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INDEPENDENT COMMISSION AGAINST CORRUPTION

THERESA HAMILTON ASSISTANT COMMISSIONER

PUBLIC HEARING

OPERATION VIKA

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TRANSCRIPT OF PROCEEDINGS

AT SYDNEY

ON WEDNESDAY 3 JUNE, 2015

AT 2.05PM

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This transcript has been prepared in accordance with conventions used in the Supreme Court.

ASSISTANT COMMISSIONER: Thank you, please be seated.

<SCOTT ALLEN HOMSEY, on former affirmation [2.05pm]

MR KATEKAR: Thank you, Commissioner. Just one matter to cover off before I finish. First of all I've asked you some questions about the
10 ---Yes.

--- following the skim, agree?---Agree.

You made those payments to Mr Hacking in order to assist in securing future work from the RFS?---No.

There was no other reason to make the payments to Mr Hacking was there?--No.

20 So that's why you did it?---Ah, not to secure.

Well, when you say not to secure you wanted to ensure that your relationship with him remained intact didn't you?---Correct.

And if you stopped paying them you would have risked the future flow of work from him, do you agree?---I agree.

Second, in relation to Darren Hacking there were three sorts of things that he did for you?---Yes.

30 He provided courier services, do you agree?---Agree.

And catering services?---Agree.

And snack packs?---Correct.

And you retained him to provide those services to the RFS through you because you also wanted to maintain your relationship with John Hacking, correct?---Correct.

40 To secure future work?---Correct.

Third, Mr Springett – there was some courier charges that we spoke about where Mr Springett would say to you, "I've paid a courier in cash," he would issue you with a purchase order, you'd get paid and then pay Mr Springett in cash, do you agree with that?---Agree.

And you did that at Mr Springett's request?---Yes.

And you did that because you wanted to maintain your relationship with Mr Springett?---No.

You wanted to maintain future work from the Rural Fire Service did you not?---I did.

10 And that you were concerned that if you didn't do that that you wouldn't maintain that future work?---Not in that instance with the logistics.

For logistics? There was no, why else did you do that?---(No Audible Reply).

Well what was the reason you did it for Mr Springett?---Um, a bad judgement and I took upon getting the logistic job done and, and no real thought to that process.

20 You say you didn't think about it?---No.

You just did it because he asked you to?---Correct.

No further questions for this witness, Commissioner.

30 ASSISTANT COMMISSIONER: Thank you. Before I asked whether Counsel wish to cross-examine this witness I would just remind Counsel of the general nature of the practice directions about cross-examination. Minor conflicts in evidence it's not necessary to canvas but it would be useful to the Commission if there are any substantial conflicts of evidence about important issues that they be put to the witness. So does anyone seek to - - -

MR MOSES: Yes, Commissioner. I seek to ask questions of the witness.

ASSISTANT COMMISSIONER: On behalf of the RFS?

MR MOSES: On behalf the Rural Fire Service, yes.

ASSISTANT COMMISSIONER: Yes.

40 MR MOSES: Thank you.

ASSISTANT COMMISSIONER: Thank you, Mr Moses.

MR MOSES: Mr Homsey, how much did you steal from the Rural Fire Service through your dishonest relationship with Mr Hacking?---Steal in - - -

Yeah?---It would be a couple of hundred thousand dollars.

Yeah. And you know that Mr Hacking has returned to the Rural Fire Service the sum of \$340,517. Are you aware of that?---No.

And where is the money that you stole from the Rural Fire Service?---I have that.

You have it. Where?---In a bank account.

10 In a bank account?---(No Audible Reply)

Yes. With which bank?---Westpac.

In – who is the account name holder?---EMCS.

Now much money is sitting there in that bank account?---Right now?

Yes, Mr Homsey, right now?---Right now about 600, maybe 750,000.

20 And do you intend paying that money back to the Rural Fire Service or does it have to be pursued from - - -?---No, it would, it would be something that I would talk to my counsel and organise definitely.

Have you kept a record of how much money you stole from the Rural Fire Service?---No, I haven't.

30 And you've admitted I think haven't you through the effect of your evidence to Counsel Assisting and the Commissioner, you've admitted that you were engaged in a dishonest relationship with Mr Hacking. Correct? ---Yes, I have.

In essence you've admitted you're a thief. Correct?---Yes.

Yeah. And a fraudster. Correct?---Yes.

You issued invoices which you knew to be false. Correct?---Yes.

40 And the Commissioner asked you a question earlier in respect of a telephone transcript that you had with Mr Bulmer, a telephone conversation on 23 December, 2014 which was Exhibit 56 where you've made in essence light of the fact that that particular summer had not been in essence good business for you. Do you recall the Commissioner asking you questions about that?---No, sorry.

No. Well, in that conversation you were seeking to weren't you really make light of the fact that you weren't getting enough business because the summer season wasn't, that is, the summer season wasn't bad for fires. Correct?---No, I wasn't making light.

You through your arrangements with Mr Hacking and Mr Springett were seeking to profit from other people's misfortune weren't you?---(No Audible Reply)

Weren't you?---Yes.

Now, and you understood because you used to be a volunteer with the Rural Fire Service that men and women risk their lives volunteering for free from the Rural Fire Service. Correct?---Correct.

10

And yet there you were stealing from the Rural Fire Service. Correct?---Correct.

Now, I'll just ask you some questions. Counsel Assisting put to you a question as to money that was going into your mother's bank account, Gay Homsey's bank account?---Yes.

That's at a time when you were a bankrupt. Correct?---Correct.

20

Yeah. And you've put the money into your mother's bank account in order to avoid money that you've had to pay for your bankruptcy. Correct?---Um
- - -

Let's be honest about it, Mr Homsey?---Yes, I am being honest.

Yeah?---I was under instruction from Central Coast Taxation Accounting that my best forward, my best way forward for keeping business going is to have a bank account, yes, which we used Gay Homsey, my mother's account.

30

Well, D'Vine which was the unincorporated business had an ABN number. Correct?---Correct.

And you were the owner of that ABN number?---Yes, correct.

And the money went into your mum's bank account. Correct?---Yes, that's correct.

40

Did you pay tax on that money?---Yes, I believe I paid tax.

You believe you paid tax?---Yes.

When you, when you say you believe - - -?---I - - -

- - - did you file a tax return?

MR BREWER: I object to that. I object to this question. This is way outside the – it sounds like a good headline but it's way outside the ambit of this inquiry.

MR MOSES: Can I explain, Commissioner?

ASSISTANT COMMISSIONER: Mr Moses, it is beyond anything that's been canvassed in chief.

10 MR MOSES: Can I explain though, Commissioner. With all due respect Counsel Assisting did put the question. This is money in part that had gone into that bank account that belongs to the RFS in terms of money that was the subject of the theft - - -

ASSISTANT COMMISSIONER: Yes, but - - -

MR MOSES: - - - and to be fair to Counsel Assisting he did put the question to the witness.

20 ASSISTANT COMMISSIONER: Yes, but the question of whether that was done to avoid bankruptcy is a little I think irrelevant to our current proceedings.

MR MOSES: No, quite, but I'll – let, let me ask you this question, Mr Homsey. The money that went into your mother's bank account was money also that was stolen money from the RFS. Correct?---Yes, there would be a portion, only a portion - - -

Well - - -?--- to the 2012/13 season.

30 Well, according to your evidence to Mr Katekar yesterday you said money kept on going into that account - - -?---That's right.

- - - until 2013?---Correct.

Now when did you start stealing from the RFS?---It would have been 2012, the end of 2012.

40 You know, don't you, that Mr Hacking states that you groomed him, you groomed him to engage in this fraudulent conduct at a time when he was sick as a result of an accident, you understand that's what Mr Hacking says? ---I understand that now, right now, yes.

Yes, okay. And is that true?---No, that's false.

No. Well, who initiated the dishonest relationship that commenced between you and Mr Hacking?---Mr Hacking did.

So your evidence is Mr Hacking approached you and put a proposition to you?---Correct.

And yesterday your evidence was to the Commissioner that there was to be a split of the profit that would come from the undersupply of product, correct?---Correct.

10 And your evidence, this is at page 24, Commissioner, through to page 25, and yesterday you told Counsel Assisting that it commenced as a 10 per cent split but worked its way up to a 20 per cent split over time, correct?
---Correct, yes.

And you were to get 50/50, correct?---Correct.

And that continued right up until February 2015?---Yes, that's correct.

And those moneys that you received from this dishonest relationship went into the one bank account?---Into, yes, from 2013 EMCS, that's right.

20 And you would draw moneys out of there to pay Mr Hacking, correct?
---Correct.

Now Counsel Assisting showed you a document which is marked Exhibit 48 which were the sum total of transactions which occurred from bank accounts related to you to Mr Hacking's bank account with his wife, do you remember that?---Yes.

And that totalled a sum of \$231,882?---Okay.

30 Correct?---Correct.

Yeah. You stopped making payments through this mechanism in February 2013 because Mr Hacking told you to, correct?---Correct, yes.

And you started making cash payments to him, correct?---Correct, correct.

How much in cash did you give him from February 2013 until February 2015?---I haven't added that up.

40 You haven't added it up?---No, no, I haven't looked at that.

Right. You had about \$9 million that was paid to you over a period of time by the Rural Fire Service, correct?---Eight million I think, yes.

Well, Counsel Assisting said yesterday approximately nine million. Do you dispute that?---No.

No. When's the last time your company put a tax return in?---Last year.

Okay. And what was the profit then?---This year. I would have to have a look at that.

You don't know?---No.

No. And these cash payments that you were making to Mr Hacking - - -?
---Yes.

10 - - - did you describe them in any accounts as being payments for anything?
---No.

What were they described as, payments for what, withdrawals from the bank?---Well, they were, they were left – where did the money go basically.

Okay. Now what about the moneys that were going from one bank account, that is your bank account, into Mr Hacking's bank account, did you record them as transactions for anything?---No, I had the receipt, the invoices.

20 And you have no idea what you paid him in cash from, from February - - -?
--No, no.

- - - 2013 to February 2015?---No, I'm not sure.

Could you find out?---Yes, I could.

You could do a reconciliation of that?---I could do my best to get that organised, yes.

30 Okay. Through you, Commissioner, we would respectfully request through you, Commissioner, whether the witness could be directed during the course of this inquiry to conduct such a task.

ASSISTANT COMMISSIONER: I believe the Commission may have its own ability to estimate through various sources but if the witness is willing to do so that would be of assistance.

MR MOSES: Thank you, Commissioner.

40 MR BREWER: Well, I'll just make one thing clear that might assist – the position is that Mr Homsey's only had his computer returned to him relatively recently and he's been proceeding through that device to gather information.

ASSISTANT COMMISSIONER: Yes, thank you. Well, that would be helpful.

MR MOSES: Thank you, Commissioner. And I thank my friend for that. Now, Mr Homsey, Counsel Assisting showed you a document which was an email of 24 September, 2012. It was Exhibit 5 (as said), at page 272. I was just wondering, Commissioner, whether that could be shown on the screen for the witness.

ASSISTANT COMMISSIONER: Yes.

10 MR MOSES: It goes to the section 44 issue, Commissioner.

ASSISTANT COMMISSIONER: Yes.

MR MOSES: Exhibit 25 (as said), page 272. Volume 5, page 272, thank you. Yes, thank you. Now, do you see, do you see there that is an email from Mr Hacking to you from – sorry – from, it’s from Mr Hacking to you where it says, “Mate, no problems.” If you just scroll down a bit – I apologise. If we go to the top of the page. So it says, “No problems. Totally understand what you were saying however, I need to have an event running if you know what I mean.” Now, just stopping there you knew
20 what that meant was that there needed to be an emergency situation in order for these purchase forms to be put through, I order to allow the fraud to happen, correct?---Correct.

That was, that was the scam wasn’t it?---Um, it was, the money was issued yes, through a section 44.

Yes. And you knew that was the case didn’t you?---Ah - - -

30 That’s what you, that’s what you were waiting for?---That’s what I was waiting for?

Yeah, you were waiting for an emergency situation to occur so you could then have purchase orders being placed in to you, correct?---Correct.

Thank you. Now, if I can just go back to who commenced this relationship you say Mr Hacking approached you and suggested to you that you undersupply a product, that there be a profit that you would then split, correct?---Correct.

40 And you say that you agreed to that in order that you could maintain business with the Rural Fire Service, is that your, is that your evidence, sir?--Well, my evidence is that um, when I, that first season with the payment after the loan that’s when the first, the first talk of the split was.

This is the loan you say you made to Mr Hacking?---Correct.

Yeah. Has it been paid back?---No.

No. And what about Mr Springett, did Mr Springett know that you were paying hundreds of thousands of dollars to his subordinate?---I, I'm not sure.

Well - - -?---I can't answer that for you.

Well - - -?---Sorry.

10 Well, did you ever tell Mr Springett that you were - - -?---No.

Let me finish the question?---I'm sorry. I'm sorry.

That you were paying money to Mr Hacking in return for business from the Rural Fire Service?---No.

Never told him?---No.

20 No. Did you ever tell Mr Hacking that you were providing gifts or moneys to Mr Springett?---No.

Why did you give money to Mr Springett?---Um, it was to, to facilitate the logistic, logistic problem at that time.

What are you talking about? What logistic problem?---Um, so, I've received an order and then I got a phone call saying, "I had to pay the courier and um, if I put a purchase order can I retrieve my money back through, through your business."

30 You mean you, you, you perpetrated a fraud?---I was involved, yes.

Yeah. To give cash to Mr Springett, is that right?---Unfortunately yes.

Were you giving money to Mr Springett so that you could get business from the Rural Fire Service?---No.

40 So why were you giving money to him?---To, for that logistic – I just made a, a bad judgement error when I was called to, to put a purchase order through so he could pay the courier that had to be paid on a certain day and he couldn't do that without getting his money back so I put it through ah, my purchase, through my business and I regret that ever since.

Sir, you're not making any sense. Are you saying you paid him money, you gave him money for a legitimate service that was provided?---(No Audible Reply).

You're not suggesting that are you?---Well um, the, the, the logistic, the logistic problem had already been organised through Mr Springett and I

agreed to putting that, that, that purchase order money through my business to pay Mr Springett back for the money he was out of pocket.

He was out of pocket for what?---Well, he paid the, he paid the, the courier.

Now Mr Springett will say you've known through family, is that right?
---Yes.

10 And you say you gave him bottles of wine and food for what purpose?
---It was – bottles of wine, it, it, it's something that - - -

ASSISTANT COMMISSIONER: Sorry, could you just wait one moment. Mr Moses, these issues have already been canvassed by Counsel Assisting.

MR MOSES: Yes.

ASSISTANT COMMISSIONER: They're not matters upon which I believe you could have specific instructions.

20 MR MOSES: No, no, but what we're trying to ascertain is the issue concerning Mr Springett, a former senior employee of the RFS as to what exactly was his involvement in this issue that has impact upon the RFS but I can move on, Commissioner.

ASSISTANT COMMISSIONER: Yes, thank you, Mr Moses.

30 MR MOSES: Now, Mr Homsey, in relation to the short supply operation if I can call it that, there was to be – is this, is this your evidence, there was to be a short supply of 1,000 snack packs for every 10,000 invoiced, that was the initial arrangement?---Initial, yes.

Now there was a large payment of \$143,000 that was paid to Mr Hacking according to your evidence, is that right?---Correct.

What was that for?---That was for I think all the, the orders in August, September, October I think of that year, November I think of 2012.

40 Thank you. Now in terms of the issue concerning the courier business if I can call it that, first of all, you're a, you're a caterer, a chef, correct?
---That's correct, yes.

And you're not in the business of providing a courier service?---No, I'm – not generally, no.

Right. You're not in the business of providing first aid kits?---No.

No. Who suggested you provided courier services to the Royal Fire Service?---I was asked if I would.

Yeah. Who?---Mr Hacking.

And when did he ask you to start providing those services?---I think it was 2011, end of 2011 or middle of 2011 if I'm correct. I had a gentleman that worked in my business and I was, was asked if I could start moving plotters and would I pick up certain equipment because of my, I guess, response time is what I was told.

10 A person called Danny, a person called Danny?---Danny, yes.

And what was his surname?---I don't know his surname.

But he worked in your business?---He worked for me, yes.

Yeah, for how long?---Probably two and a half, three years, three years.

Was he an employee of yours?---No, he just worked on and off.

20 Did you record him down as a contractor on your books?---No, I didn't.

And you don't know his surname?---No, I don't. I know him as Danny.

The money from the courier services - - -?---Yes.

- - - that you were provided you say by you, did you give a kickback to Mr Hacking from those invoices?---No, I didn't, no.

You didn't?---No.

30

So you kept all the money?---Ah, that went to the driver.

Well, no, that wasn't what you told the Commissioner. You didn't say all the money for the courier services went to the, went to the courier, you said you, you retained some of it?---Yes, some of it, it might have been 10, 20 per cent now and then, yes.

40 And what about the next issue that you were asked some questions about, and what about the next issue that you were asked some questions about and that relates to catering equipment?---Yes.

Now you had a lot of catering equipment on your premises, correct?
---Correct, I did, yes.

And when I say a lot of catering equipment, that was catering equipment which the Rural Fire Service paid for?---Absolutely, yes.

Who authorised that?---Rural Fire Service.

Who from – if you can stop saying the Rural Fire Service?---Yeah, sorry.

Who from the Rural Fire Service?---Mr Hacking.

He did, did he? And did you purchase that catering equipment?---Some of it was purchased through me 'cause I had the contacts for the equipment but a lot went through Mr Bulmer I believe with CaterQuip.

10 So Mr Bulmer was one of your associates, business associates?---Yes, one of my suppliers.

Yeah. And did he know about the scam that you were involved with - - -?
---No.

- - - with Mr Hacking, with Mr Hacking and Mr Springett?---No, no, absolutely not.

20 He knew nothing about it?---Absolutely not.

Okay. So the equipment that was found on your premises, was that your home premises wasn't it?---No.

No. Which business, Somersby?---Ah, no.

Where was it found?---It was West Gosford.

Yeah?---It's a warehouse.

30 Yeah. And that was a shipping container - - -?---The - - -

- - - full of catering equipment - - -?---That's correct.

- - - belonging to the Rural Fire Service?---That's right.

And that was recovered on 25 May of this, of this year?---That's right, yes.

40 And in terms of that equipment is this what happened, you purchased that equipment from, is it Cate Equipment?---Ah, CaterQuip - - -

Yeah?--- - - - I think it's called. Yes.

And you then sent an invoice to the Rural Fire Service?---Ah, there was some products that, that happened with, yes.

Ah hmm. And that equipment, the catering equipment, did you use it for your own personal use?---I did a couple of times.

Yeah. Ah hmm. And you've still got equipment in your possession belonging to the Rural Fire Service?---That's right, yes I've - - -

You've got three fridges, three fridges - - -?---Three fridges, a couple of bane maries and some other, other equipment that I've been asked - - -

Yep, to return?---Well I, I told them yes, to come and pick it up for sure.

10 Yeah. Okay. Now, in terms of the equipment that was – well, how much would you say was in that shipping container?---Ah, shipping container – there's a lot of equipment, yes.

Can I just show you this document? I'm just going to show the witness. Has this been shown to the witness? I think it was tendered by Ben.

MR KATEKAR: Yes.

MR MOSES: Ben, did you show this to him?

20 MR KATEKAR: Fifty, yes.

MR MOSES: You did? Thank you. Can I just show the witness Exhibit 50, if he's got it with him? That's the inventory of what was contained in the shipping container. As a ball park how much do you think was in that shipping container in terms of value of product?---Um, you're looking at over probably oh, maybe 80,000. Maybe 100.

And Mr Hacking you say authorised the purchase of these items?---Yes.

30 Okay. And the cost that was charged to the Rural Fire Service was more than what these items cost, that is you marked up your invoice, is that right?---Um, on one product, on the bane maries, yes. Yes I did.

What about the other products, did you mark them up?---No.

And I just want to ask you a question that Counsel Assisting asked you, you would email your invoices directly to Mr Hacking, correct?---Yes, correct.

40 And when Counsel Assisting asked you about that and asked you about why you did that you said well on the purchase order it says not to send it till I'm delivering the goods, correct?---Correct. When I deliver the snack packs, yes.

Yeah, okay. Also on those purchase orders – unless you want it to be brought up on the screen – at various times it said to send your invoice to accounts payable - - -?---Okay.

- - - or logistics. Do you want me to remind you or do you accept that as a proposition?---No, I - - -

Okay. Well why did you email them to Mr Hacking? Who told you to send them to him?---Because he was in logistics.

10 Did he tell you to send them to him?---He, he had to, what I was told the procedure was it had to go back to him and then it would go up and get signed off and then it would go to a finance company or finance department. Then in year 2013/'14, in that summer I was told that it had to go straight to the finance.

When you say you were told was that by Mr Hacking?---Yes.

Thank you?---So you would ah, through that period you would see then the change of those, those emails going straight to the finance.

20 Now, apart from Mr Hacking being aware of this dishonest relationship was there anybody else aware of this, if I can call it this scam involving the Rural Fire Service? Who else knew about what you and Mr Hacking were up to?---Um - - -

MR BREWER: Well they should - - -

MR MOSES: On your knowledge.

MR BREWER: I object.

30 MR MOSES: On your knowledge.

MR BREWER: Yes, thank you.

MR MOSES: On your knowledge who else knew?---On my knowledge, nobody.

Your mother?---Oh, my mother, yes, in, in 2014/'15.

40 And your, your evidence is, is this right, that Mr Springett did not know about your corrupt relationship with Mr Hacking?---No, not, 100 per cent did not know.

Thank you. Can I just have a moment, Commissioner?

ASSISTANT COMMISSIONER: Yes.

MR MOSES: I have no further questions for the witness. Thank you, Commissioner.

ASSISTANT COMMISSIONER: Thank you, Mr Moses. Does anyone else seek to cross-examine this witness?

MR WHITFIELD: Yes, Commissioner. I seek to cross-examine.

ASSISTANT COMMISSIONER: Yes. Could you tell the witness for whom you act.

10 MR WHITFIELD: I act for Arthur John Hacking, Mr Homsey. Accepting that you and Mr Hacking had an arrangement and you paid certain moneys to Mr Hacking, initially I believe you gave evidence that you said that you always paid Mr Hacking cash. Is that correct?---Correct, yes.

But you didn't always pay him cash did you?---No, not at the start, no.

That stopped when the sum of \$143,000 was paid into Mr Hacking's account?---Yes, I believe so.

20 After some moneys had been paid before that, and you say that a sum of \$38,000 which was initially paid into Mr Hacking's account on 23/11/2012, you say that was a loan?---That's, that's correct.

Now, can you tell us when that arrangement was reached with Mr Hacking?---It would have been prior obviously – a month, a month and a half prior to that on a phone conversation.

30 And can you tell me what was said in that phone conversation?---He asked me for a lend of some money because after the car accident he was finding it tough, were his words.

And was there a term of this loan?---No.

Was he to pay it back?---No.

Was there any interest to be paid on this loan?---No.

Did you ever discuss that?---No.

40 I put it to you that this wasn't a loan, Mr Homsey. This was a start of the arrangement that you and Mr Hacking had in terms of sharing or skimming or whatever you like to call it. What do you say to that?---No. I believe that it was – the initial, the 38,000 was a loan and that was put in the account and then later on with the other invoices came the, the, the opportunity to, to – for that money to be put in his bank account.

There's a lot been said by Counsel Assisting as to your relationship with Mr Hacking and it's said to go back to sometime in 2009?---Yes.

But in fact your friendship with Mr Hacking didn't start until sometime, about the time that he had his car accident in about July, 2011. Is that correct?---I was asked about a, a working relationship in 2009 which I worked for Rural Fire Service and that continued right through that working relationship. I worked - - -

10 Well, when you were at Narrabri what working relationship did you have with Mr Hacking?---Well, he was the gentleman that put me on that plane to go to Narrabri because I had left that Sunday from the staff canteen that I was working at and I handed, handed over that shift and Rural Fire actually sent some, sent a bus down to pick more staff up from the Central Coast and then from the Central Coast we were on a 4.30 plane from Canterbury out to Narrabri.

So there was nothing sinister about that though was there?---No. Nothing sinister but that's where our, our beginning started.

And then 2010 there was talk about a tender?---Yes.

20 And you having some discussions with Mr Homsey – Mr Hacking about that tender?---Correct, and, and Mrs Bucket as well.

And Mrs Bucket. Were you successful in that tender?---No, I wasn't.

Now you say, it's fairly clear up to the date of the payment of 143,000 how much money was paid into the account of Mr Hacking, that amount of money totals – do you know what that totals, that amount of money that went into Mr Hacking's account up until that date?---No.

30 I believe it's somewhere close to \$190,000, would you believe that's approximately correct?---That could be approximately correct, yes.

I did write the exact amount down here somewhere, Commissioner, I'm just
- - -

ASSISTANT COMMISSIONER: Well, if it's the amount on this schedule wouldn't it be \$231,000?

40 MR WHITFIELD: Oh, 231, yes.

ASSISTANT COMMISSIONER: That's the total of what was transferred.

MR WHITFIELD: Yes, okay, thank you, Commissioner, for your assistance.

Now what did that represent in terms of snack packs, how many snack packs did that represent?---I would have to look at the orders to have a look

at that but in that vicinity they were \$14.50 each, probably over the \$2 million mark.

How many snack packs, two million snack packs, is that what you say?
---Oh, no, sorry.

ASSISTANT COMMISSIONER: \$2 million worth of snack packs - - -?
---Two million - - -

10 - - - at \$14 per snack pack so - - -?---Thank you, Commissioner, thank you.

- - - if somebody can do the math they could work out the number if it's important.

MR WHITFIELD: Sorry, I'll just – so you don't have any idea how many snack packs that, that is, is that correct?---No.

20 Does it sound, does it sound about right for the number of snack packs that you supplied in that period up until that date at 11 two thousand and - - -?
---I haven't revisited that since so I – it's pretty close, it was a very, very busy summer, I think it started in August in 2012/2013.

And when the cash started to be paid to Mr Homsey, to Mr Hacking, did you keep a record of what you paid to Mr Hacking in cash?---No, I didn't.

30 And if I put it to you that it was \$45,000 in 2012 to 2013/2014 and 80,000 in 14/15, would that sound about right?---Possibly yes, I'm not sure on the 13/14 and yeah, I'd like to have a look at that but yeah, it, it could be close to that.

\$20,000 of that cash was seized on the date that the, that Mr Hacking was apprehended, is that correct?---Correct.

Now you were cross-examined or you were examined about some invoices that Mr Hacking signed or was purported to have signed in a period 21/9/11 or thereabouts on which his name appeared, do you remember those, do you remember those invoices?---Yes.

40 I think one was a purchase order and an invoice of the 21st of the 9th, '11 and there was I think a section 44 incident around about that time and you supplied snack packs in quick order didn't you. I don't have this in front of me right now, Commissioner?---For 2011 was that?

Yeah, 2011. About 21/9/2011. There was about 5,000 and another 5,000 and Counsel Assisting asked you questions about that?---Right. Yes.

And Mr Hacking's name appeared on them. Do you remember that, his signature?---Okay. Yes.

Now, you know that on or about that time Mr Hacking was in hospital or rehabilitating don't you?--I believe so, yes.

Yes. So he, he really had no, no involvement with those – I think it's volume 4, page 10 but I don't have that in front of me. I haven't had time to set this up, Commissioner.

10 ASSISTANT COMMISSIONER: Well, do you want the witness to look at the invoices?

MR WHITFIELD: Yes. I think that's where it is but I – that's my note here.

ASSISTANT COMMISSIONER: Well, there's one on the screen now.

MR WHITFIELD: Volume 4, page 3, volume 4, page 10.

20 ASSISTANT COMMISSIONER: Well, Mr Whitfield, there's one on the screen now, 28 September, which seems to be signed by Mr Hacking.

MR WHITFIELD: Yes. It was a bit before that.

ASSISTANT COMMISSIONER: Are you saying there are invoices before that that Mr Hacking couldn't have signed?

30 MR WHITFIELD: Yes, just before, just before that fire incident there. Yes, these – they're the ones there just before, yeah, just before that. I just saw the ones before that. Now, they were two large amounts on the 30, on the, on, on or about the 21st or the 20th of the 9th.

ASSISTANT COMMISSIONER: Right.

MR WHITFIELD: Or the 20 - - -

ASSISTANT COMMISSIONER: Well, all of those invoices of 20 and 21 September do seem to have been signed by Mr Hacking - - -

40 MR WHITFIELD: Yes, when he was in hospital so I'm - - -

ASSISTANT COMMISSIONER: - - - on the face of it.

MR WHITFIELD: I'm just trying to point out that it seems to be a situation where the Counsel Assisting is trying to suggest that Mr Hacking was always dabbling in these snack packs and that in that period he was not available – from the 27th of the – 27 of July until the date around about 10 October, 2011 he was not at work.

ASSISTANT COMMISSIONER: Yes. He does still seem to have signed the invoices.

MR WHITFIELD: And I will ask Mr Hacking about that anyway.

ASSISTANT COMMISSIONER: Yes. I think it's better to get that from Mr Hacking.

MR WHITFIELD: Yeah. Now, volume 4, page 100, volume 4, page 100.
10 Yeah, so can you see that there, Mr Homsey?---Yes, I can.

In relation to your invoice noting a number of pallets - - -?---Yes.

- - - was this the number of pallets sent with the goods or the number with 64 cartons on them?---We would have supplied 3,600 as a count on that invoice.

Would it be fair to say when you raise an invoice you actually put the purchase order date on the order as your reference?---Yes. It should have
20 happened, yes.

Well did it in that case?---That didn't happen in that case, no. I've got a - - -

ASSISTANT COMMISSIONER: I'm sorry, there is a purchase order number on it?---There's a date, there's a purchase order number which would collate back to the purchase order given from Rural Fire Service on the date that that was given.

MR WHITFIELD: That's what I'm trying to put to you. You date your
30 invoice going back to the date of the purchase order, if I'm not clear?

ASSISTANT COMMISSIONER: Are you saying the invoice is dated not when it's issued but to refer back to the purchase order?

MR WHITFIELD: The date of the purchase order, yes.

ASSISTANT COMMISSIONER: Well you can ask him, is that what you used to do?---Um look, on, on occasions that might have slipped and, and that might have happened, just going back through the purchase orders. But
40 um, that wasn't a normal existence of what we did with purchase, with our invoices.

MR WHITFIELD: You were answering questions about the size of a plotter and someone was suggesting to you you could just pick it up and put it in the back of a car?---Well, I suggest that a plotter is something, it could be huge or it could be small. A plotter is a piece of equipment – big industrial plotters are used by obviously landscapers and architects and then

there's smaller ones. So again I had no control over what a plotter was, what the Rural Fire used it for. I was asked to pick one up or - - -

You didn't really know what size that plotter was?---I had, no. Had no idea.

I think someone suggested to you you could fold it up and put it on a back seat?---Again, I'd only be making assumptions on what plotter it was at the time.

10 Now, you've been asked a lot of questions about this but just so it's clear was the deal you had with John Hacking 10 per cent of snack packs for '12/'13 split between yourself and John?---Um, at the start for those invoices that was 10 per cent for John only for that, those invoices, that 143,000 – and then it was split after that and then it was 20 per cent in '14. '15?---'14/'15, yes.

Yes. And when we say split you didn't actually physically split cash did you?---No. No.
20

So you actually undersupplied so you didn't have to manufacture?---That's correct.

And then you were overpaid, you were overpaid, you put, sent half to Hacking - - -?---Correct.

- - - within reason and then - - -?---Yes, correct.

Yeah. Was that, was this an exact science as far as you were concerned?
30 Were you sending exact amounts to John Hacking?---Um, that depends on the order originally. Um, it could have, I would get a phone call and say put a certain amount aside at the start and then towards the end, '14/'15 it was an exact – yes.

I put it to you that you never received a call of that nature from John Hacking?---I never received a phone call? No.

To say put aside X dollars?---Not X dollars but X amount of bags equals X dollars so I knew what the understanding, what was - - -
40

And you, sorry? Can you explain that again?---Well I understand that if I was to put - - -

You gave evidence – sorry, just stop there?---Sorry.

You gave evidence as I recall it that John Hacking would ring you on occasions and tell you to set aside dollars for payment to him, that's how I understood your evidence.

MR BREWER: I object to that question.

ASSISTANT COMMISSIONER: Yes. I object. His evidence has always been, he said set aside some bags although literally he didn't want the bags, he wanted the equivalent in money. That's what I understand this witness to say?---That's correct.

10 He would say, "If the order's 10,000 set aside 1,000 bags for me"?---It was never, yes. That's correct.

MR WHITFIELD: So 1,000 bags for John Hacking?---Yes. Put 1,000 aside. "One of those thousands are for me," or – it would be in a, not so much a dollar, a dollar amount.

I put it to you that didn't happen. I put it to you that didn't happen, the phone calls from John Hacking?---Okay.

20 What do you say to that?---I say that's – my version is it's, it was always been until that '14/' 15 was a, put a certain amount of bags aside which meant how many, it was very easy to do at \$14.50 to do the sum of what was owed.

Equals X dollars in money, is that what you're saying?---That's correct, yes.

Well, that was some sort of code was it?---Not code, it was just I understood that, that that was what was, put 1,000 aside from 10,000, or if it was 20,000, 2,000.

30 What would happen to those bags that you'd put aside?---Well they weren't ordered, that was the - - -

I put it to you that you actually controlled the money and that you paid Mr Hacking when you felt that you needed to pay Mr Hacking?

MR BREWER: Well, I object to that question?---That, that's not true. I - - -

40 No, just a moment. Just a moment. I object to that question. I mean, it's a rolled up proposition.

MR WHITFIELD: All right.

MR BREWER: It doesn't really assist - - -

ASSISTANT COMMISSIONER: Yes.

MR WHITFIELD: All right. Okay.

MR BREWER: And it might be ambiguous in terms of the witness understanding what's being asked.

ASSISTANT COMMISSIONER: Yes.

MR WHITFIELD: I put it to you never at any stage did Mr Hacking say to you, "Put aside bags." I put that to you?---That's incorrect.

10 And you – incorrect. I put it to you that never at any stage did Mr Hacking telephone you and indicate you should pay X dollars, whatever the figure was, into, into his account? I say to you he never did that?---Um, no. I received the email and then I rang him.

You received an email?---Yeah, with the, the um, the invoices.

And you received the invoices and the email. And what did that tell you?---Ah, that's when I rang and we had, we had a discussion about not putting in his bank account but to put it cash.

20

Well, let's go back. Starting in November, 2012 well, you say that was a loan. So let's go into early in the next, in the next year. You started putting money into his bank account?---That's correct.

Right. Now, I think the first amount of money, I think it was \$31,000 wasn't it? \$15,960?---Yes.

30 So did you and he have a conversation, you say, in which John Hacking said to you, "I need \$15,960 put into my account"?---No, that's why I rang because the amount and the product that was on the invoice didn't match with anything that was, that was a part of what, what was happening with, with the, the payment itself.

Well this is the first payment. This is the first payment I'm talking about – according to you leaving aside the \$38,000?---Okay.

This is the first payment of \$15,960?---Yes. That was a cumulative of that, of that season. Because the started in August and I think it went – it stopped very soon in January or end of December.

40

Who arrived at, how did you arrive at that figure?---Because that was the 10 per cent that was discussed. That was the 10 per cent that was for that, for that 2012/'13 season.

Was that the 10 per cent in your mind?---That was the 10 per cent I was told.

That you were told?---That was the 10 per cent, yes. So over that August to January um, was orders given to me on the fly with Rural Fire Service for snack packs and then I was emailed these purchase orders which then I paid. And that, one of those, that 143,000 later on was a cumulative of some of those invoices that - - -

No, we're dealing with 15,960 at the moment?---Yes.

10 When was this phone call that you, that either you made or Mr Hacking is alleged to have made to you in relation to the sum of \$15,960?---Um, the 15,000 it wasn't a phone call.

Yeah, so what was it?---Well, it was a, an email that 10 per cent of, of that, that season's invoices.

You say, you say he sent you an email with that figure on it?---That's right, that's, that's one of the - I believe it's one of the invoices, the tax invoices.

20 Right. And in relation to 31,922?---I believe that's the same as one from here, one of those AJ Broker invoices.

And in relation to 143,000?---I think that's a, I'm not, I'm not a hundred per cent sure but to the best of my knowledge it was, it was a cumulative of the leftover of the AJ Broking invoices, I think if you add up a few of those it's around 143 so they weren't paid separately, they were - - -

I put it to you that you asked Mr Hacking for those invoices, to create those invoices?---No.

30 You asked him to create them for your, for tax purposes?---No, I, I wouldn't be able to put an invoice like that in with those, with those products. He sent that through and then realised - that's why I've got an email that I had to ring and talk to him about the invoices.

Yeah, because that's because you had certain advice was it?---No advice, no.

40 See, there was a legal arrangement here or whatever you like to call it, a scam as it's been put to you, why would you pay money for that ilk, like totalling 213,000 or whatever it totals, into a bank account knowing that it was traceable?---I wasn't thinking at the time and I realised my, my mistake and yeah, it was, it was - - -

It was your mistake wasn't it?---My mistake, my mistake putting it in the account, yes.

Yeah. And you realised it was a mistake for two reasons, that there were tax invoices you'd asked Mr Hacking to create?---No.

And you also had a telephone – you had a conversation with Mr Hacking in very, very colourful terms to say this has got to stop?---No, if I could say that I could have received a tax invoice off Mr Hacking without his account details on that so I didn't, I asked for that 10 per cent, when that 10 per cent payment, I put that through again through that, that account but I did not ask for tax invoices to those amounts.

10 You had a conversation with Mr Hacking after he received the \$143,000 sometime after 31 February, 21 February, 2013, do you remember having a conversation with him?---It could have been around that time.

And he said this can't continue, you can't keep paying this money in - - -?
---To the account.

Yeah?---That's correct.

20 And then he said words to the effect, This will have to stop or words to this effect, he said to you, We've got to stop, what do you think you're doing, do you remember that conversation?---No, there might have been words of not to put it in the bank account but we've got to stop doing it, no, I, I do remember a conversation about the bank account but not, not in that, not in those terms.

And then you said to him, Well, okay, I won't do it, I'll give you cash?
---Oh, I, I don't know if I actually said that, I'm sorry.

Do you deny saying that?---Deny saying that, yes.

30 You see, there was some suggestion here that – well, he did tell the Commission that he thought you were grooming him, you started to ring him when he was sick at home, do you remember doing that?---Yes, I do remember a couple of phone calls and maybe a couple of texts, yes.

You don't remember how many times that you called him?---No, I'm not aware of the exact but I know I did do that, yes.

40 And you wouldn't be calling him on his RFS phone would you?---At one stage he did have two phones and then he had 0-5-5 something or 5, something 5-5-1 number.

That was his private phone - - -?---Okay.

- - - number wasn't it?---Well, he – I wasn't aware of that, I still had John RFS I think in, under that number in my phone.

Well, I suggest to you that you were calling him on his private phone number in the period he was rehabilitating from his accident in

September/October 2011?---Well, I was given a phone number from Mr Hacking and that was the one I used I think throughout, you'll see in correspondence even into the office it was his – well, it must have been his personal number but that was the mobile phone I was given.

Sorry, Commissioner. Now just going back to one aspect I was asking you about, was it always John who placed the orders for the snack packs?---No, not always John.

- 10 Who else placed, placed orders for snack packs?---I, I think there was at some stage Mrs Bucket and Mr Springett that I, they're the three that I remember getting, getting the orders from.

Now you were asked some questions about a shipping container at your premises. Did you have a conversation with Mr Hacking about the fact that at your factory there could be fast deployment to fire grounds and that was preferable and also that you were to keep the equipment clean before it was to be used?---With that in regards to the catering equipment that was stored in a Rural Fire container at my warehouse, that, that equipment was in the
20 container, it was used for fast deployment yes and it was under the direction of Rural Fire and Mr Hacking.

So from Mr Hacking's perspective he had it sitting there for a quick response?---Yes, yes.

Because you were able to offer a quick response?---That's correct.

- And were they – what items were they, were they the - - -?---There's a combi oven, barbecues and wash, there was a four-burner, hand wash units,
30 the plastic plates, the list goes on and on, tongs, shelving.

Does the RFS pay you any money to maintain that equipment?---Yes, they do.

How much is that?---For storage, storage and maintaining it and restocking it I think it was 15 – I'm not sure of the exact amount. I know it was in – per annum it was about 15,000 but I'm not sure of the exact amount for that.

- And did you maintain the equipment?---Yes. If you were to have a look at it now the, the equipment is maintained except for the burnishing that
40 happens on normal catering equipment in regards to barbecues that, as you know using your own barbecue, just normal burnishing that happens on aluminium and stainless steel.

Now, in relation to sums of cash that were the subject of a number of exhibits around 52 through to 55, the first one being a sum of \$11,000. I think that was Exhibit 51, Commissioner.

ASSISTANT COMMISSIONER: Yes.

MR WHITFIELD: I put, I put it to you, Mr Homsey, that you paid on that occasion a sum of cash of \$10,000 to Mr Hacking and not the sum of \$11,000 the subject of that exhibit?---My apologies if that is correct. I just note closer to the dollar was, yes, up to the 10,000.

And - - -?---I thought it might have been 11,000 but - - -

10 And Exhibit 52 relates to an amount of 23,500. I put it to you and ask you whether or not you recall that on or about 3 January, 2014 the payment was 20,000 and not 23,500?---I'm not sure if that was the one that I've said it was 20,000. I did say it wasn't 23,500. I'm not sure if that was the, the invoice.

And then on the 20th of the 12th there's also reference – sorry, I apologise. Yes, I think 13 December payment 2013 was \$20,000 and then on 20 December it says 23,000 but only 20,000 was paid. Is that right or can you recall?---Correct. I believe so, yes.

20

And I think in total in cash up to that point he'd been paid \$45,000. Is that a figure that you recall?---It would be close to. I would like to get – have a look at that and, and for that period of time.

I should put to you on the 20th of the 12th, '75 (as said) it wasn't 23,000 it was 15,000 that Mr Hacking received. Do you recall that?
---On what date, sorry?

30 I put to you it was 23,000 said to be withdrawn. On that date Mr Hacking was paid 15,000?

MR BREWER: He's being asked the date, Commissioner.

MR WHITFIELD: On 20 December, 2013. I put to him an incorrect figure?---I would like to have a look at the bank statement. I'm not sure - - -

Wold you like to have a look at - - -

ASSISTANT COMMISSIONER: It's Exhibit 53.

40

MR WHITFIELD: 53.

ASSISTANT COMMISSIONER: It's being put this occasion where 15,000 and 8,000 was taken out, Mr Whitfield is putting to you that Mr Hacking only got 15,000. Do you understand that?---Yes, I do understand now, Commissioner.

And I think you've previously said you think you gave him 20,000 of that amount?---Yeah. Yeah, I'm pretty sure it was 20. If it was – yeah, I'm pretty sure it was 20.

MR WHITFIELD: Could it have been 15?---I think it would have, it would have been closer to 20.

Now, as I understand it you're suggesting that on 3 January, or thereabouts, 2014 you've paid – well, my, my written note is the 20, 20th of the 1st,
10 2014 you paid Mr Homsey \$20,000 in cash?---Mr Hacking, sorry.

Mr Hacking?---Could, could you just – the date please.

On the 20th of the 1st, 2014 you – your evidence was you paid him \$20,000?---On that date on the January?

Yes. On about that date, yes?---Ah hmm.

I put it to you that you didn't pay him that amount of money?---Okay.
20

And you say?---I'd like to have a look at the - - -

ASSISTANT COMMISSIONER: It's Exhibit 54 I believe is what - - -

MR WHITFIELD: I believe it is.

ASSISTANT COMMISSIONER: It's 3 January you withdrew 23,500?
---And may I ask the suggestion of what I paid.

30 MR WHITFIELD: The suggestion is you didn't pay him any money, any cash on or about the 20, I think your evidence was the 21st, 20th of the 1st?
---I've only got the 3rd of the 1st here.

ASSISTANT COMMISSIONER: Yes.

MR WHITFIELD: You withdrew it on the 3rd or the 2nd or somewhere around about there and you said you paid it to him on the 20th of the 1st.

40 ASSISTANT COMMISSIONER: I don't think that's correct, Mr Whitfield. I think he was asked whether he agreed he would have paid it on or about the 3rd because that's when there's contact between them.

MR WHITFIELD: I just had a note. Well, which way I'm putting to you that you didn't pay him in January, 2014 \$20,000 in cash?---I'd like to say that I possibly did because - - -

No, hang on. Did you or did you not - - -?---Yes. Yes, I did.

And you also say on, on or about the 26th of the 2nd, 2014, which is Exhibit 55, you drew money out and you paid him \$20,000 in cash. I put to you that you did not pay him \$20,000 in cash on or about that time?---I'd like to stand and say that, no, I, I believe that I did pay that money.

10 Okay. Let's go back. So it's in January. It's not, we're not terribly clear on the date but where were you when you paid him on the – in January, 2014 where did you pay him this \$20,000 in cash, where were you at the time you physically paid him that money?---I'd like to give you an exact answer. The 3rd - - -

Or thereabouts it seems. I've got two notes. I've got the 5th and I've got the 21st – 20th of the 1st. I'm not sure why?---I wouldn't be able to tell you exactly where but it was – hazard a guess it would be at – on the Central Coast.

That's a guess. You don't know do you?---Not exactly, no.

20 And when – where were you physically in the presence of Mr Hacking on 26 February, 2014 or thereabouts when you say you gave him \$20,000 in cash?---26 February, 2014?

Yes. That's Exhibit 55 if you want to have a look at that. You withdrew – on the 26th you withdrew - - -?---May I ask what day the 26th. Does anybody – sorry, about that.

30 I have no idea. I can find I suppose – is that, no, that's not. If I could find my iPad I might be a chance but, all right, I'll find out?---Thank you. And could I also find out the 3rd of the 1st as well please.

Yeah, I'm getting there. 26 February was a, was a – it seems to be a Wednesday. Am I right about that? Just check.

ASSISTANT COMMISSIONER: Yes.

40 MR WHITFIELD: And the 3rd or thereabouts of January was a Tuesday?--- Okay. Um, I still stand that um, those, those amounts were paid to Mr Hacking. On what day that week I am not clear. Um, but those amounts are definitely ah, for that payment.

Well you remember the exact amount. You don't remember the, you don't remember doing it, is that right?---Um, I believe that it would be - - -

Well that's a belief. Do you remember or do you not remember - - -?---Not - - -

- - - doing it?---Not 100 per cent doing it, no.

You don't remember do you?---No.

Okay. Was it your practice in the period say 2012 to 2015 to take cash out of the bank for any other reason?---Yes. Yes, I took money out of the account for, for other, other purposes, to run the business.

And what were those purposes?---Day to day, day to day catering needs um, petrol. Just generally, general running of business in catering.

10 Paying staff?---Paying staff.

So you, you actually would have no independent recollection of what you did with some of the cash that you took out of the bank in that period?---Ah, not specifically down to a T but um, the larger amounts, yes.

Excuse me, Commissioner.

ASSISTANT COMMISSIONER: Yes, of course.

20 MR WHITFIELD: You, you had been working for the Rural Fire Service for some period of time had you not before you met Mr Hacking?---No. Um, no. 2009 was when I – I did one job in 2001 um, I worked, Charmhaven was an operation that needed to cater for 200 um, back in 2001 but that was just – I got involved with a, with a company that did that. But from 2001 again I went into sales. I was working for a few companies.

Before 2009 Narrabri had you met Mr Hacking?---Um, only had a conversation on the phone about coming down and seeing him.

30 Do you know how the recommendation was given to Mr Hacking?---Um, I think through ah, well I, I did ring up to reacquaint myself with Rural Fire at that stage and obviously I was informed of who was in the, who I needed to talk to in the logistic team.

Who did you call?---Oh, the front desk. I just asked if I could speak to somebody who organises catering.

But you knew Mr Springett then didn't you?---Yes I did know Mr Springett, yes.

40

Do you have any other volunteers working in your company other than Darren Hacking, RFS volunteers working in your company?---Um, I had one gentleman called Ben Bird.

And when did he work for you?---He worked ah, a lot of summers. Ah, I think 2010/'11, 2012/'13 um, and I think he did, he's been on and off in the business as a, as a cook.

And you were doing a lot of fire ground catering for the RFS weren't you after 2009?---Absolutely. I was at most sites myself, up to six sites at a time with the catering.

And how did, how did you pay your people on the ground there? How did you pay their wages?---Um, I paid some wages, obviously if they were, depending where the, where the, where the fire ground was and what staff I, I brought in for that, that job um, they would be paid at the end of the week or they would be paid cash if they only did a few shifts. Um, so it really
10 depended on the job and where I got the staff from.

And this was through catering wasn't it? This was not, not through Mr Hacking?---No, this was through catering. This was - - -

Catering?---I - - -

And in fact I think at one stage you jumped in at Christmas time and helped them out, was that, was that 2012 or something, did you jump in and help them out with the Christmas catering because no one, could do the job - - -?--
20 --Yes, that's correct, yes.

- - - in the canteen?---That's exactly right, yes.

So the logistics people knew about you didn't they?---Yes, absolutely.

And you were working for the RFS - - -?---Yep.

- - - in that capacity - - -?---Ah, well before any snack packs, I was um - - -
30 2009 through till - - -?---2012. In '12 I was doing predominantly just catering.

Yes. And nothing to do with Mr Hacking, any of that?---Um, he would arrange some of the jobs.

Yes?---But it was through the logistics team that, that I was known to, from my response, my food safety and my catering expertise in that, that field.

And in early 2012 I think you were speaking to Mr Hacking and he was
40 complaining was he about his computer or something like that?---Um, not that, not that I, I'm aware of, no.

Don't remember?---No, I can't remember.

Don't remember putting \$1,500 in his account?---Yes I do.

Yes. What was that for?---That was for um, a car chip or some sort of chip.

So it wasn't – well, maybe I got that wrong. Maybe that was for the car chip. Well, the \$3,000, what was that for later in the year in about September?---Um, the \$3,000, again I wasn't, I just put that, that was put into his account and it wasn't um, acquired for a laptop. I wasn't told about any, what you say it was for.

Well why did you pay it into his account?---Um, like the car chip I made a bad judgement error.

10 You didn't know what it was for?---No.

You just paid 3,000 into his account?---He asked if, to - - -

If I asked you for 3,000 are you going to pay \$3,000 into my account?---Not now, no.

Back then you would have?---No. Um - - -

20 Sorry. Cheeky question. Is Ben Bird's father a catering, a captain catering officer in the RFS?---Yes he is, yes.

Yeah. I have nothing further - - -

ASSISTANT COMMISSIONER: Yes. Thank you.

MR WHITFIELD: - - - Commissioner.

ASSISTANT COMMISSIONER: Ms Hall, you're for Mrs Homsey, is that correct?

30 MS HALL: Mrs Homsey, thank you, your Honour.

ASSISTANT COMMISSIONER: Mrs Homsey, yes.

MS HALL: Mr Homsey, you've told us that back in 2012 there were the transfers between your mother's bank account that you were using for your business and Mr Hacking's bank account, correct?---Correct.

40 And on one occasion that money was transferred from your mother's account to that of Mr Hacking's. Did you ask your mum to do that transfer for you?---Um, I, there was one, the transfer for 38,000, yes.

And at the time that you asked your mother to do that transfer did you tell her it was for a loan for Mr Hacking?---Yes I did.

Right. By the end of 2014 you had told your mother that you were paying John Hacking money?---Yes, correct.

And you had told her that the money was coming from the undersupply of snack packs, is that right?---Correct, yes.

Right. Your mum at that stage told you that you should stop paying John because you would get into trouble for doing so?---Yes, that's correct.

Right. After that time you continued to ask your mother to arrange for various amounts of money to be available to be withdrawn?---Correct.
10

But you didn't tell her that that money was going back to Mr Hacking, is that correct?---No.

When you say no are you agreeing with me?---Yes, sorry.

Right?---Sorry.

And when your mother was asked to arrange those amounts of money and to make withdrawals for you, she didn't ask you any questions about what the money was for?---Not – no, not in 2014 at the end.
20

All right. You knew that if you asked your mother to go and withdraw money that she would do that for you no questions asked?---Yeah, every day of the week yes.

Right. Your mother helped you in the business by packing the snack packs, correct?---Correct.

Your mother drew on her group of friends and acquaintances to help pack up the snack packs, correct?---Correct.
30

At this time, that is late 2014 your father was seriously ill?---Yes.

And I'm sorry to have to bring it up but he passed away a few weeks ago, correct?---Yeah.

And during that period, that is late 2014 to recently, your mother was caring for him in your own, in her home?---That's correct, yes.

All right. She also at that time, that is late 2014 to the present day, has your sister living with her, correct?---Yes, that's correct.
40

Your sister's children live with her as well?---That's correct, yes.

Your sister has some serious health issues herself?---Yes, that's correct, yes.

And your mother was also looking after your sister and her health complaints from late 2014 through to the current day?---Yes, that's correct.

Your sister has been admitted to hospital on a number of occasions during that period of time?---Yes, three days after my father's death, yes, for an operation.

And there have been other occasions where your sister from late last year to early this year has been admitted to hospital because of her health complaints?---Yes.

10 Right. Thank you, your Honour, that's the cross-examination.

ASSISTANT COMMISSIONER: Thank you, Ms Hall. Yes.

MR KATEKAR: Sorry, is there any others?

ASSISTANT COMMISSIONER: Mr Brewer? Mr Dunne?

MR KATEKAR: Is this for Mr Springett?

20 ASSISTANT COMMISSIONER: Yes.

MR KATEKAR: It may be convenient to lead – I've got some questions and perhaps you need to give Mr Springett some leave. I've just read Mrs Bucket's statement was tendered this morning, I wasn't able to and there's one matter arising out of that which relates to Mr Springett - - -

ASSISTANT COMMISSIONER: Yes.

30 MR KATEKAR: - - - and so I want, I need to ask some questions about that and Mr Springett's counsel might wish to ask him a question following that.

ASSISTANT COMMISSIONER: All right.

MR KATEKAR: And then I have a few matters arising. Would it be convenient for me to deal with all those things now?

ASSISTANT COMMISSIONER: Yes, I think it might be better for you to do them before Mr Dunne.

40 MR KATEKAR: First of all I'll just deal with the Bucket thing first. It's Exhibit 49, Commissioner. She says, you possibly don't need to see it, but she says this, Mr Homsey, in paragraph 13 of page 4 of the statement, "I believe that Scott Homsey and Paul live in Gosford, in the Gosford area," that's true, this is Paul Springett?---Yes, that's correct, yes.

"And I believe they know each other outside the RFS but I have never had this confirmed." She then says, "About a year ago Homsey may have provided catering to Paul for a family function." Is that true?---I did do a

catering function through Lisa Springett who is brother of Paul's wife, sorry. So yes, I have done a, a function through my catering business.

So you did it for Paul's brother's wife?---That's correct, thank you.

Not Paul's – anyway, did you charge for it?---Yes, I got paid for that.

Commercial rates?---It was, it was an Indian night actually, yes, it was.

10 Well, answer the question, did you charge proper rates for it?---Yes, correct.

All right. The second question is you mentioned that you charged \$15,000 for storing the RFS facilities?---I didn't charge it all, I was - - -

I beg your pardon?---The 15,000, it was something I was told we could give you this if you could store and have our equipment ready to go, if you could maintain our equipment.

20 Maintain the equipment and there was \$15,000 you mentioned?---I, I roughly believe it was 15, it could have been 18, I'm not sure of the exact figure.

And that's an amount you charged the Rural Fire Service?---Yes.

Did you issue invoices for it?---I believe there is an invoice that went in.

There is an invoice?---Yes.

30 And what period of time did it cover?---Ah, it's a 12 month - - -

12 months?---So I think that's been running for two years.

So we should find an invoice somewhere?---You should find an invoice there, yeah.

When, when did you issue that invoice?---It might have been, the first one was 2013 I believe.

40 Did you issue more than one invoice?---I think there's been two I think if - - -

You think?---Yeah.

Okay. All right. Now next would you be able to bring up Exhibit 55 please, you were just asked some questions about this by Mr Hacking's representative which is 26 February, 2014, two cash withdrawals and you were asked some questions about whether the \$20,000 payment was made to Mr Hacking around that time and you'll remember that you agreed with

me when I asked you a question about this that you did make that payment, you remember that?---Yes.

And it's correct isn't it that those two withdrawals, one is 10,000 from Gosford and 10,000 from Wyoming - - -?---Yes.

- - - is consistent with what you have been doing previously on a monthly basis around fire season of getting 10,000 from one branch and 10,000 from another and giving it to Mr Hacking, correct?---Correct.

10

And so when you look at that you, your recollection is that that's what you were doing then?---Looking at that and the way it was put on those two, yes, on the Gosford Wyoming it - - -

In accordance with the practice that you had otherwise developed?
---Correct.

That's my questions.

20 ASSISTANT COMMISSIONER: Yes.

MR KATEKAR: Oh, sorry, hold on. The invoices, sorry, I'm just being asked to ask you this, the invoices for the storage?---Yes.

Were they from EMCS or from D'Vine Catering?---It might have been D'Vine first because I, I think that it went back to that season where they had the changeover from D'Vine to Emergency Management Pty Limited and then it might have been EMCS after that.

30 Did you say one was in 2013 - - -?---Yeah, yeah.

- - - and one was in 2014?---Look, the dates, yeah, I know I've - - -

So it may have been one or the other?---I know that the, that the container's been there for two years roughly.

Thank you, Commissioner.

40 ASSISTANT COMMISSIONER: Thank you. Yes, Mr Dunne.

MR DUNNE: Thank you, Commissioner.

Mr Homsey, my name is Dunne and I represent Mr Springett. I have a couple of questions for you. I'll start with some questions that were asked of you this morning by Counsel Assisting, in particular to a meeting on 3 July, 2012?---Yes.

And you may recall that that specific date was identified because of a email meeting email that had been organised by Mr Springett?---Yes.

10 And Counsel Assisting placed some importance on that meeting because he asked you whether an agreement was reached at that meeting between yourself, Mr Springett and Mr Hacking in relation to three matters if I can quickly paraphrase those and then you denied that agreement, that snack packs ordered by the RFS would be undersupplied by 20 per cent, and you denied that, most relevantly the proposition was put that courier charges were to be charged to the RFS for the benefit of other people but Mr Springett relevantly and thirdly that your company was to retain John Hacking's brother to have a job in consideration of you getting work, is that right?---In, in, in – I'll, I'll answer those - - -

Well, sorry, do you remember those questions being asked of you this morning?---Yes, I do, yes.

20 And do you remember telling Counsel Assisting that you disagreed with each of those?---Ah, my recollection - - -

At that meeting?---Yes, at that meeting.

Do you agree with that?---I agree.

30 All right. Now, do you remember the meeting?---No, I don't and that's why I was very clear at the start to say that I, at that time on the – just because an email went around for a meeting that doesn't mean that it always went ahead because it was very hard sometimes to get – I think I stated that if it fell on a weekend not everybody was there so depending on who was, who was available for those meetings.

Yes, and so you don't recall if it was postponed?---I'm, I'm not 100 per cent sure on that, on that date itself.

And if Mr Hacking was absent - - -?---Yes.

40 - - - isn't it likely that the meeting would have just proceed with you and Mr Hacking – sorry, if Mr Springett was absent is it likely the meeting would have proceeded with just you and Mr Hacking?---Possibly, yes.

Now - - -?---Or it could have been cancelled.

I don't know whether this refreshes your memory but Mr Springett's employment records which are in volume 2, page 43 show in fact that he was on sick leave from 2 July, the day before the meeting, up until 9 July and so does that assist in - - -?---That does assist, yes.

And how does that assist?---Well, and if Mr Springett wasn't there it was very hard to hold that meeting with Mr Springett.

So you think it's likely the meeting would have been cancelled and not proceeded?---That's right. One or the other, yes.

I see. Thank you. Now, you've been asked questions yesterday, yesterday morning, yesterday afternoon and today about payment for what you've described as logistical services but have also been described as courier or delivery services for Rural Fire Services which involve Mr Springett?
10 ---Correct.

And that started yesterday, transcript page 21, when you had some questions asked at your compulsory conference starting with Paul Springett had to get someone to go down the South Coast and Paul had paid them cash. "The South Coast was one," you responded. Do you recall that?---I, I do recall that there was a logistic job that had to go down the South Coast, yes.

Yesterday afternoon Counsel Assisting again asked you a question,
20 transcript page 53 at point 10, "So just getting back to what we spoke about when we first started the examination, Mr Homsey, this logistics job that you referred to was a logistic job whereby Mr Springett had paid someone in cash. Do you agree?" And you agreed?---Yes.

And you were also asked some questions by Mr Moses for the Rural Fire Service which again used in their answer – sorry, used in their question the proposition that you were paying Mr Springett money – for money that he had already paid somebody. Is that right?---That's correct, yes.

30 In relation to Mr Springett, do you remember the name of the person who would provide these logistical courier services?---Ray.

Ray. Do you remember his last name?---I don't know his last name.

Ray Smith, does that - - -?---That could, yes, Ray Smith.

And can I suggest to you that whilst you agreed with the questions in the way they were framed to you the circumstances whereby these logistical courier and delivery services provided by Mr Smith were as follows. Before
40 I go into that, can I also suggest to you that in relation to Mr Springett, Ray Smith was the only person who provided these logistical delivery and courier services?---No. Danny – we, we had used Danny in our logistic business before.

I see, and in relation to Danny did you ever have cause to give money to Mr Springett?---Not with Danny, no.

Not with Danny?---No.

So all circumstances involving Mr Smith - - -?---Yes.

- - - were only – it was only Mr Smith?---That’s correct, yes.

And can I suggest to you that this was the rather irregular arrangement that applied, that Mr Smith had approached you and asked you for some work?
---Yes, he had asked if there was any work going, yes.

10 And that either – and so you subcontracted with Mr Smith to provide this logistical courier delivery service?---He did do some work for me, yes, but originally the first time Mr, Mr Smith did the courier then he asked if I had any more work. That’s correct.

That’s right, but the relationship was between Mr Smith and you in a subcontracting informal, irregular basis?---Informal, yes. I needed somebody like, when these logistic jobs come up that I could phone call and get, get a van and, and be able to, to complete these jobs, yes.

20 Okay. So the relationship was between the two of you. I say it was irregular because depending upon the needs of the RFS and Mr Springett, you may contact Mr Smith to arrange for the courier job or Mr Springett may contact Mr Smith directly to arrange the courier job. Is that correct?
---That’s correct.

Thirdly, and most importantly, on each and every occasion the logistical courier delivery job to your knowledge was performed?---That’s correct.

It was genuine?---Yes, correct.

30 Mr Smith wanted to be paid in cash?---Yes.

Mr Smith lived near Mr Springett to your knowledge?---To my knowledge, yes.

And to your knowledge Mr Springett would see Mr Smith more often than you would?---Oh, absolutely, yes.

40 And so – sorry, and so the relationship was that you would give Mr Springett cash to pass on to Mr Smith?---Occasionally, yes.

And when you say occasionally - - -?---Yes, there was one, one or two incidents where I would give Mr Springett the, the money to give to, to Mr Springett that had already given money to Ray.

That you believed that he had already given to Ray?---That’s correct.

And I suggest to you that it's Mr, Mr Springett's evidence that he didn't have the money to pay Mr Smith and that he only paid Mr Smith after he had received the money from you. Do you agree with that or disagree?--- Well, I, I'm not of that knowledge. I was asked to with the purchase order provide the money so, yeah, he could get his money back. That was - - -

And as far as – sorry, did I interrupt you?---No, you're – that's fine.

10 And was it your understanding that any of the money – sorry, let me, let me separate this. In a circumstance where in your belief Mr Smith had not been paid, was it your understanding the money that you gave to Mr Springett was to be passed on to Mr Smith in full?---Yes.

There was no commission or - - -?---No, there - - -

- - - administration fee for Mr Springett?---No. Definitely not, no.

There was no intention for Mr Springett to obtain a benefit from this?---No.

20 And although I've already put to you that your belief is incorrect, in circumstances where you believed that Mr Springett had already paid Mr Smith did you believe that you were only reimbursing Mr Springett for the amount of money he'd already paid Mr Smith?---That's right.

And so you've already admitted to what's been referred to as the skimming arrangement but in relation to Mr Springett and in relation to the logistical courier delivery services it's your understanding that this was irregular but genuine?---That's correct, yes.

30 Now, if I can take you briefly to Christmas when Mr Springett came to your premises or our office and left carrying a list for canapés and a couple of bottles of wine?---Yes.

Isn't it the case that on occasions Mr Smith would give you bottles of wine to try?---Yes, I've had bottles of wine to try.

And so it was a friendly relationship of simply sharing wines where you would give Mr Smith, Mr Springett, some wines - - -?---Correct.

40 - - - and he on occasions would give you some to try?---Correct, I'm, I'm in the hospitality business, that happens quite regularly.

In relation to the list that you gave Mr Springett for the canapés, that was a list that had prices on it, wasn't it?---Correct.

And Mr Smith intended paying for those canapés didn't he?---

MR KATEKAR: Mr Smith?

THE WITNESS: Mr Springett.

ASSISTANT COMMISSIONER: Mr Springett.

MR DUNNE: I'm terribly sorry?---Thank you. Yes, the original discussions was that we want to, I want to fix you up for that were his words and because of my relationship with Lisa and Brendan it was, it was a Christmas that went with the wine and I said that I would, my business would offer that, that canapé package.

Before I move on from that you also mentioned some sealed meat products that you wanted Mr Springett to try, some sealed heated - - -?---Yes, yeah. Cambro.

What was that sorry?---They're called Cambro.

Yes, yes. You never gave Mr Springett any of those did you?---Are we talking a food warmer or a food product?

The heat sealed meals?---No, Mr Springett never received any heat meals.

Never received those. And when we saw the video with you taking the wine and the canapés out, after that Mr Springett came back to collect the canapés, is that right?---That's correct.

And can I suggest to you that on that occasion Mr Springett said to you make sure you send me an invoice on that or words to that effect?---I don't know about invoice but can, can we fix it up, can we fix you up for that.

Yeah?---Correct.

And can I suggest to you that sometime in January, difficult to pick the time but towards the middle of January you had a discussion with Mr Springett where he again said to you when are you going to send me something about what I owe you for the canapés?---I can't recall that, that, that one.

But you accept that - - -?---It's a possibility, yes.

And although you haven't been paid for those canapés as yet - - -?---Yes.

- - - in early February 2015 the ICAC inquiry became knowledge, is that correct?---Correct.

And since that time, since it became public knowledge that there was a Commission inquiry into this, you've had no communications by phone, by text - - -?---No.

- - - with Mr, with Mr Springett?---No.

Just briefly on, on that matter in the statement of Wendy Bucket that was raised by Counsel Assisting you had known Lisa before Mr Springett, isn't that right?---Yes, I've known Lisa for 25 years.

And in fact that is how you know - - -?---That's how I was - - -

10 Know of and - - -?---Lisa actually is a Sends, not, not a Springett so I met the Sends girls and then married, they married into the Springett family.

I see. Now I think you gave evidence yesterday that when you first commenced the professional relationship with Rural Fire Services was in November 2009?---That's correct.

And you were asked some questions about whether Mr Springett, whether you'd met Mr Springett at that time?---Ah hmm.

20 And I think you said possibly, you thought, you thought that you'd met both of them at that time?---That's correct, yes.

Can I suggest to you that that's in fact incorrect?---Okay.

Can I suggest to you that in November 2009 that Mr Springett was not working in Logistics or Procurement but had been seconded to the financial department, would you accept that?---That's a possibility.

30 And that it wasn't until mid-2010 when Mr John Hacking organised a meeting to introduce you to Mr Springett, in fact that turned out to be a re-introduction but - - -?---That's right.

- - - the idea was to introduce you to Mr Springett in about the middle of 2010?---That's correct.

And that towards the end of 2011 - - -?---Could I just say that in 2009 I did see Mr Springett and he did come downstairs about the Narrabri, just briefly came downstairs with Mr - not far behind Mr Hacking in regards to that job but that, that was my only association till 2010.

40 And that was a brief association with him?---Yes, it was just a brief one.

I see. And it wasn't until late 2011 when Mr Springett ceased his secondment in financial and came back into Procurement that he had a role in Procurement while you were providing services to the RFS?---Correct.

I think I've finished, your Honour, but if you could just give me just a moment to check my papers.

MR KATEKAR: Just one matter arising, I can see the time but there's just one matter arising.

ASSISTANT COMMISSIONER: Yes, I just think Mr Dunne's not quite sure he's finished.

MR DUNNE: I'm sorry, I am finished, thank you.

ASSISTANT COMMISSIONER: You are finished.

10

MR KATEKAR: Just one matter arising.

ASSISTANT COMMISSIONER: Yes.

MR KATEKAR: Just, is the Commission to understand your evidence about the canapés in this way, that at some point Mr Springett, in accordance with a suggestion just made to you said I want to fix you up with that, that you responded that your business will provide that?---Correct.

20

Thank you. That's all.

ASSISTANT COMMISSIONER: Thank you.

MR BREWER: Excuse me, Commissioner, could I - - -

ASSISTANT COMMISSIONER: Mr Brewer, do you want to - - -

MR BREWER: I'd like to review the transcript overnight if I may, Commissioner.

30

ASSISTANT COMMISSIONER: Right.

MR BREWER: And I think that will probably be more helpful in terms of time.

ASSISTANT COMMISSIONER: All right. So you do want your client to come back tomorrow?

MR BREWER: Yes.

40

ASSISTANT COMMISSIONER: You will want to re-examine him to some extent?

MR BREWER: Yes.

ASSISTANT COMMISSIONER: All right. All right. Well, that can't be helped. Unfortunately you will have to come back tomorrow briefly,

hopefully, and then we'll move on to other witnesses. Is there anything else, Mr Katekar?

MR KATEKAR: No.

ASSISTANT COMMISSIONER: Thank you. We will now adjourn until 10 o'clock tomorrow morning.

10 **THE WITNESS WITHDREW** **[3.58pm]**

AT 3.58PM THE MATTER WAS ADJOURNED ACCORDINGLY
[3.58PM]