The Hon P C Scully, MP
Minister for Police and Leader of the House
Level 36 Governor Macquarie Tower
1 Farrer Place
SYDNEY NSW 2000

Dear Minister,

Please find enclosed, a copy of the 2004-2005 Annual Report of the Ministry for Police which has been prepared for presentation to the New South Wales Parliament.

The report is submitted to you in accordance with the requirements of sections 11A and 12 of the Annual Reports (Departments) Act 1985.

Yours sincerely,

Les Tree
Director-General

20 OCT 2005
CONTENTS

1. Director General's Message ... 2

2. Ministry Profile
   Mission statement ............... 4
   History............................. 4
   Organisational profile ....... 5
   Key figures at a glance....... 6

3. Key Result Areas
   1. Ministerial support ........ 7
   2. Policy ......................... 11
   3. Advice .......................... 21
   4. Legislation ..................... 32
   5. Property Management .. 38

4. Human Resources ............... 44

5. Organisational Management 51

6. Financial Management ....... 53

7. Appendices ........................ 55
   • Executive performance and remuneration
   • Ministerial Grants
   • FOI
   • Audit Reports
   • Financial Report
   • Notes to Financial Statements
DIRECTOR GENERAL'S MESSAGE

The Ministry throughout the 2004-2005 reporting year fulfilled its mission in relation to policy formulation and review by developing policies that address concerns about law and order and public safety.

The Ministry addressed a wide range of issues including alcohol-related crime, child protection, counter terrorism, drugs, firearms and prohibited weapons. The Ministry worked closely with NSW Police in the development of initiatives to meet the increasing demand for DNA analysis in the criminal justice system.

The Ministry was also actively involved in the development of a range of initiatives in the emerging issues of animal cruelty and sporting event hooliganism.

In addition, the Ministry was concerned with the development of the $105 million package to fund new death and disability benefits for officers who joined NSW Police post-1988 and in a new police promotions system which will give to all officers an equal opportunity to apply for a promotional position, if they have the requisite skills, knowledge and experience.

The Ministry's legislative program was focussed on measures to improve general firearms controls, criminal procedure and improvements to the operation of the Police Integrity Commission. Moreover, thirty recommendations were implemented through the Security Industry Amendment Act 2005 which are designed to improve the professionalism of the security industry.

Significant additions to the structure of the Ministry for Police also took effect throughout the 2004-2005 reporting year. These included the acquisition of some of the functions that were carried out by the former NSW Police Properties Branch whose role has devolved between the Department of Commerce and the Ministry.

The transfer of these former Properties Branch functions was but one aspect of the Ministry's assumption of extensive new administrative and strategic planning responsibilities which included an enhanced policy development capacity which aims to engage with the increasing complexity of issues that arise within the field of law and order.

To cope with the additional responsibilities for which the Ministry for Police was charged, the Ministry expanded by 23 positions. These officers were deployed to the expanded areas of policy development, properties, finance, and ministerial and parliamentary support.

On 21 January 2005, the Hon P C Scully MP, was sworn in as the Minister for Police, succeeding the Hon J A Watkins MP.

The Ministry provides high-level support for the Minister in the execution of his Executive and Parliamentary responsibilities. These services are provided to a high standard and within designated timeframes.
The services delivered by the Ministry to the Minister are dependent upon the advice and assistance provided by various police portfolio agencies. To this end, the cooperation and assistance provided by staff within these agencies, particularly front-line police officers, is both acknowledged and appreciated.

The sense of commitment, cooperation and good will that exists within all agencies contributed in no small way to the smooth and efficient running of the Ministry.

No doubt, this will continue in the years ahead.

Les Tree
Director-General
Ministry Profile

MISSION

To assist and support the Minister for Police to achieve the best possible law enforcement outcomes for the people of New South Wales

HISTORY

An Office of the Minister for Police and Emergency Services was established in May 1982 following the Lusher Inquiry into Police Administration and it provided functions similar to those of the Ministry for Police. In 1988 the functions of the Office were transferred to NSW Police and the new Minister's Office.

The decision to establish the Ministry arose from a review of management arrangements within the Police portfolio which identified a need for a clear separation of operational matters from the administrative and policy functions of the Police portfolio. The then Premier announced the establishment of a new Ministry to deal with the policy and coordination functions in September 1992.

The Ministry for Police was formally established under the Public Sector Management Act 1988 and commenced operation in February 1993.

In mid-1993 the Ministry for Police was expanded to support the Emergency Services portfolio, and from 1 July 1994 it became host agency to the Office of the Minister for Police. Following a change of Government in March 1995, the Police and Emergency Services portfolios were separated although the Ministry continued to support both Ministers until July. The Ministry also provided administrative support, policy advice and research services to the Police Board until it was abolished on 31 December 1996.

The Office of the Inspector of the Police Integrity Commission was established in June 1997 and was attached to the Ministry which functioned as its host agency. In March 1998 the Minister approved the transfer of the then Ministerial Liaison Unit, which prepares Ministerial correspondence and briefings, from NSW Police to the Ministry.

The current Director-General, Mr Les Tree, was appointed in March 1997 following service as Deputy Director-General since 1993 and Acting Director General since March 1996.

The Police portfolio currently comprises NSW Police, the New South Wales Crime Commission, the Police Integrity Commission, the Inspector of the Police Integrity Commission and the Ministry for Police.
ORGANISATIONAL PROFILE

The primary focus of the Ministry for Police is directed towards ensuring the Minister for Police is able to accurately and efficiently discharge portfolio responsibilities. In this regard, its role is to provide independent policy advice, strategic coordination for the Police portfolio and general support for the Minister.

As the Ministry was established to be independent of NSW Police and other portfolio agencies, it is well positioned to act as the liaison and coordination point between portfolio and external agencies. From this position, the Ministry provides a uniquely appropriate and accessible forum in which the agencies can raise and resolve sensitive issues.

The Ministry’s liaison role is largely concerned with central government agencies such as The Cabinet Office, Treasury, the Premier’s Department and the Attorney General’s Department whose responsibilities coincide with those of the Police portfolio. Other significant organisations whose functions directly affect the Police portfolio include Ministerial Councils, the Ombudsman’s Office, the Office of the Director of Public Prosecutions, and the Independent Commission Against Corruption.

The Ministry achieves its objectives by:
• providing sound, impartial and independent policy advice;
• formulating and coordinating the NSW Police capital works programs;
• driving and coordinating government policy development for the portfolio;
• developing and managing the Minister’s portfolio legislation;
• managing and coordinating law enforcement issues within and outside the portfolio;
• preparing Ministerial correspondence;
• providing direct support to the Minister in his statutory, Parliamentary, Cabinet and other roles, including the preparation of briefings, replies to parliamentary questions, and speaking notes;
• being the host agency for the Office of the Inspector of the Police Integrity Commission, providing personnel, administrative and financial support;
• administering the Minister’s Discretionary Fund;
• maintaining strong working relationships with external agencies, and
• liaising with other jurisdictions on national law enforcement issues.

The Ministry aims to create good working relationships at all levels to achieve smooth implementation of Government policy within the Police portfolio.

The Ministry is the host agency for the Office of the Inspector of the Police Integrity Commission, providing personnel, administrative and financial support.

The Ministry provides advice to the Minister with respect to disbursements made by the Minister from the Minister’s Discretionary Fund which the Minister uses to provide financial assistance to community groups and other organisations working to reduce crime and improve community safety.
The Ministry monitors and reviews papers passing between portfolio agencies and the Minister to ensure portfolio-wide consistency with Government objectives and to assist the agencies by providing a quality control mechanism.

The Ministry also liaises with other jurisdictions to undertake comparative studies, to keep pace with changes in policy and legislation, and to facilitate NSW Government policy on a national and interstate basis.

**KEY FIGURES AT A GLANCE**

### Financial (at 30 June)

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<thead>
<tr>
<th></th>
<th>2000</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
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<tbody>
<tr>
<td><strong>Actual ($'000)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Net cost of services</td>
<td>4,393</td>
<td>4,255</td>
<td>4,498</td>
<td>5,012</td>
<td>6,645</td>
<td>10,674</td>
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<tr>
<td>Total Govt contributions</td>
<td>4,331</td>
<td>4,254</td>
<td>4,468</td>
<td>5,001</td>
<td>7,429</td>
<td>9,488</td>
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<tr>
<td><strong>Surplus/(Deficit) for year</strong></td>
<td>(62)</td>
<td>(1)</td>
<td>(30)</td>
<td>(11)</td>
<td>784</td>
<td>270</td>
</tr>
<tr>
<td>Total assets</td>
<td>504</td>
<td>477</td>
<td>262</td>
<td>1,504</td>
<td>1,449</td>
<td>2,997</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>771</td>
<td>771</td>
<td>745</td>
<td>1,813</td>
<td>974</td>
<td>2,287</td>
</tr>
<tr>
<td><strong>Total equity</strong></td>
<td>(267)</td>
<td>(288)</td>
<td>(268)</td>
<td>(309)</td>
<td>475</td>
<td>710</td>
</tr>
<tr>
<td>Net cash flow from operating activities</td>
<td>331</td>
<td>42</td>
<td>(187)</td>
<td>1,139</td>
<td>106</td>
<td>1,169</td>
</tr>
<tr>
<td>Net cash flows from investing activities</td>
<td>(84)</td>
<td>(34)</td>
<td>(29)</td>
<td>(16)</td>
<td>(817)</td>
<td>(321)</td>
</tr>
<tr>
<td><strong>Net increase (decrease) in cash</strong></td>
<td>247</td>
<td>8</td>
<td>(216)</td>
<td>1,123</td>
<td>(711)</td>
<td>848</td>
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<tr>
<td><strong>Closing cash and equivalents</strong></td>
<td>269</td>
<td>277</td>
<td>61</td>
<td>1,184</td>
<td>473</td>
<td>1,321</td>
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### Staff

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<tr>
<th></th>
<th>2000</th>
<th>2001</th>
<th>2002</th>
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<th>2004</th>
<th>2005</th>
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<tbody>
<tr>
<td><strong>Number of staff (at 30 June)</strong></td>
<td>20</td>
<td>23</td>
<td>20</td>
<td>23</td>
<td>23</td>
<td>46</td>
</tr>
<tr>
<td><strong>Total Salaries ($'000)</strong></td>
<td>2,520</td>
<td>2,671</td>
<td>2,932</td>
<td>3,241</td>
<td>4,989</td>
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### Ministerial and Parliamentary responses

<table>
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<tr>
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</tr>
</thead>
<tbody>
<tr>
<td><strong>Letters received</strong></td>
<td>8,156</td>
<td>5,300</td>
<td>5,700</td>
<td>5,700</td>
<td>5,438</td>
<td>4,347</td>
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<tr>
<td><strong>Parliamentary questions</strong></td>
<td>141</td>
<td>175</td>
<td>187</td>
<td>193</td>
<td>407</td>
<td>341</td>
</tr>
</tbody>
</table>

### Freedom of Information requests

<table>
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<tbody>
<tr>
<td><strong>No. requests received</strong></td>
<td>1</td>
<td>4</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>8</td>
</tr>
<tr>
<td><strong>No. granted (in part or full)</strong></td>
<td>2</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td><strong>No. reviews</strong></td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>
KEY RESULT AREAS

KEY RESULT AREA 1: MINISTERIAL SUPPORT

Objectives

- Provide Parliamentary support to the Minister and his portfolio responsibilities.
- Prepare Ministerial correspondence and briefings.

Description of outputs

- Preparation of Cabinet Minutes and briefings, Ministerial correspondence and briefs for Ministerial visits.
- Administer Ministerial Grants Program and Confiscated Proceeds Account.
- Process portfolio overseas travel applications.

Overview

The Ministry supports the Minister in his Parliamentary responsibilities and prepares correspondence and briefings for the Minister to carry out his Ministerial duties.

The Ministry formerly had "host agency" responsibility for the Minister's Office in terms of the provision of administrative and financial support and the payment of accounts. In April 2005 responsibility for these functions was transferred to the Premier's Department.

The Ministry continues to provide administrative and financial support to the Inspectorate of the Police Integrity Commission.

Outcomes

The Ministry fulfilled its Ministerial support role by maintaining regular liaison with the Minister's Office to ensure the Minister's satisfaction with the services provided.

Parliament

The Ministerial and Parliamentary Support Unit, formerly, the Ministerial Liaison Unit, in consultation with relevant policy officers, has responsibility for drafting answers to Legislative Assembly and Legislative Council Parliamentary Questions, Private Member's Statements and Adjournment Debates. The following table sets out the number of Parliamentary matters for which the Ministry prepared responses, compared with the previous financial year.
The Ministry also prepared Parliamentary briefings for the Minister, with regular updates during the financial year. The Minister’s appearance before the Parliamentary Estimates Committee was also supported by Ministry briefings.

**Ministerial Correspondence and Visits**

The Ministerial and Parliamentary Support Unit prepares correspondence for the Minister for Police. The Unit also prepares briefings for visits by the Minister and the Premier to various regional and metropolitan centres in New South Wales.

The Ministerial and Parliamentary Support Unit is responsible for ensuring the Minister is satisfied that correspondence and briefings are of appropriate quality, submitted in a timely manner, are accurate, comply with Government directions and reflect a whole of Government approach. In order to meet these goals, regular liaison is maintained with the Minister’s Office and portfolio agencies.

From 1 July 2004 to 30 June 2005, the Ministerial and Parliamentary Support Unit received and took action on more than 4,300 letters from Members of Parliament and members of the public. Notable issues addressed included law and order concerns, police conduct and performance, and local crime and policing issues.

**Portfolio Overseas Travel**

The Minister for Police must approve all overseas travel applications within the portfolio. The Ministry processes portfolio agency applications for overseas travel and provides briefings to the Minister on travel requests.

In total, 65 overseas travel applications from NSW Police and other portfolio agencies were processed by the Ministry. This included 34 applications for operational travel by NSW Police (19 for Disaster Victim Identification following the December 2004 Tsunami) and 29 applications for non-operational travel by NSW Police, 1 application for non-operational travel by the NSW Crime Commission and 1 application for non-operational travel by the Police Integrity Commission.

There was no overseas travel by Ministry staff during the reporting period.

**Administration and Secretarial Support**

The Ministry acted as host agency for the Office of the Minister for Police until 1 April 2005 when this function was assumed by the Premier’s Department. Until this date,
the Ministry provided personnel, administrative and financial management support, including communications, information technology, asset management, financial management, human resource management, accommodation and vehicles.

Portfolio Budgets
The Ministry assists with the coordination of the development of portfolio agency budgets. The Ministry provides strategic advice and general support to the Minister in the acquisition of funding for new projects throughout the year.

Ministerial Grants Program
The Ministry budget includes $250,000 per financial year for grants to be made at the Minister's discretion to community organisations undertaking activities that are consistent with the objectives and activities of NSW Police.

Grant proposals are usually initiated by Local Members, the Minister or community organisations themselves.

The Ministry administers the grants, including assessing grant proposals against established criteria. $179,321.35 was allocated from this fund in the financial year 2004-2005.

Details of these grants are listed in the Appendices to this Report.

Confiscated Proceeds Account
The Ministry supports the Minister in the administration of the Confiscated Proceeds Account. The Account is established under the Criminal Assets Recovery Act 1990 and is administered by the Treasurer, in consultation with the Minister. During 2004-2005 the Ministry supported the Minister in approving allocations of approximately $7.056 million from the Account.

The Confiscated Proceeds Account is used to:

- offset the cost of administering that Act and the Victims Compensation Fund;
- make payments to the Supreme Court and Public Trustee; and
- aid law enforcement, victims support programs, crime prevention programs, programs supporting safer communities and drug rehabilitation and drug education programs.

The Recovered Assets Pool (ReAP)
The Treasurer established the Confiscated Proceeds Account (CPA) under section 32 of the Criminal Assets Recovery Act 1990. All funds realised under this Act are paid into this account. On 25 November 2003, the Government established the Recovered Assets Pool (ReAP) to be funded from the Criminal Proceeds Account to be used to fund NSW Police investigations and operations and to expand the NSW Police asset confiscation function.

In 2004-2005 $2 million was allocated to ReAP. The Minister for Police approves the disbursement of all funds from ReAP and the Ministry provides recommendations and advice on these allocations. Recommendations concerning the disbursements originate from the ReAP Board.
### Key Performance Indicators for Key Result Area 1

<table>
<thead>
<tr>
<th>Objectives</th>
<th>Key Performance Indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ensure responses to Parliamentary Questions and all other Parliamentary support services are provided in an accurate and timely manner.</td>
<td>All timeframes for Parliamentary Questions are met.</td>
</tr>
<tr>
<td></td>
<td>The Minister is satisfied with the provision of responses to Parliamentary Questions and all other Parliamentary support services.</td>
</tr>
<tr>
<td>Achieve best practice in public administration in the provision of correspondence and briefings within designated timeframes and in the style and format preferred by the Minister</td>
<td>The Minister is satisfied with the timeliness and content of correspondence.</td>
</tr>
<tr>
<td></td>
<td>Prepared correspondence is appropriate in tone, content and form and is consistent with replies on similar matters.</td>
</tr>
<tr>
<td></td>
<td>Correspondence complies with Ministerial directions as to response-times and content.</td>
</tr>
<tr>
<td>Ensure Ministerial briefings for Cabinet meetings and visits are prepared accurately and on time.</td>
<td>The Minister is satisfied with the timeliness and quality of the briefs provided.</td>
</tr>
</tbody>
</table>
KEY RESULT AREA 2: POLICY DEVELOPMENT

Objectives

Drive and coordinate Government policy development for the Police portfolio, and provide high quality and timely policy advice to the Minister.

Description of Output

Policy development and portfolio development and lead interdepartmental committees and working groups.

Overview

Consistent with the specific policy directions given by the Minister, the Ministry develops policy for the Police portfolio within the context of the wider New South Wales Government policy agenda and consistent with the policy directions of the Minister.

The Ministry is committed to maintaining favourable working relationships at all levels and with all agencies within the portfolio. A close relationship between the Ministry and portfolio agencies, primarily NSW Police, allows for the frank and speedy interchange of information and comment. The Ministry monitors and reviews procedures and plans formulated between agencies to ensure there is consistency with Government objectives across the portfolio.

To ensure the provision of high quality policy initiatives, the Ministry collaborates with and consults other agencies and stakeholders with respect to a wide range of policing issues. The Ministry plays a key role in national law enforcement policy forums and convenes a number of working groups and committees with Ministry staff conferring regularly with counterparts in other jurisdictions.

Outcomes

The Ministry fulfils its mission in relation to policy formulation and review by developing policies which address societal concerns about law and order, which improve public safety through crime prevention and community solutions, and which enhance the performance of portfolio agencies.

Throughout the 2004-2005 reporting year, the Ministry addressed policy issues in relation to a wide variety of issues that attract police input whether by way of law enforcement or crime prevention. Some of these issues include:

- Alcohol-related crime
- Animal cruelty
- Child protection
- Counter-terrorism
- Drugs
- Firearms and Prohibited Weapons
- Forensic procedures
MINISTRY FOR POLICE

Annual Report 2004-2005

- Police powers and processes
- Police officer safety
- Telecommunications interception.

Some of the Ministry’s policy development work is outlined under Key Results Area 4: Legislation.

The Ministry coordinated Government policy for the portfolio and consulted with stakeholders on a number of important policy issues. These are discussed in detail in the following section.

The Director General and Ministry staff chaired a number of working groups and committees. Staff also attended a large number of interagency and inter-jurisdictional working groups convened by other agencies. The latter are reported in the next section.

Key Policy Initiatives 2004-2005

The Ministry’s policy support for the Minister and Government on law enforcement and policing issues is based on negotiation and consultation with the portfolio and external stakeholders, as well as consideration of national policy trends and the approaches adopted by other Australian and international jurisdictions.

Alcohol
The Government’s Response to the Alcohol Summit: Outcomes of the NSW Summit on Alcohol Abuse 2003, Changing the Culture of Alcohol Use in New South Wales, was released in May 2004 from which time the Ministry has continued working closely with NSW Police and other government agencies, such as the Department of Gaming and Racing, the Roads and Traffic Authority and The Cabinet Office, to implement Police Portfolio commitments.

These commitments include:
- The State-wide roll-out of the Alcohol Linking Program;
- The extension of the Supply Means Supply Program which targets the secondary supply of alcohol to minors;
- Random breath—testing on waterways; and
- Improving the training and education of NSW Police officers through specific alcohol related crime training.

The Ministry has also continued to participate in, and chair, a number of working groups to help formulate policy and legislative proposals, and monitor the implementation of other initiatives arising out of the Government Response to the Alcohol Summit.

Animal Cruelty
The Director General of the Ministry chaired an inter-agency Task Force on animal cruelty. The Task Force considered current animal cruelty offences and penalties; the need to ensure accurate recording of all these offences on the NSW Police
criminal record system; various methods of dealing with offences committed by children and the connection between acts of cruelty to animals and violent behaviour towards persons including domestic violence and child abuse.

In its report in June 2005, the Task Force made 12 recommendations including:
- the creation of a new aggravated animal cruelty indictable offence in the Crimes Act 1900;
- fingerprinting of offenders charged with offences under the Prevention of Cruelty to Animals Act 1979;
- that veterinarians should be encouraged as part of their ethical responsibility to report all suspected cases of animal cruelty;
- that consideration should be given to creating a formal power for the Children's Court to order psychological or psychiatric examination of offenders;
- that consideration should be given to seeking sponsorship for schemes for dealing with child offenders along the lines of existing, interstate pilot schemes;
- that consideration should be given to establishing an inter-agency animal cruelty watch team to provide a platform for the exchange of relevant information on animal cruelty offenders and their families.

Finally, the Task Force recommended that an Implementation Committee chaired by the Ministry for Police, should be convened to monitor and coordinate legislative and other amendments required to implement the recommendations.

It is proposed to introduce legislation in the next Parliamentary Session to implement these proposals.

The Ministry was represented on a NSW Police internal working party which was established to record historical conviction records held by the RSPCA and the Animal Welfare League (AWL); to ensure close liaison between NSW Police and the RSPCA and AWL and to arrange education and training of all police officers on animal cruelty offences.

**Child Protection**

The Ministry worked closely with NSW Police and other law enforcement agencies to develop model national legislation to support the establishment of a National Child Protection Register. The model legislation was based in significant part on New South Wales' Child Protection (Offenders Registration) Act 2000.

The Ministry was a member of the interagency working group responsible for implementing the Child Protection Watch Team trial. The Ministry also arranged for the 1 July 2005 commencement of the Child Protection (Offenders Prohibition Orders) Act 2004.

The Ministry worked with NSW Police to develop new legislation in regards to non-Internet 'grooming' activities. Grooming refers to the enticement of children with the intent of engaging in sexual activity with them.
**Counter-Terrorism**
The Ministry coordinated policy proposals within the portfolio and then led negotiations with the Attorney General’s Department in relation to a review of NSW offences that terrorists might commit, to ensure that penalties were appropriate and consistent and that the offences took account of modern terrorist techniques.

The Ministry also led the amendment to the “trigger” of the *Terrorism (Police Powers) Act 2002*, to give greater clarity to the scope of the “trigger”. The Ministry provided input to the review of the Counter-Terrorism Public Information Plan. The Ministry also participated in the development of a Premier’s Circular emphasising the need for agencies to follow the advice of the Commissioner of Police in terrorist emergencies.

**Drugs**
Through its participation on the Senior Officers Group of the Australian Police Ministers’ Council and through the Intergovernmental Committee on Drugs, the Ministry has continued to contribute to strategies designed to curtail the production and distribution of illicit substances; in particular, the growing trade in amphetamines and amphetamine type substances and their production in clandestine laboratories.

The Ministry has provided significant input into proposed reforms to illicit drug legislation, including provisions targeting the endangerment of children through drug manufacture and procuring children to participate in the supply of illicit drugs.

The Ministry prepared briefings and correspondence to enable the Minister to continue to press for tougher Commonwealth and State restrictions on the retail sale of products containing pseudoephedrine, in order to further prevent the diversion of such products into illicit drug manufacture. The Ministry is continuing to research reforms to address the issue of the illicit trade in pseudoephedrine products, including the phenomenon of ‘pseudo runners’ – people who visit numerous chemists sourcing pseudoephedrine products.

The Ministry further pursued reforms dealing with cannabis, and is working with NSW Police and the Attorney General’s Department to address the increasing crime phenomenon of the commercial production of cannabis through indoor, hydroponic cultivation.

The Ministry also hosted and contributed to numerous meetings of the Drug Driving Working Party, an interagency group concerned with overseeing the introduction of random roadside drug testing of motorists into NSW in the near future.

**Firearms**
Since the announcement of the “Illegal Handgun” Package on 23 September 2003 by the former Minister for Police, a number of initiatives have been implemented to improve the approach taken to illegal gun availability, apprehension and prosecution. The initiatives covered increased detection and enforcement, search powers for illegal handguns, legislative changes, improved security industry controls, better safe storage, and pursuing greater national controls. The Ministry has worked with NSW
Police to monitor the implementation of this package and drive the legislative reforms.

The Ministry for Police has conducted a Review of the Firearms (General) Regulation 1997, pursuant to section 10(2)(a) of the Subordinate Legislation Act 1989. A Regulatory Impact Statement has been prepared for dissemination to stakeholders and interested parties together with the draft Regulation.

The staged repeal of the Firearms (General) Regulation 1997 is being postponed to allow for a longer consultation period with the firearms community. It is anticipated that the new Regulation will be finalised in early 2006.

**Police Accountability Community Teams**

The Ministry, in conjunction with the NSW Police Crime Management Faculty, have commenced a Review of Police Accountability Community Teams, which were established in 2002. PACTs provide a forum to ensure that community views about police visibility, police deployment and crime hotspots are taken into account when local police are being deployed and tasked. The Report of the Review is expected to be released in late 2005.

**Redfern**

Following the riots in Redfern in February 2004, the then Minister for Police, the Hon J A Watkins MP, Commissioner of Police, Mr Ken Moroney and then Deputy Commissioner (Operations), Mr Dave Madden on 16 July 2004 announced the NSW Police Redfern Action Plan. The Action Plan contains a package of reforms to assist and enhance policing in Redfern. These reforms included:

- Enhanced police numbers and resources, including more experienced police and increased criminal investigation resources;
- Improved police premises; and
- Better community engagement and improved cultural awareness training for Police.

The Ministry, together with NSW Police, has overseen the implementation of these reforms. Since July 2004, the situation Redfern continues to improve as a result of the sustained Government attention, additional police resources and improved relations between Police and the local Aboriginal community.

**Security Industry**

The Report of the Review of the Security Industry Act 1997 and the Security Industry Regulation 1998 undertaken by the Ministry for Police was tabled in Parliament on 20 October 2004, and included 30 recommendations, which were designed to improve the professionalism of the security industry. Key reforms included the expansion of the licence categories to better reflect the different activities undertaken by persons working within the security industry, the introduction of a provisional licensing scheme, restrictions on subcontracting and increased penalties for breaches of the security industry legislation.

**Stock Theft and Rural Crime**

In 2004, the Pastoral and Agricultural Crime Working Party met to discuss and formulate options relating to crime that affects pastoral and agricultural industries. Representatives from the NSW Farmers' Association, the Rural Lands Protection Boards, and the Department of Primary Industries participate in the Working Party, which is chaired by the Director-General Ministry for Police. Issues discussed at this meeting included the progress of the Wool, Hide and Skin Dealers Act 2004 since its commencement on 1 September 2004, offence provisions of the Rural Lands Protection Act 1998, the success of interagency operations to prevent and detect rural crime, and new trespass laws.

Under the Wool, Hide and Skin Dealers Act 2004, dealers in wool, hide and skins are required to be licensed, licensees are required to report suspicious wool, hides or skins and the eligibility to hold a licence is subject to stringent criteria.

**Forensic Procedures**

The Ministry continued to contribute to the ongoing development of the Crimes (Forensic Procedures) Act 2000 and the implementation of policy to support the effective operation of the Act. This included its application to victims of crime and volunteers, repeat offender and prisoner DNA testing and progress towards the uploading of DNA profiles onto the National DNA Database, CrimTrac.

The Ministry participated in the interagency working group responding to the recommendations referred to it from the report prepared by Professor Mark Findlay on the review of the Act. The Ministry also provided extensive comments on the review of Forensic DNA Sampling of Serious Indictable Offenders under Part 7 of the Crimes (Forensic Procedures) Act 2000, conducted by the New South Wales Ombudsman.

Working closely with NSW Police, the Ministry has developed proposals to meet the increasing demand for DNA analysis in the criminal justice system.

The Ministry has also been involved with the NSW Police development of a proposal for a restructure of the Forensic Services Group Command.

**Public Safety**

The Ministry developed legislation to establish orders banning persons convicted of certain offences from attending sporting events. The purpose of this legislation is to prevent violence and disorder at sporting events.

The Ministry provided advice to the Minister regarding the feasibility of introducing public order measures similar to powers provided in the United Kingdom's Anti-Social Behaviour Act 2003. Under the UK Act, Anti-Social Behaviour Orders are
issued as community-based, civil orders to protect the public from anti-social behaviour.

The Ministry worked with NSW Police and the Attorney General's Department to develop a proposal whereby police would be given an express power to direct a vehicle to stop in certain circumstances.

**Exhibits**
The Ministry together with NSW Police developed the *Exhibits and Miscellaneous Property Project Plan* in 2004. The Cabinet Standing Committee on Service Provision and Financial Management endorsed the Exhibits and Miscellaneous Property Management Project Plan on 28 September 2004. The project plan identifies the main concerns associated with the management and storage of exhibits and miscellaneous property for NSW Police. The broad objectives of the project plan are to identify and implement strategic solutions for exhibit management within NSW Police for the benefit of the broader criminal justice system.

**Police Promotions**
The Ministry was represented on the Working Party on Police Promotions, and provided secretariat and executive support to the Working Party's Chair, former Police Minister the Hon. Peter Anderson. The Working Party was given responsibility for the review and implementation of the *Report of the Ministerial Inquiry into Police Promotions* (Schuberg Report). The report of the Working Party was released to the Minister in February 2005.

**Death and Disability Benefits for post-1988 NSW Police officers**
In May 2005 the Minister for Police announced a $105 million package to fund new death and disability benefits for police officers.

In recognition of the unique risks faced by police, the new package provides for lump sum payments to officers or their families if they are injured, or killed. The Ministry participated in the Police Superannuation Working Party which developed the new police death and disability scheme.
Interdepartmental Committees and Working Groups

Ministry officers chair a number of inter-departmental working parties and committees to ensure that there is open and informative dialogue within the development of government policy in which there is activity by NSW Police.

**Chaired by the Director-General**

<table>
<thead>
<tr>
<th>Committee Name</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pastoral and Agricultural Crime Working Party</td>
<td>Established in 2000 and includes representatives from NSW Police, NSW Farmers' Association, the Rural Lands Protection Boards (RLPB), and the Department of Primary Industries. The Working Party generally meets once per year, or as matters relating to crime in the pastoral and agricultural industries arise.</td>
</tr>
<tr>
<td>Animal Cruelty Inter-Agency Task Force</td>
<td>Established early 2005 with the objective to review current legislation and procedures for dealing with animal cruelty offences and make recommendations.</td>
</tr>
<tr>
<td>Senior Officers Group of the Premier's Ministerial Advisory Council on Shooting Clubs</td>
<td>Established 1997. Representatives from the shooting movement and senior officers from relevant agencies examine issues associated with shooting clubs.</td>
</tr>
<tr>
<td>Ministerial Inquiry into Long-Term Sick Leave</td>
<td>Originally established in 2002 and reconvened in 2005 to address the number of police on long term sick leave. Includes senior representation from NSW Police and the NSW Police Association.</td>
</tr>
<tr>
<td>Firearm Licence Holders' Working Group</td>
<td>Established in 2002 as a consultative forum on firearm licensing and administrative matters. The Group consists of representatives from a range of shooting disciplines and associations, including the Amateur Pistol Association, the Sporting Shooters' Association of Australia, and the Firearms Dealers Association, in addition to representatives from rural and farming groups such as the State Council of the Rural Lands Protection Board and NSW Farmers' Association.</td>
</tr>
</tbody>
</table>

**Chaired or convened by Ministry officers**

<table>
<thead>
<tr>
<th>Committee Name</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Child Protection (Offenders Registration) Amendment Act 2004 Inter-Agency Implementation Committee</td>
<td>Established in December 2003 to provide advice on implementing the Child Protection (Offenders Registration) Amendment Act 2004. The Committee has a short-term role only, primarily to provide advice on regulations to be amended under the Act. Representatives include NSW Police and other relevant government agencies.</td>
</tr>
<tr>
<td>Agency Working Party</td>
<td>Established June 2004 with the objective to review current legislation in relation to street and drag racing and consider alternative solutions to the problem.</td>
</tr>
<tr>
<td>----------------------</td>
<td>-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Working Party on Promotions, Recruitment, Retention and Training</td>
<td>Ministerial Inquiry established under s.217 Police Act 1990. Chaired by the Hon. Peter Anderson and includes representatives from NSW Police, NSW Police Association and the Ministry</td>
</tr>
<tr>
<td>Pawnbrokers and Secondhand Dealers Act, Stage Two Working Group</td>
<td>Established in January 2003 to identify changes to help police prevent criminal activity in the industry.</td>
</tr>
</tbody>
</table>
## Key Performance Indicators for Key Result Area 2

<table>
<thead>
<tr>
<th>Objectives</th>
<th>Key Performance Indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td>A high level of satisfaction of the Minister and Minister's Office with</td>
<td>The Minister and Minister's Office were satisfied with the relevance, quality and timeliness</td>
</tr>
<tr>
<td>the relevance, quality and timeliness of policy advice, Question Time</td>
<td>of policy advice, House Folder Notes, Parliamentary Questions on Notice and briefings.</td>
</tr>
<tr>
<td>Briefs, Parliamentary Questions on Notice and briefings.</td>
<td></td>
</tr>
<tr>
<td>Negotiate the Minister's policy position on Cabinet Minutes and</td>
<td>The Minister is satisfied with the outcomes of the process.</td>
</tr>
<tr>
<td>other Government proposals with portfolio agencies and other government</td>
<td></td>
</tr>
<tr>
<td>agencies.</td>
<td></td>
</tr>
<tr>
<td>Consult (as relevant to the project) with portfolio agencies, other</td>
<td>Relevant agencies, groups or persons are consulted during the policy development process.</td>
</tr>
<tr>
<td>Government agencies, interest groups and the general public.</td>
<td></td>
</tr>
</tbody>
</table>
KEY RESULT AREA 3: ADVICE

Objectives

- Provide the Minister with advice that is strategic, timely and adds value.

Description of output

- Briefings for the Minister and Government on emerging issues, broader implications of issues, and activities.
- Briefings and coordinated advice for Ministerial meetings and committees.

Overview

The Ministry provides the Minister for Police with an independent source of information and analysis on matters relevant to the portfolio. Briefings and information are given on a wide range of high level policy and budget issues, as well as more routine matters throughout the year.

Advice is provided to the Minister on proposals made by other portfolio agencies, Members of Parliament and members of the general community. Strategic issues are considered and proposals are placed within an overall portfolio and whole of government framework. Where necessary, the Ministry coordinates and negotiates responses from different portfolio agencies.

The Ministry liaises with other jurisdictions to monitor changes in policy and legislation and to contribute to the development of consistent and cooperative approaches to address inter-jurisdictional crime issues.

Outcomes

The Ministry fulfilled its advisory role by providing the Minister with advice on portfolio submissions, portfolio resource management and on the direction and the impact of proposals by other Government agencies. Strategic advice was provided on a number of issues including;

- Alcohol
- Counter-terrorism
- Drugs
- Firearms
- Forensic procedures
- Rural crime
- Security industry
- Traffic and road safety
- Youth issues.

The Minister was provided with effective advice about issues on the national law enforcement agenda of Ministerial Councils and other bodies, including the Australasian Police Ministers’ Council, the Ministerial Council on Drug Strategy and
the newly formed Inter-Governmental Committee on the Australian Crime Commission.

The Ministry maintained effective working relationships within the Police portfolio and with other New South Wales government agencies and attended a large number of interagency working groups and committees to ensure the Minister's and the portfolio's interests were represented.

**Key Policy Advice**

**Alcohol**
Throughout 2004-2005, the Ministry worked closely with NSW Police in providing advice to the Minister for Police and the Office of Drug and Alcohol Policy, within The Cabinet Office. This advice has ensured the timely implementation of police portfolio undertakings outlined in the *Government Response to the Alcohol Summit: Outcomes of the NSW Summit on Alcohol Abuse 2003*.

Specifically, the Ministry provided policy advice to the Minister on a number of portfolio initiatives concerning alcohol, including the Alcohol Linking Program, liquor accords, possible reforms to liquor and public order laws, strategies for sharing of information between police and other government agencies on licensing issues, and initiatives concerning the policing response to alcohol abuse in indigenous communities.

**Counter-Terrorism**
The Ministry provided a broad range of advice to the Minister on various matters which pertain to the criminal practice of modern terrorism. Ministry advice covered issues such as identity fraud, forensic investigation, New South Wales transport security, NSW Police counter-terrorist equipment and training, search warrants, and police powers of search and telecommunications interception.

The Ministry participates in the work of the Counter-Terrorism Management Committee which develops portfolio policy proposals and advises the Minister. The Director General is a member of the Counter-Terrorism Chief Executive Officers Group, which advises the Cabinet Standing Committee on Counter-Terrorism.

**Child Protection**
The Ministry also advised the Minister on proposals for a trial of Child Protection Watch Teams and the introduction of Child Protection Prohibition Orders, which will strengthen the way in which the Government manages and monitors convicted child offenders in the community.

**Redfern**
Throughout 2004-05, the Ministry co-ordinated a number of advices regarding the progress by the Police Portfolio in implementing the NSW Police Redfern Action Plan, which was developed in response to the February 2004 Redfern riots.
In addition to these regular implementation reports, the Ministry provided the Minister for Police and the Premier’s Office with advice on police progress in Redfern.

**Drugs**

The Ministry advised the Minister on issues relating to drug law enforcement and drug law reform at both State and national levels. A large number of briefings and advice on drug issues, from a Policing Portfolio perspective, were provided to the Office of Drug and Alcohol Policy of The Cabinet Office on issues ranging from amphetamines and party drugs, heroin availability, hydroponic cannabis production to the medically supervised injecting centre.

The Ministry also contributed to a number of research projects initiated by the Office of Drug and Alcohol Policy and participated on a number of interagency committees concerning drug related issues.

At the national level, the Ministry was involved in the State Reference Group on Diversion, the Intergovernmental Committee on Drugs, the Senior Officers Group of the Australian Police Ministers Council, and supported the Minister on the Ministerial Council on Drug Strategy and the Australian Police Ministers Council.

**Firearms**

The Ministry provided the Minister’s Office with considerable advice on firearms issues at a State level, and also a national level through the Firearms Policy Working Group, the Australasian Police Ministers’ Council and its Senior Officers Group. These issues include:

- The Integrated Ballistics Identification System;
- Firearms Registry Data Cleansing Project;
- Antique firearms;
- Operation Vulcan;
- Handgun Buyback;
- Firearms theft;
- International Firearms Instruments; and
- Regulatory amendments.

**Forensic Procedures**

The Ministry provided advice on a range of issues, including:

- the response to recommendations from the review by the Hon Mervyn Finlay QC of the Innocence Panel;
- the development of the Forensic Science Centre, incorporating the Forensic Research and Investigative Science Centre (FRISC);
- Scene of Crime Officers, Livescan and PhotoTrac;
- the DNA testing of prisoners and repeat offenders;
- the review of, operation of, and amendments to the Crimes (Forensic Procedures) Act 2000; and
the operation of CrimTrac, in particular the National Criminal Investigation DNA Database.

**Police Industrial and Human Resource Services Issues**
The Ministry delivered advice to the Minister on numerous NSW Police industrial and human resource services issues, such as police superannuation, promotions, honours, recruitment, retention, training, employee management, complaints, employment conditions, allowances, and industrial disputes.

The Ministry worked with NSW Police to advise the Minister on a number of reforms to be introduced as part of the settlement of the police salaries award. The *NSW Police Salaries Award 2005* came into effect on 1 July 2005 and facilitates a number of significant reforms to salary structures which will help attract and retain experienced police, and to other management practices which will improve the efficiency of policing services within New South Wales.

**Portfolio Performance**
In compliance with the functions of the Estimates Committee of the Legislative Council, in September 2004 the Ministry provided advice and co-ordinated briefings for the Minister in relation to performance of the Police portfolio. Throughout 2004-2005 the Ministry closely reviewed and reported on the performance of the portfolio in meeting election commitments.

**Road Safety**
The Ministry provided advice on a broad range of road safety issues including a suite of amendments to road transport legislation, drink driving offences and penalties, motor sports, police pursuits, Highway Patrol resources, traffic technologies and the NSW Police review of traffic law enforcement arrangements.

**Rural Crime**
In 2003 the Pastoral and Agricultural Crime Working Party met to investigate what could be done to address crime targeted at pastoral and agricultural industries. Representation on the Working Party included the New South Wales Farmers' Association, the Rural Lands Protections Board, NSW Agriculture and NSW Police. The Director General of the Ministry for Police chaired the Working Party.

**Security Industry**
The Ministry provided the Minister with advice on a range of security industry licensing and regulation issues, including legislative reforms, the reconstitution of the Security Industry Council, security industry training, and security industry systems.

**Youth Issues**
The Ministry advised the Minister on a number of issues regarding young people and juvenile crime reduction. These included the operations of Police and Community Youth Clubs, safety and security at schools, interventions under the Young
Offenders Act 1997 and proposed Memorandums of Understanding between NSW Police and the Departments of Juvenile Justice and Education and Training.
Ministerial Councils and Committees

The Minister for Police attends a number of Ministerial Councils at the State and national level. Ministry policy analysts provide the Minister with briefings and policy papers for these meetings.

Council of Australian Government Ministerial Councils
The Minister is the New South Wales representative on a number of Ministerial Councils established by the Council of Australian Governments (COAG), which are responsible for developing national policy in law enforcement and related areas.

Australasian Police Ministers’ Council (APMC)
The APMC meets biannually and sets the agenda for the development of law enforcement policies and strategies which involve a national dimension. Similarly, the Council’s Senior Officers Group (SOG), of which the Director-General is a member, also meets twice yearly. During 2004-2005 the Ministry prepared papers for consideration by the APMC and SOG on a number of critical issues. These included briefing papers on acceptance of the national Audit and Inspection Report, firearms tracing procedures, identity fraud and the detection of child pornography crimes. The Ministry coordinated the provision of advice to the Minister on all APMC agenda items.

Ministerial Council on Drug Strategy (MCDS)
The Ministerial Council on Drug Strategy, which was established by the Council of Australian Governments, is the peak national body on illicit and licit drugs. It comprises all Australian Ministers with law enforcement and health responsibilities. The Ministerial Council met twice in 2004-05 and discussions focused on alcohol harm minimisation initiatives, the diversion of precursor chemicals into illicit drug manufacture, alcohol and tobacco advertising and inhalant abuse.

Inter-Governmental Committee on the Australian Crime Commission (IGC-ACC)
Meetings of the IGC-ACC are held twice yearly at the same time as the Australasian Police Ministers' Council. The IGC allows all Australian jurisdictions to review the operations of the ACC. The IGC also conducts out of session reviews of ACC Board determinations that the ACC should investigate certain criminal activity. The Ministry provides support to the Minister by providing briefs on ACC Board determinations. The Director General attends IGC-ACC meetings to provide support and advice to the Minister.

State Ministerial Councils
The Minister for Police is also a member of a number of New South Wales Ministerial Councils that address key law enforcement and crime prevention matters.

Committees of Cabinet
The Minister is a member of four Cabinet Committees dealing with significant law enforcement issues:
- Justice Committee
- Cabinet Committee on Counter Terrorism
- Cabinet Committee on Police Reform
• Cabinet Committee on Drugs.

**Ministerial Advisory Council on Shooting Clubs (MACOSC)**

MACOSC was established in April 1997 to develop a whole of government approach to issues associated with shooting clubs in New South Wales. Among other things, MACOSC assists clubs with:

- planning and local government issues;
- funding minor works programs;
- identifying sites for safe new shooting ranges.

The Director-General chairs the MACOSC Senior Officers Group, which includes representatives from the shooting movement and senior officers from other relevant government agencies.

**Council on Crime Prevention**

The Council on Crime Prevention, chaired by the Premier, promotes initiatives in response to crime issues that reflect collective responsibility between the Government and the community. A Senior Officers Reference Group with representatives from the administration of each member Minister, including the Ministry for Police, provides support and advice to the Minister with respect to all agenda items.

**Working Groups and Committees**

To facilitate the coordination of policy options and objectives between governmental agencies and stakeholders, the Ministry engages in the forum for dialogue that is provided by numerous committees and working groups. These operate at both a State and national level and are designed to allow for the development of consistent and collaborative strategies to address law enforcement and crime issues in New South Wales and related jurisdictions.

The Director General is a member of the following working groups and committees:

- Australasian Police Ministers' Council, Senior Officers Group;
- Inter-Governmental Committee on the Australian Crime Commission Senior Officers' Group;
- Chief Executive Officers Group supporting the Cabinet Committee on Police Reform;
- Chief Executive Officers Group supporting the Cabinet Committee on Counter-Terrorism;
- Community, Police and Parents Forum;
- COPS 2 Steering Committee;
- Criminal Justice System Chief Executive Officers Standing Committee;
- Animal Cruelty Inter-Agency TaskForce;
- Council on Crime Prevention Senior Officers' Reference Group;
- Firearm Licence Holders' Working Group;
- Ministerial Inquiry into Long-Term Sick Leave;
- Pastoral and Agricultural Crime Working Party;
- Road Safety Taskforce;
• Senior Officers Coordinating Committee on Drugs;
• Senior Officers Group for implementation of proposals on Trans-national Crime;
• Senior Officers Group of the Premier's Ministerial Advisory Council on Shooting Clubs;
• Tripartite Committee on Human Resources Services.

The Director General attends the following with or on behalf of the Minister:
• Australasian Police Ministers' Council;
• Police Minister's Advisory Council;
• Cabinet Committee on Police Reform;
• Cabinet Committee on Counter Terrorism;
• Cabinet Committee on Drugs;
• Council on Crime Prevention;
• Criminal Justice Forum;
• Inter-Governmental Committee on the Australian Crime Commission;
• Justice Committee of Cabinet;
• Ministerial Council on Drug Strategy;
• Ministerial Advisory Council on Shooting Clubs;
• New South Wales Crime Commission Management Committee;
• Senior Officers Group for implementation of proposals on Trans-National Crime.

Ministry staff attended the following working groups and committees in 2004-2005

**National Working Groups**
- APMC Firearm Policy Working Group;
- APMC Working Party on the Use of Handguns in Crime;
- Intergovernmental Committee on Drugs;
- National Conference of Agencies Responsible for Occupational Licensing of the Private Security Industry;
- National Firearms Managers Conference;
- National Police Drug and Alcohol Coordinators;
- National Precursor Chemicals Working Group;
- National Working Group on Child Pornography;

**New South Wales working groups**
- Adolescents who Sexually Offend Working Group;
- Adult Drug Court Senior Officers Committee;
- Alcohol-Related Crime Interagency Intelligence Working Party;
- Attorney-General's Bail Working Group;
- Car Theft Action Group;
- C@ts.i Steering Committee;
- Child Protection Watch Team Interagency Working Group;
- Child Sexual Assault Jurisdiction Project Team;
- Commissioner's Bail Working Party;
- Constable Education Program Contract Steering Committee;
- Criminal Justice Chief Executive Officers' Senior Officers Group;
- Criminal Justice Research Network;
- DNA Advisory Committee;
- Drink Driving Offences and Penalties Working Group;
- Drink Spiking Interagency Action Group;
- Drug Affected Driving Taskforce;
- Drug Misuse and Trafficking Act Working Group;
- E-notices Working Party;
- Firearms Policy Working Group;
- Interagency Taskforce on Alcohol-Related Offences, Penalties and Law Enforcement;
- Interdepartmental Committee on the *Crimes (Forensic Procedures) Act* 2000;
- Internal Witness Advisory Council;
- Liquor Accords Task Force;
- Local Courts Reform Steering Committee (until August 2004);
- Merger of the *Children (Criminal Proceedings) Act* and the *Young Offenders Act* Working Party;
- MERIT Program Working Party;
- Ministerial Inquiry into Police Promotions;
- Ministerial Inquiry into Recruitment, Retention and Training;
- Multiple Sibling Deaths Working Group;
- NSW Police Career Breaks Working Party;
- NSW Police Medal Working Party;
- New South Wales Interagency Group (Productivity Commission);
- Pawnbrokers and Secondhand Dealers Act, Stage Two Working Group;
- Police Superannuation Working Party;
- Redfern/Waterloo Partnership Project;
- Repeat Offenders Senior Officers Group;
- Review of New South Wales Domestic Violence Funding and Services, Senior Officers' Group;
- Road Safety Task Force;
- Security Industry Council;
- Security Industry Task Force;
- Senior Officers' Coordinating Committee on Cabramatta;
- Senior Officers' Coordinating Committee on Diversion Group;
- Senior Officers' Coordinating Committee on Drugs;
- Senior Officers' Group on Child Protection;
- Senior Officers' Group on Domestic Violence Court Intervention Model;
- Senior Officers' Group on Mental Health;
- SOCC Subcommittee on Interagency Guidelines;
- State Reference Group on Diversion;
- Urgent Response and Transport Mini-Senior Officers Group (Mental Health);
- Working Party on Drink Driving Offences and Penalties;
- Young High-Range Drink Drivers Working Party.
## Key Performance Indicators for Key Result Area 3

<table>
<thead>
<tr>
<th>Objectives</th>
<th>Key Performance Indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consult (as relevant to the project) with portfolio agencies, other</td>
<td>Relevant agencies, groups or persons are consulted during the policy development process.</td>
</tr>
<tr>
<td>government agencies, interest groups and the general public.</td>
<td></td>
</tr>
<tr>
<td>Provide advice on portfolio submissions to the Minister which adds value</td>
<td>The Minister is satisfied with the quality of advice.</td>
</tr>
<tr>
<td>by being strategic, by placing the proposal within the overall portfolio</td>
<td>Advice is strategic, timely, accurate, concise and adds value to the process.</td>
</tr>
<tr>
<td>and Government context, and by providing the Minister with relevant</td>
<td>Coordination between portfolio agencies is achieved.</td>
</tr>
<tr>
<td>background information. Negotiate with agencies where necessary to ensure</td>
<td>Advice is consistent with Government directions and a whole of Government approach.</td>
</tr>
<tr>
<td>the Minister's desired outcome and coordination within portfolio agencies.</td>
<td></td>
</tr>
<tr>
<td>Provide the Minister with quality strategic advice on the direction and</td>
<td>Potential problems with proposals are identified and practical solutions offered.</td>
</tr>
<tr>
<td>impact of proposals of other government agencies on the portfolio,</td>
<td></td>
</tr>
<tr>
<td>negotiating where necessary to ensure the Minister's desired outcome.</td>
<td></td>
</tr>
<tr>
<td>Coordinate portfolio financial and resource issues and provide the</td>
<td></td>
</tr>
<tr>
<td>Minister with sound and strategic advice.</td>
<td></td>
</tr>
<tr>
<td>Maintain effective coordination of, and working relationships with,</td>
<td>Policy officers and correspondence clerks provide effective advice, and facilitate and</td>
</tr>
<tr>
<td>agencies in the Police portfolio and other New South Wales Government</td>
<td>coordinate issues to minimise conflict, foster cooperation across the portfolio, and assist</td>
</tr>
<tr>
<td>agencies, providing advice and a liaison point.</td>
<td>all agencies to achieve the Government's objectives.</td>
</tr>
<tr>
<td>Ensure effective input into issues on the national law enforcement</td>
<td>Effective achievement oriented advice on, and facilitation and coordination of issues in</td>
</tr>
<tr>
<td>agendas of Ministerial Councils and other bodies, including the</td>
<td>national law enforcement bodies and councils.</td>
</tr>
<tr>
<td>Australasian Police Ministers' Council and the Inter-Governmental</td>
<td></td>
</tr>
<tr>
<td>Committee on the Australian Crime Commission.</td>
<td></td>
</tr>
</tbody>
</table>
Provide information or conduct research requested by the Minister. The Minister's deadline is met, and the information provided is timely, accurate and assists the Minister.
KEY RESULTS AREA 4: LEGISLATION

Objectives

- To develop new Acts and Regulations, assist in the passage of Bills through Parliament, and manage and review portfolio legislation.

Description of output

- Develop new Acts and Regulations.
- Assist the Minister in managing portfolio legislation.
- Undertake legislative reviews.
- Assist with the passage of legislation through Parliament.

Overview

The Ministry is responsible for managing the Minister’s legislative program. This involves the Ministry assisting the Minister to develop new or amending Acts and Regulations, the statutory review of legislation and sub-legislation, facilitating the passage of Bills through Parliament and reviewing portfolio legislation.

The Ministry fulfils this function by consulting and negotiating with portfolio, government and non-government stakeholders on legislative options; developing legislative proposals and assisting their passage through Cabinet and Parliament; and coordinating legislative reviews.

Outcomes

The Ministry had a full legislative program for 2004-2005. It coordinated the development of a number of Acts and Regulations.

It was also involved in settling the provisions of a number of Acts and Regulations developed within other portfolios, where those provisions impacted on police portfolio agencies.

The Ministry completed, or made progress in, reviews of Prohibited Weapons legislation, the Police Act 1990 and other Acts administered by the Minister for Police.
Legislation Administered

The following Acts and their Regulations are administered by the Minister for Police and are the subject of on-going policy advice and recommendations by the Ministry for Police:

- Child Protection (Offenders Registration) Act 2000;
- Child Protection (Offenders Prohibition Orders) 2004;
- Commercial Agents and Private Inquiry Agents Act 1963;
- Crimes Legislation Amendment (Police and Public Safety) Act 1998;
- Criminal Assets Recovery Act 1990;
- Drug Misuse and Trafficking Act 1985 (Part 2A administered in conjunction with the Minister for Health);
- Federation of NSW Police Youth Clubs (Reconstitution) Act 1989;
- Firearms Act 1996;
- Law Enforcement (Controlled Operations) Act 1997;
- Law Enforcement and National Security (Assumed Identities) Act 1998;
- New South Wales Crime Commission Act 1985;
- Police Department (Transit Police) Act 1989;
- Police Integrity Commission Act 1996;
- Police (Special Provisions) Act 1901 Part VI (remainder with the Attorney General);
- Police Powers (Vehicles) Act 1998;
- Police Act 1990;
- Road Obstructions (Special Provisions) Act 1979;
- Security Industry Act 1997;
- Weapons Prohibition Act 1998;
- Witness Protection Act 1995;
- Wool, Hide and Skin Dealers Act 1935.

Legal Changes

During 2004-2005 several significant legislative changes were introduced by the New South Wales Government. These changes related to legislation administered by the Minister for Police and also to legislation administered by other Ministers but which, nevertheless, had an impact upon the manner and processes by which NSW Police officers discharge their duties.

In accordance with the Government's desire to ensure there is full and considered dialogue between State agencies that are affected by the relevant legislative changes, the Ministry for Police collaborated with other Departments, particularly the Attorney-General's Department, in the drafting of the terms contained in the Bills and Statutory Instruments that effected the change.

This collaboration was effected through the work done by Ministry officers on the many interagency working parties and committees to which they belong.
Commercial Agents and Private Inquiry Agents (Amendment) (Qualifications) Regulation 2005

The Commercial Agents and Private Inquiry Agents Amendment (Qualifications) Regulation 2005 amended the Commercial Agents and Private Inquiry Agents Regulation 2000 to clarify that:

- In addition to the TAFE Commission, Registered Training Organisations approved by the Commissioner will also be able to provide industry-specific training to prospective commercial and private inquiry agents; and
- Such training is "prescribed qualifications" for the purposes of the Commercial Agents and Private Inquiry Agents Act 1963.

Firearms (General) Amendment (Pistols) Regulation 2004

The Firearms (General) Amendment (Pistols) Regulation 2004, which was gazetted on 3 December 2004 clarified:

- The circumstances in which a permit may be issued pursuant to subsection 28(g) of the Firearms Act 1996;
- That a category H licence issued for the genuine reason of business or employment does not authorise the possession or use of the pistol for any other genuine reason other than business or employment; and
- The intent of clause 111 to require registration of all pre-1900 percussion pistols with the exception of pre-1900 single shot, muzzle loading percussion lock pistols.

Criminal Procedure Amendment (Justices and Local Courts) Act 2001

The Criminal Procedure Amendment (Justices and Local Courts) Act 2001 came into effect on 7 July 2004.

This new legislation replaced the Justices Act 1902. It provides for more streamlined procedures for bringing matters before the court, governing all Local Court Practice and Procedure. As such, it is of major importance to NSW Police and its interaction with courts. NSW Police in conjunction with the Attorney General's Courts Administration set up a Steering Committee to ensure the smooth transition to the new procedures in 2003.

Fines Amendment Act 2004

This Act made a number of amendments to the Fines Act 1996 following a complete review of the Act. The most significant change from a portfolio perspective is that failure to pay a fine will result in the loss of driving licence or vehicle registration only if the fine is a traffic fine. Prior to the enactment of this Act, it applied to the non-payment of any fine.

Police Amendment (Supplementary Policing) Regulation 2004

Clause 106 of the Police Regulation 2000 was amended on 23 July 2004 to remove restrictions concerning the nature of supplementary policing services and the locations at which they may be provided to facilitate supplementary policing.

Police Integrity Commission Amendment Act 2005

Pursuant to section 146 of the Police Integrity Commission Act the Ministry, on behalf of the Minister, undertook a statutory review of the Act. As a result of this review and following consultation with relevant stakeholders a number of improvements to the
legislation have been identified. The Ministry has incorporated these improvements into the Police Integrity Commission Amendment Bill 2004.

This Bill was introduced in Parliament on 16 September 2004. The Bill passed the Legislative Council on 1 March 2005 and commenced as the Police Integrity Commission Amendment Act 2005 on 1 June 2005.

Security Industry Amendment Act 2005


The Security Industry Amendment Act 2005:

- Expands the licensing categories within the existing licence classes to better reflect the type of activities undertaken by the security industry and ensures guards performing specialist services have the appropriate training and qualifications;
- Introduces a provisional licensing system to ensure that all new entrants to the industry are of good character and receive adequate supervision by people licensed to perform the activities the new entrant is learning;
- Prevents security licence holders who are able to hold and store firearms in residential premises from storing those firearms in a place of residence of a person who has been convicted of an offence that would exclude them from holding a licence;
- Protects NSW Police intelligence from being presented to unsuccessful licence applicants if they appeal the rejection of their licence applications at the Administrative Decisions Tribunal, whilst still allowing the Tribunal and the courts to access the information on which the decisions are made;
- Requires all sub-contracts to be approved by clients and all companies involved in the contracts;
- Provides formal legislative recognition of the Security Industry Council as an advisory body to the Minister; and
- Significantly increases penalties for breaches of the Act and Regulation to bring them into line with community expectations.

Legislative Reviews

Police Act 1990

The Ministry has conducted a review of the Police Act 1990. Following extensive stakeholder consultation, the report of the review has proposed a range of legislative reforms to modernise and streamline the operation of the Police Act 1990. The review report has been submitted to the Government for consideration.

Prohibited Weapons Act 1998

- Explored the current permit system for prohibited weapons;
- Investigated whether the weapons in the Schedule of prohibited weapons and their definitions remain accurate and valid; and
- Examined whether a licensing and registration system for swords and machetes is appropriate.

Over 190 submissions from sword owners, collectors, antique dealers, martial arts associations, and other interested parties were received. The Government is currently considering the Report of the Review, and it is anticipated that the Report will be tabled in Parliament during the 2005 Spring Session.
### KEY PERFORMANCE INDICATORS FOR KEY RESULT AREA 4

<table>
<thead>
<tr>
<th>Objectives</th>
<th>Key Performance Indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td>Develop new Acts and Regulations.</td>
<td>Development of new legislation to give effect to portfolio policy objectives and implementation of reforms arising from legislative reviews in an effective and timely manner.</td>
</tr>
<tr>
<td>Manage and review portfolio legislation</td>
<td>Reviews conducted effectively within the allocated timeframe.</td>
</tr>
<tr>
<td>Manage the Minister’s legislative program for each session.</td>
<td>All legislative deadlines and priorities are met.</td>
</tr>
<tr>
<td>Consult and negotiate with stakeholders and liaise with Parliamentary Counsel to develop quality legislation that meets the Government’s objectives.</td>
<td>The development of legislation which will be approved by the Minister and Cabinet (where necessary) for introduction into Parliament or submission to the Executive Council.</td>
</tr>
<tr>
<td>Provide briefings, support and advice as necessary to ensure the smooth passage of legislation through the Parliament.</td>
<td>Briefings and advice are concise, timely, and accurate. Officers are sufficiently aware of Parliamentary procedures to provide necessary support.</td>
</tr>
<tr>
<td>Ensure that portfolio agencies are aware of new portfolio legislative proposals which require implementation.</td>
<td>Advise portfolio agencies of the passage of new legislation in sufficient time to allow implementation and assist with implementation where necessary.</td>
</tr>
</tbody>
</table>
KEY RESULT AREA 5: PROPERTY MANAGEMENT

Objective

To manage the development and implementation of a policy and planning framework for the NSW Police property portfolio.

Description of Outputs

- Policy development and portfolio development in relation to property acquisition, maintenance and disposal
- Briefings to the Minister in connection with the execution of the portfolio's strategic plans

Overview

The role of the Ministry’s Property Unit is to provide strategic direction for the management and planning of the police property portfolio. The day-to-day operation of the portfolio, including maintenance, leasing, capital works, minor works and disposal of surplus property is undertaken by the Department of Commerce under a Memorandum of Understanding. This arrangement has been in place since July 2004 following a Cabinet decision to abolish the NSW Police Properties Branch and transfer Police asset management functions to the Ministry for Police and the Department of Commerce.

At the centre of the governance model is a Property Steering Committee (PSC), consisting of senior officers from the Ministry for Police, NSW Police and Department of Commerce. This Committee is charged with setting the strategic direction of the property portfolio as well as executing higher-level decisions.

The Police property portfolio comprises 1115 owned properties. The asset categories, of the portfolio, by proportion are approximately:

- Police Stations 41%
- Residential Dwellings 42%
- Offices 6%
- Support/Specialist 6%
- Vacant Land 5%

The support/specialist category includes such assets as forensics, educational facilities, wharves and hangars.

Twenty revenue leases exist over properties in the owned portfolio. The total annual income generated from all revenue lease sources for the twelve months ending 30 June 2005 was approximately $3 million.

The Police portfolio also comprises approximately 152 expenditure leases. The assets categories, of the expenditure lease portfolio, by proportion are approximately:

- Police Stations 19%
Residential Dwellings 20%
Offices 26%
Support/Specialist 35%

The total annual cost of these leases is in the order of $40 million.

Outcomes

The Ministry with the support of the Department of Commerce and NSW Police has achieved the following:

- Improved management of property maintenance;
- Streamlined governance and reporting structure for the police properties portfolio;
- Completion of the new Redfern and Chatswood Police Stations;
- Completion of business cases for six new police stations and consequent Treasury support to fund these new stations to the value of $72 million;
- Continuation of the capital works in progress for St Marys Police Station, Muswellbrook Police Station, Armidale Police Station, Griffith Police Station and the Forensic Science Centre and
- Completion of $13 million worth of minor works at over 100 locations.

Key Projects 2004-2005

Throughout 2004-2005, following extensive consultation with portfolio agencies and the Department of Commerce, the Ministry provided strategic advice to the Minister in relation to the management of many projects. The importance of these projects is determined by their immediate impact on the ability of NSW Police and other portfolio agencies to fulfil their own mission statements and the Government’s Public Safety Plan.

Completed Projects

Chatswood Police Station
Chatswood Police Station was provided at a total cost of more than $12 million. The new station was occupied in February 2005 and accommodates approximately 200 North Shore Local Area Command police and civilian support staff.

Redfern Police Station
The new station at Redfern was occupied by NSW Police in March 2005. The new facility was provided at a cost of more than $4 million and allows for the co-location of staff attached to Redfern Local Area Command.

Works in Progress

Griffith Police Station
The total estimated cost of the new station is $4.044 million, with 3.423 million available in 2005-2006.
Local developer TG Forlico Pty Ltd was awarded the contract for this project. Construction of the new station is currently in progress with completion scheduled for May 2006.

St Marys Police Station
The 2005-2006 capital works program indicates a total estimated expenditure of $10 million for a new police station at St Marys, with $5 million available in 2005-2006.

The design is now complete and the project is currently scheduled for completion in June 2007.

Muswellbrook Police Station
The 2005-2006 capital works program indicates a total estimated expenditure of $6.368 million for a new police station at Muswellbrook. Concept design work is now complete and the project is currently scheduled for completion in 2006.

Armidale Police Station
A total of $9.012 million is allocated in the NSW Police capital budget for a new police station at Armidale, with $5.3 million available in 2005-2006. The new station is currently scheduled for completion in 2007.

Gateway Review for Six New Police Stations
In the 2003/04 budget the Government announced that 27 police stations would be built or have major refurbishments. Six of these projects have commenced - Orange, Dubbo, Lismore, Fairfield, Campsie and Wagga Wagga. The Ministry directed the completion of business cases for these six new police stations with the business cases successfully progressing through Gateway and achieving Treasury support to the value of approximately $72 million.

Cell Improvement Program
The Ministry co-ordinated the Cell Improvement Program for 29 stations, mainly in regional areas. The Cell Improvement Program has a total allocation of $10 million over four financial years commencing from 2004/05 to upgrade existing cells in accordance with the recommendations of the Royal Commission into Deaths in Custody and the NSW Police Building Code.

Minor Works
The Ministry and the Department of Commerce have overseen the transfer of Capital funding in 2004-2005 of $13 million to the minor works program. Programs include air conditioning for Police housing, customer service upgrades and security upgrades to police housing and single person stations.

The minor works program will be used to continue to upgrade police accommodation and facilities, including prisoner handling, customer service areas and security.

Consultative Process for Planning of Works
The Property Unit has implemented a new governance structure, which involves uniformed police inclusion in the planning and decision making for major and minor works. For new stations, Local Area Commanders and Managers, as well as Regional Commanders and Managers have been actively involved in the development of different
options. This consultative process has also been used to update the Police Building Code.

**Strategic Planning Forums**
The Ministry is co-ordinating a series of strategic planning forums to identify the next priority stations and to assist in the overall strategic planning of police facilities to meet operational needs. The first planning forum held in May 2005 for the Illawarra area was very successful. Forums are currently being planned for Inner-West Sydney, the Mid-North Coast, the Central Coast and North Western Sydney areas.

**Maintenance**
The Property Unit and Department of Commerce have managed the maintenance contractor (Transfield) and ensured that NSW Police are involved in the flow of information which is necessary for efficient provision of services that addresses NSW Police needs.


**Police Housing**
In September 2004, the Property Unit established the Police Housing Working Group (including representatives from NSW Police Northern, Southern and Western Regions, the Police Association of NSW, Department of Commerce, the Office of the Minister for Police and the Ministry for Police) to conduct a review of the current issues associated with police housing. The primary objective of the working group is to develop a strategic plan to improve the standard, management and provision of police housing across the State, particularly in country regions where there is a shortage of suitable accommodation.

**Leasing**
The Property Unit, Department of Commerce and NSW Police are developing strategies aimed at reducing the $40 million amount of recurrent funds expended on leases for police properties.

During 2004-2005, the Property Unit worked closely with the Department of Commerce to seek approval for new or renewed leases on approximately 60 properties.

Progressive achievements across the lease portfolio have included savings on rental at a number of sites and implementation and achievement of savings due to consolidation and downsizing of accommodation including reduced rental rate, particularly at the Ferguson Centre.

**Property Disposal**
During 2004-2005 the Ministry facilitated the disposal of a number of strategic high value properties including the former police station sites at Cabramatta and Bondi.

The Ministry also completed a review of the NSW Police surplus properties. This review identified opportunities and constraints and developed a strategy firstly, for disposal of certain sites that could be sold without major constraints and secondly, for resolving rezoning, subdivision and heritage issues on the remaining properties to permit disposal.
Asset Strategy
The Property Unit prepared an Asset Strategy, in August 2004 centred around:

- Developing a Strategic Approach
- Development of Facilities Standards
- Data Capture and Management
- Procurement Options
- Divestment and Renewal

In accordance with New South Wales Treasury guidelines, the Asset Strategy includes:

- The Capital Investment Strategic Plan outlines the investment commitment anticipated for the next four years, in line with the Results and Services Plan and the advice from the New South Wales Treasury, as set out the 2004-2005 Budget papers;
- The Office Accommodation Plan contains a simple outline of the current status of office accommodation both owned and leased, by NSW Police and flags actions to enable a more comprehensive plan in the future;
- The Maintenance Plan provides strategic directions for maintenance based on the existing funding and procurement arrangements in place and sets the scene for a more integrated and strategic approach to maintenance following the establishment of a comprehensive data base of Police properties.; and
- The Disposal Plan outlines the current intention to divest of around $40 millions worth of properties within the short to medium term.

The development of the Asset Strategy and its component Plans provide a strategic direction for planning for future years.
KEY PERFORMANCE INDICATORS FOR KEY RESULT AREA 5

Overall Performance Indicator
That the NSW Police property portfolio is managed within budget allocations.

Objectives

Develop and Maintain a Total Asset Management Strategy for NSWP.

The Ministry provides strategic direction and the Department of Commerce delivers the program of work including construction, leasing, maintenance and disposal.

Key Performance Indicator

Plans are developed for a strategic program for the replacement and refurbishment of police stations.

Plans are developed for on-going strategic management of all Police accommodation and built assets.

Programs for the disposal of surplus assets, leased accommodation and maintenance are developed and implemented.

Direct the Department of Commerce and other service providers in the implementation of the Total Asset Management Strategy.

Effective working relationships are developed and maintained.

The inputs of other agencies to the strategy are co-ordinated.

Negotiations with New South Wales Treasury on capital funding are effective.

Establish sound working relationships with NSW Police, the Department of Commerce and other agencies.

Appropriate funding options are identified and explored.
HUMAN RESOURCES

ORGANISATIONAL STRUCTURE

The Director General is responsible to the Minister for the strategic direction and efficient operation of the Ministry.

The Ministry has three teams of analysts who advise on policy and resources, coordinate the activities of portfolio agencies and manage the Cabinet and legislative program for the Police portfolio.

The Ministerial and Parliamentary Support Unit prepares responses to correspondence on behalf of the Minister, and prepares responses to Parliamentary Questions, Private Member's Statements and Adjournment Debates relevant to the police portfolio. A small administration unit provides personnel, administrative and financial services for the Ministry, and the Inspector of the Police Integrity Commission.

The Organisational Chart below shows the Ministry's staff and structure as at 30 June 2005.
Senior Staff Profiles

Les Tree, BA, Director-General
Les was appointed Director General in March 1997. He had acted as Director General since the departure of the Ministry’s first Director General in March 1996. Les was appointed Deputy Director General of the Ministry in February 1993, and has held senior positions in a number of agencies including the Premier’s Department.

Jane Fitzgerald, BA, LLB, GradDipLP, Deputy Director-General
After serving as the Chief of Staff to two Police Ministers, Jane was appointed Deputy Director General in July 2005. Jane oversees and coordinates policy development and the delivery of the Parliamentary and Ministerial services provided by the Ministry.

Janet Taverner, BA (Hons), Grad Dip Am St, MBA, Director, Finance and Resources
Janet joined the Ministry in 1996 after fourteen years in the Australian Public Service. She worked in various policy areas of the Department of Primary Industries and Energy in Canberra before transferring to Sydney in 1989 to take up senior management positions, firstly with the Australian Quarantine and Inspection Service, then with the Department of Finance. Janet advises on financial, human and physical resources in the police portfolio.

Terry Lyall, Manager, Ministerial and Parliamentary Support Unit
Terry joined the Ministry from the Department of Education and Training in August 2004. The Ministerial and Parliamentary Support Unit has responsibility for the provision of Parliamentary support to the Minister, the preparation of ministerial correspondence and briefings and the provision of administrative and budgetary support for the Ministry. Terry has over 15 years experience in the executive support roles at a number of government agencies and manages a team of 11 officers.

Janine Leake, Policy Manager, BSc(Arch.); BArch., DipEd, MEd (Adult Education)
Janine is the Manager of the Unit leading a small team to plan and direct the NSW Police capital works program, leasing portfolio, disposal program and maintenance program. The asset value of the portfolio is around $600 million. Janine has worked for government since 1976 in a range of roles including capital works, procurement, education and policy. Previous employers include Department of Commerce, TAFE NSW and Pacific Power.

Mary-Louise Battilana, Policy Manager, Dip.Law
Mary-Louise manages a team of policy analysts that specialise in providing advice on issues that involve the interface of NSW Police and the law. This team also advises on NSW Police education and industrial matters.

Andrew O’Connor, BA (Hons), LLB, Policy Manager
Andrew’s team of policy analysts has responsibility for drug and alcohol related crime, firearms and weapons policy and legislation, major crime policy and the security and commercial agents industries. Andrew joined the Ministry in July 2004 from The Cabinet Office, where he worked for three years on a variety of portfolios including public...
transport and liquor and gaming policy. From 1990 to 2001 he worked in the Independent Commission Against Corruption in a criminal intelligence capacity.

**Feargus O’Connor, BA (Hons,) Policy Manager**

Feargus manages a team dealing with counter-terrorism, police powers, asset confiscation, child protection, traffic and mental health policy. Feargus joined the Ministry in 2001, following six years working in the Commonwealth Public Service, principally in the Department of Defence.

**Human Resources: Staff Overview**

The following table provides a brief profile of the number of Ministry employees on 30 June and their classification. It excludes the Office of the Inspector of the Police Integrity Commission which is attached to the Ministry for budgetary purposes.

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>SES</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Senior Officer</td>
<td>0</td>
<td>0</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>6</td>
</tr>
<tr>
<td>Clerk Grade 11-12</td>
<td>3</td>
<td>3</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>7</td>
</tr>
<tr>
<td>Clerk Grade 9-10</td>
<td>8</td>
<td>7</td>
<td>5</td>
<td>8</td>
<td>8</td>
<td>11</td>
</tr>
<tr>
<td>Clerk Grade 7-8</td>
<td>2</td>
<td>4</td>
<td>3</td>
<td>4</td>
<td>4</td>
<td>9</td>
</tr>
<tr>
<td>Clerk Grade 1-6</td>
<td>5</td>
<td>4</td>
<td>4</td>
<td>4</td>
<td>4</td>
<td>8</td>
</tr>
<tr>
<td>Clerical Officer Grade 1-6</td>
<td>2</td>
<td>3</td>
<td>3</td>
<td>2</td>
<td>2</td>
<td>3</td>
</tr>
</tbody>
</table>

The increase in the number of Ministry staff at the commencement of the 2004-2005 financial year was due, in part, to a restructure of the Ministry that resulted in the transfer from NSW Police to the Ministry of part of the former NSW Police Properties Branch. The restructure also took into account the demands placed on the Ministry through the need to conduct statutory reviews of legislation administered by the portfolio, the initiation of new legislation in response to the terrorist threat, child sexual abuse, the Alcohol Summit, as well as critical issues relating to police officer safety, welfare and employment conditions.

Ministry salaries and allowances are in accordance with the *Public Sector Employment and Management Act 2002* and Crown Employees (Public Sector-Salaries January 2002) Award.

**Staff Training and Development**

Throughout the reporting year, a number of Ministry officers have attended courses and seminars with a view to developing of new skills, upgrading existing skills and acquiring information that is pertinent to the Ministry’s functions.
Overseas Travel
No overseas travel was undertaken by officers of the Ministry for Police during the reporting year.

Equal Employment Opportunity (EEO)
An employee of the Ministry was appointed as the Ministry's equity specialist for 2004-2005 with responsibility for responding to any EEO related enquiries from Ministry staff, the coordination of EEO related initiatives within the Ministry, and the dissemination of EEO information.

The Ministry is a member of the Employment Equity Specialists' Association. Membership of this organisation ensures that the Ministry remains cognisant with EEO related trends within the NSW public sector and emerging EEO related programs.
Table A. **EEO Target Groups – Administrative Officers (as at 30 June 2005)**
(\% of EEO Target Group by Category)

<table>
<thead>
<tr>
<th>Category</th>
<th>Total</th>
<th>Women</th>
<th>ATSI</th>
<th>CDB</th>
<th>PWPD</th>
</tr>
</thead>
<tbody>
<tr>
<td>SES</td>
<td>2</td>
<td>50%</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Senior Officers</td>
<td>6</td>
<td>50%</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Grades 6 - 12</td>
<td>35</td>
<td>63%</td>
<td>0</td>
<td>11%</td>
<td>0</td>
</tr>
<tr>
<td>Grade 1 - 5</td>
<td>3</td>
<td>100%</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

Notes
1. ATSI Aboriginal or Torres Straight Islander
2. CDB Culturally Diverse Background being people from a Racial, Ethnic, or Ethno-Religious Minority Group
3. PWPD Person with a physical disability or disabilities

Table B. **Trends in the Representation of EEO Groups**
(\% of Total Staff)

<table>
<thead>
<tr>
<th>EEO Group</th>
<th>2000</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Women</td>
<td>70%</td>
<td>57%</td>
<td>57%</td>
<td>54%</td>
<td>57%</td>
<td>63%</td>
</tr>
<tr>
<td>Aboriginal or Torres Strait Islander</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>People from a Racial, Ethnic, or Ethno-Religious Minority Group</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>9%</td>
</tr>
<tr>
<td>People whose first language was not English</td>
<td>13%</td>
<td>-</td>
<td>4%</td>
<td>-</td>
<td>-</td>
<td>4%</td>
</tr>
<tr>
<td>People with a disability</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>People with a disability requiring work-related adjustment</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

Notes
1. Staff numbers are as at 30 June 2005.
2. Excludes casual staff.
3. n/a = not available

**Action Plan For Women**
The Ministry for Police is committed to women’s full participation in society and acknowledges that in some areas of social life women have different experiences and needs from men.

48
The NSW Government Action Plan 2002-04 recognises that age, race, ethnicity, location and social and economic circumstances all affect women's needs and options. The Plan addresses the daily concerns for women in NSW such as paid and unpaid work, health and housing, violence and safety, justice and legal equity, child care, education and training, decision-making and leadership, and access to information.

The Action Plan reflects the Government's commitment to help improve the position of women in the present and through future generations.

The Ministry for Police supports the Action Plan for Women in the operation of the Ministry and the needs of Ministry staff. In developing policy for the police portfolio the Ministry is committed to:

- The principles of access, equity, rights and participation;
- Early intervention and prevention;
- Making services more accessible and responsive; and
- Supporting and promoting community efforts and the work of non-government organisations.

**Ethnic Affairs Priority Statement**

The Ministry for Police conducts its business primarily with the Minister, Police portfolio agencies, other government agencies and industrial bodies. The Ministry respects cultural diversity in its employees and the community and develops policies and makes decisions without bias.

**Disability Plan**

The Ministry continues to implement its *Disability Action Plan 2000-2003* in recognition of the principle that people living with disabilities have the same rights and entitlements as all other Australians. Although scheduled for review, the Plan operated well throughout the reporting year in recognising and meeting the needs of people with disabilities by ensuring these people receive equal access to employment and promotional opportunities.

The Plan requires the Director General's performance agreement to include measures relating to accessibility.

Priority areas for action include:

- ensuring physical access;
- promoting positive community attitudes;
- training of staff;
- information about services;
- employment; and
- complaints procedures.

As the Ministry does not provide services directly to the general community, issues of public access to Ministry premises have not been raised. Nevertheless, the Plan does address the needs of people who do attend Ministry offices for purposes of business (contractors, service personnel) and in connection with meetings and conferences which are regularly hosted as part of the policy development process.
Occupational Health and Safety
The Ministry for Police is committed to providing a safe and supportive work environment within its professional organisation. This attention to employee and visitor safety is characterised by the considered and effective placement, maintenance and renewal of its office plant and equipment.

During the reporting year, the Ministry received no claims for workers compensation under the Workers Compensation Act 1987 nor was the Ministry involved in any work-related prosecutions under the Occupational Health and Safety Act 2000.

Code of Conduct
The Ministry for Police Code of Conduct is made known to all Ministry officers and is freely available on the Ministry’s database. The Code is consistent with the Model Code provided by the Premier’s Department and reflects the view that the community is entitled to expect the business of the State to be conducted with efficiency, economy, fairness, impartiality and integrity. To meet this expectation, all Ministry employees are required to adhere to the following principles:

- Responsibility to the Government of the day;
- Respect for people;
- Promote integrity and act in the public interest;
- Ensure service provided is responsive; and
- Seek to improve performance and use resources appropriately.
ORGANISATIONAL MANAGEMENT

The Ministry seeks to build an organisation that facilitates and encourages the achievement of Government and Ministry objectives. Organisation building is a program area developed in recognition of the need for the Ministry to conduct its activities within a professional framework and to ensure its officers can perform at the highest possible standards.

Guarantee of Service
The Ministry for Police values integrity, teamwork and takes pride in every member of staff fulfilling their commitment to provide a high-quality of service for the purposes of the Minister.

Ministry officers undertake to lawfully discharge this duty with integrity, accountability, honesty, fairness and equity. In addition, Ministry officers, at all times, act to ensure that they are responsive to community needs and that they maintain the utmost respect for individual differences, rights and freedoms.

Consumer Response
The Ministry has not received any formal complaints or suggestions about services. The Director-General deals with service quality issues, in consultation with the Minister, as they arise.

Freedom of Information
Information on the Ministry’s Freedom of Information policies and practices is contained in the Appendices to this Report.

Privacy Management
The Ministry for Police developed a Privacy Management Plan in response to the requirements of the Privacy and Personal Information Act 1998. The Act aims to protect the privacy of individuals from the inappropriate collection, storage, use and disclosure of personal information by New South Wales public sector agencies. It is based on 12 information principles which establish the acceptable standards for using personal information in appropriate ways.

The Management Plan applies to all Ministry officers and has been circulated amongst all Ministry staff. The Information Principles are applied in all communications between the Minister and members of the community and the government.


Corporate Services
The Ministry has a small administration unit that also serves the Office of the Inspector of the Police Integrity Commission.

The Ministry pays NSW Police a flat fee to cover a range of services including:
Other accommodation-related items are included in rent payments. This arrangement has enabled the Ministry to achieve the economies of scale of a much larger organisation despite its small size.

**Information Technology**
All IT equipment conforms with NSW Police network standards. Some IT equipment is leased.

**Records Management**
The systems in place within the Ministry conform to the requirements and standards of NSW Police and the State Records. Throughout the reporting year, considerable upgrades and improvements were made to the existing records management system with the objective of better tracking service requests from the Minister and the ownership and progress of these tasks by Ministry officers.

The upgraded system also permits the speedy and accurate statistical display of “active” matters being those upon which the Minister is awaiting advice. It also allows for Ministry officers to better monitor the work in progress and thereby avoid duplication of tasks and delays in service provision to the Minister.

**Waste Reduction and Purchasing Policy**
The Ministry for Police has a Waste Reduction and Purchasing Plan, which has been developed in conjunction with NSW Police. The waste reduction activity is undertaken alongside NSW Police.

In this regard, the Ministry for Police acts in compliance with the Government’s Waste Reduction and Purchasing Policy. The Ministry followed strategies introduced during the course of previous years to maximise paper avoidance methods by means of the extensive use of email, computer generated forms and the internet. Ministry officers use recycled paper where practicable and recycled toner in office equipment such as facsimile machines, photocopiers and printers.

**Energy Management Policy**
The New South Wales Government’s Government Energy Management Policy aims at reducing Greenhouse Emissions from Government operations and places responsibility for the implementation of this policy on each agency. Due to current accommodation arrangements, the Ministry for Police is included within the NSW Police Energy Management Policy.
FINANCIAL MANAGEMENT

Financial Summary 2004-2005
The Ministry's financial performance in 2004-2005 was sound. Once again the Auditor-General's review of the Ministry's performance found nothing significant to comment upon.

The Ministry's role as host agency for the Office of the Minister for Police was terminated as of 1 March 2005, when that responsibility was transferred to the Premier's Department. A portion of the Ministry's budget was also transferred to the Premier's Department to cover costs for the remainder of the year.

The Office of the Inspector of the Police Integrity Commission remains attached to the Ministry for budgetary purposes. The cost of this Office is a protected item.

As of 1 July 2004, the Ministry assumed responsibility for strategic planning for Police Properties. The function was transferred from NSW Police together with the appropriate level of funding. The Ministry also received increased funding transferred from NSW Police as part of a realignment of policy responsibilities between the Ministry and NSW Police.

Major Assets
Office fit-outs, equipment such as photocopiers, computers, software and printers are the Ministry's major assets. In 2004-2005 a database was obtained for the Strategic Properties Unit.

Risk Management
Insurance policies with the Treasury Managed Fund cover the Ministry for the following financial risks: workers compensation, motor vehicles, property, liability and miscellaneous exposure. NSW Police Disaster Recovery Plan covers the Ministry's corporate plan.

CREDITORS PAYMENT PERFORMANCE INDICATORS

<table>
<thead>
<tr>
<th></th>
<th>1st Quarter</th>
<th>2nd Quarter</th>
<th>3rd Quarter</th>
<th>4th Quarter</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total accounts paid on time</td>
<td>324</td>
<td>596</td>
<td>902</td>
<td>1,094</td>
</tr>
<tr>
<td>Total accounts paid</td>
<td>421</td>
<td>635</td>
<td>987</td>
<td>1,209</td>
</tr>
<tr>
<td>% of accounts paid on time</td>
<td>76.96</td>
<td>93.86</td>
<td>91.39</td>
<td>90.49</td>
</tr>
</tbody>
</table>

Creditors payment performance is based on document date.

Aged Creditors Analysis

<table>
<thead>
<tr>
<th></th>
<th>1st Quarter</th>
<th>2nd Quarter</th>
<th>3rd Quarter</th>
<th>4th Quarter</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current</td>
<td>71</td>
<td>455</td>
<td>2</td>
<td>10</td>
</tr>
<tr>
<td>Between 31 and 60 days overdue</td>
<td>3</td>
<td>6</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>
The Ministry contracted with NSW Police to provide Human Resources and Financial Administration services to the Ministry.

In addition to the payment of the majority of the accounts on behalf of the Ministry, NSW Police makes all employee related payments as they fall due and subsequently transfers funds from the Ministry via a journal entry on a monthly basis.

**Monetary Amount of Recreation Leave and Long Service Leave Entitlements**

The monetary amount of the Ministry's liability for recreation leave at 30 June 2005 was $724,209. The liability for long service leave, which is assumed by the Crown Transactions Entity, was $1,068,009.

**Consultancies**

The Ministry did not engage any consultants during the year.

**Use of Credit Cards**

The use of approved credit cards for payment of expenses, in accordance with official business, is subject to Treasurer's Directions 205.08 of the *Public Finance and Audit Act 1983* and specific guidelines, issued by the Premier from time to time.

The credit card facility available within the Ministry is a Corporate Master Card – issued for official business expenses.

The use of credit cards is satisfactory and has been in accordance with the Premier's Memoranda and Treasurer's Directions.

**Auditor-General's Opinion**

The Auditor-General did not qualify the Ministry's Annual Accounts.

**Annual Report Production**

The Annual Report Production costs totalled: $300
EXECUTIVE PERFORMANCE AND REMUNERATION
Clause 7, Annual Reports (Departments) Regulation 2000

Les Tree
Director General

Level:
SES Level 6

Remuneration package:
$257,000

Period in position:
March 1997 to present

The Minister, made the following comments in relation to the Director General’s performance:

“I have viewed the performance of Mr Les Tree as the Director-General of the Ministry for Police throughout 2004-2005 as being very satisfactory.

Since assuming the Police Portfolio in January 2005, I have observed that Mr Tree has overseen the development of critical policy initiatives and the provision of essential Parliamentary and Ministerial Services.

Mr Tree’s management of the Ministry and his leadership in the processes of dialogue which exist between my Office and NSW Police have assisted in the delivery of a high-standard of policing to the people of New South Wales

Details of the services provided to me as the Minister for Police can be seen in detail in the foregoing pages of the 2004-2005 Annual Report. Mr Tree’s leadership has been crucial in the timely provision of these services.”

CARL SCULLY MP
Minister for Police
## Ministerial Grants 2004-2005

<table>
<thead>
<tr>
<th>NAME OF ORGANISATION</th>
<th>AMT ($) (GST EXCLUSIVE)</th>
<th>PURPOSE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Harmony Media Pty.Ltd.</td>
<td>4,090.91</td>
<td>Special Children's Christmas Party 2004</td>
</tr>
<tr>
<td>South West Women's Housing Inc.</td>
<td>5,000</td>
<td>National Violence Against Women and Children Conference</td>
</tr>
<tr>
<td>Margaret Ann Rice</td>
<td>500</td>
<td>Recipient Bev Lawson Memorial Award 2004</td>
</tr>
<tr>
<td>Claymore Community Policing Centre</td>
<td>900</td>
<td>Purchase of uniforms for volunteers</td>
</tr>
<tr>
<td>Tilligerry Peninsula Safety House Committee</td>
<td>500</td>
<td>Replacement of signs and stationary items</td>
</tr>
<tr>
<td>NSW Police Legacy Ltd.</td>
<td>5,000</td>
<td>16&lt;sup&gt;th&lt;/sup&gt; annual NSW Police Legacy Christmas Luncheon</td>
</tr>
<tr>
<td>National Association for Prevention of Child Abuse and Neglect (NAPCAN)</td>
<td>5,000</td>
<td>Develop further resources and progress educational programs</td>
</tr>
<tr>
<td>NSW Police Legacy Ltd.</td>
<td>5,000</td>
<td>Grant for Production of 'Child Safety Handbook'</td>
</tr>
<tr>
<td>NSW Police RSL Sub-Branch</td>
<td>550</td>
<td>Support for Anzac Day function</td>
</tr>
<tr>
<td>Macquarie Fields Blue Light Disco Committee</td>
<td>3000</td>
<td>Community support - funding for dance party</td>
</tr>
<tr>
<td>Attunga Hall Committee</td>
<td>5000</td>
<td>Community support - funding for Attunga Commemorative Festival</td>
</tr>
<tr>
<td>Bankstown PCYC*</td>
<td>4397.73</td>
<td>Provision of games equipment</td>
</tr>
<tr>
<td>Cancer Council of New South Wales</td>
<td>200</td>
<td>Support for the 2005 Doherty and Doherti Memorial Golf Day</td>
</tr>
<tr>
<td>Organization</td>
<td>Amount</td>
<td>Description</td>
</tr>
<tr>
<td>-----------------------------------</td>
<td>--------------</td>
<td>------------------------------------------------------</td>
</tr>
<tr>
<td>Harmony Media Pty.Ltd.</td>
<td>4090.91</td>
<td>Special Children's Christmas Party 2005</td>
</tr>
<tr>
<td>Gresford Community Group Inc.</td>
<td>10,000</td>
<td>Assistance towards construction of skate ramp</td>
</tr>
<tr>
<td>Umina Beach PCYC*</td>
<td>5,000</td>
<td>Funding of &quot;Priority One Youth Program&quot; initiative</td>
</tr>
<tr>
<td>Penrith PCYC*</td>
<td>6594.31</td>
<td>Funding of &quot;Targeted Programming&quot; initiative</td>
</tr>
<tr>
<td>Port Stephens PCYC*</td>
<td>6818.18</td>
<td>Funding for provision of PCYC services to Raymond Terrace</td>
</tr>
<tr>
<td>Sutherland PCYC*</td>
<td>6504.55</td>
<td>Funding for &quot;Meat in the Sandwich Program&quot;</td>
</tr>
<tr>
<td>NSW Police</td>
<td>5,000</td>
<td>Funding for advertising - Operation Vulcan</td>
</tr>
<tr>
<td>NSW Police (Volunteers in Policing Program)</td>
<td>10,000</td>
<td>Funding for Annual Conference</td>
</tr>
<tr>
<td>NSW Crime Stoppers</td>
<td>10,000</td>
<td>Crime Stopper initiatives into airports</td>
</tr>
<tr>
<td>NSW Police</td>
<td></td>
<td>Replacement of Volunteers in Policing shredder (Flemington Local Area Command)</td>
</tr>
<tr>
<td>NSW Police Surfing Association</td>
<td>172.5</td>
<td>Purchase of uniform items for Australia Day Surfboard Challenge</td>
</tr>
<tr>
<td>NSW Police (Volunteers in Policing Program)</td>
<td>10,000</td>
<td>Funding for Annual Conference</td>
</tr>
<tr>
<td>NSW Police</td>
<td></td>
<td>Funding for 90 Years of Women in Policing Celebrations</td>
</tr>
<tr>
<td>Nowra Lions Club</td>
<td>1,100</td>
<td>Funding for Identikid project</td>
</tr>
<tr>
<td>NSW Crime Stoppers</td>
<td>40,000</td>
<td>Funding for television commercials</td>
</tr>
<tr>
<td>NSW Police</td>
<td>2,500</td>
<td>Funding for &quot;Adopt A Cop&quot; program (Leichhardt LAC)</td>
</tr>
<tr>
<td>NSW Police</td>
<td>4,345</td>
<td>Funding for &quot;Keep your belongings safe&quot; pamphlet (Lake Macquarie LAC)</td>
</tr>
<tr>
<td>NSW Police Pipe Band</td>
<td>3,309.09</td>
<td>Purchase of uniform items</td>
</tr>
<tr>
<td>----------------------</td>
<td>----------</td>
<td>---------------------------</td>
</tr>
<tr>
<td>Victoria Seadon</td>
<td>500</td>
<td>Recipient Bev Lawson Memorial Award 2005</td>
</tr>
<tr>
<td>NSW Police Pipe Band</td>
<td>1118.18</td>
<td>Purchase of additional uniform items</td>
</tr>
</tbody>
</table>

* PCYC = Police & Community Youth Club
Freedom of Information

The Freedom of Information Act 1989 gives people a legally enforceable right to access information held by government agencies, unless the information is exempt for the specific reasons spelt out in the legislation.

Statement of Affairs
The Ministry’s functions and role are outlined in Part 2 of this report.

The Ministry's role as a policy development, coordination and advisory body means that Ministry staff do not have face to face contact with members of the public in the same manner as staff of direct service agencies. However, individuals and groups may make representations to the Minister for Police, other Ministers, and local Members on issues of policy which may be handled by the Ministry for Police.

On occasion, the Ministry will advertise for submissions from the public on a particular issue. The Ministry (or working group) will consider these submissions in the policy making process.

Policy advice recommended by the Ministry and accepted by the Minister for Police, Cabinet or Parliament, is implemented by other portfolio agencies.

Categories of Documents
The categories of documents held by the Ministry for Police are:

- Briefing Papers for the Minister for Police;
- Cabinet Minutes;
- Code of Conduct, Corporate Plan and other similar documents required by statute;
- Correspondence with the Commonwealth;
- Correspondence with other States and Territories;
- Correspondence between the Minister and members of the public;
- Correspondence with other agencies within NSW;
- Correspondence with other Ministers and other Members of Parliament;
- Correspondence with the Office of the Ombudsman;
- Documents prepared for the Minister for Police on Cabinet issues;
- Documents prepared for submission to the Executive Council;
- Documents relating to sub-committees of Cabinet;
- Documents relating to internal administration (except recruitment and personnel files);
- Internal working papers of the Ministry; and
- Ministerial Council papers.

Members of the public may contact the FOI Coordinator to determine which of these documents may be available under Freedom of Information legislation. In these cases, application and processing fees may apply.

Freedom of Information Procedures

60
Formal requests under the Freedom of Information Act 1989 for access to documents held by the Ministry for Police should be accompanied by a $30 application fee and directed to:

The FOI Coordinator
Ministry for Police
PO Box A66
SYDNEY SOUTH NSW 1235

A 50 per cent reduction in fees and charges is available where the applicant:
- holds a Pensioner Health Benefit Card or has an equivalent income or lower, or is below 18 years of age;
- is a non-profit organisation and demonstrates financial hardship; or
- seeks information which does not concern his or her personal affairs and which the applicant demonstrates is in the public interest to make available.

No application fees are charged for an internal review concerning the amendment of records. A processing charge of $40 per hour applies for non-personal applications and is additional to the initial fee. For applications relating to personal affairs, the additional processing fee applies only after the first 20 hours.

The telephone number for all Freedom of Information inquiries is (02) 8263 6253. Arrangements can be made with the FOI Coordinator to obtain or inspect documents at Level 13, 201 Elizabeth Street, Sydney between 10.00 am and 4.00 pm. The FOI Coordinator is also the contact officer for organising access or amendments to documents held by the Ministry concerning an individual's personal affairs.

Statement of Activities
In 2004-2005 the Ministry for Police received eight FOI applications. These results of these applications are shown on the tables below. Two applications determined by the Ministry were subject to internal review during 2004-2005.

Since the Ministry for Police's inception, a total of 33 FOI applications have been received. In terms of the number of applications received, the FOI Act has not had a major impact on the Ministry.

FOI Statistical Return 2004-2005

A. Number of new FOI requests
Information relating to numbers of new requests received, those processed and those completed from the previous period.

<table>
<thead>
<tr>
<th>FOI REQUESTS</th>
<th>PERSONAL</th>
<th>OTHER</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>03-04</td>
<td>04-05</td>
<td></td>
</tr>
<tr>
<td>A1 New (Including transferred in)</td>
<td>-</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td>A2 Brought forward</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>A3 Total to be processed</td>
<td>-</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td>A4 Completed</td>
<td>-</td>
<td>-</td>
<td>6</td>
</tr>
<tr>
<td>A5 Transferred out</td>
<td>-</td>
<td>-</td>
<td>2</td>
</tr>
</tbody>
</table>
MINISTRY FOR POLICE
Annual Report 2004-2005

A6 Withdrown
A7 Total processed
A8 Unfinished (Carried forward)

<table>
<thead>
<tr>
<th></th>
<th>A6</th>
<th>A7</th>
<th>A8</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>-</td>
<td>-</td>
<td>1 8</td>
</tr>
<tr>
<td></td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

B. What happened to completed requests?

<table>
<thead>
<tr>
<th>RESULT OF FOI REQUEST</th>
<th>PERSONAL 03-04 04-05</th>
<th>OTHER 03-04 04-05</th>
</tr>
</thead>
<tbody>
<tr>
<td>B1 Granted in full</td>
<td>-</td>
<td>1 2</td>
</tr>
<tr>
<td>B2 Granted in part</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>B3 Refused</td>
<td>-</td>
<td>- 4</td>
</tr>
<tr>
<td>B4 Deferred</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>B5 Completed*</td>
<td>-</td>
<td>1 6</td>
</tr>
</tbody>
</table>

C. Ministerial Certificates
No certificates were issued in 2003-2004 or 2004-2005.

D. Formal Consultations
There were no requests requiring consultations 2003-2004 or 2004-2005.

E. Amendment of personal records
No requests for amendment were made during 2003-2004 or 2004-2005.

F. Notation of personal records
No requests for notation were made during 2003-2004 or 2004-2005.

G. Basis of disallowing or restricting access

<table>
<thead>
<tr>
<th>Basis of disallowing or restricting access</th>
<th>Personal 03-04 04-05</th>
<th>Other 03-04 04-05</th>
</tr>
</thead>
<tbody>
<tr>
<td>G1 Section 19, application incomplete, freely directed</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>G2 Section 22, deposit not paid</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>G3 Section 25 (1)(a1), diversion of resources</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>G4 Section 25(1)(a), Exempt</td>
<td>-</td>
<td>2</td>
</tr>
<tr>
<td>G5 Section 25(1)(b),(c),(d), Otherwise available</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>G6 Section 28(1)(b), documents not held</td>
<td>-</td>
<td>- 2</td>
</tr>
<tr>
<td>G7 Section 24(2), deemed refused, over 21 days</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>G8 Section 31(4), released to Medical Practitioner</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>G9 Totals</td>
<td>-</td>
<td>4</td>
</tr>
</tbody>
</table>

H. Costs and fees of requests processed during the period

<table>
<thead>
<tr>
<th></th>
<th>Assessed Costs ($)</th>
<th>FOI Fees Received ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>03-04 04-05</td>
<td>03-04 04-05</td>
</tr>
<tr>
<td>H1 All completed requests</td>
<td>- -</td>
<td>30.00 260.00</td>
</tr>
</tbody>
</table>

Note: Does not include costs and fees for unfinished requests.

I. Discounts allowed
No discounts were allowed for FOI requests processed during 2003-2004 or 2004-2005.
**J. Days to process**
Number of completed request (A4) by calendar days (elapsed time) taken to process

<table>
<thead>
<tr>
<th>Elapsed Time</th>
<th>Personal</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>J1 0 - 21 days</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>J2 22 - 35 days</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>J3 Over 35 days</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>J4 Totals</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

**K. Processing time** - Number of completed request (A4) by hours taken to process

<table>
<thead>
<tr>
<th>Processing Hours</th>
<th>Personal</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>K1 0 - 10 hours</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>K2 11 - 20 hrs</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>K3 21 - 40 hrs</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>K4 Over 40 hrs</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>K5 Totals</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

**L. Reviews and Appeals**
No internal reviews were undertaken in 2003-2004.
Two internal reviews were completed in 2004-2005.
Dear Mr Tree

STATUTORY AUDIT REPORT
For the Year Ended 30 June 2005
Ministry for Police

I have audited the accounts of Ministry for Police as required by the Public Finance and Audit Act 1983 (the Act). This Statutory Audit Report outlines the results of my audit for the year ended 30 June 2005, and details any significant matters that in my opinion call for special notice. The Act requires that I send this report to the Minister and to the Treasurer.

This report is not the Independent Audit Report, which expresses my opinion on the Ministry for Police's financial report. The Independent Audit Report, together with the Ministry for Police's financial report, are attached.

Audit Result

I expressed an unqualified opinion on Ministry for Police’s financial report and I have not identified any significant matters since I wrote to you on 10 November 2005. My audit is continuous and I may therefore identify new significant matters before the Auditor-General next reports to Parliament on the agency’s audit. If this occurs, I will write to you immediately.

Auditor-General’s Report to Parliament

Comment on the agency's activities, financial operations, performance and compliance will appear in the Auditor-General’s Report to Parliament. I will send a draft of this comment to you for review before the Report is tabled during November.

Scope of the Audit

As advised in the Engagement Letter, my audit procedures are targeted specifically towards forming an opinion on the Ministry for Police’s financial report. This includes testing whether your agency has complied with key legislation that may materially impact on the financial report. The results of the audit are reported in this context.
Each year, the Audit Office also selects various 'non-key' legislative requirements, government policies and practices (e.g. Premier’s Circulars) and tests whether your agency has complied with them. This year, I examined the Public Sector Management (Goods & Services) Regulation 2000.

The results of my review were satisfactory.

Acknowledgment

I thank the Ministry for Police’s staff for their courtesy and assistance.

Yours sincerely

[Signature]

M T Spriggins
Director, Financial Audit Services

cc: The Hon C Scully MP, Minister for Police
The Hon M lemma MP, Treasurer
INDEPENDENT AUDIT REPORT

Ministry for Police

To Members of the New South Wales Parliament

Audit Opinion

In my opinion the financial report of the Ministry for Police

- presents fairly the Ministry for Police's financial position as at 30 June 2005 and its financial performance and cash flows for the year ended on that date, in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia, and
- complies with section 45E of the Public Finance and Audit Act 1983 (the Act).

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

The Director-General's Role

The financial report is the responsibility of the Director-General of the Ministry for Police. It consists of the statement of financial position, the statement of financial performance, the statement of cash flows, the summary of compliance with financial directives and the accompanying notes.

The Auditor's Role and the Audit Scope

As required by the Act, I carried out an independent audit to enable me to express an opinion on the financial report. My audit provides reasonable assurance to members of the New South Wales Parliament that the financial report is free of material misstatement.

My audit accorded with Australian Auditing and Assurance Standards and statutory requirements, and I:

- evaluated the accounting policies and significant accounting estimates used by the Director-General in preparing the financial report, and
- examined a sample of the evidence that supports the amounts and other disclosures in the financial report.

An audit does not guarantee that every amount and disclosure in the financial report is error free. The terms 'reasonable assurance' and 'material' recognise that an audit does not examine all evidence and transactions. However, the audit procedures used should identify errors or omissions significant enough to adversely affect decisions made by users of the financial report or indicate that the Director-General had not fulfilled his reporting obligations.
My opinion does not provide assurance:

- about the future viability of the Ministry for Police,
- that the Ministry for Police has carried out its activities effectively, efficiently and economically,
- about the effectiveness of its internal controls, or
- on the assumptions used in formulating the budget figures disclosed in the financial report.

Audit Independence

The Audit Office complies with all applicable independence requirements of Australian professional ethical pronouncements. The Act further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General, and
- mandating the Auditor-General as auditor of public sector agencies but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Audit Office are not compromised in their role by the possibility of losing clients or income.

Maria Spriggins

M T Spriggins CA
Director, Financial Audit Services

SYDNEY
23 September 2005
MINISTRY FOR POLICE

FINANCIAL REPORT

For the Year Ended 30 June 2005.

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

(a) the accompanying financial statements have been prepared in accordance with the provisions of the Public Finance and Audit Act 1983, the Financial Reporting Code for Budget Dependent General Government Sector Agencies, the applicable clauses of the Public Finance and Audit (General) Regulation 2000, the Urgent Issues Group (UIG) Consensus Views, applicable Australian Accounting Standards, other mandatory professional reporting requirements and Treasury Accounting Policy Statements;

(b) the statements exhibit a true and fair view of the financial position and transactions of the Ministry for Police; and

(c) we are not aware of any circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.

L. Tree
Director General
Ministry for Police
Dated: 23/9/05

Peter Salmond
A/General Manager, Financial Services
NSW Police
Dated: 23/4/05
MINISTRY FOR POLICE

Statement of Financial Performance for the Year Ended 30 June 2005

<table>
<thead>
<tr>
<th>Notes</th>
<th>Actual 2005</th>
<th>Budget 2005</th>
<th>Actual 2004</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
</tr>
</tbody>
</table>

**Expenses**

Operating expenses
- Employee Related 2(a) 6,580 6,183 4,002
- Other operating expenses 2(b) 2,988 2,042 1,777

Depreciation 2(c) 177 205 62
Grants and subsidies 2(d) 1,575 3,462 846

**Total Expenses** 11,320 11,892 6,687

Less:

**Retained Revenue**
- Sale of goods and services 3(a) 2 2 3
- Investment income 3(b) 64 23 39
- Grants and contributions 3(c) 608 - -
- Other revenue 3(d) 3 - -

**Total Retained Revenue** 677 25 42

Loss on disposal of non-current assets 4 (31) - -

**Net Cost of Services** 20 10,674 11,867 6,645

**Government Contributions**
- Recurrent appropriation 5 9,488 11,341 6,117
- Capital appropriation 5 320 529 819
- Acceptance by the Crown Entity of employee benefits and other liabilities 6 1,136 461 493

**Total Government Contributions** 10,944 12,331 7,429

**SURPLUS FOR THE YEAR** 270 464 784

**TOTAL REVENUES, EXPENSES AND VALUATION ADJUSTMENTS RECOGNISED DIRECTLY IN EQUITY**

**TOTAL CHANGES IN EQUITY OTHER THAN THOSE RESULTING FROM TRANSACTIONS WITH OWNERS AS OWNERS**

15 270 464 784

The accompanying notes form part of these statements.
MINISTRY FOR POLICE

Statement of Financial Position as at 30 June 2005

<table>
<thead>
<tr>
<th>Notes</th>
<th>Actual 2005</th>
<th>Budget 2005</th>
<th>Actual 2004</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
</tr>
</tbody>
</table>

**ASSETS**

**Current Assets**
- Cash: 8, 1,321, 639, 473
- Receivables: 9, 111, 97, 99
- Other: 10, 1, -

**Total Current Assets**

|       | 1,433 | 736 | 572 |

**Non-Current Assets**
- Plant and Equipment: 11, 1,564, 2,051, 877

**Total Non-Current Assets**

|       | 1,564 | 2,051 | 877 |

**Total Assets**

|       | 2,997 | 2,787 | 1,449 |

**LIABILITIES**

**Current Liabilities**
- Payables: 12, 156, 122, 136
- Provisions: 13, 844, 481, 443
- Other: 14, 1,195, -, 349

**Total Current Liabilities**

|       | 2,195 | 603 | 928 |

**Non-Current Liabilities**
- Provisions: 13, 92, 46, 46

**Total Non-Current Liabilities**

|       | 92 | 46 | 46 |

**Total Liabilities**

|       | 2,287 | 649 | 974 |

**Net Assets**

|       | 710 | 2,138 | 475 |

**EQUITY**
- Accumulated funds: 15, 710, 2,138, 475

**Total Equity**

|       | 710 | 2,138 | 475 |

The accompanying notes form part of these statements.
MINISTRY FOR POLICE

Statement of Cash Flows for the Year Ended 30 June 2005

<table>
<thead>
<tr>
<th>Notes</th>
<th>Actual 2005 $'000</th>
<th>Budget 2005 $'000</th>
<th>Actual 2004 $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

CASH FLOWS FROM OPERATING ACTIVITIES

Payments

<table>
<thead>
<tr>
<th>Description</th>
<th>Actual 2005 $'000</th>
<th>Budget 2005 $'000</th>
<th>Actual 2004 $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee related</td>
<td>(5,231)</td>
<td>(5,982)</td>
<td>(3,662)</td>
</tr>
<tr>
<td>Grants and subsidies</td>
<td>2(d) (1,575)</td>
<td>(3,462)</td>
<td>(846)</td>
</tr>
<tr>
<td>Other</td>
<td>(3,247)</td>
<td>(2,212)</td>
<td>(1,973)</td>
</tr>
<tr>
<td><strong>Total Payments</strong></td>
<td><strong>(10,053)</strong></td>
<td><strong>(11,656)</strong></td>
<td><strong>(6,481)</strong></td>
</tr>
</tbody>
</table>

Receipts

<table>
<thead>
<tr>
<th>Description</th>
<th>Actual 2005 $'000</th>
<th>Budget 2005 $'000</th>
<th>Actual 2004 $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sale of goods and services</td>
<td>2</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>Interest received</td>
<td>42</td>
<td>25</td>
<td>39</td>
</tr>
<tr>
<td>Other</td>
<td>241</td>
<td>171</td>
<td>154</td>
</tr>
<tr>
<td><strong>Total Receipts</strong></td>
<td><strong>285</strong></td>
<td><strong>198</strong></td>
<td><strong>196</strong></td>
</tr>
</tbody>
</table>

Cash Flows from Government

<table>
<thead>
<tr>
<th>Description</th>
<th>Actual 2005 $'000</th>
<th>Budget 2005 $'000</th>
<th>Actual 2004 $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recurrent appropriation</td>
<td>10,266</td>
<td>11,341</td>
<td>6,148</td>
</tr>
<tr>
<td>Capital appropriation</td>
<td>388</td>
<td>529</td>
<td>28</td>
</tr>
<tr>
<td>Cash reimbursements from the Crown Entity</td>
<td>283</td>
<td>283</td>
<td>215</td>
</tr>
<tr>
<td><strong>Net Cash Flows From Government</strong></td>
<td><strong>10,937</strong></td>
<td><strong>12,153</strong></td>
<td><strong>6,391</strong></td>
</tr>
</tbody>
</table>

NET CASH FLOWS FROM OPERATING ACTIVITIES

<table>
<thead>
<tr>
<th>Notes</th>
<th>Actual 2005 $'000</th>
<th>Budget 2005 $'000</th>
<th>Actual 2004 $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

CASH FLOWS FROM INVESTING ACTIVITIES

<table>
<thead>
<tr>
<th>Description</th>
<th>Actual 2005 $'000</th>
<th>Budget 2005 $'000</th>
<th>Actual 2004 $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proceeds from sale of Plant and Equipment</td>
<td>1</td>
<td>-</td>
<td>2</td>
</tr>
<tr>
<td>Purchases of Plant and Equipment</td>
<td>(322)</td>
<td>(529)</td>
<td>(819)</td>
</tr>
<tr>
<td><strong>Net Cash Flows From Investing Activities</strong></td>
<td><strong>(321)</strong></td>
<td><strong>(529)</strong></td>
<td><strong>(817)</strong></td>
</tr>
</tbody>
</table>

NET INCREASE/(DECREASE) IN CASH

<table>
<thead>
<tr>
<th>Notes</th>
<th>Actual 2005 $'000</th>
<th>Budget 2005 $'000</th>
<th>Actual 2004 $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening cash and cash equivalents</td>
<td>8</td>
<td>473</td>
<td>473</td>
</tr>
<tr>
<td><strong>Net Increase/(Decrease) in Cash</strong></td>
<td><strong>848</strong></td>
<td><strong>166</strong></td>
<td><strong>(711)</strong></td>
</tr>
</tbody>
</table>

CLOSING CASH AND CASH EQUIVALENTS

<table>
<thead>
<tr>
<th>Notes</th>
<th>Actual 2005 $'000</th>
<th>Budget 2005 $'000</th>
<th>Actual 2004 $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The accompanying notes form part of these statements.
## Supplementary Financial Statements

### Summary of Compliance with Financial Directives for the Year Ended 30 June 2005

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>ORIGINAL BUDGET APPROPRIATION/EXPENDITURE</td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
</tr>
<tr>
<td>Appropriation Act</td>
<td>11,341</td>
<td>9,433</td>
<td>529</td>
<td>320</td>
<td>5,349</td>
<td>5,340</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>279</td>
<td>274</td>
</tr>
<tr>
<td></td>
<td>11,341</td>
<td>9,433</td>
<td>529</td>
<td>320</td>
<td>5,349</td>
<td>5,340</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>279</td>
<td>274</td>
</tr>
<tr>
<td>OTHER APPROPRIATIONS/EXPENDITURE</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Treasurer's Advance</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1,017</td>
<td>740</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>550</td>
<td>545</td>
</tr>
<tr>
<td>Transfers to another agency:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(s27 of the Appropriation Act)</td>
<td>(504)</td>
<td>-</td>
<td></td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Transfers from another agency:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(s27 of the Appropriation Act)</td>
<td>55</td>
<td>55</td>
<td>-</td>
<td>-</td>
<td>100</td>
<td>37</td>
</tr>
<tr>
<td></td>
<td>(449)</td>
<td></td>
<td>-</td>
<td>-</td>
<td>1,117</td>
<td>777</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>550</td>
<td>545</td>
</tr>
<tr>
<td>Total Appropriations/Expenditure/Net Claim on Consolidated Fund (includes transfer payments)</td>
<td>10,892</td>
<td>9,488</td>
<td>529</td>
<td>320</td>
<td>6,466</td>
<td>6,117</td>
</tr>
<tr>
<td>Amount drawn down against Appropriation</td>
<td>10,605</td>
<td>398</td>
<td>6,466</td>
<td>829</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Liability to Consolidated Fund</td>
<td>1,117</td>
<td>78</td>
<td>339</td>
<td>10</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Notes

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

The "Liability to Consolidated Fund" represents the difference between the "Amount drawn down against Appropriation" and the "Total Expenditure/Net Claim on Consolidated Fund."
MINISTRY FOR POLICE  
Notes to and Forming Part of the Financial Statements  

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  

(a) Reporting Entity  

The Ministry for Police is an entity for reporting purposes and is a separate Inner Budget Department under the Public Sector Employment and Management Act, 2000.  

The Ministry for Police Reporting Entity includes all the operating activities under its control, which are the Minister’s Office, Policy Branch, Ministerial Liaison Unit and the Office of the Inspector of the Police Integrity Commission. The Minister’s Office was transferred to the Premier’s Department NSW from 1 March 2005.  

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

(b) Basis of Accounting  

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

- applicable Australian Accounting Standards (AAS);  
- other authoritative pronouncements of the Australian Accounting Standards Board (AASB);  
- Urgent Issues Group (UIG) Consensus Views;  
- the requirements of the Public Finance and Audit Act 1983 (the Act) and Regulations; and  

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

In the absence of a specific Accounting Standard, other authoritative pronouncements of the AASB or UIG Consensus View, the hierarchy of other pronouncements as outlined in AAS 6 “Accounting Policies" is considered.  

The financial statements are prepared in accordance with the historical cost convention. All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency.
Revenue is recognised when the Ministry has control of the good or right to receive, it is probable that the economic benefits will flow to the Ministry and the amount of revenue can be measured reliably. Additional comments regarding the accounting policies for the recognition of revenue are discussed below.

(i) Parliamentary Appropriations and Contributions from Other Bodies

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

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

The liability is disclosed in Note 14 as part of ‘Current liabilities – Other’. The amount will be repaid and the liability will be extinguished next financial year.

(ii) Sale of Goods and Services

Revenue from the sale of goods and services comprises revenue from the provision of products or services, i.e. user charges. User charges are recognised as revenue when the Ministry for Police obtains control of the assets that result from them.

(iii) Investment Income

Interest revenue is recognised as it accrues.

(d) Employee Benefits

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

Liabilities for salaries and wages (including non-monetary benefits) and annual leave are recognised and measured in respect of employees' services up to the reporting date at nominal amounts based on the amounts expected to be paid when the liabilities are settled.

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

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

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

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

(h) **Plant and Equipment**

Plant and equipment costing $5,000 and above individually, is capitalised. Personal computer systems (excluding component upgrades) are capitalised regardless of cost.

(i) **Revaluation of Physical Non-Current Assets**

Non specialised assets with short useful lives are measured at depreciated historical cost, as a surrogate for fair value.

(j) **Depreciation of Non-Current Physical Assets**

Depreciation is provided for on a straight-line basis for all depreciable assets so as to write off the depreciable amount of each asset as it is consumed over its useful life to the entity.

The rates for each category of depreciable asset are:

- **Plant and Equipment:**
  - Computer Equipment - 25%
  - Furniture & Fittings - 10%
  - Plant & Office Equipment - 10%
  - Software - 10%

(k) **Maintenance and Repairs**

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

A distinction is made between finance leases, which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership of the leased assets, and operating leases under which the lessor effectively retains all such risks and benefits.

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

(m) **Receivables**

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

All debtors are recognised as amounts receivable at balance date. Collectability of debtors is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off. The credit risk is the carrying amount, which also approximates net fair value. No interest is earned on debtors.

(n) **Other Assets**

Other assets including prepayments are recognised on a cost basis.

(o) **Equity Transfers**

The transfer of net assets between agencies as a result of an administrative restructure, transfer of programs/functions and parts thereof between NSW public sector agencies are designated as a contribution by owners by NSWTC 01/11 and are recognised as an adjustment to “Accumulated Funds”. This treatment is consistent with Urgent Issued Group Abstract UIG 38 “Contributions by Owners Made to Wholly Owned Public Sector Entities”.

Transfers arising from an administrative restructure between government departments are recognised at the amount at which the asset was recognised by the transferor government department immediately prior to the restructure. This approximates fair value. All other equity transfers are recognised at fair value.

(p) **Payables**

These amounts represent liabilities for goods and services provided to the Ministry and other amounts.
MINISTRY FOR POLICE  
Notes to and Forming Part of the Financial Statements

(q) **Budgeted Amounts**

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

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

(r) **Comparatives**

Some comparative figures have been restated where appropriate to facilitate a higher level of disclosure between years. The restatements are immaterial and were made for consistency purposes.
### MINISTRY FOR POLICE

Notes to and Forming Part of the Financial Statements

#### 2. EXPENSES

(a) Employee related expenses

<table>
<thead>
<tr>
<th>Item</th>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries and wages (including recreation leave)</td>
<td>4,989</td>
<td>3,241</td>
</tr>
<tr>
<td>Superannuation</td>
<td>421</td>
<td>245</td>
</tr>
<tr>
<td>Long service leave</td>
<td>690</td>
<td>233</td>
</tr>
<tr>
<td>Workers' compensation insurance</td>
<td>20</td>
<td>20</td>
</tr>
<tr>
<td>Payroll tax and fringe benefits tax</td>
<td>423</td>
<td>263</td>
</tr>
<tr>
<td>Voluntary redundancy</td>
<td>37</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>6,580</strong></td>
<td><strong>4,002</strong></td>
</tr>
</tbody>
</table>

(b) Other operating expenses

<table>
<thead>
<tr>
<th>Item</th>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Auditor's remuneration - audit or review of the financial reports</td>
<td>25</td>
<td>24</td>
</tr>
<tr>
<td>Rent expense</td>
<td>995</td>
<td>772</td>
</tr>
<tr>
<td>Insurance</td>
<td>7</td>
<td>6</td>
</tr>
<tr>
<td>Books/periodicals</td>
<td>25</td>
<td>51</td>
</tr>
<tr>
<td>Subsistence and transport</td>
<td>72</td>
<td>63</td>
</tr>
<tr>
<td>Dept of Commerce-management fee</td>
<td>1,200</td>
<td>-</td>
</tr>
<tr>
<td>Leasing equipment</td>
<td>86</td>
<td>51</td>
</tr>
<tr>
<td>Fees for services rendered</td>
<td>330</td>
<td>528</td>
</tr>
<tr>
<td>Stores</td>
<td>83</td>
<td>63</td>
</tr>
<tr>
<td>Printing</td>
<td>20</td>
<td>27</td>
</tr>
<tr>
<td>Electricity</td>
<td>11</td>
<td>9</td>
</tr>
<tr>
<td>Motor vehicles/aircraft</td>
<td>8</td>
<td>30</td>
</tr>
<tr>
<td>Telephone</td>
<td>62</td>
<td>72</td>
</tr>
<tr>
<td>Repairs and maintenance</td>
<td>23</td>
<td>33</td>
</tr>
<tr>
<td>Other</td>
<td>41</td>
<td>48</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2,988</strong></td>
<td><strong>1,777</strong></td>
</tr>
</tbody>
</table>

(c) Depreciation expense

<table>
<thead>
<tr>
<th>Item</th>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Plant and equipment</td>
<td>177</td>
<td>62</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>177</strong></td>
<td><strong>62</strong></td>
</tr>
</tbody>
</table>

(d) Grants and subsidies

<table>
<thead>
<tr>
<th>Item</th>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grants to NSW Police</td>
<td>1,491</td>
<td>775</td>
</tr>
<tr>
<td>Grants to community organisations</td>
<td>84</td>
<td>71</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,575</strong></td>
<td><strong>846</strong></td>
</tr>
</tbody>
</table>
MINISTRY FOR POLICE
Notes to and Forming Part of the Financial Statements

3. REVENUES

(a) Sale of goods and services
   Rendering of services
   2 3

(b) Investment income
   Interest
   64 39

(c) Grants and contributions
   Contribution of assets
   608 -

(d) Other revenue
   Fringe benefits tax refund 2003-04
   1 -
   Asset recognised
   2 -
   3 -

4. GAIN/(LOSS) ON DISPOSAL OF NON-CURRENT ASSETS

Gain / (loss) on disposal of plant and equipment
Proceeds from disposal
Written down value of assets disposed
Net gain / (loss) on disposal of plant and equipment
(31) -

5. APPROPRIATIONS

Recurrent appropriations
Total recurrent drawdowns from Treasury
(per Summary of Compliance)
10,605 6,456
Less: Liability to Consolidated Fund
(per Summary of Compliance)
1,117 339
9,488 6,117

Comprising:
Recurrent appropriations
(per Statement of Financial Performance)
9,488 6,117

Capital appropriations
Total capital drawdowns from Treasury
(per Summary of Compliance)
398 829
Less: Liability to Consolidated Fund
(per Summary of Compliance)
78 10
320 819

Comprising:
Capital appropriations
(per Statement of Financial Performance)
320 819
MINISTRY FOR POLICE
Notes to and Forming Part of the Financial Statements

6. ACCEPTANCE BY THE CROWN ENTITY
OF EMPLOYEE BENEFITS AND OTHER LIABILITIES

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

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Long service leave</td>
<td>690</td>
<td>245</td>
</tr>
<tr>
<td>Superannuation</td>
<td>421</td>
<td>233</td>
</tr>
<tr>
<td>Payroll tax</td>
<td>25</td>
<td>15</td>
</tr>
<tr>
<td></td>
<td>1,136</td>
<td>493</td>
</tr>
</tbody>
</table>

7. PROGRAMS / ACTIVITIES OF THE MINISTRY

The Ministry operates only one program.

Program 47.1 Policy Advice, Co-ordination and Support

Objectives: To independently advise the Minister and co-ordinate the formulation
and implementation of policy and the allocation of resources affecting the
Police portfolio. To develop strategies and plans for NSW Police properties. To
provide administrative support to the Inspector of the Police Integrity Commission.

8. CURRENT ASSETS - CASH

Cash at bank and on hand

<table>
<thead>
<tr>
<th></th>
<th>1,321</th>
<th>473</th>
</tr>
</thead>
</table>

For the purposes of the Statement of Cash Flows, cash includes cash
on hand (including permanent and temporary advances) and cash at bank.
Cash assets recognised in the Statement of Financial Position are
reconciled to cash at the end of the financial year, as shown in the
Statement of Cash Flows as follows:

Cash (per Statement of Financial Position) 1,321 473

Closing Cash and Cash Equivalents
(per Statement of Cash Flows)

<table>
<thead>
<tr>
<th></th>
<th>1,321</th>
<th>473</th>
</tr>
</thead>
</table>

Included in the cash at bank and on hand is the
following restricted asset:

Consolidated Fund Monies

<table>
<thead>
<tr>
<th></th>
<th>1,195</th>
<th>349</th>
</tr>
</thead>
</table>
The Ministry for Police has the following banking facilities as at 30 June 2005:

- Cheque cashing authority of $0.003 million, which is the total amount of encashment facility provided to the Ministry to enable recoupment of advance account activities.

- Tape negotiation authority of $0.625 million. This facility authorises the Bank to debit the Ministry for Police’s operating bank account up to the above limit when processing the electronic payroll and vendor files.

- Mastercard facility of $0.02 million, which is the total of the credit limit for all issued credit cards.

Current approvals under the Public Authorities (Financial Arrangements) Act 1987 (PAFA Act) for financial accommodation in some cases are lower than the banking facility limit as at 30 June 2005. NSW Treasury approval has been sought to ensure full compliance with the PAFA Act.

### 9. CURRENT ASSETS-RECEIVABLES

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts receivable-transfers in</td>
<td>10</td>
<td>3</td>
</tr>
<tr>
<td>Interest receivable</td>
<td>37</td>
<td>15</td>
</tr>
<tr>
<td>NSW Police - Recovered Assets Pool</td>
<td>-</td>
<td>63</td>
</tr>
<tr>
<td>GST receivable</td>
<td>55</td>
<td>14</td>
</tr>
<tr>
<td>Accrued GST receivable</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>Salary overpayments</td>
<td>6</td>
<td>2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>111</strong></td>
<td><strong>99</strong></td>
</tr>
</tbody>
</table>

### 10. CURRENT ASSETS-OTHER

<table>
<thead>
<tr>
<th>Prepayment</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
</tr>
</tbody>
</table>
11. NON-CURRENT ASSETS - PLANT
AND EQUIPMENT

Plant and Equipment

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>At Cost</td>
<td>1,918</td>
<td>1,212</td>
</tr>
<tr>
<td>Less Accumulated Depreciation</td>
<td>(354)</td>
<td>(335)</td>
</tr>
<tr>
<td><strong>Total Plant and Equipment At</strong>&lt;br&gt;<strong>Net Book Value</strong></td>
<td>1,564</td>
<td>877</td>
</tr>
</tbody>
</table>

Reconciliation
Reconciliations of the carrying amounts of each class of plant and equipment at the beginning and end of the current financial year are set out below:

<table>
<thead>
<tr>
<th></th>
<th>Computer Equipment</th>
<th>Other Plant &amp; Equipment</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
</tr>
<tr>
<td>Carrying amount at 1 July 2004</td>
<td>228</td>
<td>984</td>
<td>1,212</td>
</tr>
<tr>
<td>Additions</td>
<td>76</td>
<td>856</td>
<td>932</td>
</tr>
<tr>
<td>Disposals</td>
<td>(101)</td>
<td>(125)</td>
<td>(226)</td>
</tr>
<tr>
<td>Carrying amount at 30 June, 2005</td>
<td>203</td>
<td>1,715</td>
<td>1,918</td>
</tr>
<tr>
<td>Less Accumulated Depreciation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Carrying amount at 1 July 2004</td>
<td>201</td>
<td>134</td>
<td>335</td>
</tr>
<tr>
<td>Depreciation</td>
<td>21</td>
<td>156</td>
<td>177</td>
</tr>
<tr>
<td>Related to disposal</td>
<td>(93)</td>
<td>(65)</td>
<td>(158)</td>
</tr>
<tr>
<td>Carrying amount at 30 June, 2005</td>
<td>129</td>
<td>225</td>
<td>354</td>
</tr>
<tr>
<td>Net Book Value</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 30 June, 2005</td>
<td>74</td>
<td>1,490</td>
<td>1,564</td>
</tr>
</tbody>
</table>

For computer and general equipment, market value is considered to be comparable to the book value.
MINISTRY FOR POLICE
Notes to and Forming Part of the Financial Statements

12. CURRENT LIABILITIES-PAYABLES

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$'000</td>
<td>$'000</td>
</tr>
<tr>
<td>Payroll tax</td>
<td>32</td>
<td>21</td>
</tr>
<tr>
<td>Salary deductions</td>
<td>67</td>
<td>1</td>
</tr>
<tr>
<td>Accrued salaries</td>
<td>15</td>
<td>34</td>
</tr>
<tr>
<td>NSW Audit Office</td>
<td>24</td>
<td>22</td>
</tr>
<tr>
<td>Witholding Tax</td>
<td>-</td>
<td>29</td>
</tr>
<tr>
<td>Fringe benefits tax</td>
<td>11</td>
<td>8</td>
</tr>
<tr>
<td>Facsimile services</td>
<td>-</td>
<td>6</td>
</tr>
<tr>
<td>Sundry accruals and other</td>
<td>7</td>
<td>15</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>156</strong></td>
<td><strong>136</strong></td>
</tr>
</tbody>
</table>

13. CURRENT/NON-CURRENT LIABILITIES - PROVISIONS

Employee benefits and related on costs - Current

|                                | 2005  | 2004  |
|                                |       |       |
| Recreation leave               | 724   | 381   |
| Leave loading                  | 62    | 32    |
| **Total**                      | **786** | **413** |

Other provisions

Payroll tax on:

|                                | 2005  | 2004  |
|                                |       |       |
| Recreation leave               | 43    | 23    |
| Leave loading                  | 4     | 2     |
| **Total**                      | **47** | **25** |

Long service leave on-costs:

|                                | 2005  | 2004  |
|                                |       |       |
| Payroll tax                    | 7     | 3     |
| Workers' compensation          | 1     | 1     |
| Recreation leave               | 3     | 1     |
| **Total**                      | **11** | **5** |

Total Provisions - current

|                                | 2005  | 2004  |
|                                |       |       |
| **Total**                      | **844** | **443** |
MINISTRY FOR POLICE  
Notes to and Forming Part of the Financial Statements

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>$'000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee benefits and related on costs - Non-Current</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Long service leave oncosts:
- Payroll tax 59 29
- Workers compensation 8 4
- Recreation leave 25 13

Total Provisions - non-current 92 46

Total Provisions 936 489

Aggregate employee benefits and related on-costs

Provisions - Current 844 443
Provisions - Non-Current 92 46
Accrued salaries (refer Note12) 15 34

951 523

14. CURRENT LIABILITIES-OTHER

Liability to Consolidated Fund 1,195 349

15. CHANGES IN EQUITY

Balance as at 1 July 2004 475 (309)

Changes in equity-transactions with owners as owners
Decrease in net assets from equity transfer (Note 16) (35) -

Changes in equity-other than transactions with owners as owners
Surplus / (deficit) for the year 270 784

Total 235 784

Balance as at 30 June 2005 710 475
16. DECREASE IN NET ASSETS FROM EQUITY TRANSFERS
Responsibility relinquished for the Minister’s Office, assets transferred to the NSW Premiers Department

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$'000</td>
<td>$'000</td>
</tr>
<tr>
<td>Plant and equipment</td>
<td>35</td>
<td>-</td>
</tr>
<tr>
<td>Decrease in net assets from administrative restructuring</td>
<td>35</td>
<td>-</td>
</tr>
</tbody>
</table>

17. COMMITMENTS FOR EXPENDITURE

(a) Capital Commitments
Aggregate capital expenditure contracted for at balance date and not provided for:

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>No later than one year</td>
<td>-</td>
<td>17</td>
</tr>
<tr>
<td>Total (including GST)</td>
<td>-</td>
<td>17</td>
</tr>
</tbody>
</table>

The minor 2003/04 capital commitment relates to the finalisation of the fitout of the new premises.

Operating Lease Commitments
Future non-cancellable operating lease rentals not provided for and payable:

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not later than one year</td>
<td>43</td>
<td>74</td>
</tr>
<tr>
<td>Later than one year and no later than 5 yrs</td>
<td>56</td>
<td>67</td>
</tr>
<tr>
<td>Total (including GST)</td>
<td>99</td>
<td>141</td>
</tr>
</tbody>
</table>

Operating lease commitments comprise computer and office equipment leases. The Ministry does not have contingent leases nor does it incur any rental expense arising from sub-leases.

The total ‘operating lease commitments’ includes input tax credits of $8,967 for 2005 ($12,880 for 2004) that are expected to be recoverable from the Australian Taxation Office.

18. CONTINGENT LIABILITIES AND CONTINGENT ASSETS
As at 30 June 2005, the Ministry for Police had no contingent liabilities or assets (2003-04 Nil).
19. BUDGET REVIEW

Net cost of services

The actual net cost of services was lower than budget by $1,193,000. This was primarily due to under utilisation of funding for Recovered Assets Pool operations and contribution from NSW Police of floor space in Elizabeth Street.

Assets and liabilities

The actual total assets balance at 30 June 2005 was greater than budget by $210,000. This was due to the ReAP funding not being fully utilised. The actual total liabilities was over the budget by $1,638,000 due to liability to the Consolidated Fund of mainly recurrent funds.

Cash flows

Actual cash flows from operating activities was less than budget by $474,000. This was primarily due to Recovered Assets Pool funding not being fully utilised.

20. RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES TO NET COST OF SERVICES

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net cash used on operating activities</td>
<td>(1,169)</td>
<td>(106)</td>
</tr>
<tr>
<td>Depreciation</td>
<td>177</td>
<td>62</td>
</tr>
<tr>
<td>Cash Flows from Government /Appropriations</td>
<td>10,654</td>
<td>6,176</td>
</tr>
<tr>
<td>(Decrease)/increase in provisions</td>
<td>447</td>
<td>51</td>
</tr>
<tr>
<td>Net loss/(gain) on sale of plant and equipment</td>
<td>31</td>
<td>-</td>
</tr>
<tr>
<td>Net loss/(gain) on sale of plant and equipment</td>
<td>31</td>
<td>-</td>
</tr>
<tr>
<td>Non cash contribution</td>
<td>(608)</td>
<td>-</td>
</tr>
<tr>
<td>Non cash revenue</td>
<td>(2)</td>
<td>-</td>
</tr>
<tr>
<td>Acceptance by the Crown Entity of employee benefits</td>
<td>1,136</td>
<td>493</td>
</tr>
<tr>
<td>and other liabilities</td>
<td>1,136</td>
<td>493</td>
</tr>
<tr>
<td>Decrease/(increase) in receivables and other assets</td>
<td>(13)</td>
<td>99</td>
</tr>
<tr>
<td>Decrease/(increase) in receivables and other assets</td>
<td>(13)</td>
<td>99</td>
</tr>
<tr>
<td>Increase/(decrease) in payables</td>
<td>21</td>
<td>(130)</td>
</tr>
<tr>
<td>Net cost of services</td>
<td>10,674</td>
<td>6,645</td>
</tr>
</tbody>
</table>
21. IMPACT OF ADOPTING AUSTRALIAN EQUIVALENT TO THE INTERNATIONAL FINANCIAL REPORTING STANDARDS

The Ministry for Police will apply the Australian Equivalents to International Financial Reporting Standards (AEIFRS) from 2005-06.

The following strategy is being implemented to manage the transition to AEIFRS:

- A Project Implementation Team has been established to address the transition and implementation of NSW Police to AEIFRS.
- A gap analysis was completed on the scope of the work required for the transition to AEIFRS.
- The implementation commences in 2004-05 and will span to 30 June 2006. This coincides with NSW Treasury's plan for the ongoing implementation of pending Standards and Urgent Issues Group (UIG) Interpretations. Post implementation reviews will be conducted on an ongoing basis.

To date, the Ministry for Police has achieved the following:

- Identified key areas and developed policies, procedures and systems affected by AEIFRS.
- Modified the NSW Police Finance System to ensure AEIFRS compliance from 1 July 2005.
- Quantified the financial impact of some key areas affected by AEIFRS.

The Ministry for Police has determined the key areas where changes in accounting policies are likely to impact the financial report. Some of these arise because AEIFRS requirements are different from existing AASB requirements (AGAAP). Other impacts are likely to arise from options in AEIFRS. To ensure consistency at the whole of government level, NSW Treasury has advised agencies of options it is likely to mandate for the NSW Public Sector. The impacts disclosed below reflect Treasury's likely mandates (referred to as "indicative mandates").

Notes to and Forming Part of the Financial Statements Shown below are management's best estimates as at the date of preparing the 30 June 2005 financial report of the estimated financial impacts of AEIFRS on the Ministry for Police's equity and profit/loss. The Ministry for Police does not anticipate any material impacts on its cash flows. The actual effects of the transition may differ from the estimated figures below because of pending changes to the AEIFRS, including the UIG Interpretations and/or emerging accepted practice in their interpretation and application. The Ministry for Police's accounting policies may also be affected by a proposed standard to harmonise accounting standards with Government Finance Statistics (GFS). However, the impact is uncertain because it depends on when this standard is finalised and whether it can be adopted in 2005-06.
(1) **Reconciliation of key aggregates**

Reconciliation of equity under existing standards (AGAAP) to equity under AEIFRS:

<table>
<thead>
<tr>
<th>Notes</th>
<th>30 June</th>
<th>1 July</th>
</tr>
</thead>
<tbody>
<tr>
<td>$'000</td>
<td>$'000</td>
<td></td>
</tr>
<tr>
<td>Total equity under AGAAP</td>
<td>710</td>
<td>475</td>
</tr>
<tr>
<td>Adjustments to accumulated funds</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Recognition of restoration costs</td>
<td>(i)</td>
<td>-</td>
</tr>
<tr>
<td>Derecognition of intangible assets</td>
<td>(ii)</td>
<td>-</td>
</tr>
<tr>
<td>Effect of discounting long-term employee benefits</td>
<td>(iii)</td>
<td>-</td>
</tr>
<tr>
<td>Adjustments to other reserves</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Write back asset revaluation reserve for</td>
<td>(ii)</td>
<td>-</td>
</tr>
<tr>
<td>Total equity under AEIFRS</td>
<td>710</td>
<td>475</td>
</tr>
</tbody>
</table>

* Adjustments as at the date of transition
** Cumulative adjustments as at date of transition plus the year ended 30 June

Reconciliation of surplus / (deficit) under AGAAP to surplus / (deficit) under AEIFRS:

<table>
<thead>
<tr>
<th>Notes</th>
<th>$'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year ended 30 June 2005</td>
<td></td>
</tr>
<tr>
<td>Surplus / (deficit) under AGAAP</td>
<td>270</td>
</tr>
<tr>
<td>Restoration costs</td>
<td>(i)</td>
</tr>
<tr>
<td>Research costs expensed</td>
<td>(ii)</td>
</tr>
<tr>
<td>Long-term employee benefits</td>
<td>(iii)</td>
</tr>
<tr>
<td>Amortisation on restoration costs</td>
<td>(i)</td>
</tr>
<tr>
<td>Assets held for sale</td>
<td>(iv)</td>
</tr>
<tr>
<td>Surplus / (deficit) under AEIFRS</td>
<td>-</td>
</tr>
</tbody>
</table>

Notes to tables above:

(i) AASB 118 *Property, Plant and Equipment* requires the cost and fair value of property, plant and equipment to be increased to include the estimated restoration costs, where restoration provisions are recognised under AASB 137 *Provisions, Contingent Liabilities and Contingent Assets*. These restoration costs must be depreciated and the unwinding of the restoration provision must be recognised as a finance expense. This treatment is not required under current AGAAP.

(ii) AASB 138 *Intangible Assets* requires all research costs to be expensed and restricts the capitalisation of development costs. Current AGAAP permits some research and development costs to be capitalised when certain criteria are met. As a result, some currently recognised intangible assets will need to be derecognised. Further, intangibles can only be revalued where there is an active market, which is unlikely to occur. Therefore, revaluation increments and decrements will need to be derecognised and intangible assets recognised at amortised cost.
The adoption of AASB 138 will also result in certain reclassifications from property, plant and equipment to intangible assets eg computer software.

(iii) AASB 119 Employee Benefits requires present value measurement for all long-term employee benefits. Current AGAAP provides that wages, salaries, annual leave and sick leave are measured at nominal value in all circumstances.

(iv) AASB 5 Non-Current Assets Held for Sale and Discontinued requires non-current assets classified as 'held for sale' to be reclassified as current and recognised at the lower of the carrying amount and the fair value less costs to sell. Unlike current AGAAP, 'held for sale' assets are not depreciated, thereby reducing the depreciation expense.

(2) Grant Recognition for Not-For Profit Entities

The Ministry for Police will apply the requirements in AASB 1004 Contributions regarding contributions of assets (including grants) and forgiveness of liabilities. There are no differences in the recognition requirements between the new AASB 1004 and the current AASB 1004. However, the new AASB 1004 may be amended by proposals in Exposure Draft (ED) 125 Financial Reporting by Local Governments. If the ED 125 approach is applied, revenue and / or expense recognition will not occur until either the Ministry for Police supplies the related goods and services (where grants are in-substance agreements for the provision of goods and services) or until conditions are satisfied. ED 125 may therefore delay revenue recognition compared with AASB 1004, where grants are recognised when controlled. However, at this stage, the timing and dollar impact of these amendments is uncertain.

END OF AUDITED FINANCIAL STATEMENTS