission also investigates money laundering associated with the trafficking of cocaine.

2.31 Statistical Data for 2000/01

Arrests	17
Charges Laid	45
Drugs Seized:	
· Cocaine	44,460g
· Heroin	0.16g
· Ecstasy	99g
Cash Seized	\$99,610
Weapons Seized:	
· Beretta pistol	1
Other Items Seized:	
· Electronic scales	3
· Computers	3

Reference “Zetland III”, referred on 4 September 2000

- 2.32 The *Zetland* Reference was granted to the Commission on 27 September 1994 to investigate the illegal activities of outlaw motorcycle gangs (OMCGs). *Zetland III* was granted on 4 September 2000.
- 2.33 The Commission continues to work with officers from the NSW Police Service Crime

Agencies, the ABCI and other law enforcement agencies in relation to this subject.

2.34 Statistical Data for 2000/01

Arrests	20
Charges Laid	96
Drugs Seized:	
. Amphetamine	14,830g
. Methylamphetamine	3,100g
. Methylamphetamine oil	3 litres
. Ecstasy	2 tablets
. Cannabis	1,300g
. Cannabis plants	10
. Sudafed	7,350 tablets

Reference “Coogee”, referred on 11 September 1995

2.35 This Reference concerns an investigation conducted jointly with the NSW Police Service into the circumstances surrounding the death of John Newman MP, former State Member for the seat of Cabramatta.

2.36 Mr Newman died as a result of gunshot wounds to his chest from a .32 calibre weapon outside his house on 5 September 1994.

2.37 A coronial inquest into the murder of Mr Newman commenced on 2 February 1998. At the conclusion of the inquest advice was received from the DPP which led to charges being laid against three persons.

2.38 On 8 August 1999 one of the men charged with the murder agreed to give evidence which subsequently led to the arrest of another man for the murder of Mr Newman. A first trial of two of the defendants resulted in a hung jury.

2.39 The second trial against the three defendants commenced on 2 March 2001. On 29 June 2001 Phuong Canh Ngo was found guilty of the murder of John Newman, while the other two defendants were acquitted.

2.40 Ngo was refused bail and is due to appear in the Supreme Court for sentencing on 12 October 2001.

2.41 The additional charges of malicious wounding and demand property with menace against Phuong Canh Ngo have been adjourned to 6 December 2001 at Central Local Court.

Reference “Eden III”, referred on 4 September 2000

2.42 On 21 March 1996 the Commission’s Management Committee granted the *Eden* Reference to investigate criminal activity centred on Kings Cross. *Eden III* was granted to the Commission on 4 September 2000.

2.43 A number of persons of interest under the *Eden* Reference also fall under the *Azure V* Reference and are included in the statistical data under that Reference.

2.44 Statistical Data for 2000/01

Arrests	4
Charges Laid	14
Drugs Seized:	
. Cocaine	400g
. Heroin	100g

Reference “Gymea III”, referred on 9 November 2000

2.45 The *Gymea* Reference was granted to the Commission on 12 September 1996 to investigate organised crime; drug importation, manufacture and distribution; theft; fraud; gaming; and associated money laundering of nominated criminals in groups operating in and around Sydney. The *Gymea II* Reference was issued on 30 November 1998 and the *Gymea III* Reference was issued on 9 November 2000.

2.46 Statistical Data for 2000/01

Arrests	13
Charges Laid	21
Drugs Seized:	
. Ecstasy	35,000g
. Cannabis resin-hashish	150,000g
. Cannabis	45g
. Cannabis plants	13
. Amphetamine	180g
. LSD	small qty
. Cocaine	small qty
Weapons Seized:	
. Pistol-grip shotgun	1
. Handguns	4
. Tazar guns	8
. Stun guns	2
. Crossbow	1

Reference “Jesmond II”, referred on 10 November 1997

2.47 The *Jesmond* Reference was granted to the Commission on 10 November 1997 to investigate paedophile activity committed by serial offenders, networks of paedophiles or persons who produce child pornography. *Jesmond II* was granted on 8 June 1999, expanding the offences specified in the *Jesmond* Reference.

2.48 No matters have been brought to the attention of the Commission by the Child Protection Enforcement Agency and no investigations were undertaken under this Reference in 2000/01.

Reference “Kingsvale II”, referred on 16 June 2000

2.49 On 16 March 1998 the *Kingsvale* Reference was granted to investigate money laundering activities. It was granted in response to the Commission’s observations that many of its persons of interest are becoming more sophisticated in the way they conceal the proceeds of their criminal activities. *Kingsvale II* was granted on 16 June 2000.

2.50 Statistical Data for 2000/01

Value of Assets Seized	\$2,664,695
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Reference “Leura”, referred on 14 December 1998

2.51 The *Leura* Reference was granted to the Commission on 14 December 1998 to investigate the murder of Pauline Gillard and a conspiracy to murder Maria Gioia.

2.52 The Commission has identified persons of interest to the inquiry.

Reference “Mascot II”, referred on 9 November 2000

2.53 The *Mascot* Reference was granted to the Commission on 9 February 1999 to investigate serious drug offences, money laundering and conspiracies to pervert the course of justice committed by nominated persons. The *Mascot II* Reference was granted on 9 November 2000 with a greater emphasis on corruption.

2.54 Statistical Data for 2000/01

Arrests	1
Charges Laid	4
Drugs Seized:	
. Cannabis	60g
. Ecstasy	25g
. Ecstasy tablets	92

Reference “Nowra”, referred on 8 June 1999

2.55 The *Nowra* Reference was granted to the Commission on 8 June 1999 to investigate alleged child sex offences against certain children, and the abduction and murder of Samantha Knight.

2.56 Michael Guider was charged with Samantha Knight’s murder on 22 February 2001.

2.57 Statistical Data for 2000/01

Arrests	1
Charges Laid	1

Reference “Oberon”, referred on 9 August 1999

2.58 The *Oberon* Reference was granted on 9 August 1999 requiring the Commission to investigate murders committed between 1 January 1970 and 30 June 1999 which remained unsolved. Some of the 315 unsolved murders are under current investigation.

Reference “Oberon II”, referred on 12 August 1999

2.59 The *Oberon II* Reference was granted on 12 August 1999 to investigate the murder and conspiracy to murder a number of specified persons.

2.60 Statistical Data for 2000/01

Arrests	1
Charges Laid	1
Drugs Seized:	
. Cannabis plants	59
. Cannabis leaf	73g
. Cannabis seeds	150

Reference “Putney”, referred on 9 August 1999

- 2.61 On 9 August 1999 the Management Committee granted the *Putney* Reference. The Reference was established to investigate firearms offences, including the fraudulent access to firearms and firearms licences, the illegal manufacture, sale or supply of firearms, and the illegal discharge of firearms at people or buildings.
- 2.62 The Commission works with officers from the NSWPS Crime Agencies and other law enforcement agencies on investigations arising out of this Reference.

2.63 Statistical Data for 2000/01

Arrests	20
Charges Laid	423
Drugs Seized:	
. Amphetamine	738g
. Methylamphetamine	4,100g
. Ecstasy tablets	110
. Cannabis	441g
. Cannabis plants	4
. Cocaine	37g
. LSD	600 ddu
. Steroids	13 vials
Weapons Seized:	
. Handguns (various)	115
. Long arms (various)	78
. Silencers	16
. Firearms frames	367
. Slide kits	16

Reference “Quaama II”, referred on 2 April 2001

- 2.64 The *Quaama* Reference was granted on 27 March 2000 to investigate criminal activities including murder, conspiracy to murder, supply and manufacture of prohibited drugs, robbery and money laundering offences allegedly committed by a number of suspects. On 2 April 2001 the *Quaama II* Reference was issued.
- 2.65 The Commission is working with a Crime Agencies task force in these investigations.

2.66 Statistical Data for 2000/01

Arrests	5
Charges Laid	19
Cash Seized	\$227,000
Drugs Seized:	
. Cannabis	264g
. Ecstasy	3 tablets
Weapons Seized:	
. Long arms	2
. Handguns	4
. Large quantity ammunition	

Reference “Raby”, referred on 16 June 2000

- 2.67 The *Raby* Reference was granted to the Commission on 16 June 2000 to investigate a triple homicide in the Deniliquin area in March 2000.
- 2.68 The Commission has been working with a NSW Police task force on this matter.
- 2.69 There have been no arrests nor charges to date.

Reference “Stanmore”, referred on 16 June 2000

- 2.70 The *Stanmore* Reference was granted to the Commission on 16 June 2000 to investigate the murder of a person in Leumeah on 3 March 2000.
- 2.71 The Commission has been working with a NSW Police task force on this matter.

2.72 Statistical Data for 2000/01

Arrests	2
Charges Laid	3

- 2.73 Further charges arising from this Reference are likely during 2001.

Reference “Tacoma”, referred on 5 March 2001

- 2.74 The *Tacoma* Reference was granted to the Commission on 5 March 2001 to investigate the activities of a member of an outlaw motorcycle gang and his associates, who are engaged in serious drug offences and associated money laundering activities.
- 2.75 No charges have been laid to date.

Reference “Ulong”, referred on 4 June 2001

2.76 The *Ulong* Reference was granted to the Commission on 4 June 2001 to investigate the murder of a person in Gladesville on 15 February 2001.

2.77 No charges have been laid to date.

Reference “Vittoria”, referred on 4 June 2001

2.78 The *Vittoria* Reference was granted to the Commission on 4 June 2001 to investigate a number of serious criminal offences, including armed robbery and murder, by specified persons.

2.79 No charges have been laid to date.

INVESTIGATIVE TOOLS

2.80 The Commission has a number of investigative tools at its disposal. In particular, special powers are available under the *New South Wales Crime Commission Act 1985* and powers under the *Criminal Assets Recovery Act 1990*, the *Listening Devices Act 1984*, the *Search Warrants Act 1985*, the *Telecommunications (Interception) Act 1979*, the *Law Enforcement (Controlled Operations) Act 1998* and the *Law Enforcement and National Security (Assumed Identities) Act 1998*. Some statistical details are listed below.

2.81 New South Wales Crime Commission Act 1985

	Total
Section 16 – Summons to Appear	208
Section 17 - Notices to Produce	1,269
Section 10 – Notices to Produce to Government Agencies	20

2.82 Listening Devices Act 1984

347 warrants, including renewals (maximum 21 days) were granted, usually on the application of a police officer, during the year.

2.83 Telecommunications (Interception) Act 1979

404 warrants, including renewals (maximum 90 days) were granted to the Commission during the 2000/01 reporting year, resulting in 155 arrests.

2.84 Law Enforcement (Controlled Operations) Act 1987

A total of 15 controlled operations were approved during the reporting year.

2.85 Search Warrants

No search warrants were issued under the NSW Crime Commission Act.

123 search warrants were issued under s45 of the Criminal Assets Recovery Act.

A large number of warrants issued under the Search Warrants Act were executed by Police working on Crime Commission References.

2.86 Arrest Warrants under section 18AA of the NSW Crime Commission Act

No warrants were issued during the reporting year.

2.87 Assumed Identities under the Law Enforcement and National Security (Assumed Identities) Act

The Commission approved the establishment of one assumed identity during the year. No assumed identities were revoked.

The Commission’s assumed identity files were audited during the period.

DISSEMINATION

2.88 In addition to normal exchange of information between agencies working with the Commission, information is formally passed to other law enforcement agencies and relevant bodies. During 2000/01 the Commission, with the approval of the Management Committee, disseminated to other organisations material relating to a

range of suspected criminal activity on 137 occasions.

- 2.89 Organisations receiving disseminated material included the NSW Police Service, SA Police, Queensland Police, Victorian Police, Australian Federal Police, Department of Immigration and Multicultural Affairs, Crown Solicitors Office, AUSTRAC, Queensland Crime Commission, National Crime Authority, Australian Customs Service, Colonial State Bank, ABCI, Australian Taxation Office, Australian Security Intelligence Organisation, Department of Defence, Police Integrity Commission, Queensland Bureau of Criminal Intelligence, Great Lakes Council, Office of the DPP, Commonwealth Ombudsman's Office, Long Bay Jail – Acute Crisis Unit.

REF	TOTAL ARRESTS	CHARGES
Azure V	40	113
Bianco III	5	12
Gecko III	83	140
Vacy III	57	212
Waratah III	17	45
Zetland III	20	96
Eden III	4	14
Gynea III	13	21
Jesmond	0	0
Leura	0	0
Mascot II	1	4
Nowra	1	1
Oberon II	1	1
Putney	20	423
Quaama II	5	19
Raby	0	0
Stanmore	0	0
Tacoma	0	0
Ulong	0	0
Vittoria	0	0
TOTAL	267	1101

PROSECUTIONS

- 2.90 Pursuant to section 31(2)(e) of its Act, the Commission is required to report the extent to which its investigations have resulted in the prosecution of persons for offences. The report must not identify persons suspected of having committed offences or persons who have committed offences, unless those persons have been convicted.
- 2.91 During the year, Police assigned to Commission References arrested 267 persons and laid 1,101 charges. These figures can be compared with 210 arrests and 759 charges in 1999/00.
- 2.92 Charges laid in 2000/01 and previous years of the Commission's operations are at various stages in the prosecution process.
- 2.93 The following table summarises arrests made and charges laid in connection with Commission References in 2000/01*.

* Numbers of prosecutions are not necessarily indicative of productivity as some lengthy investigations into high level criminal activity may consume large quantities of resources but result in only a small number of (important) arrests.

COURT PROCEEDINGS AND APPLICATIONS

- 2.94 There were no legal challenges to Commission action or legislation administered by the Commission during the year.
- 2.95 A number of cases were litigated under the CAR Act but almost all of these were settled before final hearing. Those which proceeded to a hearing were determined on the facts.

ROLE OF THE ABCI

- 2.96 Although the Commission has ceased to use the ABCI as its records management database, it continues to use the ABCI as a repository and important source of criminal intelligence. The Australian Criminal Intelligence Database (ACID) and Australian Law Enforcement Intelligence Network (ALEIN) systems remain the sources of national intelligence exchange. As well, the ABCI has established important systems for dealing with issues such as fraud and identity fraud.

- 2.97 The Commission relies heavily on the ABCI and looks forward to the implementation of a number of initiatives of the new Director.

DRUG TRAFFICKING AND ORGANISED CRIME (previously “Nature and Extent of Organised Crime”)

- 2.98 During the past year a dominant issue has been the availability of heroin in Sydney. The *drought* commenced in the year 2000 and has continued to impact on trafficking and consumption patterns. On the one hand, traditional importers and traffickers of heroin have moved towards the importation of amphetamine-type substances (ATS) and users have sought alternatives including methadone treatment.
- 2.99 Shortage of supply has also had a significant impact on price.
- 2.100 The causes have been attributed to a number of factors. In Afghanistan the ruling Taliban are said to have moved to eradicate opium production, and in Myanmar the crop has been affected by a drought. In addition, and more significantly from a law enforcement viewpoint, Australia became a less attractive market during the latter part of the 1990s as a result of some very substantial seizures. Against this, it should be noted that cocaine seizures have also been at a high level without a similar impact on supply. However, the most significant law enforcement action has been the dismantling of some major heroin importation groups by the operations of the Joint Asian Crime Group and federal law enforcement agencies.
- 2.101 Whatever the causes, the drought presents an opportunity to study the market. Such a study has been undertaken by the NSW Bureau of Crime Statistics and Research. The results will give us a better understanding of the dynamics of the market.
- 2.102 The move towards ATS on the part of importers may suggest that the impact of production on supply is the most significant factor, but it should be noted that the production of ATS is relatively easy and that the product can be sourced from many different locations throughout the world.
- 2.103 The importation of ATS is a growing trend. This has to do with a stable production

environment which is not dependent on weather or particular source countries, the availability of precursors, ease of manufacture, ease of concealment and a substantial demand for a product which does not suffer from some of the taint associated with heroin. South East Asia, which is a source of other imported drugs, has the capacity to produce two billion methylamphetamine tablets annually. Established South East Asian networks are forging links with distribution networks in Australia.

- 2.104 As reported previously, many of these favourable conditions apply domestically. While the main precursors are imported, this is often done for a legitimate purpose and diversion occurs after landing. Glassware is readily available for the manufacturing process and there are no effective controls. ATS are the second most frequently abused illicit drugs in Australia (after cannabis) and present a more substantial health risk than is generally recognised. Treatment options are limited. In addition, some pills sold as ATS contain a cocktail of drugs and the quality control can be very poor, even in the higher productivity outlets.
- 2.105 Crystalline methylamphetamine (“ice”), which has a higher potency and is more destructive than its predecessors, is gaining a foothold. As with other forms of drug trafficking, there is an increase in the prevalence of small-scale manufacture. This is thought to reduce the risk of apprehension, limit exposure to loss and minimise penalties. Traffickers have for some time adopted a practice of possessing and selling small quantities for these reasons. The Commission has observed traffickers within the *Azure* and *Mascot* References in particular, going to some trouble to reduce their risks by these methods. High volumes are still traded by increasing the number of transactions.
- 2.106 Unfortunately, the Commission continues to detect evidence of police involvement in, or facilitation of crime, and particularly drug crime. A substantial investment has been made over the past three years for the purpose of detecting and apprehending those involved. This work has been undertaken with the Special Crime and Internal Affairs (SCIA) officers who work under the personal direction of the Commissioner of Police in relation to this matter. The Police Integrity Commission has been apprised of

the matter and will continue to participate in the investigation through hearings to be held in the coming year.

it has been much higher of late. Firm action needs to be taken against those who would injure, threaten or intimidate persons involved in the discharge of their public duty.

2.107 The Commission has also continued to gain knowledge of money laundering through its criminal investigations and confiscation action. It has recently been estimated that money laundering throughout Australia costs almost \$10 billion annually, though other estimates are as low as \$3.5 billion. The level of criminal prosecution remains extremely low and the amount recovered as a proportion of the estimates is minuscule. The most effective methods of laundering and evading confiscation action involve the removal of proceeds of crime from Australia. Our ability to investigate offshore funds is very limited, though improving. Repatriation of fraud identified is far more difficult, though some overseas countries are more enlightened than others. There is a good deal of evidence to suggest that very large amounts of currency have left Australia, though some currency is repatriated after laundering. Australia has a highly developed currency monitoring system, but we are still unable to quantify the cash repatriated. The Australian Customs Service has applied new technology to detect cash movements, which appears to have had the effect of deterring cash transfers through ports.

2.108 In one matter investigated by the Commission, together with the AFP and SCIA, it is alleged that one individual accumulated more than \$20 million offshore. Attempts by the Commission to identify these funds have met with limited success. It would appear that entrenched criminal networks in Sydney have been accumulating assets overseas for many years in the expectation that they will be able to enjoy the fruits of their crimes in retirement. For some, this is no longer an option, but for others who have not been detected, the possibility of repatriating laundered funds or using them offshore remains.

Threats

2.109 The Commission has previously reported on the increasing incidence of violence, particularly involving firearms within some criminal groups. Another trend during the course of the last year has been threats of violence and actual violence against witnesses and law enforcement officers. While this is not unknown, the incidence of

CHAPTER THREE

LEGAL CHANGE

CRIME COMMISSION LEGISLATION

- 3.1 There were no changes to the *CAR Act* 1990 or to the *NSW Crime Commission Act* 1985 during the course of the year.
- 3.2 A review of the *CAR Act* and the *COPOC Act* is under way and will take into account the recommendations of the *Drug Summit*. In the coming year, the Commission will submit to the Minister proposals for changes to the *NSW Crime Commission Act* 1985.

OTHER LEGISLATION

- 3.3 After many years of active consideration, the NSW Attorney-General's Department is coordinating proposed amendments to surveillance legislation. The Commission is hopeful that this long overdue reform will be achieved in the coming year.
- 3.4 The Commonwealth has passed legislation in relation to controlled operations and the National Crime Authority. This legislation and changes to the Telecommunications (Interception) Act will have an effect on the operations of the Commission. The Commonwealth has proposed new legislation concerning proceeds of crime which would establish a civil based regime in that jurisdiction.

CHAPTER FOUR

CONFISCATION

BACKGROUND

4.1 The Commission administers the Criminal Assets Recovery Act 1990 (“the CAR Act”).

4.2 The principal objects of the CAR Act are:

- . to provide for the confiscation, without requiring a conviction, of property of a person if the Supreme Court finds it to be more probable than not that the person has engaged in serious crime related activities;
- . to enable the proceeds of serious crime related activities to be recovered as a debt due to the Crown; and
- . to enable law enforcement authorities effectively to identify and recover property.

4.3 A serious crime related activity is a serious drug trafficking offence under the Drug Misuse and Trafficking Act 1985, an offence punishable by imprisonment for five years or more and involving theft, fraud, obtaining financial benefit from the crime of another, money laundering, extortion, violence, bribery, corruption, harbouring criminals, blackmail, obtaining or offering a secret commission, perverting the course of justice, tax or revenue evasion, illegal gambling, forgery or homicide, or an offence of attempting to commit or of conspiracy or incitement to commit, an offence referred to above.

4.4 The CAR Act provides for the Commission to make application to the Supreme Court for:

- . restraining orders preventing dealings with the property of persons reasonably suspected of having engaged in serious crime related activity or of persons whose interests in property are reasonably suspected of being property derived from serious crime related activity.
- . asset forfeiture orders for the forfeiture of property subject to a restraining order;

- . proceeds assessment orders assessing the value of proceeds derived by a person from illegal activities; and

- . search warrants, production orders and monitoring orders to allow property, documents and information to be obtained, so that property and the sources of that property can be located and identified.

4.5 Asset forfeiture orders and proceeds assessment orders can only be obtained if the Commission can establish, upon the civil onus of proof, that the person whose suspected serious criminal activity was the basis of the restraining order did, in fact, engage in a serious criminal activity within a six year period prior to the making of the Commission’s application.

RESTRAINING ORDERS

4.6 During 2000/01 the Commission obtained 118 restraining orders under the CAR Act compared with 156 for the previous year. Of those, some were obtained on the basis that the persons, who in some instances included corporate entities, were reasonably suspected of having property that was derived from the serious criminal activities of another person, and the balance were obtained on the basis that the persons whose properties were restrained were reasonably suspected of having engaged in a serious crime-related activity. In all cases in which the Commission obtained restraining orders, the Commission filed a summons seeking either an assets forfeiture order or a proceeds assessment order, or both, within the forty-eight hour period provided in section 10(9) of the CAR Act.

4.7 The low number of restraining orders obtained compared to the previous year is due to the low number of referrals obtained from police prior, during and immediately after the Olympics.

4.8 The 1,038 restraining orders obtained under the CAR Act since 3 August 1990 is made up as follows:

Year	Restraining Orders
1990/91	57
1991/92	59
1992/93	24
1993/94	44
1994/95	73
1995/96	95
1996/97	145
1997/98	166
1998/99	101
1999/00	156
2000/01	118
Total	1,038

4.9 Potential subjects of confiscation proceedings are now well aware of the impact of the CAR Act and other proceeds of crime legislation and are devoting greater effort and resources to the laundering of crime proceeds and the concealment of their assets. Commonly, aliases or the names of other persons are used to conceal the identity of the beneficial owner of assets. All law enforcement agencies, including the Commission, are having to work harder to identify and restrain property and to allocate an increasing proportion of resources to pre-litigation investigation work.

4.10 The restraining orders obtained during 2000/01 followed referrals from the sources set out below:

Orders	Referring Agency	Est Value
83	NSWPS	16,109,012
9	NCA	854,840
3	JACG (AFP/NSWPS /ACS/NCA/NSWCC)	1,054,854
1	AUSTRAC	1,762,493
2	NSWCC	120,000
4	AFP	1,336,617
12	NSWPS/NSWCC	1,869,670
4	SAPOL/NCA	489,520
118	Total	\$ 23,597,006

ASSET FORFEITURE ORDERS AND PROCEEDS ASSESSMENT ORDERS

4.11 A proceeds assessment order is directed at recovering monies which can be shown to have been generated by illegal activity, whereas an assets forfeiture order attaches to so much of a person's property as cannot be shown to have been lawfully acquired.

4.12 During 2000/01 the Commission completed 70 applications for assets forfeiture orders,

usually by way of negotiated settlement without proceeding to a hearing. Orders were obtained that property having an approximate value of \$8,015,188 be forfeited to the Crown. The property forfeited included motor vehicles, jewellery, real property, cash and funds held in bank accounts and also included an insurance claim in the amount of \$77,263 which is unlikely to be paid and therefore will not be recovered.

4.13 During 2000/01 the Commission completed 18 applications for proceeds assessment orders by way of negotiated settlement, resulting in orders that \$1,304,000 be paid to the Treasurer. Of this amount, it is estimated that only \$807,000 will be recoverable.

4.14 The following tables enable a comparison between the results detailed above to those quoted in the last ten annual reports.

Year	Assets Forfeiture Orders	Proceeds Assessment Orders	Total Confiscation Orders
1990/91	4	1	5
1991/92	18	1	19
1992/93	26	10	36
1993/94	16	2	18
1994/95	33	5	38
1995/96	57	24	81
1996/97	50	17	67
1997/98	128	46	174
1998/99	82	40	122
1999/00	84	31	115
2000/01	70	18	88
Total	568	195	763

Year	Assets Forfeiture Orders (Realisable Amount)	Proceeds Assessment Orders (Realisable Amount)	Total Realisable Confiscation Orders
90/91	118,515	Nil	118,515
91/92	650,000	500	650,500
92/93	2,673,528	450,000	3,123,528
93/94	1,298,000	230,000	1,528,000
94/95	3,031,739	344,900	3,376,639
95/96	3,567,890	1,537,118	5,105,008
96/97	3,193,943	789,402	3,983,345
97/98	7,500,712	2,651,580	10,152,292
98/99	4,681,108	4,704,931	9,386,039
99/00	8,916,853	2,098,446	11,015,299
00/01	7,937,925	807,000	8,744,925
Total	\$43,570,213	\$13,613,877	\$57,184,090

Chapter Four: Confiscation

4.15 It is useful to compare the results from the commencement of the Act on 3 August 1990 to date with the cost to Government of the confiscation litigation function.

4.16 The following table makes the comparison.

Year	Realisable Confiscation Orders (including legal costs recovered)	Cost of Confiscation Litigation Function
1990/91	118,515	1,630,000
1991/92	650,500	2,320,000
1992/93	3,123,528	2,694,000
1993/94	1,528,000	2,081,000
1994/95	3,376,639	1,641,404
1995/96	5,196,108	1,697,727
1996/97	4,000,345	1,175,802
1997/98	11,025,605	1,613,330
1998/99	10,039,970	2,243,000
1999/00	12,046,483	2,199,923
2000/01	9,515,138	2,141,737
Total	\$60,620,831	\$21,437,923

4.17 The source of referrals for the total amount of realisable confiscation orders, including legal costs recovered for the 00/01 year, being \$9,515,138, is as follows:

Referring Agency	Number of Confiscation and Cost Orders	Amount
NSWPS	62	6,605,686
JACG	12	1,688,731
NCA	7	482,102
NSWPS/NSWCC	5	300,000
AFP	6	236,000
NCA/NSWPS	2	133,213
NSWCC	1	63,000
AUSTRAC	1	6,406
Total	96	\$9,515,138

4.18 Of the total amount of realisable confiscation orders and costs recovered, 95.7% related to matters involving drug offences and the balance related to offences as follows:

Offence	Amount	Percentage
Money Laundering	232,200	2.4
Fraud	182,098	1.9
Total	\$414,298	4.3

4.19 During the year nine exclusion orders were made which reduced the amount of asset

forfeiture orders of previous years as follows:

Year	Number of Orders	Value
1998/99	2	100,000
1999/00	7	977,752
Total	9	\$1,077,752

4.20 6 applications to exclude property from Asset Forfeiture Orders are outstanding. They were lodged in respect of property valued at approximately \$692,819. All of these applications relate to Asset Forfeiture Orders made in prior years.

4.21 As at 30 June 2001 potential exists in respect of ten Asset Forfeiture Orders, for application to be made to exclude property from the Asset Forfeiture Orders within six months of the date that the Asset Forfeiture Orders were made. The value of assets in respect of these ten Asset Forfeiture Orders is in the vicinity of \$1,166,413.

4.22 The cost of the confiscation litigation function includes all capital costs and employee-related expenses, but does not include general overheads borne by the Commission prior to the commencement of the confiscation function.

4.23 There was a 2.6% decrease in the cost of the confiscation litigation function in 2000/01 over 1999/00. The budget for confiscation litigation for 2001/02 is \$2,236,000 with the monetary value of confiscation orders projected to be not less than \$12,000,000.

4.24 The confiscation litigation function has been revenue positive since July 1994 and is expected to remain revenue positive.

PRODUCTION ORDERS

4.25 Section 33(1) of the CAR Act provides that an authorised officer who has reasonable grounds for suspecting that a person has possession or control of property-tracking documents may apply, *ex parte*, to the Supreme Court for an order against that person requiring that person to produce to the Commission such documents as are in that person's possession or control, or, in the case of bankers' books, to produce all relevant documents for inspection by the Commission.

- 4.26 Production orders are the means by which the majority of documents relevant to proceedings commenced by the Commission are obtained, unless the person against whom proceedings have been commenced also falls within the terms of a Commission Reference. During 2000/01 the Commission applied for and obtained 37 production orders. (975 Notices to Produce pursuant to section 17 of the NSW Crime Commission Act were also issued in respect of confiscation matters that fell within a Commission Reference.)

SEARCH WARRANTS

- 4.27 An authorised officer of the Commission which includes a member of the NSW Police may apply, in certain circumstances, to an authorised justice for the issue of a warrant pursuant to section 38 of the CAR Act, to search premises for serious crime-derived property; illegally acquired property; evidence of a serious crime-related activity; evidence of illegal activity of a person reasonably suspected of having been engaged in serious crime-related activities; and property which is subject to a restraining order. In 2000/01 two search warrants were issued pursuant to these provisions.
- 4.28 Pursuant to sections 44 and 45 of the CAR Act, an authorised officer of the Commission, which includes a member of the NSW Police, may apply to the Supreme Court for a warrant authorising the search of premises for property-tracking documents.
- 4.29 During the 2000/01 year the Commission successfully applied for the issue of 123 warrants under these provisions.

MONITORING ORDERS

- 4.30 Section 48 of the CAR Act provides that an authorised officer may make an *ex parte* application to the Supreme Court for a monitoring order. Such orders direct financial institutions to give the Commission financial information obtained by the institution about transactions conducted by a particular person with the institution.
- 4.31 In 2000/01 no monitoring orders were applied for pursuant to these provisions. The fact that no monitoring orders were sought by the Commission is due, in part, to the fact that the Commission made extensive

use of section 51 of the CAR Act which enables financial institutions to provide information to the Commission upon request.

THE DPP OFFICES

- 4.32 The Offices of the State and Commonwealth Directors of Public Prosecutions each have a statutory role to play in the area of forfeiture of criminal assets through the Confiscation of Proceeds of Crime Act 1989 (NSW), the Customs Act 1901 (Cth) and the Proceeds of Crime Act 1987 (Cth).
- 4.33 The Commission has maintained its links with both agencies and liaises with them in respect of operational and policy matters.

THE COPOC ACT

- 4.34 On 22 March 1993 a regulation pursuant to the COPOC Act was gazetted empowering the Commission to take proceedings for restraint and forfeiture of tainted property in indictable drug matters under the Drug Misuse and Trafficking Act. This regulation was made in order to minimise overlap in functions between the NSW DPP and the Commission in respect of the forfeiture of the property of persons involved in drug crime.
- 4.35 Each matter referred to the Commission for assessment of confiscation action under the CAR Act is also assessed for confiscation action under the COPOC Act.
- 4.36 During 2000/01 no restraining orders were obtained under the COPOC Act.

THE AUSTRALIAN TAXATION OFFICE

- 4.37 During 1995/96 the Commission and the ATO entered into a memorandum of understanding which set guidelines for dealing in matters of mutual interest. The Commission maintains good working relations with the ATO.

FINANCIAL INSTITUTIONS

- 4.38 As a result of the large numbers of production orders obtained under the CAR Act and notices issued under section 17 of the NSW Crime Commission Act, the

Commission has established close liaison with the state's major banks and building societies.

concentrating more effort in the tracing of assets in foreign jurisdictions.

4.39 Section 51 of the CAR Act provides:-

“(1) If a financial institution has reasonable grounds for believing that information it has about a transaction with the institution:

(a) might be relevant to an investigation of a serious criminal activity or the making of a confiscation order; or

(b) might otherwise be of assistance in the enforcement of this Act or the regulations,

the institution may give the information to the Commission.”

4.40 The Commission has obtained information on numerous occasions pursuant to section 51.

4.41 The assistance provided by both banking and other financial institutions has been essential to the confiscation function.

INTERNATIONAL AND INTERSTATE INQUIRIES

4.42 In an increasing number of matters investigated by the Commission, there has been evidence to suggest the removal of funds offshore and the acquisition of property in foreign jurisdictions. In such cases the Commission has made requests through the Commonwealth Attorney-General's Department for documents relevant to the Commission's investigations to be obtained from foreign jurisdictions. The Commission's experience of such inquiries has been that little is achieved and long delays are involved, however liaison is ongoing with the Commonwealth Attorney-General's Department.

4.43 In confiscation proceedings in respect of the interests in property in Hong Kong of two persons, Hong Kong forfeiture orders were obtained. Property to the value of HK\$765,236 (A\$191,951) was forfeited to Hong Kong authorities.

4.44 The Commission is continuing to detect offshore assets of offenders and is

SUPREME COURT AND DISTRICT COURT

4.45 The work generated by the confiscation function continued to place further demands upon the resources of the Supreme Court and in particular upon the Criminal Registry and Common Law listing staff. The assistance provided by those staff has facilitated the operations of the Commission, as has the assistance given by the District Court Criminal Registry, which provides access to files and certificates of conviction.

4.46 At the end of the year the number of matters before the Supreme Court was 106.

NSW POLICE SERVICE CRIME AGENCIES AND OTHER POLICE

4.47 The contribution of the NSW Police Service to the litigation commenced by the Commission has been substantial.

4.48 During 2000/01 a total of 531 matters were referred to the Commission for assessment of confiscation action under the CAR Act and/or COPOC Act.

4.49 The following table sets out the number of matters referred to the Commission since 3 August 1990:

Year	Number
1990/91	346
1991/92	637
1992/93	828
1993/94	898
1994/95	832
1995/96	674
1996/97	432
1997/98	381
1998/99	566
1999/00	650
2000/01	531

4.50 The number of restraining orders obtained (relative to the large number of matters referred to the Commission) is due partly to the fact that police arrest large numbers of persons who habitually deal in indictable quantities of illicit drugs without acquiring substantial assets which are discoverable by the Commission.

THE PUBLIC TRUSTEE

- 4.51 The Public Trustee has two significant roles under the CAR Act. The first is the management of property placed in its control pursuant to orders obtained under sections 10 and 12. The second is the realisation of property subject to forfeiture or proceeds assessment orders under the CAR Act. Close liaison with the Public Trustee has been established to ensure that, in those matters where property has been placed in the Trustee's control, property forfeited is promptly recovered.

THE CONFISCATED PROCEEDS ACCOUNT

- 4.52 Monies realised from the sale of property forfeited under the CAR Act and monies received by the Treasurer pursuant to proceeds assessment orders are credited to an account administered by the Treasurer called the Confiscated Proceeds Account. The proceeds of that account may be applied to administering the Act, victim's compensation, law enforcement, drug rehabilitation or drug education.

TRAINING

- 4.53 There is a continuing need for law enforcement to improve its ability to identify, locate and recover laundered proceeds of crime and assets in both local and foreign jurisdictions. The Commission has gained significant experience and skills in those areas over the last eight years.

CHAPTER FIVE

GENERAL MANAGEMENT

- 5.1 Mr Phillip Bradley is the Commissioner and the sole Member of the Commission. He is also the Chief Executive Officer.
- 5.2 Mr John Giorgiutti is the Director of the Commission as well as Solicitor to the Commission.
- 5.3 The Commission is divided into two Divisions: Operations and Operations Support. The Operations Division comprises several operational teams, each headed by an Assistant Director. The Operations Support function is also headed by an Assistant Director.
- 5.4 The Commissioner, Director and Assistant Directors constitute the Management Team, which is responsible for the Commission's strategic planning and for the achievement of its aims and objectives.
- 5.5 An organisation chart current at the end of the year is shown at Appendix D.

ADMINISTRATIVE OFFICE

- 5.6 The address, telephone, facsimile and DX numbers, as well as the business hours of the Commission's head office are shown on the inside front cover of this report.

STAFFING

- 5.7 In 2000/01 the establishment comprised positions under the Public Sector Management Act and staff employed directly by the Commission pursuant to section 32 of the NSW Crime Commission Act.
- 5.8 At the end of the reporting year, the number of permanent staff employed by the Commission was 89. The categories of staff comprising the establishment are tabulated below. A comparison with the staffing levels of the previous three years is included.

	00/01	99/00	98/99	97/98
Statutory Officers	1	1	1	1
SES	0	0	0	0
PSM Act	15	16	16	20
Direct Employees	72	74	76	71
TOTAL	88	91	93	92

SES POSITIONS

- 5.9 During the reporting year there were no officers employed as Senior Executives under the Public Sector Management Act.
- 5.10 Included in the Management Team are:
 Director and Solicitor to the Commission
 Assistant Director, Investigations (2 positions)
 Assistant Director, Financial Investigations
 Assistant Director, Operations Support
- 5.11 Names of incumbents and dates of their appointment are shown in the first section of this report.
- 5.12 Each of these officers is employed pursuant to a contract of employment with the Commission which provides for review on an annual basis. These contracts do not provide for levels as occurs in SES contracts. The terms of the contracts are expressly confidential. In those cases where performance review was tied to salary, each officer's performance was assessed to be satisfactory and incremental adjustment to remuneration was made. Performance reports can be found in Appendix C.
- 5.13 The Commissioner is not part of the Chief Executive Service. His appointment is pursuant to the NSW Crime Commission Act and his remuneration is set by the Statutory and Other Offices Remuneration Tribunal. As an independent statutory office holder, he is not subject to formal performance appraisal. His remuneration package was set by the Tribunal in October 2000 at \$269,080.

EQUAL EMPLOYMENT OPPORTUNITY

- 5.14 The Commission's Equal Employment Opportunity (EEO) statistics for 2000/01 have been completed in the context of the NSW Premier's Department's annual workforce survey.

- 5.15 The Commission works with the Office of the Director of Equal Opportunity in Public Employment to develop strategies to enhance employment equity. The Commission takes the view that its EEO profile, as reflected in the following statistics, demonstrates that its strategies have been successful.
- 5.16 In the reporting period, 11 new members of staff were recruited. Of these, 8 were women (73%) and 2 were people from a racial, ethnic or ethno-religious minority (REMG) (18%).
- 5.17 The following tables contain EEO statistics for 2000/01. Comparative data from past years can be found in previous annual reports of the Commission.
- 5.18 **Representation and recruitment of target groups (Aboriginal or Torres Strait Islanders (ATSI), people with physical disability, people from a racial, ethnic or ethno-religious minority (REMG), and women)**

2000/01	All	ATSI	Disab	REMG	Women
Total	88	1	4	18	50
Staff		(1%)	(5%)	(20%)	(57%)
Recruited	11	0	0	2	8
2000/01				(18%)	(73%)

- 5.19 **Representation of EEO target groups by level 2000/01**

Grade	Total Staff	Women	REMG
Above Grade 12	15	2 (13%)	2 (13%)
Grades 10 - 12	9	0	3 (33%)
Grades 6 - 9	20	14 (70%)	4 (20%)
Grades 3 - 5	27	21 (78%)	6 (22%)
Grades 1 - 2	6	5 (83%)	1 (17%)
CO 1 – Grade 1	10	7 (70%)	2 (20%)
Below CO 1	1	1 (100%)	0
TOTAL	88	50	18
		(57%)	(20%)

STAFF TRAINING

- 5.20 The Commission continued its very successful program of information seminars for staff during the year. The sessions are available for all staff on a voluntary basis, and cover a wide variety of topics related to law enforcement. The sessions were attended by a large proportion of staff.

CODE OF CONDUCT / ETHICS

- 5.21 The Commission has a code of conduct for all staff and an additional code for senior officers. All staff have signed undertakings to comply with all aspects of the Code.
- 5.22 The full text of the general Code of Conduct was published in full in the 1997/98 Annual Report.
- 5.23 During the year all staff were surveyed as to their attitudes towards various ethical scenarios – based on a questionnaire published by the ICAC. Responses of Commission staff were compared with responses from the public sector generally. The collated responses were presented to all staff in a discussion forum. The survey results were also forwarded to the Commissioner, ICAC.

OVERSEAS VISITS

- 5.24 Three Crime Commission officers and one Police Officer (funded by the Commission) made overseas visits during 2000/01.
- 5.25 In July/August 2000, two Commission officers and one officer of the NSW Police Service attended the National Technical Investigators' Association Conference in the USA. The cost of the trip was \$14,415. No officer took additional leave whilst overseas.
- 5.26 In September 2000, one Commission officer made a presentation at the New Zealand Financial Crimes and Money Laundering Course in Wellington. The conference organisers paid all costs associated with the travel. The officer did not take additional leave whilst overseas.

OCCUPATIONAL HEALTH AND SAFETY

- 5.27 The Commission is concerned to ensure the safety and well being of all its staff.
- 5.28 During the year Commission staff elected a representative pursuant to the Occupational Health and Safety Act. The representative attended full training and is actively involved in identifying issues for improvement in the workplace.
- 5.29 The Commission made 4 claims during the year for workers' compensation. One claim relates to a major traffic accident in 1997.

This matter will ultimately be treated as a third-party insurance matter which will result in a reimbursement to the workers' compensation insurer.

- 5.30 The other matters all related to injuries sustained during the course of duty. They resulted in a loss of 30 days' work and costs of treatment.

THE ENVIRONMENT

- 5.31 The Commission continues to employ conservation methods such as water conserving shower heads, infra-red flushing systems and dual flush cisterns. There are energy saving devices on all new office machines and timers on air conditioning units, basement carpark lights, hot water urns and water coolers. Signs are posted on all light switches reminding staff to conserve electricity.
- 5.32 Towards the end of the year the air conditioning temperature controls were upgraded and the Commission anticipates this will lead to reduced energy consumption.
- 5.33 The Commission has an ongoing contract with Energy Australia in which it has elected to purchase 100% greenpower. The NSW Government requirement is that agencies purchase at least 6% greenpower.
- 5.34 Photocopy paper used at the Commission is made from recycled paper waste. The Commission uses rechargeable batteries and recycles used toner cartridges, paper, cardboard, glass and aluminium.

INFORMATION MANAGEMENT

- 5.35 The Commission's policy is to use off-the-shelf products where possible. This has benefits in terms of network flexibility. The Commission uses products such as Novel, Windows NT and some simple Visual Basic programs. The Commission also utilises products developed by other agencies, where possible.
- 5.36 During 2000/01 a major upgrade of the IT system was undertaken, increasing the Commission's electronic information gathering capacity.

- 5.37 Storage of the Commission's data has previously been effected by the addition of a RAID system for each server. During the year the Commission installed a SAN storage system, and an automated Robot Arm Tape Drive. The system is capable of expansion to meet future storage requirements.

- 5.38 All proprietary systems have been replaced by an IT system structure, resulting in significant savings.

- 5.39 The coming year will see the development of a new IT strategic plan, a new email system, enhanced IT security and a new Commission web-page.

RESEARCH AND DEVELOPMENT

- 5.40 No research and development work (as defined by Australian Accounting Standard AA513) was carried out by the Commission during the year.

CONSULTANTS

- 5.41 No consultants were retained during the reporting year.

SERVICES TO THE PUBLIC

- 5.42 By reason of its statutory aims, objectives, functions and operational activities, the Commission does not provide services direct to the public, although members of the public often contact the Commission directly to provide information. Investigations are sometimes launched on the basis of such information.

- 5.43 Consequently, the Commission does not usually receive complaints or consumer suggestions. It is not possible, therefore, for the Commission to report on services improved or changed as a result of such complaints or suggestions as required by the annual reports legislation. For the same reasons, the Commission has not developed 'standard times' for providing services, with the exception of payment of accounts.

- 5.44 The Commission has a formal system for registering and dealing with complaints.

FREEDOM OF INFORMATION

- 5.45 The Commission received one request under the Freedom of Information Act during 2000/01.
- 5.46 Requests under the FOI Act for access to documents in the possession of the Commission should be directed in writing to the Commissioner.
- 5.47 Inquiries concerning fees and procedures for inspecting or obtaining Commission documents, including Statements of Affairs, should be made to the Assistant Director, Operations Support between the hours of 9.00am and 5.00pm.

PUBLICATIONS

- 5.48 Two Commission publications are available to the general public:
- . Annual Reports 1985/86 to 2000/01 inclusive; and
 - . Freedom of Information Statements of Affairs

PRIVACY

- 5.49 The Commission continues to comply with the Privacy Management Plan previously implemented (see 1999/00 Annual Report).
- 5.50 The Commission is unaware of any breaches or alleged breaches of that Plan or the *Privacy and Personal Information Act*.
- 5.51 A seminar is planned within the next reporting period, to further reinforce the staff's awareness of the terms of the Privacy Management Plan and their obligations under the *Privacy and Personal Information Act*.
- 5.52 Complaints and Internal Reviews under the Act
- | | |
|--|---|
| Complaints made against the Commission | 0 |
| Internal reviews conducted by the Commission | 0 |
| Internal reviews conducted by the Privacy Commission | 0 |

Internal reviews conducted by the Administrative Decisions Tribunal and its Appeal Panel 0

DISABILITY PLAN

- 5.53 The Commission's Disability Action Plan was submitted to the NSW Ageing and Disability Department in December 1999 following consultation with internal and external stakeholders.
- 5.54 The Commission continues to make progress, as projected in the Disability Action Plan.

ETHNIC AFFAIRS PRIORITIES REPORT

- 5.55 The Commission's Ethnic Affairs Priorities Statement remains unchanged from previous years.
- 5.56 The Commission does not discriminate against any group or individual on the basis of race, gender, culture, religion, language or ethnic origin.

FINANCIAL STATEMENTS

- 5.57 Audited financial statements can be found in Appendix A of this report.

ACCOUNT PAYMENT PERFORMANCE

Qtr	Current	<30 days overdue	30-60 days overdue	60-90 days overdue	>90 days overdue
Sept 00	\$143,767	\$0	\$0	\$0	\$0
Dec 00	\$48,112	\$0	\$0	\$0	\$0
Mar 01	\$200,251	\$71,335	\$0	\$0	\$0
Jun 01	\$46,554	\$0	\$0	\$0	\$0

Qtr	Total accounts paid on time		Total Paid	
	Target %	Actual %	\$	\$
Sept 00	85.0	92.76	2,477,412	2,670,821
Dec 00	85.0	93.47	2,084,852	2,230,421
Mar 01	85.0	87.15	1,560,832	1,791,027
Jun 01	85.0	78.30	2,874,397	3,671,015

- 5.58 The payment performance in the June 2001 quarter was affected significantly by several large payments for IT equipment. In some

cases payment was delayed in excess of the supplier's terms because the equipment was being evaluated and problems were encountered during the evaluation period.

STORES AND EQUIPMENT

- 5.59 The following table shows monthly expenditure on general stores, IT equipment, furniture and office equipment.

Month	Expenditure \$
July	18,448
August	79,334
September	23,759
October	34,741
November	26,521
December	31,353
January	19,864
February	54,371
March	57,514
April	15,785
May	57,163
June	19,190
Total	438,043

VALUE OF LONG SERVICE LEAVE AND RECREATION LEAVE

- 5.60 The value of accrued annual leave, including applicable leave loadings, and extended leave at 30 June 2001 was \$506,175 and \$1,059,029 respectively. Both of these amounts were calculated in accordance with AAS30 "Accounting for Employee Leave Entitlements" with the nominal method used for extended leave.

MAJOR ASSETS PURCHASED IN 2000/01

- 5.61 Assets acquired by the Commission during 2000/01 were:

Motor Vehicles	\$18,062
Security camera system	15,646
Photocopier	13,155
Workstations	16,212
Air conditioning upgrade	78,309
PC / printers / servers	529,438
Tape back-up unit	104,050
Cisco switch	150,000
Hubs and Switches	44,651
Photo ID package	13,235
Bar code readers	8,910
Blade for catalyst 6500	88,586
Other Equipment	508,209
Total	\$1,588,463

REAL PROPERTY

- 5.62 In 1993/94 the Commission acquired its main capital asset, being its premises at 453 Kent Street, Sydney, for \$5.7 million. During 1997/98 the Commission revalued this to \$7,125,000.

INSURANCE

- 5.63 The Commission insures against a range of risks, including worker's compensation, motor vehicles, property damage and public liability, through the New South Wales Treasury Managed Funds. In 2000/01 the Commission made 3 claims (compared to 8 in 1999/00). Of these claims, 2 related to workers compensation (7 in 1999/00) and 1 related to motor vehicles (1 in 1999/00).

GRANTS TO COMMUNITY ORGANISATIONS

- 5.64 The Commission did not provide any grants to community organisations in 2000/01.

CONTRACTING AND MARKET TESTING

- 5.65 The Commission has formed the view that the functions it market-tested in previous years could be more efficiently and cost-effectively performed by Commission staff. A significant factor in these decisions was the need to preserve security.
-

RISK MANAGEMENT

- 5.66 The Commission takes the view that risk management should occur at all levels, though the primary responsibility for it rests with management. Communication of risk is fundamental to developing a consciousness among all staff. This is achieved through its Risk Management Statement, which is communicated to all staff and advertised in prominent places throughout the workplace. It identifies most of the obvious things such as insurable risk and risk of loss or injury. It is in the nature of such statements that they are, or through reputation become, platitudinous. The Commission endeavours to be active in monitoring risk through regular weekly contact between all staff and the CEO, in formal and informal meetings.
- 5.67 The Commission differs from most other public sector agencies in that there are many in the community who would hope that the Commission does not meet its goals and achieve its statutory objects. This represents a risk or threat to the Commission. The Commission is therefore careful not to publicise its areas of possible vulnerability. In the well-known areas of risk, the Commission's performance is at a high level based on empirical data. Insurable risks are adequately covered and premiums paid on a performance basis. Physical security, which is at a high level, has not been breached and there have been no known breaches of critical information security.
- 5.68 Financial performance is audited by the Audit Office. Audits of performance in other areas are conducted by an Internal Audit Committee.

COST OF ANNUAL REPORT

- 5.69 200 copies of the 2000/01 Annual Report have been printed at a cost of \$2,046.00 (including GST), or \$10.23 per copy. This can be compared with a total cost of \$3,550.00 or \$7.10 for 500 copies of the 1999/00 Annual Report. The report will also be published on a new Commission web-page.

**NEW SOUTH WALES
CRIME COMMISSION**

**FINANCIAL STATEMENTS
FOR YEAR ENDED 30 JUNE 2001**

New South Wales Crime Commission

**Financial Statements for the
Year Ended 30 June 2001**

STATEMENT BY COMMISSIONER

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

- (a) the accompanying financial statements have been prepared in accordance with the provisions of the Public Finance and Audit Act 1983, the Financial Reporting Code for Budget Dependant General Government Sector Agencies, the Public Finance and Audit Regulation 2000, the Treasurer's Directions and applicable Australian Accounting Standards;
- (b) the statements present a true and fair view of the financial position as at 30 June 2001 and transactions of the Commission for the year then ended; and
- (c) there are no circumstances that would render any particulars included in the financial statements to be misleading or inaccurate.

P A Bradley
Commissioner

N Gray
Accountant

Dated:

NEW SOUTH WALES CRIME COMMISSION
Operating Statement for the Year Ended 30 June 2001

	Notes	Actual 2001 \$'000	Budget 2001 \$'000	Actual 2000 \$'000
Expenses				
Operating expenses				
Employee Related	2(a)	6,803	6,948	6,670
Other Operating Expenses	2(b)	2,665	2,234	2,466
Maintenance	2(c)	92	123	64
Depreciation	2(d)	1,542	1,412	1,109
Other Expenses		0	18	0
Total Expenses		11,102	10,735	10,309
Less:				
Retained Revenue				
Investment Income	3(a)	60	51	55
Other Revenue	3(b)&6	809	530	1,031
Total Retained Revenue		869	581	1,086
(Gain)/Loss on sale of Non-Current Assets	4	(19)	-	8
NET COST OF SERVICES		10,252	10,154	9,215
Government Contributions				
Recurrent Appropriation	5	8,050	8,055	7,270
Capital Appropriation	5	1,500	1,290	1,398
Acceptance by the Crown Entity of employee entitlements and other liabilities	6	727	683	598
Total Government Contributions		10,277	10,028	9,266
SURPLUS/(DEFICIT) FOR THE YEAR		25	(126)	51
TOTAL REVENUES, EXPENSES AND VALUATION ADJUSTMENTS RECOGNISED DIRECTLY IN EQUITY				
		0	0	0
TOTAL CHANGES IN EQUITY OTHER THAN THOSE RESULTING FROM TRANSACTIONS WITH OWNERS AS OWNER				
	14	25	(126)	51

The accompanying notes form part of these statements.

NEW SOUTH WALES CRIME COMMISSION
Statement of Financial Position as at 30 June 2001

	Notes	Actual 2001 \$'000	Budget 2001 \$'000	Actual 2000 \$'000
ASSETS				
Current Assets				
Cash	8	1,279	1,119	1,123
Receivables	9	476	683	683
Total Current Assets		1,755	1,802	1,806
Non-Current Assets				
Land and Buildings	10	6,750	6,750	6,875
Plant and Equipment	10	2,930	2,805	2,802
Total Non-Current Assets		9,680	9,555	9,677
Total Assets		11,435	11,357	11,483
LIABILITIES				
Current Liabilities				
Payables	11	208	246	246
Employee Entitlements	12	630	663	663
Other	13	0	2	2
Total Liabilities	21(a)	838	911	911
Net Assets		10,597	10,446	10,572
EQUITY				
Reserves	14	2,183	2,183	2,183
Accumulated Funds	14	8,414	8,263	8,389
TOTAL EQUITY		10,597	10,446	10,572

The accompanying notes form part of these statements.

NEW SOUTH WALES CRIME COMMISSION
Statement of Cash Flows for the Year Ended 30 June 2001

	Notes	Actual 2001 \$'000	Budget 2001 \$'000	Actual 2000 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Payments				
Employee Related		(6,548)	(6,545)	(6,351)
Other		(3,198)	(2,355)	(2,523)
Total Payments		(9,746)	(8,900)	(8,874)
Receipts				
Interest		58	51	59
Other		1,446	510	745
Total Receipts		1,504	561	804
Cash Flows From Government				
Recurrent Appropriation		8,050	8,055	7,270
Capital Appropriation		1,500	1,290	1,456
Cash Reimbursements from the Crown Entity		412	280	368
Cash Transfers to Consolidated Fund		0	0	(56)
Net Cash Flows from Government		9,962	9,625	9,038
NET CASH FLOWS FROM OPERATING ACTIVITIES	21(a) & 22	1,720	1,286	968
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from the sale of plant and equipment		28	0	152
Purchase of plant and equipment		(1,592)	(1,290)	(1,454)
NET CASH FLOWS FROM INVESTING ACTIVITIES	21(b)	(1,564)	(1,290)	(1,302)
NET INCREASE/(DECREASE) IN CASH		156	(4)	(334)
Opening Cash and cash equivalents		1,123	1,123	1,457
CLOSING CASH AND CASH EQUIVALENTS	8	1,279	1,119	1,123

The accompanying notes form part of these statements.

Appendix A: Financial Statements

NEW SOUTH WALES CRIME COMMISSION

Summary of Compliance with Financial Directives for the Year Ended 30 June 2001

	2001				2000			
	Recurrent Appropriation	Expenditure / Net Claim on Consolidated Fund	Capital Allocation	Expenditure / Net Claim on Consolidated Fund	Recurrent Appropriation	Expenditure / Net Claim on Consolidated Fund	Capital Expenditure	Expenditure / Net Claim on Consolidated Fund
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Original Budget Appropriate Expenditure								
- Appropriation Act	8,055	8,050	1,290	1,200	7,285	7,270	1,500	1,454
- Additional Appropriations								
- s21A PF&AA – Special Appropriation								
- s24 PF&AA – Commonwealth Special Purpose Payments								
	8,055	8,050	1,290	1,200	7,285	7,270	1,500	1,454
Other Appropriations / Expenditure								
- Treasurer's Advance			300	300				
- S22 – Expenditure for Certain Works and Services								
- Transfers from Another Agency (s26 of the Appropriation Act)								
	0	0	300	300	0	0	0	0
Total Appropriations / Expenditure / Net Claim on Consolidated Fund (includes transfer payments)	8,055	8,050	1,590	1,500	7,285	7,270	1,500	1,454
Amount drawn down against Appropriation		8,050		1,500		7,270		1,456
Liability to Consolidated Fund		0		0		0		2

The Summary of Compliance is based on the assumption that Consolidated Funds are spent first (except where otherwise identified or prescribed).

The Liability to Consolidated Fund represents the difference between the “Amount Drawn Down Against Appropriation” and the “Total Expenditure Net Claim on Consolidated Fund”.

NEW SOUTH WALES CRIME COMMISSION
Notes accompanying, and forming part of, the Financial Statements
For the year ended 30 June 2001

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Reporting Entity

The New South Wales Crime Commission is a reporting entity comprising all the activities under the control of the Commission.

The reporting entity is consolidated as part of the NSW Total State Sector and as part of the NSW Public Accounts.

(b) Basis of Accounting

The Commission's financial statements are a general purpose financial report which has been prepared on an accrual basis and in accordance with:

- . applicable Australian Accounting Standards;
- . other authoritative pronouncements of the Australian Accounting Standards Board (AASB);
- . Urgent Issues Group (UIG) Consensus Views;
- . the requirements of the Public Finance and Audit Act and Regulations; and
- . the Financial Reporting Directions published in the Financial Reporting Code for Budget Dependant General Government Sector Agencies or issued by the Treasurer under section 9(2)(n) of the Act.

Where there are inconsistencies between the above requirements, the legislative provisions have prevailed.

In the absence of a specific Accounting Standard, other authoritative pronouncement of the AASB or UIG Consensus View, the hierarchy of other pronouncements as outlined in AAS6 "Accounting Policies" is considered.

Except for land and buildings which are recorded at valuation, the financial statements are prepared in accordance with the historical cost convention.

All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency.

(c) Revenue Recognition

Revenue is recognised when the Commission has control of the good or right to receive, it is probable that the economic benefits will flow to the Commission and the amount of revenue can be measured

reliably. Additional comments regarding the accounting policies for the recognition of revenue are discussed below.

(i) Parliamentary Appropriations and Contributions from Other Bodies

Parliamentary appropriations and contributions from other bodies (including grants and donations) are generally recognised as revenues when the Commission obtains control over the assets comprising the appropriations/contributions. Control over appropriations and contributions are normally obtained upon the receipt of cash.

An exception to the above is when appropriations are unspent at year-end. In this case, the authority to spend the money lapses and generally the unspent amount must be repaid to the Consolidated Fund in the following financial year. As a result, unspent appropriations are now accounted for as liabilities rather than revenue.

The liability is disclosed in Note 13 as part of “other current liabilities”. The liability of \$2,000 for 1999/00 was repaid in 2000/01.

(ii) Professional Costs Recovered

Control of a right to recover the costs is achieved when the court makes the order.

(iii) Investment Income

Interest revenue is recognised as it accrues.

(d) Employee Entitlements

(i) Wages and Salaries, Annual Leave, Sick Leave and On-Costs

Liabilities for wages and salaries, annual leave and vesting sick leave are recognised and measured as the amount unpaid at the reporting date at current pay rates in respect of employees’ services up to that date.

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

The outstanding amounts of payroll tax, workers’ compensation insurance premiums and fringe benefits tax which are consequential to employment, are recognised as liabilities and expenses where employee entitlements to which they relate have been recognised.

(ii) Long Service Leave and Superannuation

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

Long service leave is measured on a nominal basis. The nominal method is based on the remuneration rates at year end for all employees with five or more years of service. It is considered that this measurement technique produces results not materially different from the estimate determined by using the present value basis of measurement.

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

(e) Insurance

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

(f) Accounting for the Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except:

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

(g) Acquisition of Assets

The cost method of accounting is used for the initial recording of all acquisitions of assets controlled by the Commission. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition.

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

Fair value means the amount for which an asset could be exchanged between a knowledgeable, willing buyer and a knowledgeable, willing seller in an arm's length transaction.

(h) Plant and Equipment

Plant and equipment costing \$5000 and above individually are capitalised.

(i) Revaluation of Physical Non-Current Assets

Buildings and improvements (excluding land) are valued at market value using the capitalisation of the expected net rental returns that the property would achieve. Land is valued on an existing use basis.

Due to the size and nature of the Commission's assets, revaluation is conducted every 5 years. The last such revaluation was completed on 30 June 1998.

In accordance with Treasury policy, the Commission has applied the AAS38 "Revaluation of Non-Current Assets" transitional provisions for the public sector and has elected to apply the same revaluation basis as the preceding reporting period, while the relationship between fair value and the existing valuation basis in the NSW public sector is further examined. It is expected, however, that in most instances the current valuation methodology will approximate fair value.

When revaluing non-current assets by reference to current prices for assets newer than those being revalued (adjusted to reflect the present condition of the assets), the gross amount and the related accumulated depreciation is separately restated.

Conversely, where assets are revalued to market value, and not by reference to current prices for assets newer than those being revalued, any balances of accumulated depreciation existing at the revaluation date in respect of those assets are credited to the asset accounts to which they relate. The net asset accounts are increased or decreased by the revaluation increments or decrements.

The recoverable amount test has not been applied, as the Commission is a not-for-profit entity whose service potential is not related to the ability to generate net cash inflows.

Revaluation increments are credited directly to the asset revaluation reserve, except that, to the extent that an increment reverses a revaluation decrement in respect of that class of asset previously recognised as an expense in the surplus/deficit, the increment is recognised immediately as revenue in the surplus/deficit.

Revaluation decrements are recognised immediately as expenses in the surplus/deficit, except that, to the extent that a credit balance exists in the asset revaluation reserve in respect of the same class of asset, they are debited directly to the asset revaluation reserve.

Revaluation increments and decrements are offset against one another within a class of non-current assets, but not otherwise.

(j) Depreciation of Non Current Physical Assets

Depreciation is provided for on a straight line basis for all depreciable assets so as to write off the depreciable amount of each asset as it is consumed over its useful life to the entity. Land is not a depreciable asset.

All material separately identifiable component assets are recognised and depreciated over their shorter useful lives, including those components that in effect represent major periodic maintenance.

The rates of depreciation applied to relevant categories of assets are set out in the following table and are consistent with those used in 1999/00.

Depreciation Asset Category	Rate %
Computer equipment and software	33.30
Office Equipment: Mechanical/Electronic	10.00
Office Equipment: Furniture/Fittings	7.50
Motor Vehicles	15.00
Building	3.33

(k) Maintenance and Repairs

The costs of maintenance are charged as expenses incurred, except where they relate to the replacement of a component of an asset, in which case the costs are capitalised and depreciated.

(l) Leased Assets

Operating lease payments are charged to the Operating Statement in the periods in which they are incurred.

(m) Receivables

Receivables are recognised and carried at the original invoice amount less a provision for any uncollectable debts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off as incurred.

(n) Payables

These amounts represent liabilities for goods and services provided to the Commission.

(o) Reclassification of Financial Information

As a result of applying AAS1 “Statement of Financial Performance” and AAS36 “Statement of Financial Position”, the format of the Statement of Financial Performance (previously referred to as the Operating Statement) and the Statement of Financial Position has been amended. As a result of applying these Accounting Standards, a number of comparative amounts were represented or reclassified to ensure comparability with the current reporting period.

(p) Budgeted Amounts

The budgeted amounts are drawn from the budgets as formulated at the beginning of the financial year and with any adjustments for the effects of additional appropriations, s21A, s24 and/or s26 of the Public Finance and Audit Act 1983.

The budgeted amounts in the Statement of Financial Performance and the Statement of Cash Flows are generally based on the amounts disclosed in the NSW Budget Papers (as adjusted above). However, in the Statement of Financial Position, the amounts vary from the Budget Papers, as the opening balances of the budgeted amounts are based on carried forward actual amounts, ie per audited financial statements (rather than carried forward estimates).

NOTE 2: EXPENSES**(a) Employee Related Expenses**

	2001 \$'000	2000 \$'000
Salaries and Wages (including recreation leave)	5,647	5,589
Superannuation	462	392
Long service leave	236	182
Workers compensation insurance	32	32
Payroll tax and fringe benefits tax	405	400
Other	21	75
	6,803	6,670

(b) Other Operating Expenses

	2001 \$'000	2000 \$'000
Auditor's Remuneration*	18	20
- audit or review of financial reports		
Bad and Doubtful Debts	6	6
Insurance	39	26
Office Utilities	160	126
Office Supplies	1,105	877
Computer Services	543	585
Travel Expenses	44	36
Motor Vehicle Expenses	16	(1)
Service Fees	572	545
Other	162	246
	2,665	2,466
*Includes Extended Audit Fee	0	2

(c) Maintenance

	2001 \$'000	2000 \$'000
Repairs and Maintenance	92	64
	92	64

(d) Depreciation

	2001 \$'000	2000 \$'000
Building	125	125
Plant and Equipment	81	66
Computer Equipment	1,327	902
Motor Vehicles	9	16
	1,542	1,109

NOTE 3: REVENUES**(a) Investment Income**

	2001 \$'000	2000 \$'000
Interest	60	55
	60	55

(b) Other Revenue

	2001 \$'000	2000 \$'000
Professional costs recovered	798	1,025
Miscellaneous	11	6
	809	1,031

NOTE 4: GAIN/(LOSS) ON SALE OF NON-CURRENT ASSETS

	2001 \$'000	2000 \$'000
Proceeds from disposal	28	152
Written down value of assets sold	(47)	(144)
Net gain/(loss) on disposal of non-current assets	(19)	8

NOTE 5: APPROPRIATIONS

	2001 \$'000	2000 \$'000
Recurrent Appropriations		
Total recurrent drawdowns from Treasury (per Summary of Compliance)	8,050	7,270
Less: Liability to Consolidated Fund (per Summary of Compliance)	0	0
Total	8,050	7,270
Comprising:		
Recurrent appropriations (as per Operating Statement)	8,050	7,270
Transfer payments	0	0
Total	8,050	7,270
Capital Appropriations		
Total capital drawdowns from Treasury (per Summary of Compliance)	1,500	1,456
Less: Liability to Consolidated Fund (per Summary of Compliance)	0	2
Less: Transferred to Consolidated Fund	0	56

Total	1,500	1,398
Comprising:		
Capital appropriations (as per Operating Statement)	1,500	1,398
Transfer payments	0	0
Total	1,500	1,398

NOTE 6: ACCEPTANCE BY THE CROWN TRANSACTIONS ENTITY OF EMPLOYEE ENTITLEMENTS AND OTHER LIABILITIES

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

	2001 \$'000	2000 \$'000
Superannuation	462	391
Long Service Leave	236	182
Payroll Tax	29	25
	727	598

NOTE 7: PROGRAMS/ACTIVITIES OF THE COMMISSION

The program number of the New South Wales Crime Commission is 63.1.1. The Commission comprises only one program.

Program Objective(s): To combat illegal drug trafficking and organised crime in New South Wales.

Program Description: The targeting of high level drug traffickers and persons involved in organised crime, the obtaining of evidence for prosecution of those persons and/or the civil forfeiture of their assets, the furnishing of reports relating to illegal drug trafficking and organised crime and the dissemination of intelligence and investigatory, technological and analytical expertise.

All the details of the one program are shown in the Operating Statement, Statement of Financial Position and the Statement of Cash Flows.

NOTE 8: CASH AND CASH EQUIVALENTS

For the purpose of the Statement of Cash Flow, 'cash' comprises cash on hand and bank balances within the Treasury Banking System. Interest is earned on daily bank balances within the Treasury Banking System. Interest is earned on daily bank balances at the monthly average NSW Treasury Corporation (Tcorp) 11am unofficial cash rate, adjusted for a management fee to Treasury. The weighted average interest rate received by the Commission on its daily bank balances for 2000/01 was 4.83%.

Cash at the end of the reporting period, as shown in the Statement of Cash Flow, is reconciled to the related items in the Statement of Financial Position as follows:

	2001 \$'000	2000 \$'000
Cash on Hand	21	22
Cash at the Bank	1,258	1,101
Closing Cash and Cash Equivalents (per Cash Flow Statement)	1,279	1,123

NOTE 9: CURRENT ASSETS - RECEIVABLES

	2001 \$'000	2000 \$'000
Interest receivable	30	28
Operational expenses to be recouped	149	112
Professional costs recovered	248	501
Prepayments	53	49
Other Debtors	36	33
Less: Provision for doubtful debts	(40)	(40)
	476	683

NOTE 10: NON CURRENT ASSETS- PROPERTY, PLANT AND EQUIPMENT

	2001 \$'000	2000 \$'000
Land and Buildings		
At cost	0	0
At valuation	7,125	7,125
	<u>7,125</u>	<u>7,125</u>
Accumulated depreciation at valuation	(375)	(250)
Total land and building at net book value	<u>6,750</u>	<u>6,750</u>
Plant and Equipment		
At cost	957	840
At valuation	0	0
	<u>957</u>	<u>840</u>
Accumulated depreciation at cost	(381)	(306)
Total plant & equipment at net book value	<u>576</u>	<u>534</u>
Computer Equipment		
At cost	5,774	4,871
At valuation	0	0
	<u>5,774</u>	<u>4,871</u>
Accumulated depreciation at cost	(3,462)	(2,659)
Total computer equipment at net book value	<u>2,312</u>	<u>2,212</u>
Motor Vehicles		
At cost	58	83
At valuation	0	0
	<u>58</u>	<u>83</u>
Accumulated depreciation at cost	(16)	(27)
Total motor vehicles at net book value	<u>42</u>	<u>56</u>
Total Property, Plant and Equipment at Net Book Value	<u>9,680</u>	<u>9,677</u>

Reconciliations

Reconciliations of the carrying amounts of each class of property, plant and equipment at the beginning and end of the current and previous financial year are set out below.

	Computer Equipment \$'000	General Equipment \$'000	Motor Vehicles \$'000	Building \$'000	Land \$'000	Total \$'000
2001						
Carrying amount at start of year	2,212	534	56	3,500	3,375	9,677
Additions	1,447	123	22	0	0	1,592
Disposals	(20)	(0)	(27)	(0)	(0)	(47)
Depreciation expense	(1,327)	(81)	(9)	(125)	(0)	(1,542)
Carrying amount at year end	2,312	576	42	3,375	3,375	9,680
2000						
Carrying amount at start of year	1,893	482	196	3,625	3,375	9,571
Additions	1,221	118	20	0	0	1,359
Disposals	(0)	(0)	(144)	(0)	(0)	(144)
Depreciation expense	(902)	(66)	(16)	(125)	(0)	(1,109)
Carrying amount at year end	2,212	534	56	3,500	3,375	9,677

The Commission continues to derive service potential and economic benefit from \$1,816,733 worth of assets that have been fully depreciated. Details of these assets are:

Asset Category	Quantum	Value
Plant and Equipment	2	13,300
Computer Equipment	286	1,803,433
Total	288	1,816,733

NOTE 11: CURRENT LIABILITIES - ACCOUNTS PAYABLE

The liabilities are recognised for amounts due to be paid in the future for goods or services received, whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set out in Treasurer's Direction 219.01. If trade terms are not specified, payment is made no later than the end of the month following the month in which an invoice or a statement is received. Treasurer's Direction 219.01 allows the Minister to award interest for late payment. No such payments were made during 2000/01.

	2001 \$'000	2000 \$'000
Creditors	47	127
Accrued other operating expenses	161	119
	208	246

NOTE 12: CURRENT LIABILITIES - EMPLOYEE ENTITLEMENTS

	2001 \$'000	2000 \$'000
Recreation leave	506	546
Accrued salaries and wages	124	117
	630	663

NOTE 13: CURRENT LIABILITIES - OTHER

	2000 \$'000	1999 \$'000
Liability to Consolidated Fund	0	2
	0	2

NOTE 14: CHANGES IN EQUITY

	Accumulated Funds		Asset Revaluation		Total Equity	
	2001 \$'000	2000 \$'000	2001 \$'000	2000 \$'000	2001 \$'000	2000 \$'000
Balance at the beginning of the financial year	8,389	8,338	2,183	2,183	10,572	10,521
Surplus/(deficit) for the year	25	51	0	0	25	51
Balance at the end of the financial year:	8,414	8,389	2,183	2,183	10,597	10,572

NOTE 15: MONIES HELD IN EXCESS OF TWO YEARS

No unclaimed amounts have been held in the accounts of the NSW Crime Commission for a period in excess of two years. All amounts unclaimed are forwarded to the NSW Treasury. Any such unclaimed amounts are available for refund for a period of twenty years.

NOTE 16: COMMITMENTS FOR EXPENDITURE

16.1 Capital Commitments

	2001	2000
	\$'000	\$'000
Aggregate other expenditure contracted for at balance date and not provided for:		
Less than 1 year	0	33
Total (including GST)	0	33

16.2 Other Expenditure Commitments

	2001	2000
	\$'000	\$'000
Aggregate other expenditure contracted for at balance date and not provided for:		
Less than 1 year	23	100
Between 1-2 years	0	0
Total (including GST)	23	100

16.3 Operating Lease Commitments

	2001	2000
	\$'000	\$'000
Aggregate other expenditure contracted for at balance date and not provided for:		
Less than 1 year	2	10
Between 1-2 years	0	2
Total (including GST)	2	12

These operating lease commitments are not recognised in the financial statements as liabilities.

NOTE 17: CONTINGENT LIABILITIES

A claim totalling \$192,812 (in 1999/00 \$192,812) has been forwarded to the Commission by the former Property Services Group in respect of a make-good payment on Crown Lease, Level 3, Stage 2, 175 Liverpool Street, Sydney (the site of the Commission's previous premises). The Commission disputes this claim.

The Commission also received one other claim during the year. It is not anticipated that any payments will be made as a result of that claim.

NOTE 18: CONTINGENT ASSET

The total capital, other operating and operating lease commitments in Note 16 includes input tax credits of \$2,277 that are expected to be recovered from the ATO (1999/00 \$13,182).

NOTE 19: BAD DEBTS WRITTEN OFF

An amount totalling \$5,917 was written off in 2000/01 as bad debts. These amounts were predominantly in the area of professional costs where generally the assets of the person involved were insufficient to meet all of the costs due. (1999/00 \$25,211)

NOTE 20: MATERIAL ASSISTANCE PROVIDED BY OTHER PARTIES

No material assistance was received by the NSW Crime Commission free of charge during 2000/01 from any other organisation.

NOTE 21: BUDGET REVIEW

(a) Net cash flows from operating activities

The actual net cash flow from operating activities was higher than the budget by \$434,000. This was due to increased cash received for professional costs.

(b) Net cash flows from investing activities

The actual net cash flow from investing activities was higher than the budget by \$274,000. This was due primarily to the Commission receiving an additional appropriation of \$300,000 during the year to fund the acquisition of urgently required technical equipment. This additional appropriation was fully expended at year end.

NOTE 22: RECONCILIATION OF NET CASH FLOWS FROM OPERATING ACTIVITIES TO NET COST OF SERVICES

	2001	2000
	\$'000	\$'000
Net Cash From Operating Activities	1,720	968
Depreciation	(1,542)	(1,109)
Decrease/(Increase) in provisions	40	(100)
Acceptance by the Crown Entity of employee entitlements and other liabilities	(727)	(598)
Increase/(Decrease) in prepayments and other assets	(206)	363
(Increase)/decrease in Accounts payable	32	(77)
Recurrent appropriation	(8,050)	(7,270)
Capital appropriation	(1,500)	(1,400)
Net gain/(loss) on sale of plant and equipment	(19)	8
Net cost of services	(10,252)	(9,215)

NOTE 23: ADMINISTERED ASSETS AND LIABILITIES

The Commission had no administered assets or liabilities as at 30 June 2001 (30/6/00-Nil)

NOTE 24: OLYMPIC GAMES RELATED EXPENDITURE

Staff employed at the Commission on initiatives directly and specifically related to the Games:

2001	EFT	0
2001	\$'000	0

2000	EFT	0
2000	\$'000	0

Staff seconded to other agencies on initiatives directly and specifically related to the Games:

2001	EFT	7
2001	\$'000	50

2000	EFT	1
2000	\$'000	8

END OF AUDITED STATEMENTS

**NEW SOUTH WALES CRIME COMMISSION
OUTLINE OF 2001/2002 BUDGET**

The proposed operating budget for the NSW Crime Commission for the 2001/2002 financial year is:

	\$'000	\$'000
<u>Expenses</u>		
Operating expenses –		
Employee related	7,028	
Other operating expenses	2,277	
Maintenance	100	
Depreciation and amortisation	1,646	
Other expenses	18	11,069
<u>Revenue</u>		
Sales of goods and services	5	
Investment income	50	
Other revenue	525	(580)
Gain/(loss) on disposal of non current assets		-
<u>Net Cost of Services</u>		10,489

The proposed capital budget for the Commission for the 2001/2002 financial year is:

Acquisition of property, plant and equipment:	\$982,000
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Appendix C: Performance Statement for Commissioner and Senior Staff

Performance statement for the year ended 30 June 2001

Mr Phillip A Bradley
Commissioner
Appointed on 23 May 1993

The Annual Reports (Departments) Act 1985 requires that officers at or above the level of SES 5 be the subject of a performance statement.

The Commissioner of the NSW Crime Commission is not part of the CES and has accountability and responsibilities that differ from most other chief executive officers.

Performance statement for the year ended 30 June 2001

Mr John M Giorgiutti
Solicitor to the Commission/Director,
Operations
Appointed on 1 October 1996

Mr Giorgiutti generally has oversight of all Commission business and reports to the Commissioner.

Significant achievements in 2000-2001 included:

- Maintenance of reduced Supreme Court list and high throughput of matters.
- Provision of high level advice on corporate and strategic planning and on legal matters
- Personal conduct of major confiscation and criminal investigation matters.
- Appearance before the Commission and the Supreme Court.
- Acting as Commissioner during absence of Commissioner.
- Introduction of cutting edge technology in the field of electronic surveillance.

Performance statement for the year ended 30 June 2001

Mr Michael Lulan
Assistant Director, Financial Investigations
Appointed on 9 February 1995

Mr Lulan is the Assistant Director, Financial Investigations, and is in charge of the Financial Investigation Team in the management of the Commission's confiscation functions, with the Commission obtaining positive results. Key achievements in 2000/01 were:

- Negotiation of settlement of major litigation in which the Commission was involved as plaintiff.
- Implementation of new efficiencies in structural approach to litigation.
- Provision of advice as a member of the Management Team on investigation strategies.
- Leadership of multifunction team in relation to the gathering of evidence, the identification of the proceeds of crime and conduct of litigation.
- Oversight of development of Investigation/Litigation Manual and key documentation.
- Development of relationship with main clients.
- Sponsorship of anti-money laundering initiative with external agencies.
- Representation at national and international forums on money laundering and confiscation.

Performance statement for the year ended 30 June 2001

Mr Mark Standen
Assistant Director, Investigations
Appointed on 1 October 1997

Mr Standen is the Assistant Director, Investigations, in charge of the overall direction of criminal investigations in respect of several Commission *References*. Key achievements in 2000/01 were:

- Provision of advice on investigation strategies as a member of the Management Team.
 - Oversight of multifunction team in relation to the gathering of evidence and the identification of the proceeds of crime.
 - Review of police investigations and development of strategies for corruption investigations.
 - Development of interface with confiscation functions within the Commission and with several external agencies, especially the Special Crime and Internal Affairs Branch of the NSW Police Service.
 - Conduct of key hearings, appearing to assist the Commission.
 - Negotiation of memoranda of understanding with key agencies.
-

Performance statement for the year ended 30 June 2001

Mr Tim O'Connor

Assistant Director, Investigations

Appointed firstly on 1 October 1997 and recommenced in that role on 21 June 1999.

Mr O'Connor is the Assistant Director, Investigations, in charge of the overall direction of criminal investigations in respect of several Commission *References*. Key achievements in 2000/01 were:

- Provision of advice on investigation strategies as a member of the Management Team.
- Oversight of multifunction team in relation to the gathering of evidence and the identification of the proceeds of crime.
- Development of interface with confiscation functions within the Commission and with several external agencies.
- Conduct of key hearings, appearing to assist the Commission.
- Negotiation settlement of major litigation in which the Commission was involved as plaintiff.
- Production of intelligence handling strategy for analysts.
- Oversight of increased productivity in criminal investigations.

Performance statement for the year ended 30 June 2001

Ms Alison Brook

Assistant Director, Operations Support

Appointed on 2 December 1996

Ms Brook has oversight of the Commission's generic corporate services generally as well as managing the human resources function. She also manages support functions which are specific to a law enforcement environment. These include oversight of the informant management system, management of firearms and the development of other covert investigative tools.

Operationally, Ms Brook has continued to develop an intelligence gathering project during the year.

Ms Brook also participates on the management committee of the Special Purpose Centre at Long Bay Jail.

Other significant achievements in 2000/01 included:

- Provision of advice on corporate and strategic planning.
 - Provision of advice on support service issues as a member of the Management Team.
 - Provision of support to the Commission's Management Committee.
 - Production of the Annual Report to Parliament.
 - Development of key protocols on informant management and email systems.
 - Oversight of the implementation of the new records management system.
 - Initiation of a number of major investigations arising out of informant management.
-

ORGANISATION CHART PAGE

INDEX

Abbreviations	5	Management Committee	2, 9-14, 16, 17, 60
ABCI	5, 14, 18	Mascot Reference	15, 18, 19
Account Payment	31	Memorandum of Understanding	5, 25
AFP	5, 11, 12, 20, 23, 24	Minister	1, 9, 10, 18, 21, 22, 27, 52, 56
Arrests	12-18	Money Laundering	12,-16, 20, 22, 24, 29, 59
Asset Forfeiture Orders	22-24	Monitoring Orders	22, 25
AUSTRAC	5, 18, 23, 24	National Crime Authority	5, 9, 13, 18, 21
Australian Taxation Office	5, 18, 25, 43	NSW Crime Commission Act	6, 7, 10, 17, 21, 28
Azure Reference	12, 14, 18, 19	Notices to Produce	17, 25
Australian Customs Service	5, 13, 18, 20	Nowra Reference	15, 18
Bianco Reference	12, 18	Oberon Reference	15, 18
Budget	24, 35, 37-41, 46, 55, 57	Organisation Chart	28, 61
CAR Act	5, 18, 21-27	Organised Crime	2, 5-9, 11, 12, 14, 19, 49
Charter	9	Overseas Visits	29
Confiscation	2, 6, 7, 9, 20, 22-26, 58-60	Performance Statements	58-60
Consultants	30	Proceeds Assessment Orders	22, 23, 27
Controlled Operations	17, 21	Production Orders	22, 24, 25
Coogee Reference	14	Prosecutions	5, 9, 88, 18
Court Proceedings	18	Public Trustee	27
Crime Agencies	12-14, 16, 26	Publications	31
Director of Public Prosecutions	5, 9, 11	Putney Reference	16, 18
Dissemination	17, 49	Quaama Reference	16, 18
Drug Trafficking	6, 9, 11, 12, 19, 22, 49	Raby Reference	16, 18
Eden Reference	14, 18	Real Property	23, 32
Environment	19, 30, 60	Recruitment	29
Equal Employment Opportunity	5, 28	Research and Development	30
Ethnic Affairs	31	Restraining Orders	7, 22, 23, 25, 26
Financial Statements	1, 31, 34, 35, 41, 46, 54	Risk Management	33
Fraud	11, 14, 16, 18, 20, 22, 24	Search Warrants	11, 17, 22, 25
Freedom of Information	5, 31	Senior Staff	6
Gecko Reference	12, 18	Staff	6, 11, 26, 28-33, 56
Grants	32, 42	Stanmore Reference	16, 18
Gymea Reference	14, 18	Tacoma Reference	16, 18
Hearings	11, 19, 59, 60	Telecommunications Interception	7, 17, 21
Intelligence	5, 6, 18, 49, 60	Training	27, 29
Internal Audit	33	Ulong Reference	17, 18
Investigations	2, 6, 10-13, 15, 16, 18, 20, 26, 28, 30, 59, 60	Vacy Reference	13, 18
Jesmond	15, 18	Vittoria Reference	17, 18
Kingsvale Reference	15	Waratah Reference	13, 18
Legal Change	21	Zetland Reference	13, 18
Leura Reference	15, 18		
Liaison	26, 27		
Listening Devices	7, 17		
Litigation	23, 24, 26, 59, 60		
Major Assets	32		