



Independent Commission Against Corruption

2022-23 Annual Report

Independent Commission Against Corruption

55 Currie Street, Adelaide, South Australia 5000

GPO Box 11066, Adelaide, South Australia 5000

www.icac.sa.gov.au

Contact phone number: 08 8463 5191

Contact email: enquiries@icac.sa.gov.au

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2022-2023 ANNUAL REPORT for the Independent Commission Against Corruption

The Honourable Terence Stephens MLC
President
Legislative Council

The Honourable Daniel Cregan MP
Speaker
House of Assembly

This annual report will be presented to Parliament to meet the statutory reporting requirements of section 45 of the *Independent Commission Against Corruption Act 2012* (SA), and the requirements of Premier and Cabinet Circular *PC013 Annual Reporting*.

Included within it, is a report based on material provided by the Commissioner of Police on the number and general nature of sanctions imposed under the *Police Complaints and Discipline Act 2016* (SA), as required by section 31 of that Act.

This report is verified to be accurate for the purposes of annual reporting to the Parliament of South Australia.

Submitted by:



The Honourable Ann Vanstone KC
Commissioner
29 September 2023

2022-2023 ANNUAL REPORT for the Independent Commission Against Corruption

The Honourable Kyam Maher MLC
Attorney-General

This annual report will be presented to Parliament to meet the statutory reporting requirements of sections 12 of the *Public Sector Act 2009* (SA) and the requirements of Premier and Cabinet Circular *PC013 Annual Reporting*.

This report is verified to be accurate for the purposes of annual reporting to the Parliament of South Australia.

Submitted by:

A handwritten signature in black ink, appearing to read 'Ann Vanstone', written in a cursive style.

The Honourable Ann Vanstone KC
Commissioner
29 September 2023

From the Commissioner



Our impact, and the impact of all integrity agencies, will always be hard to measure. That is because much of what we do and our interventions are not widely seen, and because it is what we prevent, as well as what we find, that really counts. Measuring our success in terms of prosecutions misses this point. We know, from the reaction of chief executives and senior officers across the public sector, that our insights and recommendations to reduce systemic opportunities for corruption are very much valued by them. Those insights and recommendations regularly lead to positive change in the way public agencies conduct their business.

This year we have intensified our prevention activities in terms of recommendations following investigations, as well as reports to Parliament on specific topics. Our evaluations and other prevention initiatives have become more focused on issues, as opposed to single agencies.

In my time as Commissioner, I have tried to speed up and streamline our work, and make its product more digestible to public officers, who most directly stand to benefit from our work. While the modern way seems to be to apply endless time and resources to causes, such as investigations and court matters, we need to ensure that we are delivering maximum public value: more investigations, completed in a timely manner, with tangible outcomes, and more targeted prevention activities, with constant imparting of observations and suggestions for improvement.

When I look back over the last three years since my appointment in 2020, I am well satisfied in what we have achieved in this regard.

Every entity should be alive to opportunities to refine their own processes and procedures to ensure ongoing integrity. Responding to the issues inherent in the investigation of John Hanlon in 2018-19, and the subsequent referral of the matter to the Director of Public Prosecutions provided this agency with insights into ways in which we could improve our own performance.

Following the abandonment of the Hanlon prosecution by the Director of Public Prosecutions, I initiated a thorough review of the investigation and the relevant aspects of the court proceedings. Between November 2022 and early February 2023, with the help of my senior executives, I identified several weaknesses and process errors relating to that matter. I promptly responded to those by implementing new mandatory procedures and training across the organisation.

In early December 2022, we welcomed the appointment of the Inspector, Mr Phillip Strickland SC, his Deputy, Mr Stephen Plummer, and their substantial staff. Mr Strickland conducted his own review into the Hanlon matter and made recommendations. I am pleased to report that the recommendations from that review reflect my own analysis and have been acted on, with the fourth and final in train.

Importantly, as my Deputy observed, in the years between the Hanlon investigation and our review, the organisation has matured and changed. It is now a very different organisation from the one we examined.

Integrity agencies are an essential adjunct to a well functioning democracy. It is important that the South Australian public has confidence in the Commission, and that the Commission will be unsparing in its vigilance on the public's behalf.

As has been clearly demonstrated this year, the Commission is not, and should not, be immune from a vigilant eye. Accordingly, well informed criticism will always be welcome. What is not welcome is unwarranted and ill-informed criticism that seeks to undermine that confidence. Criticism of this sort only serves corrupt actors. The 2021 legislative changes have effectively gagged me in terms of addressing the untruths and misinformation uttered about us.

The review processes this year took up a great deal of the time and energy of our senior staff. Notwithstanding this our core work continued and expanded. This is testament to the commitment and skill of our staff who have shown ongoing resilience and dedication in the face of challenge. I wish to thank our executives and each member of our staff for their ongoing commitment to our important work.

A handwritten signature in black ink, reading 'Ann Vanstone' in a cursive script.

The Honourable Ann Vanstone KC
Commissioner

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Overview: about the agency

Strategic focus

The Independent Commission Against Corruption (the Commission) is established by the *Independent Commission Against Corruption Act 2012* (ICAC Act). The ICAC Act defines the Commission's objectives and functions. The legislative functions underpin the Commission's Strategic Plan 2021-24, which is available on the Commission's website: www.icac.sa.gov.au/documents/our-org-related-documents/Strategic-Plan-2021-2024.pdf.

Purpose

Preserve and promote integrity in public administration through the investigation of corruption in public administration and proactive prevention and educational initiatives.

Vision

A state in which public institutions insist on the highest standards of integrity.

Values

The Commission's values are:

Accountability

We are responsible for our actions and decisions. We use our resources responsibly. We scrutinise ourselves as vigorously as we scrutinise others.

Collaboration

We encourage the sharing of knowledge and ideas. We actively seek the contribution and perspectives of others. We work together to achieve best outcomes.

Excellence

We lead by example and demonstrate best practice. We continually strive to improve our capabilities, skills and knowledge. We are committed to professionalism and service.

Independence

We conduct ourselves without fear or favour and make decisions according to law.

Integrity

We are fair and unbiased in all our dealings. We are honest, trustworthy, reliable and fearless in fulfilling our duties.

Respect

We treat everyone with respect, fairness and courtesy. We take our responsibilities seriously and use our own powers carefully.

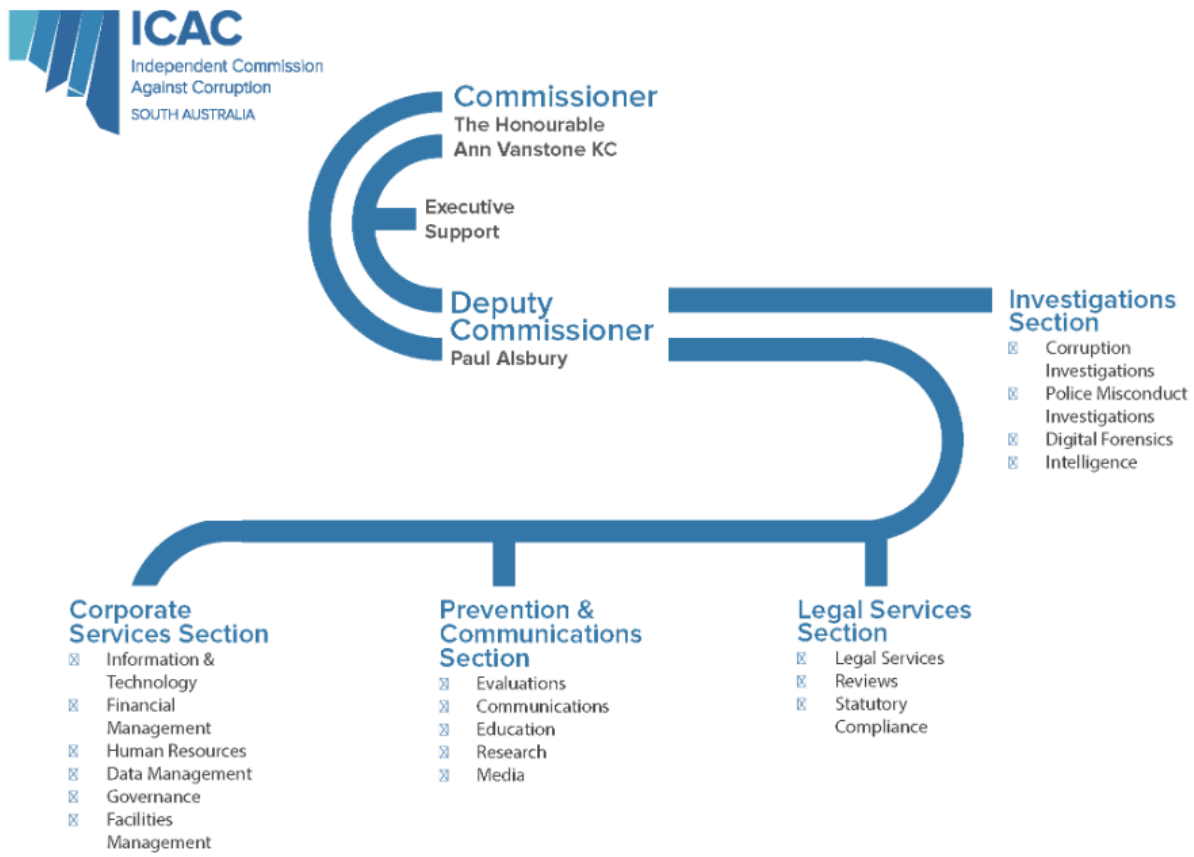
Functions and objectives

Section 7(1) of the ICAC Act sets out the functions of the Commission:

- (1) There is to be an Independent Commission Against Corruption with the following functions:
 - (a) to identify corruption in public administration and to—
 - (i) investigate and refer it to a law enforcement agency for any further investigation and prosecution; or
 - (ii) refer it to a law enforcement agency for investigation and prosecution;
 - (b) to evaluate the practices, policies and procedures of inquiry agencies and public authorities with a view to advancing comprehensive and effective systems for preventing or minimising corruption in public administration;
 - (c) to conduct or facilitate the conduct of educational programs designed to prevent or minimise corruption in public administration;
 - (d) if, in the course of performing functions in relation to potential corruption in public administration, any suspected misconduct or maladministration or any offences (not being offences that constitute the potential corruption in public administration) are identified—to report the matter to the Office or the Ombudsman for assessment or refer the matter to a law enforcement agency, the Ombudsman or a public authority or public officer, as the Commission considers appropriate.¹

¹ Reference to 'the Office' is the Office for Public Integrity.

Our organisational structure



Changes to the agency

During the 2022-23 reporting period there were no changes to the agency's structure and objectives as a result of machinery of government changes.

The Commission's executive team during the 2022-23 reporting period

Commissioner

The Honourable Ann Vanstone KC

The Commissioner was appointed in accordance with section 8 of the ICAC Act. She is responsible for the functions outlined in the Act.

Deputy Commissioner

Paul Alsbury

The Deputy Commissioner was appointed in accordance with section 9 of the ICAC Act and is responsible for assisting the Commissioner as directed by the Commissioner.

Acting Director Investigations

Paul Alsbury

The Director Investigations leads and manages the Investigations Section and provides critical advice and recommendations on operational matters. The Director Investigations reviews corruption investigations referred to other law enforcement agencies to ensure the quality and integrity of those investigations.

Director Prevention and Communications

Tracy Riddiford

The Director Prevention and Communications leads and manages the Prevention and Communications Section in the development and delivery of activities and initiatives which assist to prevent and minimise corruption in public administration. This includes evaluations, education, prevention driven research, communications and media engagement.

Director Legal Services

Ben Broyd

The Director Legal Services leads and manages the Legal Services Section in the provision of legal advice to support the Commission's statutory functions. The Director Legal Services exercises functions delegated by the Commissioner under the ICAC Act, including reviewing reports on investigations undertaken by public authorities where there is a direction to report back.

Director Corporate Services

Fiona Gowen

The Director Corporate Services leads and manages the Commission's corporate operations, including governance, financial management, human resources, information and technology, data management and facilities management.

Legislation administered by the agency

The Commission administers the following legislation:

Independent Commission Against Corruption Act 2012

The Commission's performance

Performance at a glance

The ICAC Act defines the objectives and functions of the Commission.

Agency contribution to whole of government objectives

Not applicable.

Agency specific objectives and performance

See section entitled *Reporting required under any other Act or regulation*.

Corporate performance summary

During the reporting period the Commission's workforce decreased. The October 2021 amendments to the legislative scheme precipitated a review of the Commission's organisational structure to ensure it could efficiently deliver its statutory functions. As at 30 June 2023, the Commission had a number of vacant positions for which it had commenced recruiting.

Total number of employees (as at June 30 2023)¹	2022-23	2021-22	Change (+ / -)
Persons	43	53	-10
Full Time Equivalent (FTEs)	38.77	49.57	-10.8

¹While the Commissioner and Deputy Commissioner have been included in the above tally, they are not employees of the Commission.

Separations and recruitment

Separations and recruitments continued to be a significant activity throughout the reporting period.

Number of persons	2022-23	2021-22	Change (+ / -)
Recruited to the agency	9	22	-13
Separated from the agency	19	22	-3

Employee turnover

Employee turnover has increased during the reporting period compared with previous periods. Although the employee turnover may be considered high, the Commission continues to attract talented employees who are committed to career progression.

In October 2021, major changes to our legislation took effect. Our jurisdiction was severely reduced and some of our powers were removed. This undermined confidence in the Commission and led to a number of staff leaving. That effect was not immediate; rather it was gradual and it continued into the reporting period. Consistent undermining of some of the Commission's work has a detrimental effect on staff morale and their enjoyment of their work.

To a large extent these matters account for the high rate of employee turnover.

Employee turnover	2022-23	2021-22
Persons	39.6%	35.5%
FTEs ¹²	50.7%	49.4 ²⁰ %

¹ The FTE turnover was higher during the reporting period due to changes in the number and the composition of part-time employees.

²Figure corrected and will vary from 2021-22 Annual Report.

Leave management

Compared with the previous reporting period, sick leave, family leave and special leave with pay have all increased. This is primarily due to some employees accessing significant amounts of unexpected sick leave. Special leave with pay has increased on average due an employee accessing defence reserve leave, and another, urgent pressing necessity leave.

Leave type (average days per FTE)	2022-23	2021-22
Sick leave per FTE	10.3	6.4
Family leave per FTE	2.0	1.8
Special leave with pay per FTE	2.0	1.6

Employment opportunity programs

The Commission's recruitment policy ensures that recruitment panels have some diversity, to promote unbiased consideration of applicants. Recruitment panel members undertake training to assist them to recognise and manage unconscious bias.

Each applicant is encouraged to inform the Commission of any accessibility requirements so that they may be accommodated throughout recruitment, placement, induction and employment.

Program name	Performance
Employment opportunity programs	The Commission is a small agency with many employees holding specialist roles. Consequently, the Commission has not been in a position to offer employment opportunity programs during this reporting period.

Agency performance management and development systems

Performance management and development system	Performance
Performance and potential review	92% of fully inducted employees completed a documented performance and potential review for the November 2022 review. ¹
Performance and potential review discussion	80% of fully inducted employees completed a performance and potential review discussion for the May 2023 review. ²
Mentoring program	Four employees (10.32% of full-time equivalent employees) participated in the Commission's mentoring program.
Learning and Development Committee	1.43% of total salary expenditure was committed to providing training and development programs through the Commission's Learning and Development Committee and the Health and Wellbeing Committee.

¹Two employees elected not to participate in a documented performance and potential review because they were on short term contracts or were separating employees. Two performance and potential review discussions were not completed.

²Three employees elected not to participate in performance and potential review discussions because they were on short term contracts or were separating employees. Six performance and potential reviews were not completed.

Diversity and inclusion

The Commission's *Diversity and Inclusion Strategy 2020-24* and *Disability Access and Inclusion Plan 2020-24* continue to guide the Commission's commitment to understand, foster, and be accountable for diversity and inclusion within the organisation. The guiding frameworks are designed to improve access and participation for any person who engages with the Commission, particularly under-represented groups.

The Commission's Diversity and Inclusion Committee was established to progress the agency's commitment to diversity and inclusion and represent the wider employee voice in diversity and inclusion initiatives.

In July 2022 the Committee distributed a diversity and inclusion survey to profile the diversity of the organisation, identify diversity gaps and establish areas for further improvement in terms of inclusion.

The following diversity streams were explored through the survey:

- age
- gender identity
- LGBTIQA+
- disability
- Aboriginal and/or Torres Strait Islander people
- cultural and linguistic diversity
- religion.

Following an analysis of the data, the Committee has made a number of recommendations to the Commission. The Commission is currently working to implement the following recommendations:

- Develop practical recruitment strategies and mechanisms that aim to increase the diversity of the Commission's workforce, such as:
 - mandatory training for understanding and managing unconscious bias, including bias about people with disability or workplace injury, for all selection panel members
 - mandatory inclusion of a 'Diversity and Inclusion' section in selection summary reports, to address how the diversity of candidates was considered in the process.
- In collaboration with the Learning and Development Committee, introduce regular education and training programs that emphasise the importance of diversity and inclusion in the workforce and consider making those programs compulsory.

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/icac-reporting-data-workforce-statistics>

Work health, safety and return to work programs

Program name	Performance
Work health and safety/return to work programs	During the reporting period, there has been no requirement for a work health and safety or return to work program to address significant agency risks.
Employee assistance program	The employee assistance program continues to provide support to employees and their immediate families with informal and confidential short-term counselling services.
Mental health	The Commission's Health and Wellbeing Committee and the Learning and Development Committee are committed to initiatives which increase awareness and understanding of mental health.
Workstation assessments	The Commission's induction process includes engaging an occupational therapist to assess the employee's workstation and accessibility requirements to ensure adjustments can be made, equipment provided or flexibility arranged.

Workplace injury claims	2022-23	2021-22	% Change (+ / -)
Total new workplace injury claims	0	0	-
Fatalities	0	0	-
Seriously injured workers ¹	0	0	-
Significant injuries (where lost time exceeds a working week, expressed as frequency rate per 1000 FTE)	0	0	-

¹ Number of claimants assessed during the reporting period as having a whole person impairment of 30% or more under the Return to Work Act 2014 (Part 2 Division 5)

Work health and safety regulations	2022-23	2021-22	% Change (+ / -)
Number of notifiable incidents (<i>Work Health and Safety Act 2012, Part 3</i>)	0	0	-
Number of provisional improvement, improvement and prohibition notices (<i>Work Health and Safety Act 2012 Sections 90, 191 and 195</i>)	0	0	-

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Return to work costs	2022-23	2021-22	% Change (+ / -)
Total gross workers compensation expenditure (\$)	0	0	-
Income support payments – gross (\$)	0	0	-

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/icac-reporting-data-work-health-and-safety-and-return-to-work-performance>

Executive employment in the agency

Executive classification	Number of executives at 30 June 2023
Statutory appointments	2
SAES1	3

An executive is someone who receives a total remuneration package valued in excess of \$160,000 per annum and has professional or managerial executive responsibilities.

The [Office of the Commissioner for Public Sector Employment](#) website has a [workforce information](#) page that provides further information on the breakdown of executive gender, salary and tenure by agency.

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/icac-reporting-data-executive-employment-in-the-agency>

Financial performance

Financial performance at a glance

The following is a brief summary of the overall financial position of the agency. The information is unaudited. Full audited financial statements for 2022-2023 are attached to this report.

Statement of Comprehensive Income	2022-23 Budget \$000s	2022-23 Actual \$000s	Variation \$000s	Past year 2021-22 Actual \$000s
Total income	12,014	12,182	(168)	12,741
Total expenses	12,466	12,512	(46)	12,315
Net result	(452)	(330)	(122)	426
Total comprehensive result	(452)	(330)	(122)	426

Statement of Financial Position	2022-23 Budget \$000s	2022-23 Actual \$000s	Variation \$000s	Past year 2021-22 Actual \$000s
Current assets	10,446	12,208	(1,762)	12,041
Non-current assets	2,812	1,865	947	1,776
Total assets	13,258	14,073	(815)	13,817
Current liabilities	1,091	1,917	(826)	1,278
Non-current liabilities	800	727	73	754
Total liabilities	1,891	2,644	(753)	2,032
Net assets	11,367	11,429	(62)	11,785
Equity	11,367	11,429	(62)	11,785

Consultants disclosure

The following is a summary of external consultants engaged during the reporting period by the agency, the nature of work undertaken, and the payments made for the work.

Consultancies with a contract value below \$10,000

Consultancy	Purpose	\$ Actual payment
CyberOps Pty Ltd	Remote access and wi-fi security review	\$4,909.09
Bentleys (SA) Pty Ltd	Governance and risk management	\$8,736.00
Total		\$13,645.09

Consultancies with a contract value above \$10,000

Consultancy	Purpose	\$ Actual payment
Mercer Consulting (Australia) Pty Ltd	Remuneration framework design	\$17,350.00
CyberOps Pty Ltd	Security policy and disaster recovery	\$43,200.00
Chamonix IT Management Consulting (SA) Pty Ltd	Microsoft 365 environment design	\$61,756.25
KPMG	Enterprise management system requirements	\$88,788.55
Total		\$211,094.80

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/icac-reporting-data-consultants-disclosure>

See also the [Consolidated Financial Report of the Department of Treasury and Finance](#) for total value of consultancy contracts across the South Australian Public Sector.

Contractors disclosure

The following is a summary of external contractors engaged during the reporting period by the agency, the nature of work undertaken, and the payments made for the work undertaken.

Contractors with a contract value below \$10,000

Contractor	Purpose	\$ Actual payment
John Dunnery	Information technology system services	\$150.00
Chamonix IT Management Consulting (SA) Pty Ltd	Information technology system services	\$300.00
David Mark Reimers	Information technology system services	\$420.00
Vicki Tomlinson	Financial management services	\$5,781.25
Randstad Pty Ltd	Temporary Senior Finance Officer	\$6,584.60
Total		\$13,235.85

Contractors with a contract value above \$10,000

Contractor	Purpose	\$ Actual payment
Experience Matters	Records management boxing and sentencing	\$20,240.00
Kirstie Wyatt	Desktop publishing services	\$22,050.00
Randstad Pty Ltd	Temporary Procurement Coordinator	\$29,328.62
Randstad Pty Ltd	Temporary Administration Officer	\$34,538.87
Paxus Australia Pty Ltd	Temporary Senior Policy Officer	\$37,785.84
Total		\$143,943.33

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/icac-reporting-data-contractor-disclosure>

The details of South Australian Government awarded contracts for goods, services, and works are displayed on the SA Tenders and Contracts website. [View the agency list of contracts](#). The website also provides details of [across government contracts](#).

Legal services disclosure

The following is a summary of external legal services engaged by the agency during the reporting period, the nature of work undertaken, and the payments made for the work undertaken.

Legal Services with a contract value below \$10,000

Legal Services	Purpose	\$ Actual payment
EMA Legal	Human resource management	\$1,417.70
Peter Healey	Human resource management	\$2,712.00
Stephen McDonald SC	Human resource management	\$3,904.00
Christopher Ward SC	Opinion, international law	\$5,000.00
Gillian Walker SC	Human resource management	\$6,506.66
Stephen McDonald SC	Statutory interpretation	\$7,686.00
Crown Solicitor's Office	Statutory interpretation	\$7,847.70
Total		\$35,074.06

Legal Services with a contract value above \$10,000

Legal Services	Purpose	\$ Actual payment
EMA Legal	Human resource management	\$14,025.00
Cowell Clarke	Human resource management	\$27,028.00
Thomas McFarlane	Corruption investigation	\$27,120.00
Total		\$68,173.00

Risk management

Risk and audit at a glance

Risk Management

The Commission has continued to improve its risk management governance and culture. The Commission's risk management framework, tolerances and metrics are near finalisation. Following a review of the Commission's risk management governance, a revised draft Security Plan has been developed. The Commission has commenced a project working with a cyber security contractor to instil best practice in cyber security.

Protective security

In accordance with the South Australian Protective Security and Cyber Security Frameworks, the Commission has completed annual security attestations. The attestations report on the Commission's security maturity indicated it had increased since the previous reporting period.

Fraud detected in the agency

Number of instances and nature of fraud detected in the agency: 0

Strategies implemented to control and prevent fraud

The Commission's Internal Corruption Control Policy is reviewed annually. It provides a framework to minimise opportunities for corruption within the organisation and to maximise the potential for such conduct to be detected. It is an integral part of the Commission's risk management system.

The Internal Corruption Control Policy captures conduct that extends beyond fraud and corruption to conduct that involves misconduct or maladministration in public administration.

The Commission has undertaken an internal corruption risk assessment as part of its internal corruption control plan. The risk assessment included risks related to financial management, and details controls that are in place to mitigate those risks.

Other controls that aim to control and prevent fraud include centralised management of procurement, contract management plans for complex and high value agreements and an annual financial management compliance program.

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/icac-reporting-data-fraud-detected-in-the-agency>

Public interest disclosures

Number of occasions on which public interest information has been disclosed to a responsible officer of the agency under the *Public Interest Disclosure Act 2018*: 0

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/icac-reporting-data-public-interest-disclosure>

Note: Disclosure of public interest information was previously reported under the *Whistleblowers Protection Act 1993* which was repealed by the *Public Interest Disclosure Act 2018* on 1/7/2019.

Reporting required under any other Act or regulation

Act or Regulation	Requirement
<i>Independent Commission Against Corruption Act 2012</i>	Section 45(4)(b)(i) The number and general nature of matters investigated by the Commission.

One of the Commission's primary functions is to identify and investigate corruption in public administration.

Corruption in public administration is defined in s 5 of the ICAC Act and includes conduct that constitutes:

- an offence against Part 7 Division 4 of the *Criminal Law Consolidation Act 1935*, which includes offences such as bribery of public officers, abuse of public office and offences relating to appointment to public office
- an offence against the *Public Sector (Honesty and Accountability) Act 1995* or the *Public Corporations Act 1993*, or an attempt to commit such an offence
- an offence against the *Lobbyists Act 2015*, or an attempt to commit such an offence
- being complicit in, or conspiring with others to commit such an offence.

A matter assessed by the OPI as raising a potential issue of corruption in public administration and referred to the Commission can be investigated by the Commission or referred to South Australia Police (SA Police) or another law enforcement agency.² The Commission may also conduct a joint investigation with a South Australian law enforcement agency.³

Corruption investigations are, by definition, criminal investigations. The purpose of such an investigation is to collect evidence and, where appropriate, refer the matter to SA Police or another law enforcement agency for further investigation and potential prosecution.

² *Independent Commission Against Corruption Act 2012* section 24

³ *Independent Commission Against Corruption Act 2012* section 34(1)

Corruption investigations

Under section 18F of the ICAC Act the OPI refers to the Commission matters assessed as 'raising a potential issue of corruption in public administration that could be the subject of a prosecution'. The Commissioner determines whether she agrees with that assessment, and, if so, whether the Commission will investigate the matter itself, or refer it to SA Police.

Under section 29 of the *Police Complaints and Discipline Act 2016* (PCD Act), the OPI refers to the Commission matters which 'should be dealt with' by the Commission under the PCD Act or the ICAC Act. The Commissioner determines whether it is 'appropriate' to investigate the matter, and, if so, under which of the two Acts the Commission will investigate: section 30.

During the reporting period the Commission commenced 43 new corruption investigations. No investigations were commenced as a result of a referral received in the previous reporting period.

No investigations were conducted jointly with another agency.

General nature of corruption investigations commenced	2022-23
Abuse of public office	43

During the reporting period, the Commission continued 17 corruption investigations which were commenced in the previous reporting period.

Other Investigations

During the reporting period, the Commission investigated one matter under section 30 of the PCD Act, following a referral by the OPI.

General nature	2022-23
Code of Conduct	1

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Act or Regulation	Requirement
<i>Independent Commission Against Corruption Act 2012</i>	Section 45(4)(b)(ii) The number of warrants issued by the Commission and by judges of the Supreme Court.

The ICAC Act and other state and federal legislation vests the Commission and the Commission's investigators with a range of statutory powers that can be utilised to carry out corruption investigations.

During the reporting period, the following number of warrants were issued by the Commission and by Judges of the Supreme Court:

Investigative powers	2022-23	2021-22	Change (+ / -)
Search warrants issued by the Commission	0	0	-
Search warrants issued by a Judge of the Supreme Court	2	15	-13
Total warrants	2	15	-

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Act or Regulation	Requirement
<i>Independent Commission Against Corruption Act 2012</i>	Section 45(4)(b)(iii) The number of examinations conducted.

No examinations were conducted for corruption investigations during the reporting period:

Examinations	2022-23	2021-22	Change (+ / -)
Examinations	0	0	-

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Act or Regulation	Requirement
<i>Independent Commission Against Corruption Act 2012</i>	Section 45(4)(b)(iv) The extent to which investigations have resulted in prosecutions or disciplinary action.

Since the October 2021 amendments to the ICAC Act, the Commission cannot refer matters directly to the Director of Public Prosecutions (DPP) following a corruption investigation. Instead, where an investigation uncovers evidence of corruption in public administration, the Commission must, where appropriate, refer the matter to SA Police, or another law enforcement agency, for further investigation and potential prosecution.

Where the Commissioner determines not to refer a brief to another law enforcement agency, the matter may be closed, or referred to a public authority to deal with any potential misconduct or maladministration.

During the reporting period, the Commission referred three matters to SA Police for further investigation and potential prosecution. One matter, which was referred late in the reporting period, remains under review by SA Police. One matter is being further investigated by SA Police. SA Police laid no charges in relation to the other matter.

Name	Brief referred to SA Police	Status
PP & GJ	1 June 2023	Under review
BM	20 September 2022	No charges laid
JS	23 May 2023	Investigation in progress

While corruption investigations are often complex and protracted, every effort is made to meet performance benchmarks. One of those benchmarks is the completion of 80% of all corruption investigations within nine months. That benchmark was met this year. The Commission closed 42 corruption investigations during the reporting period. Of those, 40 (95%) were completed within nine months of allocation.

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The following matters have been investigated by the Commission and charges laid by the DPP or SA Police, and remain before the courts. The number and nature of the charges are determined by the DPP or SA Police and may change during the course of proceedings.

Name	Brief referred date	Arrest / summons date	Initial charges laid
Bell, Troy	1 May 2017 (DPP)	9 August 2017	20 counts of theft and 6 counts of dishonestly dealing with documents.
Ellis, Fraser	17 December 2020 (DPP)	17 February 2021	23 counts of deception.
Hardy, Stephanie	3 December 2018 (DPP)	4 September 2019	4 counts of breaching confidentiality provisions in the ICAC Act.
Joubouri, Moujtaba	22 March 2019 (DPP)	3 December 2018	2 counts of bribery.
Patzel, Matthew	28 October 2019 (DPP)	15 July 2019	2 counts of aiding, abetting, counselling or procuring abuse of public officer (in relation to the matter of Paul Robinson).
Robinson, Paul	28 October 2019 (DPP)	15 July 2019	2 counts of abuse of public office and 2 counts of bribery.
Spark, James	7 December 2018 (DPP)	14 April 2021	25 counts of deception.
(Suppressed)	19 January 2021 (DPP)	22 March 2021	1 count of aggravated assault.
Turner, Brian	1 November 2018 (DPP)	13 May 2020	1 count of abuse of public office.
TB	26 August 2021 (SA Police)	14 December 2021	52 counts of deception.
AF	30 June 2022 (SA Police)	28 June 2023	2 counts of possessing a controlled substance.

2022-2023 ANNUAL REPORT for the Independent Commission Against Corruption

Act or Regulation	Requirement
<i>Independent Commission Against Corruption Act 2012</i>	Section 45(4)(b)(v) The number and general nature of matters referred for investigation to the Commissioner of Police or other law enforcement agency.

Matters referred for investigation

During the 2022-23 financial year, the Commission referred 29 matters to SA Police for investigation.

General nature	2022-23
Abuse of public office	29

2022-2023 ANNUAL REPORT for the Independent Commission Against Corruption

Act or Regulation	Requirement
<i>Independent Commission Against Corruption Act 2012</i>	Section 45(4)(b)(vi) The number and general nature of occasions on which public statements have been made by the Commission.

The October 2021 amendments to the ICAC Act narrowed the circumstances in which the Commission can issue a public statement. The changes prevent the Commission from issuing a public statement about any operational matter unless that matter concludes with no criminal or disciplinary proceedings resulting from it⁴.

Non-operational news and announcements are ordinarily made by way of a media release.

During the reporting period, the Commission issued six public statements and ten media releases. Of the six public statements, three related to the Commission's evaluations of grants administration, one announced the Commission's examination of South Australia's lobbying scheme, and two provided information about the Commissioner's review of the investigation of Mr John Hanlon.

⁴*Independent Commission Against Corruption Act 2012* section 25(3)(b)

2022-2023 ANNUAL REPORT for the Independent Commission Against Corruption

Act or Regulation	Requirement
<i>Independent Commission Against Corruption Act 2012</i>	Section 45(4)(b)(vii) The number and general nature of matters referred to an inquiry agency or public authority.

Matters referred to an inquiry agency

The Commission no longer has any express power to refer a matter to an inquiry agency (unless it is referring the matter to the agency as a public authority).

Referrals to a public authority

Section 36 of the ICAC Act provides that the Commission can refer a matter to a public authority for further investigation and potential disciplinary action against a public officer for whom the authority is responsible.

During the reporting period, three matters were referred to a public authority.

General nature of the matters referred to a public authority	2022-23	%
Budgeting, procurement, contract management, accounts payable	1	33.3
Use of employment entitlements	1	33.3
Information and record keeping	1	33.3
Total	3	99.9%⁵

⁵ Does not total 100% due to rounding.

2022-2023 ANNUAL REPORT for the Independent Commission Against Corruption

Act or Regulation	Requirement
<i>Independent Commission Against Corruption Act 2012</i>	Section 45(4)(b)(viii) The number and general nature of directions or guidance given in referring matters under this Act.

The Commission referred a matter to a public authority under s 36(1)(b) of the Act on three occasions.

Number and general nature of directions	2022-23
Undertake investigation and report back	2
No directions	1

2022-2023 ANNUAL REPORT for the Independent Commission Against Corruption

Act or Regulation	Requirement
<i>Independent Commission Against Corruption Act 2012</i>	Section 45(4)(b)(ix) The number and general nature of requests for examinations of accounts by the Auditor-General.

During the reporting period, the Commission made no requests for examinations of accounts by the Auditor-General.

2022-2023 ANNUAL REPORT for the Independent Commission Against Corruption

Act or Regulation	Requirement
<i>Independent Commission Against Corruption Act 2012</i>	Section 45(4)(b)(x) The number and general nature of recommendations made to an inquiry agency or public authority by the Commission.

During the reporting period, the Commission made 134 recommendations to public authorities. Those recommendations were outlined in six reports tabled in Parliament in accordance with section 41 or section 42 of the ICAC Act.

The general nature of recommendations made fall into the following broad categories:

- Fraud and corruption risk assessments
- Policy and procedure life cycles
- Audit
- Staff communication
- Declaration and management of conflicts of interest
- Staff training and development
- Practices, policies, and procedures relating the recruitment life cycle (including recruitment, induction and exiting)
- The management of complaints and investigations
- Supervision, performance management and culture
- Procurement and contract management
- Secondary employment
- Facilities and asset management
- Gifts and benefits
- Controls in high risk activities and settings

The Commission has a performance target of 50 recommendations each year, aimed at improving public administration.

The Commission's tabled reports are available on the Commission's website⁶.

⁶ [ICAC published reports | Independent Commission Against Corruption SA](#)

Act or Regulation	Requirement
<i>Independent Commission Against Corruption Act 2012</i>	Section 45(4)(b)(xi) The number and general nature of reports made to the Attorney-General, President of the Legislative Council or Speaker of the House of Assembly.

The Commission publishes reports where it is in the public interest to make observations about integrity issues in South Australian public administration.

Reports may include findings or recommendations resulting from completed investigations, or they may be based on other matters arising during the performance of the Commission's functions.

During the reporting period, the Commission provided the following six reports to the Attorney-General, President of the Legislative Council and the Speaker of the House of Assembly, in accordance with section 41 or 42 of the ICAC Act.

Evaluation of the Practices, Policies and Procedures of Super SA

Published on 6 September 2022, this report made 24 recommendations for addressing corruption risks in human resources management, project management, contract management and information management.

Buy Now, Lie Later: Corruption risks in the management of government issued purchase cards

This report was published on 18 October 2022 following an investigation into the misuse of purchase cards at the Department for Infrastructure and Transport. The report made five recommendations aimed at the issuing, controlling and reviewing of purchase cards.⁷

Evaluation of targeted aspects of the Central Adelaide Local Health Network

Published on 30 November 2022, this report made 25 recommendations in relation to corruption risks associated with the management, investigation and outcome of complaints within the Network.

⁷ www.icac.sa.gov.au/publications/published-reports/Buy-Now-Lie-Later

Integrity State: Corruption prevention recommendations

Published on 1 December 2022, this report contained a summary of 15 corruption prevention letters issued in the 2021-22 reporting period. The Commission can produce a prevention letter at the conclusion of an investigation to bring to the attention of public authorities corruption risks it has identified during its investigations. These letters contain recommendations made by the Commission regarding how that public authority can address those risks.

Integrity State details 46 recommendations made to public authorities during the 2021–2022 reporting period.⁸

Yes Minister: Corruption risks associated with unsolicited proposals

Published on 7 March 2023, this report highlighted the corruption risks associated with unsolicited bids, particularly in circumstances where access to senior decision makers is by virtue of personal relationships and associations. The report did not contain recommendations. However, the Commissioner wrote to two agencies responsible for setting rules relating to unsolicited bids and procurements, and made recommendations for changes to those requirements.⁹

Evaluation of the practices, policies and procedures of TAFE SA

Published on 21 March 2023, the TAFE SA Evaluation report made 34 recommendations aimed at addressing corruption risks in the areas of human resource management, procurement and contract management, asset and facilities management, information management, the claiming of subsidies, the relationships between staff and students, and commercial activities.

⁸ www.icac.sa.gov.au/publications/published-reports/integrity-state

⁹ www.icac.sa.gov.au/publications/published-reports/yes-minister

Act or Regulation	Requirement
<i>Independent Commission Against Corruption Act 2012</i>	Section 45(4)(b)(xii) A description of the activities carried out in relation to its evaluation and educational functions.

Evaluation function

The Commission may evaluate the practices, policies and procedures of inquiry agencies and public authorities with a view to advancing comprehensive and effective systems for preventing or minimising corruption in public administration.¹⁰

During the reporting period, the Commission completed three evaluations and commenced two evaluations.

Evaluation of the practices, policies and procedures of Super SA

The Evaluation of Super SA was completed in September 2022. The evaluation reviewed and reported on Super SA's practices, policies, and procedures as they related to the management of human resources, projects, contracts and information.¹¹

Evaluation of targeted aspects of the Central Adelaide Local Health Network

The Evaluation targeted aspects of the Central Adelaide Local Health Network and was completed in November 2022. The evaluation reviewed and reported on the Network's practices, policies, and procedures as they related to the receipt, management, investigation and outcome of complaints.¹²

Evaluation of the practices, policies and procedures of TAFE SA

The Evaluation of TAFE SA was completed in March 2023. The evaluation reviewed and reported on TAFE SA's practices, policies and procedures relating to the management of contracts, procurement, assets and facilities, student staff relationships, the claiming of subsidies and commercial activities.¹³

¹⁰ *Independent Commission Against Corruption Act 2012* section 7(1)(b).

¹¹ www.icac.sa.gov.au/evaluations-and-reviews/evaluation-of-super-sa

¹² www.icac.sa.gov.au/evaluations-and-reviews/evaluation-of-the-central-adelaide-local-health-network

¹³ www.icac.sa.gov.au/evaluations-and-reviews/evaluation-of-tafe-sa

Evaluation of grants administration by Department for Trade and Investment

The Commission commenced an evaluation of the Department for Trade and Investment in May 2023. The evaluation is examining the Department's practices, policies, and procedures as they relate to the administration of commercial, investment, research, and entrepreneurial grants schemes.¹⁴

Evaluation of grants administration by Department for Industry, Innovation and Science

The Commission commenced an evaluation of the Department for Industry, Innovation and Science in May 2023. The evaluation is examining the Department's practices, policies, and procedures as they relate to the administration of commercial, investment, research, and entrepreneurial grants schemes.¹⁵

The Commission has a performance target of completing at least two evaluations each financial year. During the reporting period the Commission completed three evaluations.

¹⁴ www.icac.sa.gov.au/public-statement/staged-approach-to-grants

¹⁵ www.icac.sa.gov.au/public-statement/staged-approach-to-grants

Education function

The Commission's corruption prevention function is served by a combination of education and communication activities and initiatives delivered to public officers and the South Australian community.

The October 2021 amendments to the ICAC Act necessitated that the Commission's education resources be either wholly or partly redesigned to capture the changes made. Many of those resources, including seminars, workshops and online courses have come back online at different stages throughout this reporting period.

Presentations, seminars and workshops

The previous reporting period saw a significant decrease in the delivery of educational presentations, seminars and workshops as a result of COVID 19 restrictions and the October 2021 amendments to the ICAC Act.

Those numbers have rebounded somewhat this year, although they have not quite returned to pre-pandemic levels.

Education sessions	2022-23	2021-22	Change (+ / -)
Education sessions delivered	33	22	11
Attendees	935	673	262

Online education programs

During the reporting period, the Commission offered three online education programs:

- Conflicts of Interest
- Internal Investigations – Concepts and Principles
- Preserving Integrity in Public Administration¹⁶

There were 2,677 online enrolments during this reporting period.

Education resources

The Commission makes resources available to assist public officers and members of the community to understand the importance of public integrity and the role of the Commission. Those resources are available on the Commission's website.

During the reporting period, the Commission published:

- 11 news items containing corruption and integrity related news, general interest articles and updates from the Commission.
- Eight resources designed to assist and educate public authorities and public officers on corruption and integrity related matters. Those resources were in the form of factsheets, guides and advisories including:
 - Integrity Spotlight: *Keeping Time: The Importance of Accurate Timesheets*
 - Integrity Spotlight: *Managing Anonymous Complaints*
 - Guide: *Internal Investigations*
 - Integrity Spotlight Alert: *Recruitment in Local Government*
 - Integrity Spotlight: *Perverse incentives*
 - Factsheet: *Are you a government contractor?*
 - Integrity Spotlight: *Audit logging*
 - Integrity Spotlight: *Red flags in recruitment*

¹⁶ This online course was not available until 29 June 2023.

Prevention letters

The Commission informs public authorities of lessons learned from completed investigations. This commonly takes the form of a prevention letter to the public authority. These letters outline the matters observed by the Commission and suggest improvements to the agency's practices, policies, procedures and training initiatives, with a view to preventing and minimising corruption and other improper conduct.

During the reporting period, the Commission sent 19 prevention letters to public authorities, 17 to state government departments or statutory authorities, and two to local councils. Public authorities generally respond very positively to receiving such letters, and many inform the Commission of action they have taken or intend to take to address the matters raised in them.

Communication and engagement

The Commissioner and the Commission's employees make themselves available to engage with stakeholders where possible and appropriate.

A range of engagement channels are used to communicate with public officers and the community, the most utilised being the Commission's website.

Section 48(1) of the ICAC Act describes the material that must be available on the Commission's website, including:

- information about educational programs conducted or facilitated by the Commission
- information about the Commission's evaluations
- information about the other functions of the Commission
- the Commission's standard operating procedures
- reports prepared under sections 41 and 42 of the ICAC Act, and;
- the Commission's annual reports.

The material required by section 48(1) is available on the Commission's website.

During the reporting period the Commission's website had 120,912 page views.

The Commission has a performance target of developing or delivering 60 prevention, education or information initiatives each year. During the reporting period the Commission delivered 79 such initiatives.

2022-2023 ANNUAL REPORT for the Independent Commission Against Corruption

Act or Regulation	Requirement
<i>Independent Commission Against Corruption Act 2012</i>	Section 45(4)(c) Deal with any other matters stipulated by the regulations

There are no matters to report.

Act or Regulation	Requirement
<i>Police Complaints and Discipline Act 2016</i>	<p>Section 31(1)</p> <p>Report on the number and general nature of sanctions imposed under section 26 in relation to breaches of discipline in the preceding financial year.</p>

The Commission has limited involvement in the operation of the *Police Complaints and Discipline Act 2016*; however, the Commission is required to report on the number and general nature of sanctions imposed on designated officers under that Act.

Those sanctions are imposed by the Commissioner of Police. The Commission does not have any role in making findings in relation to a breach of discipline by a designated officer or in the sanctions imposed. In most cases, the Commission has no knowledge of the matters reported under section 26 of that Act.

Sanctions imposed under the *Police Complaints and Discipline Act 2016*

The Commissioner of Police has provided the following tables outlining breaches of discipline and the sanctions imposed.

Sanctions that may be imposed by the Commissioner of Police are found in those regulations that were in force at the time the breach of the Code of Conduct occurred. The Code of Conduct prescribed by Schedule 3 of the *Police Complaints and Discipline Regulations 2017* has been in effect since 4 September 2017.

Officers may be sanctioned for breaches occurring under different regulations. It can take time for alleged breaches to be appropriately resolved and a sanction applied.

1 July 2022 to 30 June 2023:

SA Police reference No.	Section 26 (1)(a) <i>Police Complaints and Discipline Act 2016</i> 'Criminal Offences'	Sanctions imposed by Sentencing Officer
10	Criminal – Sexual Offence	Employment with SA Police terminated after criminal conviction.

1 July 2022 to 30 June 2023:

SA Police reference No.	Section 26 (1)(b) and (c) <i>Police Complaints and Discipline Act 2016</i> 'Code of Conduct' – <i>Police Complaint Discipline Regulations 2017</i>	Sanctions imposed by Sentencing Officer
1	Clause 4 Performance of Orders / Duties – Disobey Orders and Failure to carry out a lawful order	Fine / Recorded Reprimand
2	Clause 3 Conduct Prejudicial – Corrupt or Improper Practice (33 counts) Clause 4 Performance of Orders / Duties – Failure to carry out a General Order (2 counts)	Fine / Recorded Reprimand
3	Clause 8 Conflict of Interest – Conflict of Interest Clause 10 Confidentiality of Information – Improper Disclosure of Information	Fine / Recorded Reprimand
4	Clause 4 Performance of Orders / Duties – Failure to carry out a General Order Clause 10 Confidentiality of Information – Improper release / Access	Fine / Recorded Reprimand / Training and Education
5	Clause 4 Performance of Orders / Duties – Disobey Orders	Fine / Recorded Reprimand
6	Clause 4 Performance of Orders / Duties – Failure to carry out a lawful order	Unrecorded Reprimand

2022-2023 ANNUAL REPORT for the Independent Commission Against Corruption

6	Clause 4 Performance of Orders / Duties – Failure to carry out a lawful order Clause 7 Conduct Public / SA Police – Conduct towards Employee	Fine / Recorded Reprimand
7	Clause 3 Conduct Prejudicial – Reflects Adversely	Recorded Reprimand / Suspension without Pay (Penalty)
8	Clause 4 Performance of Orders / Duties – Failure to carry out a lawful order Clause 5 Negligence – Neglect of Duty	Fine / Recorded Reprimand
9	Clause 2 Honesty and Integrity – Falsehood / prevarication Clause 4 Performance of Orders / Duties – Disobey Orders Clause 8 Conflict of Interest – Conflict of Interest	Fine / Recorded Reprimand / Suspension without Pay (Penalty)

1 July 2022 to 30 June 2023:

SA Police reference No.	Section 26 (1)(b) and (c) <i>Police Complaints and Discipline Act 2016</i> 'Code of Conduct' – <i>Police Regulations 2014</i>	Sanctions imposed by Sentencing Officer
	NIL Reports for the table	

1 July 2022 to 30 June 2023:

SA Police reference No.	Section 26 (1)(b) and (c) <i>Police Complaints and Discipline Act 2016</i> 'Code of Conduct' – <i>Police Regulations 1999</i>	Sanctions imposed by Sentencing Officer
	NIL Reports for the table	

For data on 'Reporting required under any other Act or regulation' for previous years, see: <https://data.sa.gov.au/data/dataset/icac-annual-report-data-reporting-required-under-any-other-act>

Public complaints

Schedule 4 of the ICAC Act provides for the appointment of an Inspector who is responsible for an annual review examining the operations of the Commission, conducting a review of matters arising from relevant complaints and other reviews as contemplated by the schedule.

In the case of an annual review examining the operations of the Commission, the Inspector is required to deliver a report to the President of the Legislative Council and the Speaker of the House of Assembly on or before 30 September in the following financial year. In any other case, the Inspector is required to deliver a report to the President of the Legislative Council and the Speaker of the House of Assembly as soon as practicable after completion of the review.

The Inspector is Philip Strickland SC.

In order to enable the Inspector to carry out his work, full and unfettered access to the Commission's corporate systems and hardcopy material is provided to him and employees of his office.

Any person can make a relevant complaint to the Inspector. A 'relevant complaint' is defined in Schedule 4 of the ICAC Act to be:

A complaint made in accordance with any requirements prescribed by the regulations relating to the conduct of any person exercising or purporting to exercise functions and powers under this Act.

Number of public complaints reported

The Commissioner, Deputy Commissioner and employees of the Commission are subject to external review by the Inspector. During the reporting period no complaints regarding the conduct of the Commissioner, Deputy Commissioner or an employee were made to the Commission. Were such a complaint received, it would have been brought to the attention of the Inspector. Complaints may also be made directly to the Inspector, who reports on the complaints he receives.

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/icac-reporting-data-public-complaints>

Other accountability mechanisms

The operations of the Commission and the ICAC Act are subject to review by the Parliamentary Crime and Public Integrity Policy Committee. Other legislation provides for supervision of different aspects of the Commission's operations by the Commonwealth Ombudsman, the Commonwealth Department of Home Affairs, the South Australian Attorney-General and the Auditor-General.

The Commission invests a great deal of time and effort in ensuring it meets its many compliance responsibilities.

Compliance statement

Independent Commission Against Corruption is compliant with Premier and Cabinet Circular 039 – complaint management in the South Australian public sector	Y
Independent Commission Against Corruption has communicated the content of PC 039 and the agency's related complaints policies and procedures to employees.	Y

Appendix: Audited financial statements 2022-23



Level 9
State Administration Centre
200 Victoria Square
Adelaide SA 5000
Tel +618 8226 9640
ABN 53 327 061 410
audgensa@audit.sa.gov.au
www.audit.sa.gov.au

To the Independent Commissioner Against Corruption Independent Commission Against Corruption

Opinion

I have audited the financial report of the Independent Commission Against Corruption for the financial year ended 30 June 2023.

In my opinion, the accompanying financial report gives a true and fair view of the financial position of the Independent Commission Against Corruption as at 30 June 2023, its financial performance and its cash flows for the year then ended in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards – Simplified Reporting Requirements.

The financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2023
- a Statement of Financial Position as at 30 June 2023
- a Statement of Changes in Equity for the year ended 30 June 2023
- a Statement of Cash Flows for the year ended 30 June 2023
- notes, comprising material accounting policy information and other explanatory information
- a Certificate from the Commissioner and the Director Corporate Services.

Basis for opinion

I conducted the audit in accordance with the *Public Finance and Audit Act 1987* and Australian Auditing Standards. My responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial report' section of my report. I am independent of the Independent Commission Against Corruption. The *Public Finance and Audit Act 1987* establishes the independence of the Auditor-General. In conducting the audit, the relevant ethical requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* have been met.

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

Responsibilities of the Independent Commissioner Against Corruption for the financial report

The Independent Commissioner Against Corruption is responsible for the preparation of the financial report that gives a true and fair view in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and the Australian Accounting Standards – Simplified Reporting Requirements and for such internal control as management determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Independent Commissioner Against Corruption is responsible for assessing the entity's ability to continue as a going concern, taking into account any policy or funding decisions the government has made which affect the continued existence of the entity. The Independent Commissioner Against Corruption is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the assessment indicates that it is not appropriate.

Auditor's responsibilities for the audit of the financial report

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987*, I have audited the financial report of the Independent Commission Against Corruption for the financial year ended 30 June 2023.

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Independent Commission Against Corruption's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Independent Commissioner Against Corruption
- conclude on the appropriateness of the Independent Commissioner Against Corruption's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify the opinion. My conclusion is based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

My report refers only to the financial report described above and does not provide assurance over the integrity of electronic publication by the entity on any website nor does it provide an opinion on other information which may have been hyperlinked to/from the report.

I communicate with the Independent Commissioner Against Corruption and about, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during the audit.



Andrew Richardson
Auditor-General

13 September 2023

Independent Commission Against Corruption

Financial Statements

For the year ended 30 June 2023

Independent Commission Against Corruption
Certification of the Financial Statements
for the year ended 30 June 2023

We certify that the

- financial statements for the Independent Commission Against Corruption:
 - are in accordance with the accounts and records of the Independent Commission Against Corruption;
 - comply with relevant Treasurer's Instructions;
 - comply with relevant accounting standards; and
 - present a true and fair view of the financial position of the Independent Commission Against Corruption at the end of the financial year and the result of its operation and cash flows for the financial year.
- internal controls employed by the Independent Commission Against Corruption for the financial year over its financial reporting and its preparation of financial statements have been effective.



The Honourable Ann Vanstone KC
Commissioner
8 September 2023



Fiona Gowen
Director Corporate Services
8 September 2023

Independent Commission Against Corruption
Statement of Comprehensive Income
for the year ended 2022-23

	Note	2023 \$'000	2022 \$'000
Income			
SA Government grants, subsidies and transfers	2.1	12 013	12 557
Resources received free of charge	2.2	160	156
Recoveries and other income	2.3	9	28
Total income		12 182	12 741
Expenses			
Employee benefits expenses	3.2	6 761	7 333
Supplies and services	4.1	4 667	3 841
Depreciation and amortisation	5.1, 5.3	1 060	1 096
Net loss from disposal of non-current assets	4.3	3	7
Other expenses	4.2	21	38
Total expenses		12 512	12 315
Net result		(330)	426
Total comprehensive result		(330)	426

The accompanying notes form part of these financial statements. The net result and total comprehensive result are attributable to the SA Government as owner.

Independent Commission Against Corruption
Statement of Financial Position
for the year ended 2022-23

	Note	2023 \$'000	2022 \$'000
Current assets			
Cash and cash equivalents	6.1	11 917	11 653
Receivables	6.2	291	388
Total current assets		12 208	12 041
Non-current assets			
Property, plant and equipment	5.1	1 865	1 764
Intangible assets	5.3	-	12
Total non-current assets		1 865	1 776
Total assets		14 073	13 817
Current liabilities			
Payables	7.1	1 406	514
Employee benefits	3.3	493	609
Provisions	7.2	10	9
Lease liabilities	7.3	8	11
Other liabilities	7.4	-	135
Total current liabilities		1 917	1 278
Non-current liabilities			
Employee benefits	3.3	630	669
Payables	7.1	64	62
Provisions	7.2	26	22
Lease liabilities	7.3	7	1
Total non-current liabilities		727	754
Total liabilities		2 644	2 032
Net assets		11 429	11 785
Equity			
Retained earnings		11 429	11 785
Total equity		11 429	11 785

The accompanying notes form part of these financial statements. The total equity is attributable to the SA Government as owner.

Independent Commission Against Corruption
Statement of Changes in Equity
for the year ended 2022-23

	Retained earnings \$'000	Total equity \$'000
Balance at 1 July 2021	<u>11 359</u>	<u>11 359</u>
Net result for 2021-22	426	426
Total comprehensive result for 2021-22	<u>426</u>	<u>426</u>
Balance at 30 June 2022	<u>11 785</u>	<u>11 785</u>
Prior period adjustments	(26)	(26)
Adjusted balance at 1 July 2022	<u>11 759</u>	<u>11 759</u>
Net result for 2022-23	(330)	(330)
Total comprehensive result for 2022-23	<u>11 429</u>	<u>11 429</u>
Balance at 30 June 2023	<u>11 429</u>	<u>11 429</u>

The accompanying notes form part of these financial statements. All changes in equity are attributable to the SA Government as owner.

Independent Commission Against Corruption
Statement of Cash Flows
for the year ended 2022-23

	Note	2023 \$'000	2022 \$'000
Cash flows from operating activities			
Cash inflows			
SA Government grants, subsidies and transfers		12 013	12 557
Recoveries and other income		29	39
Cash generated from operating activities		12 042	12 596
Cash outflows			
Employee benefits payments		(6 923)	(7 802)
Supplies and services payments		(3 706)	(3 877)
Cash used in operating activities		(10 629)	(11 679)
Net cash provided by / (used in) operating activities	8.1	1 413	917
Cash flows from investing activities			
Cash outflows			
Purchase of property, plant and equipment		(1 152)	(210)
Cash used in investing activities		(1 152)	(210)
Net cash used in investing activities		(1 152)	(210)
Cash flows from financing activities			
Cash outflows			
Cash transferred as a result of restructuring activities		-	(244)
Repayment of leases		3	(19)
Cash used by financing activities		3	(263)
Net cash used in financing activities		3	(263)
Net decrease in cash and cash equivalents		264	444
Cash and cash equivalents at the beginning of the reporting period		11 653	11 209
Cash and cash equivalents at the end of the reporting period	6.1	11 917	11 653

The accompanying notes form part of these financial statements.

Independent Commission Against Corruption

Notes to and forming part of the financial statements

for the year ended 2022-23

1 About the Independent Commission Against Corruption

The Independent Commission Against Corruption (the Commission) is a body corporate established under Part 2 of the *Independent Commission Against Corruption Act 2012* (ICAC Act).

The Commission is independent of and accountable to the SA Parliament.

Section 45 of the ICAC Act, states that the Commission must before 30 September in each year, prepare a report on the operations of the Commission.

The Commission does not control any other entity and has no interests in unconsolidated structure entities. The Commission has not entered into any contractual arrangements which involve the sharing of control or significant influence over another entity.

1.1. Basis of preparation

The financial statements are general purpose financial statements prepared in accordance with:

- section 23 of the *Public Finance and Audit Act 1987*;
- Treasurer's Instructions and Accounting Policy Statements issued by the Treasurer under the *Public Finance and Audit Act 1987*; and
- relevant Australian Accounting Standards, applying simplified disclosures.

The financial statements are prepared based on a 12-month reporting period and presented in Australian currency. All amounts in the financial statements and accompanying notes have been rounded to the nearest thousand dollars (\$'000). The historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured.

All financial assets and financial liabilities are measured at amortised cost.

Assets and liabilities that are to be sold, consumed or realised as part of the normal operating cycle have been classified as current assets or current liabilities. All other assets and liabilities are classified as non-current.

Significant accounting policies are set out throughout the notes.

Income, expenses and assets are recognised net of the amount of Goods and Services Tax (GST).

The net amount of the GST receivable/payable to the Australian taxation Office is not recognised as a receivable/payable in the Statement of Financial Position as the Commission is a member of an approved GST group of which the Attorney-General's Department is responsible for the remittance and collection of GST.

Cash flows are included in the Statement of Cash Flows on a gross basis.

Independent Commission Against Corruption
Notes to and forming part of the financial statements
for the year ended 2022-23

1.2. Objectives and programs

The Commission is established to:

- (a) identify and investigate corruption in public administration; and
- (b) prevent or minimise corruption in public administration including through referral of potential issues education and evaluation of practices, policies and procedures.

The Commission has the following functions:

- (a) to identify corruption in public administration and to -
 - (i) investigate and refer it to a law enforcement agency for any further investigation and prosecution; or
 - (ii) refer it to a law enforcement agency for investigation and prosecution;
- (b) to evaluate the practices, policies and procedures of inquiry agencies and public authorities with a view to advancing comprehensive and effective systems for preventing or minimising corruption in public administration;
- (c) to conduct or facilitate the conduct of educational programs designed to prevent or minimise corruption in public administration;
- (d) if, in the course of performing functions in relation to potential corruption in public administration, any suspected misconduct or maladministration or any offences (not being offences that constitute the potential corruption in public administration) are identified – to report the matter to the Office for Public Integrity or the Ombudsman for assessment or refer the matter to a law enforcement agency, the Ombudsman or a public authority or public officer, as the Commission considers appropriate.

1.3. Significant transactions with government related entities

Significant transactions with the SA Government are identified throughout this financial report. In addition:

- SA Government transfers received from the Department of Treasury and Finance (DTF) through the Attorney-General's Department (see note 2.1).
- 100% of accommodation payments relate to accommodation supplied by the Department for Infrastructure and Transport (DIT) and vehicles supplied by Fleet SA (see note 4.1 and note 7.3).

Independent Commission Against Corruption
Notes to and forming part of the financial statements
for the year ended 2022-23

2. Income

2.1. SA Government grants, subsidies and transfers

	2023	2022
	\$'000	\$'000
SA Government transfers	12 013	12 557
Total SA Government grants, subsidies and transfers	12 013	12 557

SA Government transfers are recognised on receipt.

SA Government transfers consist of \$11.449 million (2022: \$12.116 million) for operational funding and \$0.564 million (2022: \$0.440 million) for capital projects via the Attorney-General's Department's intra-government transfers.

2.2. Resources received free of charge

	2023	2022
	\$'000	\$'000
Resources received free of charge - Shared Services SA	71	69
Resources received free of charge - Department of the Premier and Cabinet	89	87
Total services received free of charge	160	156

Contribution of services are recognised only when a fair value can be determined reliably, and the services would be purchased if they had not been donated.

The Commission receives Accounting, Taxation, Payroll, Accounts Payable and Accounts Receivable services from Shared Services SA. Information, Communication and Technology services are received from the Department of the Premier and Cabinet, following Cabinet's approval to cease intra-government charges.

A corresponding expense is recognised in the financial statements (see note 4.1).

2.3. Recoveries and other income

	2023	2022
	\$'000	\$'000
Sundry recoveries	9	28
Total recoveries and other income	9	28

Recoveries are from SA Government agencies and employee reimbursements and are recognised on receipt.

Independent Commission Against Corruption
Notes to and forming part of the financial statements
for the year ended 2022-23

3. Employee Related Expenses

3.1. Key management personnel

Key management personnel of the Commission include the Commissioner, the Deputy Commissioner, and 7 employees who have at times throughout the period been members of the management team. This includes the standing members of the management team, former employees who were members of the management team and employees who acted in roles that are members of the management team. The key management personnel are responsible for supporting and leading the strategic direction and management of the Commission.

	2023	2022
	\$'000	\$'000
Compensation		
Salaries and other short-term employee benefits	1 555	1 609
Post-employment benefits	184	150
Other long-term employment benefits	26	57
Total compensation	1 765	1 816

Transactions with key management personnel and other related parties

Related parties of the Commission include all key management personnel and their close family members.

The Commission did not enter into any transactions with key management personnel or their close family members during the reporting period.

3.2. Employee benefits expenses

	2023	2022
	\$'000	\$'000
Salaries and wages	5 153	5 792
Employment on-costs - superannuation	608	635
Annual leave	465	544
Employment on-costs - other	318	357
Long service leave	192	(14)
Skills and experience retention leave	25	19
Total employee benefits expenses	6 761	7 333

References to employee(s) in these financial statements include the Commissioner and Deputy Commissioner, who are statutory appointments.

Employment on-costs - superannuation

The superannuation employment on-cost charges represent the Commission's contribution to superannuation plans in respect of current services of current employees.

Independent Commission Against Corruption
Notes to and forming part of the financial statements
for the year ended 2022-23

Employee remuneration

The number of employees whose remuneration received
or receivable falls within the following bands:

	2023	2022
	Number	Number
\$157 001 to \$160 000#	n/a	1
\$160 001 to \$180 000	4	7
\$180 001 to \$200 000	-	2
\$200 001 to \$220 000*	3	1
\$220 001 to \$240 000	-	1
\$300 001 to \$320 000*	2	-
\$540 001 to \$560 000	1	-
\$580 001 to \$600 000	-	1
Total	10	13

#This band has been included for the purposes of reporting comparative figures based on the executive base level remuneration rate for 2021-22.

* Includes payment of long service leave, annual leave, termination benefits for officers who have left the Commission.

The total remuneration received by those employees for the year was \$2.47 million (2022: \$2.7 million).

The table includes all employees (including the Commissioner and Deputy Commissioner) whose normal remuneration was equal to or greater than the base executive remuneration level during the year. Remuneration of employees reflects all costs of employment including salaries and wages, payments in lieu of leave, superannuation contributions, salary sacrifice benefits, fringe benefits and any fringe benefits tax paid or payable in respect of those benefits, as well as any termination benefits for employees who have left the Commission.

Independent Commission Against Corruption
Notes to and forming part of the financial statements
for the year ended 2022-23

3.3. Employee benefits liability

	2023	2022
	\$'000	\$'000
Current		
Annual leave	440	524
Long service leave	46	45
Skills and experience retention leave	7	10
Accrued salaries and wages	-	30
Total current employee benefits	493	609
Non-current		
Long service leave	630	669
Total non-current employee benefits	630	669
Total employee benefits	1 123	1 278

Employee benefits accrue as a result of services provided up to the reporting date that remain unpaid. Long-term employee benefits are measured at present value and short-term employee benefits are measured at nominal amounts.

Salaries and wages, annual leave, skills and experience retention leave (SERL) and sick leave

The liability for salaries and wages is measured as the amount unpaid at the reporting date at remuneration rates current at the reporting date.

The annual leave liability and the SERL liability in full are expected to be payable within 12 months and are measured at the undiscounted amount expected to be paid.

Salary inflation rate for annual leave and skills, experience and retention leave liability changed to 2% (2022: 1.5%).

No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees is estimated to be less than the annual entitlement for sick leave.

Long service leave

The amounts for long service leave include amounts accrued for investigators seconded under a Memorandum of Administrative Arrangement (MoAA) between SA Police and the Commission. The Commission is required to reimburse SA Police an amount equivalent to long service leave accrued while an investigator is on secondment. The amount is due to SA Police when the seconded investigator ceases employment with the Commission. The amount accrued is therefore equivalent to the long service leave provision amount.

The liability for long service leave is measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method.

AASB 119 Employee Benefits contains the calculation methodology for long service leave liability.

The actuarial assessment performed by the DTF has provided a basis for the measurement of long service leave and is based on actuarial assumptions on expected future salary and wage levels, experience of employee departures and periods of service. These assumptions are based on employee data over SA Government entities.

AASB 119 Employee Benefits requires the use of the yield on long term Commonwealth Government bonds as the discount rate in the measurement of the long service leave liability. The yield on long term Commonwealth Government bonds has increased to 4% (2022: 3.5%).

The actuarial assessment performed by the DTF has increased the salary inflation rate to 3.5% (2022: 2.5%) for long service leave liability.

This increase in the bond yield, which is used as the rate to discount future long service leave cash flows, results in a decrease in the reported long service leave liability.

Independent Commission Against Corruption
Notes to and forming part of the financial statements
for the year ended 2022-23

3.3 Employee benefits liability (continued)

The net financial effect of the changes to actuarial assumptions in the current financial year is a decrease in the long service leave liability of \$23 000 and employee benefits expense of \$23 000. The impact on future periods is impracticable to estimate as the long service leave liability is calculated using a number of demographical and financial assumptions – including the long-term discount rate.

Independent Commission Against Corruption
Notes to and forming part of the financial statements
for the year ended 2022-23

4. Expenses

4.1 Supplies and services

	2023	2022
	\$'000	\$'000
Accommodation	1 619	1 282
Information and communications technology	1 488	1 092
Consultants	225	142
Shared Services SA and DPC charges	160	156
Employee related payments	159	149
Contract staff	157	269
Repairs, maintenance and minor purchases	110	162
Legal fees	103	124
Outsourced services	98	154
Employee training	98	55
Promotions and publications	53	59
Motor vehicle expenses	23	8
Tax and taxable payments	22	39
Office expenses	18	17
Telephone related expenses	7	10
Other	327	123
Total supplies and services	4 667	3 841

Accommodation

All the Commission's accommodation is provided by DIT under Memoranda of Administrative Arrangement issued in accordance with Government-wide accommodation policies. MoAA do not meet the definition of lease set out in AASB 16. Information about accommodation incentives relating to this arrangement is shown at note 7.4.

Consultants

The number of consultancies and the dollar amount paid/payable (included in supplies and services expense) to consultants that fell within the following bands:

	2023	2023	2022	2022
	Number	\$'000	Number	\$'000
Below \$10 000	2	14	2	12
\$10 000 or above	4	211	5	130
Total	6	225	7	142

4.2. Other expenses

Audit fees paid / payable to the Auditor-General's Department relating to work performed under the *Public Finance and Audit Act 1987* were \$21 000 (2022: \$38 000). No other services were provided by the Auditor-General's Department.

Independent Commission Against Corruption
Notes to and forming part of the financial statements
for the year ended 2022-23

4.3. Net loss from disposal of non-current assets

	2023 \$'000	2022 \$'000
Plant and equipment		
Less net book value from disposal of plant and equipment	3	7
Total net gain / net loss from disposal of non-current assets	3	7

5. Non-financial assets

5.1. Plant and equipment owned by the Commission

Property, plant and equipment owned by the Commission with a value equal to or in excess of \$10 000 is capitalised, otherwise it is expensed. Property, plant and equipment owned by the Commission is recorded at fair value. Detail about the Commission's approach to fair value is set out in note 11.1.

Impairment

Property, plant and equipment owned by the Commission have not been assessed for impairment as they are non-cash generating assets, that are specialised in nature and held for continual use of their service capacity and are subject to regular revaluation.

Revaluation of leasehold improvements was undertaken in 2021 as detailed in note 11.1.

Depreciation and amortisation

All non-current assets, having a limited useful life, are systematically depreciated/amortised over their useful lives in a manner that reflects the consumption of their service potential.

Lease incentives in the form of leasehold improvements are capitalised as an asset and amortised over the remaining term of the lease or estimated useful life of each improvement, whichever is shorter.

Useful life

Depreciation and amortisation are calculated on a straight-line basis. Property, plant and equipment and intangible assets depreciation and amortisation are calculated over the estimated useful life as follows:

Class of asset	Useful life (years)
Accommodation Leasehold improvements	7
Plant and equipment	5-10
Information Technology	3-10
Intangible assets	3-5
Right-of-use vehicles	1

Review of accounting estimates

Assets' residual values, useful lives and amortisation methods are reviewed and adjusted, if appropriate, on an annual basis. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for prospectively by changing the time period or method, as appropriate.

Independent Commission Against Corruption
Notes to and forming part of the financial statements
for the year ended 2022-23

5.1 Property, plant and equipment owned by the Commission (continued)

Reconciliation

2023	Accommodation and leasehold Improvements	Plant & equipment	Information Technology assets	ROU Vehicles	Capital Work in progress	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount at beginning of the period	762	238	589	10	165	1 764
Acquisitions	-	-	-	17	1 135	1 152
Transfers to/(from) capital WIP	1 125	-	174	-	(1 299)	-
Disposals	-	-	(3)	-	-	(3)
Other	-	-	1	-	(1)	-
Subtotal:	1 887	238	761	27	-	2 913
Gains/(losses) for the period recognised in net result:						
Depreciation and amortisation	(761)	(60)	(213)	(14)	-	(1 048)
Subtotal:	(761)	(60)	(213)	(14)	-	(1 048)
Carrying amount at the end of the period	1 126	178	548	13	-	1 865
Gross carrying amount						
Gross carrying amount	2 013	580	2 241	35	-	4 869
Accumulated depreciation/amortisation	(887)	(402)	(1 693)	(22)	-	(3 004)
Carrying amount at the end of the period	1 126	178	548	13	-	1 865

Independent Commission Against Corruption
Notes to and forming part of the financial statements
for the year ended 2022-23

5.1 Property, plant and equipment owned by the Commission (continued)

2022	Accommodation and leasehold Improvements	Plant & equipment	Information Technology assets	ROU Vehicles	Capital Work in progress	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount at beginning of the period	1 525	260	757	32	11	2 585
Acquisitions	-	61	10	-	154	225
Disposal through administrative restructuring	-	(14)	-	-	-	(14)
Disposals	-	(7)	-	-	-	(7)
Other	-	-	-	(1)	-	(1)
Subtotal:	1 525	300	767	31	165	2 788
Gains/(losses) for the period recognised in net result:						
Depreciation and amortisation	(763)	(62)	(178)	(21)	-	(1 024)
Subtotal:	(763)	(62)	(178)	(21)	-	(1 024)
Carrying amount at the end of the period	762	238	589	10	165	1 764
Gross carrying amount						
Gross carrying amount	1 525	595	3 365	61	165	5 711
Accumulated depreciation/amortisation	(763)	(357)	(2 776)	(51)	-	(3 947)
Carrying amount at the end of the period	762	238	589	10	165	1 764

Independent Commission Against Corruption
Notes to and forming part of the financial statements
for the year ended 2022-23

5.2. Property, plant and equipment leased by the Commission

Right-of-use vehicles leased by the Commission are measured at cost.

Short-term leases of 12 months or less and low value leases where the underlying asset value is less than \$15,000 are not recognised as right-of-use assets. The associated lease payments are recognised as an expense, if any will be disclosed in note 4.1.

The Commission has a limited number of leases:

- 2 motor vehicle leases with the South Australian Government Financing Authority (SAFA). Motor vehicle leases are non-cancellable, with rental payments monthly in arrears. Motor vehicle lease terms can range from 3 years (60,000km) up to 5 years (100,000km). No variable lease payments are provided for in the lease agreements and no options exist to renew the leases at the end of their term.

The lease liabilities and the associated maturity analysis is disclosed in note 7.3. As per note 5.1, depreciation was \$14,000 and interest expenses were nil. Cash outflows related to leases are disclosed in note 7.3.

Impairment

Property, plant and equipment leased by the Commission has been assessed for impairment. There was no indication of impairment. No impairment loss or reversal of impairment loss was recognised.

5.3. Intangible assets

Intangible assets are initially measured at cost and are tested for indications of impairment at each reporting date. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

The acquisition of or internal development of software is capitalised only when the expenditure meets the definition and recognition criteria and when the amount of expenditure is greater than or equal to \$10 000.

Impairment

There were no indications of impairment of intangible assets at 30 June 2023.

Reconciliation

	Externally acquired software	Total
	\$'000	\$'000
2023		
Carrying amount at beginning of the period	12	12
Subtotal:	12	12
Gains/(losses) for the period recognised in net result:		
Amortisation	(12)	(12)
Subtotal:	(12)	(12)
Carrying amount at the end of the period	-	-
Gross carrying amount		
Gross carrying amount	867	867
Accumulated depreciation/amortisation	(867)	(867)
Carrying amount at the end of the period	-	-

Independent Commission Against Corruption
Notes to and forming part of the financial statements
for the year ended 2022-23

	Externally acquired software	Total
2022		
Carrying amount at beginning of the period	84	84
Subtotal:	84	84
Gains/(losses) for the period recognised in net result:		
Amortisation	(72)	(72)
Subtotal:	(72)	(72)
Carrying amount at the end of the period	12	12
Gross carrying amount		
Gross carrying amount	867	867
Accumulated depreciation/amortisation	(855)	(855)
Carrying amount at the end of the period	12	12

6. Financial assets

6.1 Cash and cash equivalents

	2023 \$'000	2022 \$'000
Deposits with the Treasurer	11 901	11 637
Cash on hand	16	16
Total cash and cash equivalents	11 917	11 653

Deposits with the Treasurer

Deposits with the Treasurer are non-interest bearing. The carrying amount of cash and cash equivalents represents fair value.

6.2. Receivables

	2023 \$'000	2022 \$'000
Current		
Prepayments	290	367
Trade receivables	1	21
Total current receivables	291	388

Trade receivables arise in the normal course of selling goods and services to other government agencies and to the public. Trade receivables are normally settled within 30 days after the issue of an invoice or the goods/services have been provided under a contractual arrangement. Trade receivables and prepayments are non-interest bearing. Receivables are held with the objective of collecting the contractual cash flows and they are measured at amortised cost.

Other than as recognised in the allowance for impairment loss on receivables, it is not anticipated that counterparties will fail to discharge their obligations. The carrying amount of receivables approximates net fair value due to being receivable on demand. There is no concentration of credit risk.

Refer to note 11.2 for further information on risk management.

Independent Commission Against Corruption
Notes to and forming part of the financial statements
for the year ended 2022-23

7. Liabilities

7.1. Payables

	2023	2022
	\$'000	\$'000
Current		
Trade payables	1 307	384
Employment on-costs	78	92
Accrued expenses	21	38
Total current payables	1 406	514
Non-current		
Employment on-costs	64	62
Total non-current payables	64	62
Total payables	1 470	576

Payables and accruals are recognised for all amounts billed but unpaid and are settled within the normal terms of payment of 30 days, unless otherwise agreed. All payables are non-interest bearing. The carrying amount of payables represents fair value due to their short-term nature.

Statutory payables do not arise from contracts.

Employment on-costs

Employment on-costs include payroll tax and superannuation contributions and are settled when the respective employee benefits that they relate to is discharged. These on-costs primarily relate to the balance of leave owing to employees. Estimates as to the proportion of long service leave estimated to be taken as leave, rather than paid on termination, affects whether certain on-costs are recognised as a consequence of long service leave liabilities.

The Commission contributes to several State Government and externally managed superannuation schemes. These contributions are treated as an expense when they occur. There is no liability for payments to beneficiaries as they have been assumed by the respective superannuation schemes. The only liability outstanding at reporting date relates to any contributions due but not yet paid.

As a result of an actuarial assessment performed by DTF, the proportion of long service leave taken as leave has increased to 43% (2022: 42%). The average factor for the calculation of employer superannuation on-costs changed from the 2022 rate (10.6%) to 11.1%. These rates are used in the employment on-cost calculation. The net financial effect of the changes in current financial year is immaterial.

Further information on risk management is provided as note 11.2.

Independent Commission Against Corruption
Notes to and forming part of the financial statements
for the year ended 2022-23

7.2. Provisions

All provisions relate to workers compensation.

	2023 \$'000	2022 \$'000
Movement in provisions		
Carrying amount at the beginning of the period	31	-
Additional provisions recognised	5	31
Carrying amount at the end of the period	36	31

The Commission is an exempt employer under the *Return to Work Act 2014*. Under a scheme arrangement, the department is responsible for the management of workers rehabilitation and compensation, and is directly responsible for meeting the cost of workers' compensation claims and the implementation and funding of preventive programs. Accordingly, a liability has been reported to reflect unsettled workers compensation claims. The workers compensation provision is based on an actuarial assessment of the outstanding liability as at 30 June 2023 provided by a consulting actuary engaged through the Office of the Commissioner for Public Sector Employment. There is a significant degree of uncertainty associated with estimating future claim and expense payments and also around the timing of future payments due to the variety of factors involved. The liability is impacted by agency claim experience relative to other agencies, average claim sizes and other economic and actuarial assumptions

7.3. Lease liabilities

Lease liabilities have been measured via discounting lease payments using either the interest rate implicit in the lease (where it is readily determined) or DTF's incremental borrowing rate. There were no defaults or breaches on the financial liabilities throughout the year.

The borrowing costs associated with these lease liabilities was nil (2022: nil).

Total cash outflows for leases was \$14 000 (2022: \$19 000). All material cash outflows are reflected in the lease liabilities disclosed above.

	2023 \$'000	2022 \$'000
Lease Liabilities		
1 to 3 years	15	12
Total lease liabilities (undiscounted)	15	12

7.4. Other liabilities

A maturity analysis of other liabilities based on undiscounted gross cash flows is reported in the table below:

	2023 \$'000	2022 \$'000
Current		
Accommodation incentive	-	135
Total current other liabilities	-	135
Total other liabilities	-	135

Accommodation incentive liabilities relate to arrangements with DIT for office accommodation. These arrangements do not comprise leases and the accommodation incentives do not comprise financial liabilities. DIT has provided a range of incentives. The benefit of this incentive is spread over the accommodation term so that each year reported accommodation expenses reflect the economic substance of the Commission's accommodation arrangements and related benefits provided.

Independent Commission Against Corruption
Notes to and forming part of the financial statements
for the year ended 2022-23

8. Other disclosures

8.1. Cash flow

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

Reconciliation of net result to cash flows from operating activities

	2023	2022
	\$'000	\$'000
Reconciliation of cash and cash equivalents at the end of the reporting period		
Cash and cash equivalents disclosed in the Statement of Financial Position	11 917	11 653
Balance as per the Statement of Cash Flows	11 917	11 653
Reconciliation of net cash provided by operating activities to net result		
Net cash provided by operating activities	1 413	917
Add / (less) non-cash items		
Depreciation and amortisation	(1 060)	(1 096)
Resources received free of charge - expense	(160)	(156)
Resources received free of charge - income	160	156
Net loss from disposal of non-current assets	(3)	(7)
Lease incentive amortisation	135	135
Movement in assets and liabilities		
(Decrease)/increase in receivables	(97)	114
(Increase) in payables	(873)	(61)
Decrease in employee benefits	155	424
Net result	(330)	426

Independent Commission Against Corruption
Notes to and forming part of the financial statements
for the year ended 2022-23

9. Outlook

9.1. Unrecognised commitments

Commitments include operating, capital and outsourcing arrangements arising from contractual or statutory sources and are disclosed at their nominal value.

Expenditure commitments

	2023	2022
	\$'000	\$'000
Within one year	1 101	1 616
Later than one year but not longer than five years	4 056	59
Later than five years	2 149	-
Total other commitments	7 306	1 675
Software maintenance ⁽¹⁾	188	208
Other ⁽²⁾	7 118	1 467
Total	7 306	1 675

⁽¹⁾ Software maintenance commitments relate to maintenance and support services from contracts relating to software purchases. These contracts will expire within one to three years.

⁽²⁾ Other commitments relate to purchase orders placed for goods and services before 30 June 2023 and MoAA with DIT for accommodation.

9.2. Contingent assets and liabilities

Contingent assets and contingent liabilities are not recognised in the Statement of Financial Position, but are disclosed by way of a note and, if quantifiable, are measured at nominal value.

In the ordinary course of operations, the Commission may become liable to pay costs or to receive costs arising from legal proceedings.

9.3. Impact of standards and statements not yet effective

The Commission continues to assess the impact of the new and amended Australian Accounting Standards and Interpretations not yet implemented and changes to the Accounting Policy Statements issued by the Treasurer.

Amending Standard AASB 2020-1 *Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current* will apply from 1 July 2023. The Commission continues to assess liabilities e.g. LSL and whether or not there is a substantive right to defer settlement. Where applicable these liabilities will be classified as current.

9.4. Events after the reporting period

There are no known events after balance date that affect these financial statements.

Independent Commission Against Corruption
Notes to and forming part of the financial statements
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10. Trust funds

The funds below are held in trust and represent monies seized as part of investigation activities as per ICAC Act and regulations. As the Commissioner only performs a custodial role in respect of these trust monies, they are excluded from the financial statements as the Commissioner cannot use these funds to achieve its objectives.

	2023	2022
	\$'000	\$'000
Balance at the beginning of the period	7	5
Receipts	-	2
Balance at the end of the period	7	7

Measurement and risk

11.1. Fair value measurement

Fair value measurement

AASB 13 *Fair Value Measurement* defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants, in the principal or most advantageous market, at the measurement date.

Initial recognition

Non-current tangible assets are initially recorded at cost or at the value of any liabilities assumed, plus any incidental cost involved with the acquisition.

Where assets are acquired at no value, or minimal value, they are recorded at fair value in the Statement of Financial Position. However, if the assets are acquired at no or nominal value as part of a restructure of administrative arrangements, then the assets are recognised at book value (i.e. the amount recorded by the transferor public authority immediately prior to the restructure).

Revaluation

Property, plant and equipment, other than right-of-use assets are subsequently measured at fair value after allowing for accumulated depreciation.

An independent valuation of leasehold improvements owned by the Commission was performed by Simon O'Leary, Director, and independent Certified Practising Valuer from Public Private Property as at 30 June 2021.

Non-current tangible assets are valued at fair value and revaluation of non-current assets or a group of assets is only performed when the fair value at the time of acquisition is greater than \$1.5 million and the estimated useful life is greater than three years.

Revaluation is undertaken on a regular cycle as detailed below. If at any time the Commission considers that the carrying amount of an asset materially differs from its fair value, then the asset will be revalued regardless of when the last valuation took place.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amounts of the assets and the net amounts are restated to the revalued amounts of the asset.

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11.1. Fair value measurement (continued)

Fair value hierarchy

The Commission classifies fair value measurement using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements, based on the data and assumptions used in the most recent revaluation.

Level 1: traded in active markets and is based on unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at measurement date.

Level 2: not traded in an active market and are derived from inputs (inputs other than quoted prices included within level 1) that are observable for the asset, either directly or indirectly.

Level 3: not traded in an active market and are derived from unobservable inputs.

The Commission has categorised all leasehold improvements, information technology assets and plant and equipment assets (refer to note 5.1) into level 3 for 2022 and 2023. The Commission's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period. There have been no transfers into or out of fair value hierarchy levels during the reporting period.

Plant and equipment

All items of plant and equipment owned by the Commission had a fair value at the time of acquisition less than \$1.5 million and had an estimated useful life less than three years. Plant and equipment have not been revalued. The carrying value of these items are deemed to approximate fair value.

11.2. Financial instruments

Financial risk management

Risk management is managed by the Commission's Corporate Services Section. The Commission's risk management policies are in accordance with the *SA Government Risk Management Guide* and the principles established in the *Australian Standard Risk Management Principles and Guidelines*.

The Commission's exposure to financial risk (liquidity risk, credit risk and market risk) is low due to the nature of financial instruments held. There have been no changes in risk exposure since the last reporting period.

Liquidity risk

The Commission is funded principally from SA Government transfer. The Commission works with the DTF to determine the cash flows associated with its Government approved program of work and to ensure funding is provided through SA Government budgetary processes to meet the expected cash flows.

The continued existence of the Commission in the present form, and with the present programs, is dependent on State Government policy and on continuing appropriations by Parliament for the Commission's administration and programs. The Commission's exposure to liquidity risk is insignificant based on past experience and current assessment of risk.

Credit risk

The Commission is not exposed to any credit risk.

Currently the Commission does not hold any collateral as security for any of its financial assets. There is no evidence to indicate that financial assets are impaired.

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11.2. Financial instruments (continued)

Market risk

The Commission does not trade in foreign currency, and did not enter into transactions for speculative purposes, nor for hedging. The Commission does not undertake any hedging in relation to interest or foreign currency risk and manages risk as per the government's risk management strategy articulated in TI 23 *Management of Foreign Currency Exposures*.

There have been no changes in risk exposure since the last reporting period.

Categorisation of financial instruments

Details of the significant accounting policies and methods adopted including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised with respect to each class of financial asset, financial liability and equity instrument are disclosed in the respective financial asset/ financial liability notes.