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PUBLIC
HEARING

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INDEPENDENT COMMISSION AGAINST CORRUPTION

THE HONOURABLE MEGAN LATHAM

PUBLIC HEARING

OPERATION NESTOR

Reference: Operation E14/1922

TRANSCRIPT OF PROCEEDINGS

AT SYDNEY

ON WEDNESDAY 4 MAY 2016

AT 10.20AM

Any person who publishes any part of this transcript in any way and to any person contrary to a Commission direction against publication commits an offence against section 112(2) of the Independent Commission Against Corruption Act 1988.

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

THE COMMISSIONER: This is a public inquiry into allegations that between 1 June, 2010 and 12 October, 2011 Linda Stewart, the then CEO of the Casino Boolangle Local Aboriginal Land Council, and Veronica Skinner, the Administrative Assistant at that Land Council, defrauded the
5 Land Council by issuing fraudulent invoices and certifying documentation to enable them to cash cheques drawn on the Land Council's CBA account for their own benefit; and that between 13 October, 2011 and 5 September, 2012 Linda Stewart, then the CEO of the Casino Boolangle Local Aboriginal Land Council, defrauded the Land Council by issuing fraudulent
10 invoices and certifying documentation to enable her to cash cheques drawn on the Land Council's CBA bank account for her own benefit.

Just before we go any further, I note that there is but one counsel seeking leave to appear in this inquiry. Is that Mr Lewis?
15

MR ROBERTSON: I think you'll find two, Commissioner.

THE COMMISSIONER: Two.

20 MR LEWIS: I am here, Commissioner, and I do seek authorisation to represent Linda Stewart.

THE COMMISSIONER: Yes. Certainly, Mr Lewis. Do you need to be so far away.
25

MR LEWIS: I find there's power down here for my laptop.

THE COMMISSIONER: That's all right. Leave is granted for you to appear, Mr Lewis.
30

MR LEWIS: Thank you.

THE COMMISSIONER: Yes.

35 MS HUGHES: Commissioner, my name is Hughes. I seek leave to appear for Veronica Skinner.

THE COMMISSIONER: Yes, Ms Hughes. That leave is granted. Without further ado could I just, sorry, confirm that the standard directions apply to
40 this hearing and unless there is a need for an adjournment after the opening I think we'll just continue straight into the evidence. Yes, Mr Robertson.

MR ROBERTSON: Commissioner, as you've just outlined, this is a public inquiry into allegations that two former employees of the Casino Boolangle Local Aboriginal Land Council, namely Linda May Stewart and Veronica Helen Skinner, engaged in corrupt contact by causing cheques to be issued
45 against the Land Council's bank accounts, and then cashing them and keeping the proceeds for themselves. The Casino Boolangle Local

Aboriginal Land Council is a Local Aboriginal Land Council under the Aboriginal Land Rights Act. Its object, like that of other Local Aboriginal Land Councils, is to improve, protect and foster the best interests of all Aboriginal people in its local area. Under the Aboriginal Land Rights Act,
5 Local Aboriginal Land Councils are subject to only limited direction and guidance from the umbrella body known as the New South Wales Aboriginal Land Council.

10 Otherwise, they're largely autonomous bodies acting under the general management of a board of directors and the day-to-day management of a chief executive officer. Linda Stewart was the chief executive officer of that Local Aboriginal Land Council between about May of 2008, until her resignation in December of 2012. She was assisted by Veronica Skinner, who was the administrative officer for the Land Council, until her
15 resignation in about August of 2011.

From time to time, Ms Skinner also performed the role of acting CEO of the Casino Boolangle LALC, including when Ms Stewart was absent on leave. While Ms Stewart was the CEO, the expenses of the Casino Boolangle
20 LALC were mostly paid by cheque, but it appears that all of the Land Council chequebooks contained bearer cheques, which were not pre-printed as not negotiable. As a result, unless they were subsequently crossed as not negotiable, or as account payee only, cheques issued by the LALC were able to be cashed by whoever happened to be present and whoever
25 presented the cheque at the Land Council's bank.

It appears that Ms Stewart and Ms Skinner have taken advantage of this for their own benefit. It appears from the evidence that has been gathered by the Commission to date that during the respective tenures Ms Stewart and
30 Ms Skinner arranged for cheques to be signed by member of their Board, that is to say the Board of the Casino Boolangle LALC for extensively legitimate expenses but would then cash those cheques at the Commonwealth Bank and keep some or all of the proceeds.

35 However, although the precise figure is not known and indeed might not be capable of being known in the context of the enquiry, it appears that at least \$80,000 of the Local Aboriginal Land Council's money was obtained in this manner. The actual figure may well be higher.

40 Ms Stewart and Ms Skinner's alleged conduct was not, not detected until about August of 2012 when discrepancies began to be noticed in the Land Council's accounts and in documents produced from those accounts such as PAYG payment summaries. Further investigations also suggest that some of the documentation which extensively supported payments made by the
45 LALC may in fact be false documents or contain false signatures.

It appears that one of the reasons why Ms Stewart and Ms Skinner's alleged conduct was not detected or prevented by the signatories of the cheques was

that those signatories appeared to trust Ms Stewart and Ms Skinner to use the LALC's funds for legitimate purposes. This was to such an extent that some of the Board members were prepared to sign cheques without supporting documentation or without complete supporting documentation.

5 Indeed some apparently also signed blank cheques trusting Ms Stewart and or Ms Skinner to complete the remaining details of the cheque in such a way to permit the payment of legitimate Land Council expenses. Ms Stewart and Ms Skinner appear to have exploited the trust that was placed in them for their own personal gain.

10

This public inquiry will further investigate their conduct and consider whether it amounts to serious corrupt conduct within the meaning of the Independent Commission Against Corruption Act. In that regard the inquiry will hear from four witnesses who have been summoned to give to evidence.

15

Firstly, Mr Charley spelt C-h-a-r-l-e-y Van Rotterdam, he was and continues to be the bookkeeper of the Casino Boolangle LALC and has held that role since 2009. He detected and reported the conduct subject to this public inquiry.

20

Secondly, Mr James, who was, who was Ms Stewart's principal successor as CEO and he co-ordinated much of the original investigations on behalf of the LALC and which culminated in a report to the police and to the New South Wales Aboriginal Land Council, I'll also be calling Ms Stewart and Ms Skinner.

25

I'll shortly tender a series of statements which have been taken by ICAC investigators during the course of this investigation. In that regard I'm prepared to consider calling one or more of the maker of those statements should Ms Stewart or Ms Skinner by their counsel wish to put particular matters to those witnesses.

30

As well as investigating as to whether Ms Stewart and Ms Skinner's conduct amounts to serious corrupt conduct within the meaning of the ICAC Act, this public inquiry will also consider whether consideration should be given to obtaining the advice of the Director of Public Prosecutions with respect to the prosecution of Ms Stewart and or Ms Skinner for any criminal offences. Those offences might include fraud and contravention of Section 192(E) of the Crimes Act or, and or might include document offences under Part 5 of the Crimes Act.

40

The inquiry will also consider whether recommendations should be made with a view to reducing the likelihood of similar corrupt conduct occurring in the future. May it please the Commissioner.

45

THE COMMISSIONER: Thank you, Mr Robertson. Do you wish to tender that bundle now or?

MR ROBERTSON: I do. I'll tender it in a series of separate bundles. I first tender five volumes described as Statements.

5 THE COMMISSIONER: Yes, those five volumes of statements will be Exhibit N1.

10 **#EXHIBIT N1 - PUBLIC INQUIRY BRIEF (STATEMENTS VOLUMES 1-5)**

MR ROBERTSON: I next tender a bundle constituted by two volumes marked Financial.

15 THE COMMISSIONER: Two volumes of financial material will be Exhibit N2.

20 **#EXHIBIT N2 - PUBLIC INQUIRY BRIEF (FINANCIALS VOLUMES 1-2)**

MR ROBERTSON: I next tender three volumes that are marked Exhibits.

25 THE COMMISSIONER: Three volumes of exhibits will be Exhibit N3.

30 **#EXHIBIT N3 - PUBLIC INQUIRY BRIEF (EXHIBITS VOLUMES 1-3)**

MR ROBERTSON: And finally I tender a single volume which is marked CP volume 1.

35 THE COMMISSIONER: And that last document will be Exhibit N4.

40 **#EXHIBIT N4 - PUBLIC INQUIRY BRIEF (CP VOLUME 1)**

MR ROBERTSON: And can I just indicate that although it's marked volume 1, it's volume, in effect 1 of 1.

45 THE COMMISSIONER: One of one, thank you.

MR ROBERTSON: And in respect of each of those exhibits I seek a direction of Section 112 of the ICAC Act, I'm suppressing personal

identifying material including bank account numbers, personal addresses, personal telephone numbers and email addresses.

5 THE COMMISSIONER: Yes, all of the personal identifying material contained within those exhibits is suppressed pursuant to Section 112. I'm satisfied that that it is necessary and desirable to do so in the public interest. Thank you.

10 **ALL OF THE PERSONAL IDENTIFYING MATERIAL CONTAINED WITHIN THOSE EXHIBITS IS SUPPRESSED PURSUANT TO SECTION 112 I'M SATISFIED THAT THAT IT IS NECESSARY AND DESIRABLE TO DO SO IN THE PUBLIC INTEREST**

15

MR ROBERTSON: May it please the Commission. I call Charley Van Rotterdam.

20 THE COMMISSIONER: Just come forward, Mr Rotterdam. I appreciate that you're not legally represented today, is that right?

MR ROTTERDAM: Yeah.

25 THE COMMISSIONER: Just take a seat. I just to explain something to you about the procedure that we follow here at the Commission. You are obliged to answer all the questions that are asked of you truthfully and you must do so even if answering those questions might involve you in the disclosure of some form of wrong doing. Because you don't have the
30 option of claiming any privilege in relation to those answers, the Act allows me to make an order that effectively protects you from the use of your answers against you in any future civil or criminal proceedings. But that order does not protect you if it should be found that you've given false or misleading evidence to the Commission. Do you understand that?

35

MR VAN ROTTERDAM: Yeah.

THE COMMISSIONER: Pursuant to section 38 of the Independent Commission Against Corruption Act, I declare that all answers given by this
40 witness and all documents and things produced by this witness during the course of the witness's evidence at this public inquiry are to be regarded as having been given or produced on objection and there is no need for the witness to make objection in respect of any particular answer given or document or thing produced.

45

PURSUANT TO SECTION 38 OF THE INDEPENDENT COMMISSION AGAINST CORRUPTION ACT, I DECLARE THAT

**ALL ANSWERS GIVEN BY THIS WITNESS AND ALL
DOCUMENTS AND THINGS PRODUCED BY THIS WITNESS
DURING THE COURSE OF THE WITNESS'S EVIDENCE AT THIS
PUBLIC INQUIRY ARE TO BE REGARDED AS HAVING BEEN
5 GIVEN OR PRODUCED ON OBJECTION AND THERE IS NO
NEED FOR THE WITNESS TO MAKE OBJECTION IN RESPECT
OF ANY PARTICULAR ANSWER GIVEN OR DOCUMENT OR
THING PRODUCED**

10

THE COMMISSIONER: Would you like to be sworn or affirmed?

MR VAN ROTTERDAM: Sworn.

15

THE COMMISSIONER: All right. We'll have the witness sworn, thank you.

<JEAN JACQUES CHARLES VAN ROTTERDAM, sworn [10.29am]

THE COMMISSIONER: Yes.

5

MR ROBERTSON: And can you state your full name, please?---It's Jean Jacques Charles Van Rotterdam.

And you're also known by the name Charley?---Yeah.

10

And when you're known by that name how was Charley usually spelt?
---C-h-a-r-l-e-y.

L-e-y, rather than L-i-e, is that right?---Yeah.

15

And are you the bookkeeper for the Casino Boolangle Local Aboriginal Land Council?---Yes.

20

And did you give a statement to the Commission in connection with this investigation?---Yes.

Can I ask that the witness be shown volume 4 of Exhibit N1 which is the Statements volume. Mr Van Rotterdam, do you now have a folder in front of you marked Statements volume 4?---Yeah.

25

If I can just ask you to turn to page 85 of that volume?---Yeah.

Is that a copy of the statement you just referred to?---Yes.

30

And you confirm that that's true and correct to the best of your knowledge and belief?---To the best of my knowledge, yes.

And just put that folder to one side. Keep it with you because I'll ask you a few other questions about it?---Yeah.

35

Were you the bookkeeper of the Casino Boolangle Local Aboriginal Land Council from about April of 2009?---I think so, around about then, yeah.

40

And do you recall how you came to appointed to that role?---Well at the time the Land Council's books were in a mess. I was recommended by Andrew Riley to set it all up again.

45

Can you just explain who Andrew Riley is, please?---Andrew Riley was the zone director of New South Wales Aboriginal Land Council in Coffs Harbour and that's how I came to get the job.

And you said the books were in a mess, what do you mean by that?---Well, Lou was not particularly good at accounting. But what happened - - -

So just pausing there, when you refer to Lou, you're referring to Linda Stewart, is that right?---Yes, yeah.

5 And was she the CEO of the Land Council at that point?---She was the CEO at the time, yeah. Yeah. But what had happened is she'd gone back into the data file and deleted or ended up deleting a whole pile of wages, so nothing reconciled, nothing was there and she didn't know how to get it back. And it was, yeah, it was a big mess.

10 Now in terms of wages generally, did you come to any view early on as to whether statutory requirements had been complied with, with things like PAYG superannuation and the like?---Well, when I first got there we had, she had – she was - with the Tax Office she was on monthly basis, but there were nearly two years, I think of BAS's that hadn't been done and I had to go through all of that as well. So she wasn't, she wasn't complying.

So you're saying in effect that a series of monthly lodgements were out of date by say a period of about two years, right?---Yeah.

20 And where PAYG payments, were they being made - - -?---No.

- - - as they should be from time to time?---No.

25 What about superannuation?---Super, sometime super was paid and sometimes it wasn't. There were superannuation payments made but were, you know, well behind.

30 And then can you just explain in general terms what your role as bookkeeper involved?---Data entry and at the time setting up a whole new data file because the other one was a waste of time just couldn't be fixed. And I started - - -

35 And did you do that as an employee of the Land Council or did you do that as a contractor?---As a contractor. Yeah. I work for myself. I have a number of other jobs.

So when you say a number of other jobs is that for other - - -?---Yes.

40 - - - Aboriginal Land Councils as well?---Yeah. As well. Now we're going back to the data file, aren't we?

45 Yes?---Yes. It was, as far as I was concerned a huge mess. It didn't match up with the audits that were produced each year. The balance sheet was way out of whack. And because of the BAS's and the super, I had to go back, redo all the BAS's and, or actually do them and lodge them with the ATO and I think we ended up with a debt to the ATO or something like 45, \$50,000.

Now whilst you were the bookkeeper when Ms Stewart was the CEO, what were the arrangements in terms of paying expenses, how were they paid, was it by electronic funds transfer - - -?---No.

5

- - - or was it by cheque, was it by - - -?---No, no, no. There was no electronic funds transfer, it was always by cheque. The process was the cover sheet, an invoice and the cheque written out.

10 But no electronic funds transfers?---No electronic – well we were, as far as wages were concerned, in the beginning there were direct debits. Now a lot of Land Councils started out with direct debits mainly because it's not always possible to get a signatory on time, you know and people like their wages paid on time. I changed that in so much as auditors particularly
15 dislike direct debits of the same amount each week because it may not reflect time worked.

So is that because for example, someone might've done overtime or someone might need to be paid a different rate?---Someone might've done
20 overtime, someone mightn't have done things, there might be - - -

Or might've had - - -?---Yeah. All that.

- - - unpaid time off or something of that sort?---Yeah.
25

In terms of your own payments how were you paid for your work as bookkeeper while Ms Stewart was the CEO?---Well at the end of each month I would email her an invoice. At the time you know, a couple of times I got cheques. Most times she would deposit money into my bank
30 account.

And did you know at the time that you were receiving those payments that some was being received by cheque and some was being received by cash? ---No, I didn't. I have a bank account that's a credit union and it doesn't
35 actually show up on the straight statement (not transcribable) so much deposited.

So when did you find that out?---Well, there was time when there were three cheques cashed in Lismore and I happened to notice that the one
40 number was the cheque made out to me and I thought Lou, what are you doing, why are you cashing my cheque early in the month and then depositing late in the month into my bank account and that's when I started to – that was my first indication that something was desperately wrong.

45 And so was that in about 2012?---It was.

And so having noticed that what did that cause you then to do?---Well, I looked first – I think that one was made up – the deposit, once I drilled

down into the bank statement the deposit was made up of part cash and part cheque. I – Lou was actually coming around to my place with paperwork a day or two later or something and I actually talked to her. I said, you know, “What, what on earth are you doing here? You know, why cash a cheque
5 early in the month and then deposit late in the month?” She says, “I always do that. I keep the cash and then I put it into your bank.” I’m thinking, yeah, you’re nuts.

And that was not something that you knew or could have known - - -?---No.
10 - - - until you spotted the particular cheque you’re now referring to?---Until I spotted that, yeah.

Is that right?---Yeah. That’s when I rang Mr Riley in NSWALC and
15 explained that I have major concerns here of what was going on and it just blew out from there.

Now, did you do any investigations at that point as to whether there were
20 any cheques that might have been issued in your name but not ultimately received by you in - - -?---No.

- - - by way of a cheque or the cash equivalent?---No, that I didn’t know about at all.

25 But having found out this information you’ve just told us about did you further investigate that matter?---I didn’t know about the cheques made out to me - - -

Yes.--- - - -at the time. That came later.
30

Sorry. I’m saying in 2012 once you knew that there were amounts that have been cashed into your bank account did you do any reconciliation as to the amounts that you’ve received and how they matched the other paperwork that you were given?---Yeah, they match my paperwork.
35

Yes.---As in what I invoiced out I got back but I didn’t know about any other cheques that had been supposedly made out to me at the time. I only found that out later.

40 And when you say later, is that a reference to an interview that you had with the Commission in about July of 2015 when you were shown a series of cheques?---There was one before – yeah, that was the main part when they say there’s a cheque here written out to you, the cheque – because what the Commission had done of course is gotten photocopies from the bank.
45

Could I just ask you to turn up your statement again - - -?---Yeah.

- - - which is at volume 4 of Exhibit N1?---Where am I, what page?

And can I ask you to turn to paragraph 20 which you'll see on page 92 using the small numbers in the bottom right-hand corner?---Yeah, cheque number 1-1-1-5-8-2.

5

Now, from paragraph 20 onwards, is that where you deal with the particular cheques that you were asked to have a look at?---Yeah.

I'll just hand you this document. Does that appear to be a summary of the cheques that you were asked to look at on 21 July, 2015 and that you refer to at paragraphs 20 through to 25 of your statement?---I think so, yeah.

10

And so does it - - -?---(not transcribable) two, four, seven of them. Oh.

And so does it follow from that that you became aware of a series of cheques that sum to that total value there of \$8,340.35 which appear to be issued in your name but nevertheless were not banked in your bank account?---They were never banked in my bank account.

15

But to be clear, the table that you now have in front of you, do you agree that that's a fair summary of a series of cheques that seem to be issued in your name?---Yeah.

20

But you never saw either in terms of - - -?---I never saw and I never - - -

25

- - - the cheque itself or the money in total - - -?---No.

- - - being banked into your bank account?---No, it was never in my bank.

I tender that document, Commissioner.

30

THE COMMISSIONER: Yes. That document will be Exhibit N5.

#EXHIBIT N5 – CBLALC CHEQUES ISSUED TO CHARLEY VAN ROTTERDAM BUT PROCEEDS SAID NOT TO BE RECEIVED BY HIM

35

MR ROBERTSON: Now, if we go back to 2002 where you spotted - - -? ---2012?

40

- - - certain matters and you had concerns and you raised them with the New South Wales Aboriginal Land Council, what further steps did you take after that in connection with this matter?---Well, I talked with, with Andrew about this. We had a - - -

45

Andrew Riley, are you referring to?---Yeah, Andrew Riley. I actually called the auditor at the time, Trevor Graham, and said, you know, we have a problem here, and the audit was coming up I think, the 2012-2013 audit was coming up that we needed to really go through everything.

5

At least at that point in time what was your assessment as to what the problem actually was?---How do you mean, as in - - -

Well, you said you've identified a problem and you've reported it - - -?
10 ---Yeah, well - - -

- - - in effect up the chain?---?- - - we needed to find out how much there was.

15 Yes?---How much had been taken and how big it was.

THE COMMISSIONER: But when you say taken, you'd already formed the view that there was an element - - -?---Already formed the view - - -

20 - - - there was an element of - - -?---Yeah.

- - - of misappropriation - - -?---Well - - -

- - - not just accounting irregularities?---Yeah. There was also before that I
25 think - I'd, I'd gone to a funeral in Grafton and the one William Walker who's a friend of mine and I talked to him at the time, I said, "Bill, you know, have you done any work for, for Boolangle?" He said, "I haven't done any work for years." I said, "Well, you're going to get a group certificate." And that's - - -

30

Right?---That built it out even further.

MR ROBERTSON: Now, when you say - I'm sorry, Commissioner.

35 THE COMMISSIONER: That's all right.

MR ROBERTSON: So when you say, well, you're going to get a group certificate, why was that so?---Well, he was going to get one because he was, he supposedly had gotten cheques from, done work for the Land
40 Council.

So presumably some data was coming to you as bookkeeper which indicated that - - -?---Yeah, that - - -

45 - - - he was in fact working. Is that right?---Yeah, that he'd worked a couple of times I think.

Can you just explain as a practical matter how that data or how that information would come to you while Ms Stewart was the CEO?

5 ---She's make out a timesheet effectively that she signed off on and said, you know, here's \$595, you know, Bill, site worked, and a cheque had been or a photocopy of the cheque would be there and I put it in as that.

And the timesheet you're referring to, is that signed by, just by someone in the position of Ms Stewart - - -?---Yeah.

10 - - - or is it also signed by the employee as well or it just depends?---Not often signed by an employee. It's often hard to get the employee because he's out and about to actually come into the office and sign it.

15 But on the faith of a document like that - - -?---Yeah, with that - - -

- - - you assume that that was a payment - - -?---Yeah.

- - - properly made?---Yeah.

20 You assumed that the cheque was a cheque issued in respect of that amount and that then fit into the data that you put into the bank accounts, into the accounts?---Well, that's the only information I had so - - -

25 Yes. And in terms of invoicing, were you responsible for invoicing or was that done by Ms Stewart - - -?---That was done by - - -

30 - - - and Ms Skinner?--- - - - by Linda, yeah. I wanted to do the invoicing but when it came to the sites work she was always that far behind and what I wanted to do was match up the payments with the invoicing, you know, all right, you've done so much work here, we need to invoice these guys, and Linda would just come back and say, "I'll get to it, I'll get to it."

35 But how would you know the invoicing was actually done to then put into the books?---Yeah, well, that's just it.

So sometimes what, you wouldn't know and you wouldn't necessarily have the invoice?---Yeah, no, exactly.

40 And you've talked to us about the data with respect to site workers and timesheets and the like, what about other expenses such as say rent expenses or general outgoings and the like, what - - -?---Most of those were I would imagine fairly legitimate. There were a couple of times where I got the same invoices twice and it seems we paid twice for the same job um - - -

45 But focussing just on the data that is being provided to you, what would you ordinarily receive, would you always receive a photocopy of the cheque and supporting material or would you sometimes receive it and sometimes not or was it - - -?---Sometimes not. Sometimes I'd get a pile of paperwork, you'd

go through it, try and match up the various things and there would always be a cheque or a payment or two missing, in which case I'd ring her up and sort of say, oh, and she'd say, oh, that one's for Graham Randall or that one's for this, you know, and I'd put it in on the basis of that.

5

So does it follow from what you've just said that there was at least some expenses while you were bookkeeper and while Ms Stewart was the CEO where you had no actual physical supporting documentation - - -?---Where actually I had no physical - - -

10

- - - but you had to proceed on the faith of what - - -?---Yeah.

- - - Ms Stewart might tell you?---Yeah, exactly.

15

And was it always Ms Stewart or did Ms Skinner sometimes perform that kind of role?---There was a time when Lou was on long service leave when her father was dying and Veronica was there. I'd come in, I don't remember having too, too many issues then.

20

You referred a moment ago to group certificates. Are they also called PAYG payment summaries?---Yes.

25

And having noticed that certain group certificates or payment summaries would be sent out showing amounts of money being paid when it seemed that they weren't paid, did you take any steps regarding that matter?
---Well, the first time I noticed that was like, as the bookkeeper I would send the group certificates or the payment summaries to the CEO to pass out. Now, the year that we found all this out, the one that came up most of all was Graham Randall who was having issues with Centrelink once he got his group certificate, he said, "Charles, I didn't earn this much money, you know, there's no way I earned this," you know, and it was a big problem for him at Centrelink. And I said, well, you know, "That's what Linda has put in, that's what I'm assuming that you've, you've worked." He said, "I only did two jobs this year." And I've got him down for a whole pile.

30

35

And so having been told that, what further steps did you take?---Well, apart from trying to fix up Graham's group certificate with Centrelink, we went through everything and I had to change that, there was the issue with his superannuation where there was a cheque made out for Graham's super and this was when the auditor and I were going through the audit documentation and everything else and I called Graham in, asking for his superannuation statement, saying we've got a payment here into your super supposedly, if you bring your superannuation statement in we can see when you got it, and at the time he never got it.

40

45

So just to summarise that - - -?---So it was a - - -

To just summarise that - - -?---Yeah, to summarise that - - -

- - - you were aware, you were aware of cheques that were issued ostensibly to pay superannuation but at least in Mr Randall's case that cheque hadn't been banked into his retirement savings account?---Yes, exactly.

5

And was that an issue just with respect to Mr Randall or was that an issue with respect to others as well?---I think there was a, there was a few super cheques that went like that, yes.

10 Now, are you still the bookkeeper - - -?---I'm still the bookkeeper.

- - - at the Local Aboriginal Land Council?---Yeah.

15 Have you taken any steps to try and avoid the kind of, I think you used the word problems, that arose while Ms Stewart was the CEO?---Well, we're now on net banking, Internet banking, which is as far as I'm concerned, much more auditable.

20 And so how does that work as a practical matter, who is able to authorise payments through that system?---Well, it's authorised by the payment voucher by the CEO and a director. I get the paperwork and I process the payments. So what I get I process.

25 So when you say process the payments, you in effect press the button that causes the electronic - - -?---I press the button, yes.

- - - transfer to happen?---Yeah.

30 But you don't do that without a piece of paper confirming that the CEO - - - ?---I don't do that without, yeah, exactly.

And is it one or two Board members who have to sign off on it?---Well, if the CEO authorises and the Board, well, the CEO whatever, she signs off and it's one Board member.

35

One Board member?---Yeah.

And what was the case when Ms Stewart was CEO, it was not through net banking as I understand it, it was - - -?---Then it was two - - -

40

- - - it was often by cheque?--- - - - two Board members on a signatory on the, on the cheque, but also two signatures on the back of the cheque, so she could cash the cheque.

45 And did Ms Stewart or Ms Skinner have any signing authority over the accounts or was it just the Board members?---Not then, no.

5 And was it just one account or were there multiple accounts?---There were, I think there were four accounts. There was the grant account, there was the repairs and maintenance account, a rent account and a basic operating account, admin account.

And you were responsible for in effect keeping the books with respect to all of those four accounts. Is that right?---Yeah, yep.

10 Nothing further.

THE COMMISSIONER: Does anyone have any questions for Mr Rotterdam? Yes, Mr Lewis?

15 MR LEWIS: Just one area, Commissioner. Mr Rotterdam I'm representing Linda Stewart.---Yep.

I'll just take you back to earlier in your evidence you may recall the time when you first mentioned the name Lou.---Yeah.

20 Do you remember that?---Yep.

Right. And you said that she had removed a lot of data from the, was it from the wages part of the database?---Yep.

25 Now I'll just ask you this, how do you know that she did that?---She was the only one at the time – well I think, all right, I say she, she was the one that she admitted to me that she tried to go back and amend a wage and in order to do that she had to redo them all.

30 All right.---That's what she told me.

Okay. So you're just relying on that conversation for that part of your evidence. Is that right?---Yep.

35 Thank you. Nothing else.

THE COMMISSIONER: Yes, thank you Mr Rotterdam. You may step down. You're excused.---Okay. Thank you.

40

THE WITNESS EXCUSED

[10.51am]

45 MR ROBERTSON: I call Ross James.

THE COMMISSIONER: Yes, Mr James, you're not represented here today?

MR JAMES: No.

THE COMMISSIONER: Just take a seat. Could I just explain to you as I did to Mr Rotterdam, were you here during that explanation?

5

MR JAMES: Yes.

THE COMMISSIONER: Yes. You understand that the order that I can make protects you from the use of your answers in any future civil or criminal proceedings but it doesn't protect you if it's found that you've given false or misleading evidence. Do you understand that?

10

MR JAMES: Correct.

15 THE COMMISSIONER: Pursuant to section 38 of the Independent Commission Against Corruption Act, I declare that all answers given by this witness and all documents and things produced by this witness during the course of the witness's evidence at this public inquiry are to be regarded as having been given or produced on objection and there is no need for the witness to make objection in respect of any particular answer given or document or thing produced.

20

25 **PURSUANT TO SECTION 38 OF THE INDEPENDENT COMMISSION AGAINST CORRUPTION ACT, I DECLARE THAT ALL ANSWERS GIVEN BY THIS WITNESS AND ALL DOCUMENTS AND THINGS PRODUCED BY THIS WITNESS DURING THE COURSE OF THE WITNESS'S EVIDENCE AT THIS PUBLIC INQUIRY ARE TO BE REGARDED AS HAVING BEEN**

30 **GIVEN OR PRODUCED ON OBJECTION AND THERE IS NO NEED FOR THE WITNESS TO MAKE OBJECTION IN RESPECT OF ANY PARTICULAR ANSWER GIVEN OR DOCUMENT OR THING PRODUCED.**

35

THE COMMISSIONER: Do you wish to be sworn or affirmed, Mr James?

MR JAMES: Sworn, thanks.

40 THE COMMISSIONER: Yes, thank you. Swear the witness.

<ROSS WILLIAM JAMES, sworn:

[10.52 am]

5 MR ROBERTSON: Can you state your full name, please?---Ross William James.

And were you the acting CEO of the Casino Boolangle LALC between about November of 2012 and February of 2014?---Yeah.

10 And have you given a statement to the Commissioner in connection with this investigation?---Yes.

Can I ask that the witness be given access to volume 5 of Exhibit N1? Mr James, you now have volume 5, marked statements?---Yeah.

15 Can I just ask you to turn to page 49 of that volume, just towards the end of the volume?---Got it.

Is that a copy of the statement to which you referred earlier?---Yes.

20 And do you confirm that that's true and correct to the best of your knowledge and belief?---Correct.

25 Can I just ask you to explain the circumstances that led to your appointment as acting CEO?---I'd worked at another Land Council and retired. And I received a phone call, I think some time in October 2012, from Andrew Riley, inquiring as to whether I wanted to get back on board.

30 And Andrew Riley is a zone director at the New South Wales Aboriginal Land Council, is that right?---Correct, yes. So, he said what he'd have to do is take it up with the current board at Casino LALC. And, you know, should they be in agreeance, then he would get a motion passed that I be appointed as an acting CEO. Pardon me.

35 And did that ultimately occur?---Yeah, towards the end of November.

40 And were you charged with any sort of specific duties as part of that appointment?---The primary duty was to try and get the Land Council back on a financial footing. My memory is that there was probably around \$500 left in the bank account and huge, you know, hundred thousand, two hundred thousand dollar debt relating to ATO, a legal matter. It was just a huge amount of money.

45 And having been charged with that, what kind of investigations and steps did you take in that connection?---With being charged with getting it back on track, the first thing I did was we changed from cheque to net banking. Sorry about my nose.

No, that's fine.---I've got the flu. And we - - -

Why did you take the view that that was an appropriate course to take, to change from cheque to electronic funds transfer through net banking?---The
5 preliminary advice given to me at the time was that the cheques were being cashed. So, to overcome that, we set up the system, the payment voucher as usual, the invoice, and that would be then net banked. Now, early in the piece, um, the Land Council, because of its financial predicament, went on a payments made basis. Land Councils get funded, depending on their status,
10 an amount of money per month, per quarter, per six months. Right? When you're on a funded, you know, payments made basis, all of your invoices, time sheets, whatever, have to actually be sent down to NSWALC at Coffs Harbour for them to process the payments. But then that's all done electronically. And then later on, as the matters progress, we were able to
15 get back in and just do the payments as normal through the electronic banking system.

And you referred a moment ago to a concern about cashed cheques. Did you conduct any investigations or cause anyone else to conduct
20 investigations regarding that matter?---Not right at that moment. When I started, it was find out what the problems were, how do we overcome them. And then the next part of it, there is a requirement under the act that the CEO must report any apparent fraud through to NSWALC zone office and to the police. And so within a few weeks to a month, I had put together
25 some information for the police.

And did you do that on your own or did you do that with an assistance of an auditor, accountant or - - - ---Just me.

30 - - - someone of that sort? Can the witness be given access to volume 2 of Exhibit N1, which is the statements volume? Was one of the matters that you investigated in connection with cashed cheques, did that pertain to something called a deb ball or a debutante ball?---Oh, yeah. Yes. There was seemingly funding coming through the Richmond Valley Council for a
35 deb ball. So that's for the younger folk. And what I found out was that there was a payment made to the Casino RSM, like an RSL Club.

Because RSM stands for Returned Services Memorial Club?---I think so. Even though I'm a member, I wouldn't have a clue. And I went around and
40 met with the manager, Neil. Trying to remember his name. Anyhow. And I showed him an invoice from their club for \$1,000.

Just pause there. Can I ask you to turn to page 119 of volume 2, which is now in front of you? Exhibit N1, volume 2, page 119, with the very small
45 numbers in the bottom right-hand corner of the page.---Yeah.

Is that a copy of the invoice that you were just referring to?---Yes.

And so I think you were saying you had a meeting with the relevant gentleman and referred to the invoice. What happened then?---He made an inquiry of staff. Found, advised me that Rhonda O'Leary had in fact left the RSM some months prior to this document being prepared.

5

So when you're referring to Rhonda O'Leary that's the person that matches on that very document?---Correct.

10 Referred to there as the Functions Assistant. Is that right?---Yeah. And that there was no evidence either in their cash system or their bankings of any moneys ever being received.

15 And what other investigations or anything did you do with respect to that matter of the deb ball?---Not much really. There was not much I - - -

Did you investigate as to whether the Casino Boolangle LALC had in fact paid any amount or - - -?---Yes. Oh, they paid an amount and the cheque had been cashed.

20 Yes. So to summarise that, you came to the view that there was a cheque that was made out to the Casino RSM. Is that right?---To the best of my knowledge, yes.

25 But that it was cashed?---Yeah.

But the proceeds were never in fact received by the Casino RSM. Is that right?---Yeah.

30 Was another matter that you investigated pertaining to a bill to Hinterland Legal?---Yes.

35 And can you explain what that aspect of your inquiries involved?---Well, basically there was a legal matter on foot at the time involving a lease on a property. The Land Council had entered into this lease but it couldn't afford to take it on, primarily because of Council regulations and a few other things. The lease had been prepared by a real estate agent acting for the owner and basically it said words to the effect, if you don't take up the lease you owe us money for the full - it's a commercial lease and it was for the full term of the lease. How Melissa Begg from Hinterland Legal got
40 involved I don't know. So she was already giving legal advice to the Council, getting statements and during the course of that had presented to the Land Council an account for around \$2,000 roughly for out-of-pocket expenses not for her time. She was doing it pro bono I believe is the term.

45 Can you just pause there for a moment. Can the witness be given access to volume 2 of the exhibits brief which is Exhibit N3?---Thank you.

If you just turn to page 171 of that volume again using the small numbers in the bottom right-hand corner?---Lucky I brought my glasses.

Yes.---It's very small.

5

It's also on the screen in front of you as well or will be shortly.---No, it's not. Now it is. Yeah.

I think you referred to a bill or an invoice of \$2,000 before. Is that right?

10

---That's right.

And was that a reference to this document that's now in front of you at page 171?---Yes.

15

And I think you were explaining that it was intended to be pro bono perhaps and then there was a bill. What happened from there or what did your inquiries show?---Well, I simply – this was for out – well, what I call out-of-pocket expenses that she was referring to and some attendances. What I did was I rang Melissa and I said well, you know, according to this, you know, we had a huge amount of negotiations to do with this lease that was in dispute and during the course of that I said to Melissa well, you've been paid 2,000 and she said no, I ain't. So I then explained that there was a cheque drawn, it had been cashed and she said, "I have never received the money."

20

25

And when you refer to the cheque, if you just turn to page 169 of the same volume. This is volume 2 of exhibits which is Exhibit N3.---Yeah.

Do you see there a cheque addressed to Melissa Begg?---Yes.

30

Is that the cheque that you were just referring to?---I believe it is, yeah, done in July.

And so you were saying you told Ms Begg that there was a cheque and it had been issued to her and then what happened at that point?---Well, I inquired at the bank and they told me it had been cashed.

35

And did Ms Begg indicate whether or not she had received – she or her firm Hinterland Legal had received the proceeds of the cheque or not?---She indicated that she had not received any money and it was - - -

40

So does this therefore fall in a similar category to the deb ball, there's a cheque which seems ostensibly issued to the right party or to an appropriate party, it's then cashed and then the money disappears one way or another? ---I wouldn't say it was the appropriate party but knowing how some Land Councils work it would be not that difficult to instead of putting in Hinterland Legal which should be the name on the cheque, put in the name of the solicitor that you're dealing with day to day.

45

Yes. But it seemed clear from that inquiry that one way or another the proceeds of that cheque hadn't been received by either Ms Begg or by her firm Hinterland Legal?---Correct.

5

Did you also make any inquiries with respect to a firm called Schneider Plumbing?---That's how I got my grey hair on that one. Yes, I did.

And what did those inquiries reveal other than a change in hair colour?
10 ---What we, what, what we found – sorry. Schneider Nelson kept saying you owe us money. Schneider Nelson did plumbing work for the Land Councils on houses that they own or manage and we kept saying no, everything seems to be paid. So after a considerable period of time we tried to match invoices that had been paid against ones that hadn't and then we
15 came across this cheque which had been cashed at the Commonwealth Bank. As a result of that I made inquiries with a lady there and she provided me with a document, an email saying that neither her nor any of the partners would go into the Commonwealth Bank and nor would they cash any cheques, they'd be putting them in the account.

20

Can the witness be given access to volume 2 of the exhibits.

THE COMMISSIONER: Yes.

25 MR ROBERTSON: Which is Exhibit N3, and I'll ask you to give volume 3 back otherwise you'll run out of room?---This is volume 2.

Oh, you do have volume 2?---Yeah.

30 Can I ask you to turn to page 178, again with the tiny numbers in the bottom right-hand corner?---Yeah.

You referred to an email a moment ago. Is that the email to which you referred?---Correct.

35

If you turn back a page, back to page 177, I think you made reference to a cheque as well. Is that the cheque to which you're referring?---To the best of my knowledge it is. There should be a spreadsheet where we tried balancing what was owing and what wasn't owing.

40

When you were giving an earlier answer with respect to this payment you said something along the lines of everything seems to have been paid and everything seems to be fine, that was based on what – what information were you looking at at that point, what was showing you that this particular
45 account had been paid?---Well, it wasn't one account, it was a number of accounts - - -

Yes.--- - - - of smaller amounts and - - -

Why did you think at that point of your inquiry that it had in fact been paid?
---The document that I came across indicated that those invoices had in fact been paid.

5

But what, what document are you referring to now, are you referring to an authorisation document or are you referring to accounts?---The, the authorisation and then my summary in my spreadsheet.

10 If you turn to page 176 of that same volume.---Yeah.

Is that the authorisation document you're now referring to or is there some other document?---No, that's the one that's authorised by the two directors.

15 So in short, you see the document at page 176 which in effect confirms authority for payment, you see the document at page 177 which is a copy of the cheque and on that basis, at least as a starting point, you assume that that amount of \$992.20 has been paid. Is that right?---Mmm.

20 Is that correct?---Yes.

But ultimately you find that that cheque has been cashed?---Correct.

25 But you find out in part through Ms Nelson's email on page 178 that at least in their view of the world they would never cash a cheque. They would expect to receive the cheque and they'd bank it into their bank account. Is that right?---Yeah.

30 Now, did you have any inquiries with respect to the payment of wages for employees of the, of the Local Aboriginal Land Council?---Probably started early in the piece when Graham Randall advised me as he had advised Charley that he'd just never earn that much money during the financial year. So I then started to prepare - - -

35 So when you say that amount of money, is that a reference to the amount of money identified on his payment summary?---On his PAYG, yes. I then started to put together a spreadsheet showing wages which were the amounts, cheque number, et cetera that had been input by Charley, all right. So he was doing the inputting based on what was in front of him and then I
40 would have to go and from there try and track down whether there was a timesheet or whether there was a payment made, all of those sort of things.

45 Do you still have volume 5 of the statements with you which is the first of the folders I took you to as an Exhibit N1?---Page number?

Go to page number 91. You should hopefully see a colourful table?---Not real colourful but anyhow.

But at any event you see in front of you a table. In the top left hand corner there's a reference to Metgasco.---Right.

Do you see that there?---Yep.

5

Now is this one of the outputs of the investigation or the inquiries that you were referring to a moment ago?---No. I started doing wages first.

10 Yes.---And then I was trying to match up invoices that go with the – most of the wages – so I can go through it easy – most of the wages were for the CEO, whoever that may have been and sites workers.

15 Now when you say sites workers what do you mean by that?---So they would be, the Land Council would be engaged by a company to send out a person with some knowledge of sacred sites, those sort of things. Areas where not to go. The Land Council would charge that company some money and the employee, and I use that word loosely, would get paid some money.

20 And the table that you have in front of you is that an attempt to make some sort of reconciliation with respect to the site?---I've never ever seen that one before.

25 We must be looking at different documents.---Someone's gone in and fiddled with it because I can tell you the Metgasco ones are much different.

Can you go to page 73 of your statement.---Yep.

30 Is that a table that you've prepared or a table that's been prepared by someone else?---No, it looks like the one I've prepared. There should be more pages over to the right hand – ah, there they are there. Yep.

35 So is that document there starting at page 73, is that an attempt to reconciling the issue you just raised in respect to site officers?---Correct. So what we're trying to do is we have an invoice made out to, in this case, this has filtered down to Metgasco but there's a whole lot of others. The invoice number, who got paid on what date, whether those dates come in pretty close to the date of issue. Whether they've signed timesheets, that's on another spreadsheet.

40

So just to make sure we understand this table properly, the first column we see references to Metgasco all the way through?---Yep.

45 And that's a reference to the person to whom the services have been provided?---Correct.

The site officer services that have been provided?---Yep.

The second column says invoice date. Do you see that there?---Yes.

And do I take it that's the date of the invoice that was issued to in this case Metgasco?---Yes.

5

The next column it says external document number. Can you just explain what that is?---That's our invoice number.

So that's the Local Aboriginal Land Council's internal invoice number?

10 ---Correct.

And we have an amount which I assume is the amount of the invoice?

---Yep.

15 There's a comments column. Then there's a series of names, a G Randall, a G Hickling an R Caldwell and so on and so forth. We see for example in the Randall column a 15.75 figure. Do you see that there?---Yep.

What's that a reference to?---That would be on the invoice, it would show that there was 15.75 hours in total.

20

So to summarise that, in the invoice issued on 3 June, 2011 to Metgasco for a combined amount of \$3,465, as part of that it proceeded on the basis that Mr Randall did 15.75 hours at a rate of \$100 an hour. Is that how we read the table?---Yep.

25

And do we take it that in the same invoice an R Caldwell also provided 15.75 hours - - -?---Correct.

30 - - - of services at a rate of \$100. Is that right?---Yes.

And then the date that's adjacent to that, do I take that to be the date that the work was done?---From what I can find on the sheets that I had in front of me, yes, that appeared to be the dates the work would – why it took so long to issue the invoices, I don't know.

35

Yes, so to take that example we have work being done in 2007 but an invoice not until 2011. Is that how we read the table?---Ah hmm.

40 And if you turn over to page 74. I think you said a moment ago that it was filtered down to Metgasco but note further down the pages a reference to other entities as well. Do you see that there?---Yep, yep.

So is this - - -?---I was referring to the other document that you had. The one that I have not seen.

45

On page 74?---Yep. You can see there is others.

Where we see things other than Metgasco is that a reference to other entities
-- -?---Correct.

-- - site officers services were provided to?---Yes.

5

And is this table effectively trying to do the same exercise for those as are
done for Metgasco?---Yep.

10 Now having done that exercise were you able to come to any view as to
whether all of the site officers have been paid what they're supposed to be
paid or whether there've been overpayments or under payments or anything
of that sort?---I would not be in a position to comment one way or the
other. Now having known Graham Randall, he comes from – he's an
elderly person – he comes from a good family. I know his brother very
15 well. If Graham said to me I never got paid, I would accept his advice.

20 So where he says, well I've got this group certificate or payment summary
and it shows a higher figure than I thought that I got paid, based on this
exercise did that give you – did that lead you to come to a view as to
whether or not he was likely to be, likely to be telling you the correct
answer or the wrong answer?---No, because basically everything on there
would indicate that he had been working.

25 Including in the relevant financial year, the 2012 financial year I think it
was?---Mmm, mmm.

30 But were you ultimately able to reconcile all these figures with the amounts
that ultimately appeared on people's payment, payment summaries and the
like?---Between Charley and myself we did a reconciliation. We did an
adjustment, so, well we've got to come back a step. So we got a number of
people as sites officers, William Walker was mentioned earlier. I asked
Billy, you know, whether he'd done any work for Metgasco, no I have never
done any work for Metgasco. I had Hamish Ramsey come in and the
assistant in the office showed Hamish from Metgasco photographs of Billy
35 and one other. And Hamish said, I have never seen those blokes before in
my life. So Metgasco is saying he's never done any work. They've got no
evidence from purchase orders that he did any work and Billy's saying I
didn't do any work for Metgasco. He did work for Meat Works, don't quote
me. Meat Works or the Hall, Casino Drill Hall. So we then had inquiries
40 off his brother, who'd been paid twice and that seemed to be straight up
front. And then I asked for Dwain Hickling to come in. Eventually Dwain
did come in and we went through timesheets wherein he had signed,
reportedly signed and we had his tax file declaration and at the time he came
in I got him to sign a document saying that he'd been, he hadn't been
45 coerced or forced to come in, he done it of his own free will. And he
advised me that those signatures were not his. So we did a sampling
through of the timesheets, he said they were not his. So that then led us on
to the matter of OzArk where the, there were bills or accounts prepared but

not sent, there were a heap of those, all prepared on 4 and 7 September, 2012. Which confuses me because you said that she left on 5 September. My head is telling me it was the 7th. But anyhow we'll come back to that. So OzArk, we wrote to Ozark, they responded saying – there was one
5 person, they were there one day, it was \$600 plus GST. And that was for work up on the Mallanganee Range. The bills were for 15,000 for Dwaine and one other to do the sites work up there over a number of days.

10 So it as a fair summary of what you've just said. That you engaged in some investigations of these site officers and there was at least some evidence that, that whilst accounts or cheques might show amounts had been paid to a particular person, they weren't in fact received by that person. Is that a fair summary of what you've just said?---Yeah.

15 And is it fair to say there's at least two possible explanations for that. One is that the accounts or other documents that you've seen might record that site officers are providing work to a particular organisation but that did not in fact happen? That's one potential explanation based on your inquiries, is that right?---Yes.

20 And as another potential explanation that there were cheques that were issued and then cashed but that cash is not ultimately received by the relevant site officer?---I can't answer that one. There is a possibility, everything's possible. I can, I can say - - -

25 You can't say one way or the other?--- - - - the cheques generally were cashed, right, so we've got that. Whether the cash reached the intended recipient is a different matter. I can't so - - -

30 You can't, you can't know that one way or the other?---No. No. Because I mean they could've had a meeting at the RSM and said, oh, look, you look you know, there's your money.

35 Now as part of the inquiries that you engaged in was their an auditor who performed some role of attempting to investigate financial matters while you were there as CEO?---Generally, yes.

40 And did a Mr Graham produce a report for the Local Aboriginal Land Council in respect of that matter?---Yeah. Trevor is the auditor from Wappetts, had already been engaged prior to my appointment with the, with a two part instruction. One was to do an audit, the standard run of the mill annual audit and the other one was to do a special investigation report.

45 And can the witness be given access to volume 3 of the exhibits. I'm not sure if you've still got that?---No.

Exhibit N3?---Thank you.

I'll ask you to turn to page 2 of that volume. Do you see there a document titled Investigation of Financial Management Issues?---Yeah.

5 Is that a reference to, I think the second part of the exercise that I think you referred to a minute ago?---Yeah. So they had done an audit and at the same time effectively running in conjunction with the audit a special investigation into whatever they could find.

10 And I take it you didn't in effect redo this investigation but you in effect added to it, is that a fair summary?---No, I redid some of Graham's. Bits and pieces here and there. I did William, Billy Walker. So he's there. By way of talking with him and asking him.

15 Yes. So in effect you were able to start with the investigation that the auditors did but you then made some further inquiries yourself?---Yeah.

20 Now having done those inquiries and investigations what steps if any did you take to put the Local Aboriginal Land Council back on the even keel so to speak? Did you make changes as to financial management and those kinds of matters? I think you referred to electronic funds transfer payments for example?---So what, what would happen is, I had a discussion or meeting with the zone office, said that, you know we can possibly do this. And sat down with them and worked out how we could do payments and still use the fully funded status to try and get rid of some of the other debts. 25 We had discussions with a Government body and they said, yes, you know, you owe us a lot of money but, you know, if you pay these amounts at these times we will forgive you interest and things like that.

30 Now I infer from something you said before that in a sense you were helicoptered in as the acting CEO to deal with a particular issue and a particular problem that applied to the Casino Boolangle LALC, is that a fair, is that a fair summary?---Yeah.

35 You were in a sense head hunted by the New South Wales Aboriginal Land Council noting that you had experience in working with LALC's is the past, is that, is that fair?---They asked whether I'd be interested and did give a brief explanation not a full one.

40 And how long have you been involved in Aboriginal Land Councils?---I don't know, nine years.

45 And having regard to that experience, does that leave you to have any views as to the kinds of skills, training and experience that a LALC CEO should have to perform their function properly?---Oh, yeah. There's some skills that's necessary. Some – there's a need to understanding financials. Others, for example, may see \$20,000 in the bank and say we've got 20 grand to spend, let's go and do it. But those with knowledge would say, wait a sec, we have payments coming up, you know, we've incurred but not paid.

And so that's really your reference to accounting on either a cash basis, the money in the bank or on an accrual basis in regard to liabilities that might be coming up and - - -?---It's a reference.

5

- - - payments that might be made?---Yeah. It's a reference to common sense. And that - - -

10 Is it just common sense or have you come to a view that there is training that ought to be provided to CEO's, staff members, Board members and the like - - -?---There is training available.

- - - to ensure they meet their obligation?---There is certainly training available. But that would not prevent this happen.

15

THE COMMISSIONER: Do you know, do you know anything about the content of the training that is available?---Well currently they do a very comprehensive Board member governance training. Up until recently that had to be done by an external body but I think NSWALC head office
20 somewhere down this way, they've got permission to do the training. They're forever having, you know, training for CEO's. I don't think they have any training for admin assistance, I think that's just left to the CEO.

25 And it's available to Board members generally?---Board members and CEO's.

MR ROBERTSON: And whilst you were the acting CEO of the Casino Boolangle did you come to any views as to the – any training or expertise that your Board or Board would have, in other words, did they have the kind
30 of financial knowledge about accruals and cash basis and those kinds of things that you would expect to be appropriate to in effect sit on a Board?---I've got to be careful how I answer that, Commissioner. Aboriginal people are exceptionally good at knowing what goes on or knowing how to do something but not wanting to extol how great they are, they keep their
35 mouths shut. So what I'm trying to get to is that some of them may have known the right thing to do, they would've seen the right thing happening, you know, two vouchers and two signatures, all that sort of thing, and not take it any further because they had trust in their CEO at the time.

40 So is a fair statement as a general proposition that, that Board in particular would be likely to simply trust what you would do as CEO and what Ms Stewart, for example would do as CEO?---To a degree. We have Board meetings and there are lengthy Minutes about those. And generally speaking we go through all the major topics in those meetings and get them
45 to approve that direction. Now hearsay is that not every Board member was aware of the Minutes that were being put into the auditors.

What exactly do you mean by that?---The Minutes may not reflect what was discussed.

5 Pardon me for a moment. I think you said a minute ago that training
wouldn't have stopped what has occurred, what exactly do you mean by
that?---Well you can have all the training you like and still get around it. So
Board members got trained, always make sure that you know, two of you
sign the cheques, that one, one of you counter sign the payment voucher
with the CEO, whatever it might be. And they see that happen. But unless
10 they go down to the bank and watch the cheque transact they wouldn't know
that the cheque was being cashed.

15 So is, yeah, in effect what you're saying it's not necessary the training per se
but it might actually be the implementation of policies or best practice or
something of that sort?---You could try it.

And there may well be some things that can't be, can't be prevented even
with the best, the best will in the world?---Correct.

20 Nothing further, Commissioner.

THE COMMISSIONER: Mr James, I take that the training that you've
referred to that is available that's, that's voluntary, is it?---It was, it is not
now.

25 Right?---If the Board members do not complete their training they will get a
letter from the Registrar saying please explain. If you don't have a please
explain there is a possibility that the Registrar can take you off the Board.

30 And a moment ago you seemed to be suggesting that even if you've got a
well-trained Board and a well-trained a CEO that there might be cultural or
other reasons why Board members would not hold the CEO to account. In
other words they might know precisely what should be done but aren't
prepared to speak up if they see something that's not being done in
35 accordance - - -?---That's one possibility. The other possibility is that they
don't want to in front of me, say I know all about that. Because I've already
done this training, you know, 10 years ago, whatever it might be. Because
they don't boast all the time about their knowledge.

40 Any questions of Mr James?

MR LEWIS: No, Commissioner.

45 THE COMMISSIONER: No.

MS HUGHES: No, Commissioner.

THE COMMISSIONER: All right. Thank you, Mr James. You may step down.

5 **THE WITNESS STOOD DOWN** [11.32am]

THE COMMISSIONER: I think we'll take a short morning tea adjournment and resume at quarter to 12.00. Thank you.
10

SHORT ADJOURNMENT [11.32am]

15 MR ROBERTSON: I call Linda May Stewart.

THE COMMISSIONER: Just come forward and take a seat, Ms Stewart. Mr Lewis, I take it that Ms Stewart has been told of the effect of a section 38 order and - - -
20

MR LEWIS: She has, Commissioner. She seeks such an order and I've explained the mechanism of it.

THE COMMISSIONER: And the limits of that order?
25

MR LEWIS: Yes.

THE COMMISSIONER: Yes. Thank you.

30 Pursuant to section 38 of the Independent Commission Against Corruption Act, I declare that all answers given by this witness and all documents and things produced by this witness during the course of the witness's evidence at this public inquiry are to be regarded as having been given or produced on objection and there is no need for the witness to make objection in
35 respect of any particular answer given or document or thing produced.

**PURSUANT TO SECTION 38 OF THE INDEPENDENT
COMMISSION AGAINST CORRUPTION ACT, I DECLARE THAT
40 ALL ANSWERS GIVEN BY THIS WITNESS AND ALL
DOCUMENTS AND THINGS PRODUCED BY THIS WITNESS
DURING THE COURSE OF THE WITNESS'S EVIDENCE AT THIS
PUBLIC INQUIRY ARE TO BE REGARDED AS HAVING BEEN
GIVEN OR PRODUCED ON OBJECTION AND THERE IS NO
45 NEED FOR THE WITNESS TO MAKE OBJECTION IN RESPECT
OF ANY PARTICULAR ANSWER GIVEN OR DOCUMENT OR
THING PRODUCED**

THE COMMISSIONER: Yes, do you wish to be sworn or affirmed,
Ms Stewart?

MS STEWART: Sworn.

5

THE COMMISSIONER: Yes, can we have the witness sworn please.

THE COMMISSIONER: Yes.

5

MR ROBERTSON: Can you state your full name please?---Linda May Stewart.

And are you also known by the name of Lou?---Yes.

10

And were you the CEO of the Casino Boolangle Local Aboriginal Land Council between about May of 2008 and September of 2012?---Yes.

And in that capacity I take it you were responsible for the day-to-day operations - - -?---Yes

15

- - - of that Local Aboriginal Land Council. Correct?---Yes.

And whilst you were the CEO did a Veronica Skinner work for you as the Administrative Officer?---Yes.

20

And did she also take over for you as Acting CEO when you were away? ---Yes.

For example, when you were on leave she took that role?---Yeah.

25

And I take it that you worked very closely together in the office so that in effect you knew what she was doing and she knew what you were doing - - - ?---Yeah.

30

- - -at all, at all relevant times?---Yeah.

And in terms of full-time staff, it was just yourself and Ms Skinner working during that period. Is that right?---Yeah.

35

And there were others who would assist from time to time as things like site officers or as - - -?---Yeah.

- - - other assistants but it was just the two of you responsible - - -?---Yeah.

40

- - - for the office. Is that right?---Yes.

Now, whilst you were the CEO expenses were mostly paid for by issuing cheques. Is that right?---Yes.

45

And now, you didn't have signing authority - - -?---No.

- - - with respect to the cheques did you? No. And – but it was Board members who had that signing authority?---Yeah.

5 And you needed two Board members to sign a cheque?---Yeah.

But it would be your responsibility or Ms Skinner’s responsibility to prepare the cheque - - -?---Yeah.

10 - - - and the supporting documentation?---Yeah.

And provide it to the Board members. Is that right?---Yeah.

15 And so often you would attend on the Board members with a draft cheque and some supporting material and ask them to sign it. Is that right?---Yeah.

And in fact often you would ask them to write on the cheque please pay cash - - -?---Yes.

20 - - - and get them to sign it?---Yes.

And sometimes they would write the words please pay cash - - -?---Yes.

25 - - - or sometimes you would write those words. Is that right?---Mainly they did.

But when they wrote it they wrote it on your request. Correct?---Yeah.

30 Indeed on some occasions you didn’t complete the cheques out in full did you, you left details blank. For example, the dollar figure might be blank - - -?---Yeah.

- - - sometimes?---Yeah.

35 But you still asked for the cheques to be signed?---Yeah.

And you assured the Board members that you would - - -?---Yeah.

- - - add the material later. Is that right?---Yeah.

40 And at least generally speaking is it correct to say that the Board members would trust your explanation and trust your request - - -?---Yeah.

- - - and simply sign the cheques that you asked them to sign?---Yes.

45 And I referred to supporting documentation before but sometimes you provided them with cheques without supporting documentation. Is that right?---Yes.

But still they would sign the cheques?---Yes.

And you accept don't you that the Board members were really placing trust in you to ensure - - -?---Yeah.

5

- - - that the cheques that you produced were cheques for proper expenses - - -?---Yeah.

- - - of the Local Aboriginal Land Council?---Yeah.

10

Do you agree with that?---Yeah.

And at the time you knew didn't you that the Board members were trusting the explanations that you gave?---Yeah.

15

Now, from time to time after cheques were signed by the two signatories you would go to the bank and you would cash those cheques. Is that right? ---Yeah.

20

And from time to time you would keep the proceeds - - -?---Yes.

- - - of those cheques and you wouldn't send them to their rightful destination?---No.

25

Is that right?---Yeah.

So on some occasions for at least some amounts of money - - -?---Yeah.

30

- - - you kept money that should have been paid to other people. Do you accept that?---Yeah.

Now, you must accept mustn't you that by doing that you were acting dishonestly?---Yes.

35

And you knew it was dishonest at the time. Correct?---Yes.

You must also accept mustn't you that you acted with deception, in particular you were deceiving the Board members - - -?---Yes.

40

- - - who put the trust in them. You accept that?---Yes.

And you knew at the time that you were deceiving them. Correct?---Yes.

45

You also attempted to hide your conduct from the bookkeeper, Mr Van Rotterdam. Correct?---Occasions, yes.

And sometimes indeed you would prepare supposed supporting documentation and provide it to Ms – Mr Van Rotterdam - - -?---Yes.

- - - in circumstances where you've actually kept the money. Correct?
---Yes.

5 Now, in doing the activities I've just referred to, those activities were known by Ms Stewart weren't they?---By me?

Sorry, sorry, those were known by Ms Skinner?---Yes.

10 And so she knew as to each of the steps I took to you – took you to before?
---Yes.

And so she knew that you were keeping some of the proceeds of cheques that should have gone to other people. Correct?---Yes.

15 She knew that you were deceiving Board members as to - - -?---Yes.

- - - what should happen with respect to the cheques and she knew that you were acting dishonestly?---Yes.

20 In fact she was part and parcel of that whole exercise wasn't she?---Yes.

In fact she participated along with you in causing cheques to be cashed - - - ?---Yes.

25 - - - and avoiding the proceeds going to their rightful owners. Correct?
---Yes.

30 Now, was there any arrangement between you and Ms Skinner as to what would happen with the proceeds of the cheques, for example, did you share the proceeds with her?---We shared it.

And what was that arrangement, was it a 50/50 split or was it some other split?---50/50.

35 And so are you saying - - -

THE COMMISSIONER: Sorry.

40 MR ROBERTSON: I'm sorry.

THE COMMISSIONER: Could you try and speak up a bit just so that we can hear?---50/50.

45 Right. Thank you.

MR ROBERTSON: And so are you saying then that in respect of each of the cheques that were cashed and where the money didn't go to its rightful owners half of that money you kept - - -?---Yes.

5 - - - and half of that money you gave to Ms Skinner?---Yes.

Now, was it always you that did each of the steps that I referred to before or did Ms Skinner do some of the steps, for example, did she attend on Board members to get cheques signed?---We both did at different times. It was –
10 hard to say whether it was me or her but we both went and got cheques signed or we both went or one went and one didn't and - - -

And so you both knew what each other were doing in terms of cashing the cheques and keeping the proceeds?---Yes.

15 But sometimes you would do the exercise and sometimes she would do the exercise?---Yeah, sometimes we'd go together and other times it was one or the other.

20 And in terms of the exercise of actually cashing the cheques was that mostly you, mostly Ms Skinner or a combination of both?---A combination.

And was it only between you and Ms Skinner that the proceeds of these cheques were shared - - -?---Yes.

25 - - - or was there anyone else that was shared?---No one else.

So not Mr Hickling for example?---No.

30 Just you and Ms Skinner?---Yeah.

Now one of the methods in which you caused for cheques to be cashed and to receive the proceeds was by keeping money that should have gone to external suppliers, like for example Mr Van Rotterdam. Is that correct?
35 ---Yes.

Can I give you one example which relates to the deb ball or debutante ball and the Casino RSM, can the witness please be given access to the exhibits folder, Exhibit N3, volume 2. You now have a folder in front of you
40 entitled Exhibits Volume 2 on the front cover.---Yeah.

Can I just ask you to turn to page 175 of that volume. I'm using the number on the bottom of the right hand page. Have you got page 175 there?---Yeah.

45 And you see there a, there an unsigned cheque to the Casino RSM.---Yes.

And is that handwriting your handwriting?---Yes, it is.

And the remainder of the page is in effect an authorisation form. Is that right, on page 175?---Yeah, on the page, yeah.

5 Yes. And can you see there a title, it says Certified. Correct for Payment?
---Yeah.

And you prepared that form. Correct?---Yeah, it's my writing.

10 And by identifying that you're saying that \$1,000 be paid for the NAIDOC,
N-A-I-D-O-C Deb Ball. Correct?---Yeah.

Now the deb ball actually never happened did it?---Yeah, no.

15 But indeed you got this cheque signed. Correct?---Yeah.

You cashed the cheque and you kept the proceeds?---Yeah.

20 And does it follow from what you said before that you shared those
proceeds with Ms Skinner?---That one wasn't.

So this particular one you kept 100 percent of the proceeds?---Yeah, yeah.

And so you got \$1,000 out of this \$1,000 cheque. Correct?---Yeah, yeah.

25 Could the witness please be given access to Exhibit N1, the statements
volume, volume 2. Can I ask you to turn to page 119 of that volume. And
do you see there a what appears to be a letterhead of the Casino RSM
Club?---Yeah.

30 Now that document wasn't in fact issued by the Casino RSM Club at all was
it?---No.

35 It was a document that was in effect doctored and created in your office.
Correct?---Yeah, yes.

Now was that something that you did or was that something that Ms Skinner
did or were you both involved in that?---I don't think Veronika was working
there at the time that that was done.

40 So you prepared this document to make it look like it had been issued - - -?
---Yeah.

45 - - - by Casino RSM. And did you in effect do that by taking a previous
document that had been provided by the Casino RSM - - -?---Yeah.

- - - and used that - - -?---It was a quote.

I'm sorry?---It was a quote from the club.

If you just turn to page 120.

5 THE COMMISSIONER: So when you say it was quote you simply took the letterhead and photocopied it without the - - -?---Yeah, yep.

- - - body of the quote and then you inserted your own material?---Yep, yeah.

10 MR ROBERTSON: And is the quote that you're referring to or the document you're referring to the one at page 120?---I'm assuming that's the quote that they sent me.

15 And so the document at 120 was a legitimately issued document - - -?
---Yeah.

- - - from the Casino RSM. That's correct?---Yeah.

20 But in effect you used that letterhead.---Yeah.

You created a new document to make it look like the document at page 119?---Yeah.

25 Correct?---Yeah.

And you obviously accept that's a false document that wasn't issued by - - -?
?---Yes.

30 - - - Casino RSM?---Yeah.

Now the purpose of that was to conceal from people like Mr Van Rotterdam - - -?
---Yeah.

35 - - - the fact that there wasn't a legitimate expense of \$1,000. Correct?
---Yeah.

And it was also in part to conceal that fact from the Board members as well.---Yeah.

40 And to ensure that the cheques would be signed.---Yeah.

You could cash them.---Yeah.

45 And that you could keep the proceeds.---Yeah.

Can I then ask you some questions about the payments to Mr Van Rotterdam. Now he was the bookkeeper for your Local Aboriginal Land Council - - -?---Yep.

- - - while you were the CEO. Correct?---Yeah.

And he wasn't an employee was he, he was a contractor?---Yeah.

5

And he would send you invoices identifying the work that he'd done.
---Yeah.

And would expect to be paid as against those invoices. Correct?---Yeah.

10

Now from time to time you would, you would issue cheques to pay
invoices.---Yeah.

Correct?---Yeah.

15

From time to time you would cash those cheques and deposit money into his
bank account.---Yep.

From time to time you would pay his invoices by paying it partially in
cheque and partially in cash?---I don't remember that, I'm sorry.

20

But sometimes in cash and sometimes by cheque?---Well I don't remember
that.

25 But - - -?---I thought it was all in cash.

And in terms of paying it in cash does that involve paying the money into
his bank account or giving him the cash or some other combination?

---Sometimes we'd give it to him straight through cash and sometimes it
went through his account.

30

But on other occasions you caused cheques to be issued in his name and
then cash them and kept the proceeds. Correct?---I don't remember that, but
I don't know.

35

Can the witness be given access to Exhibit N5, which is a single page
document that I tendered this morning?

THE COMMISSIONER: Yes.

40

MR ROBERTSON: Ms Stewart, I'm going to ask you a few questions
about Exhibit N5 and I'm ultimately going to suggest to you that there are a
series of cheques that you had issued in the name of Mr Van Rotterdam, but
you kept the proceeds rather than ensuring that they went to Mr Van
Rotterdam. But can I, can I start with the cheque of 20 July, 2012. Do you
see that at the bottom of that - - -?---Yeah.

45

5 - - - of that spreadsheet? And can the witness be given access to volume 4 of the Statements volume please, Exhibit N1. Can I ask you to turn to page 201 from that volume, using the small numbers on the bottom right hand corner. Exhibit N1, volume 4, page 201. You see there a document on Boolangle Local Aboriginal Land Council letterhead?---Yeah.

And a document entitled, Certified Correct for Payment, et cetera?---Yeah.

10 Again this is a document that you prepared?---Yes.

And had it signed by the two Board members identified adjacent to the word authorised by?---Yeah.

15 Then adjacent to the note you have the word wages. Now that can't be right can it given that he wasn't an employee?---No, no.

Now do you accept that the cheque ultimately issued as authorised here was, was not ultimately paid to Mr Van Rotterdam?---Like I said I don't remember that, whether I kept that or paid it to Charley or not.

20 But you accept that there are at least some cheques issued in the name of Mr Van Rotterdam that you cashed rather than giving him the proceeds?---I thought I paid Charley everything he was owed, so I don't know.

25 Well does that mean you're denying that there were additional cheques - - - ?---I could have done, I don't remember.

30 So it's possible - - -?---I'm not going to say that I did it when I don't know that I have or, yeah, I don't want to - - -

And I don't, I don't, and I don't want you to?---If I now I've done it I will say that I did it, but I don't remember these ones.

35 So, so to summarise that you don't, you don't know either way. It's possible that you did?---No. It's possible that I did and it's possible that I didn't. I don't know.

40 And, and you can't, you can't deny it, you don't deny it?---No, I don't deny it.

But you can't accept it because you can't remember it. Correct?---I can't remember, no. I thought Charley was paid everything. All the cheques were paid to Charley.

45 Well me be, well, sorry can you just repeat that?---I thought every cheque that was written out for Charley, Charley received, so - - -

I see.---But we're going back what, four, five years, three years.

But I think you've accepted and correct me if I've misunderstood, but I think you've accepted that it is possible that you had - - -?---Quite possible, yes.

5

- - - yes, cheques issued in his name and - - -?---Yeah, it could be but I don't, I'm not - - -

- - - and cashed it and kept the proceeds?---I'm not sure, yeah.

10

I'm going back to Exhibit N5 which is the table. Does the same answer that you've just given me apply to each and every one of those cheques - - -? ---yeah.

15

- - - that is to say you don't positively deny the cheques were issued as set out in that exhibit?---Mmm.

But you don't admit it, just because you don't remember.---Yeah, I don't remember whether I kept them ones or not.

20

And so it's quite possible, isn't it, that as this table suggests, a series of cheques in the combined sum of about \$8,340.35 were issued in Mr Van Rotterdam's name and not ultimately received by him?---Like I said, I'm not sure.

25

But it's quite possible that that's the case?---It's quite possible, yes.

You're not in a position to deny that?---If that's what you want me to say, yeah.

30

You still have volume 2 of the exhibits in front of you. Do you have volume 2 of the exhibits there?---I think so, yeah.

35

If you could turn to page 170, please. And you see there another certified correct for payment form.---Yes.

Again, is that in your handwriting?---Yes.

40

And can you see there the note "CBLALC legal fees"?---Yes.

And there's a reference there to Melissa Begg. Who's Melissa Begg?---She was our solicitor.

45

And was she from the firm known as Hinterland Legal?---Yes.

If you turn to the preceding page, which is page 169, can you see there a cheque addressed to Ms Begg, with a cheque number matching the number on the certified correct for payment form?---What page are we on?

I've just taken you back to page 169.---Oh. I went forward.

The preceding page. It'll come up on your screen as well.---Yeah.

5

So do you see there a cheque to Melissa Begg?---Yes.

And can you see, by looking towards the bottom of the cheque, the number 111623?---Yeah.

10

And you accept, I take it, that that cheque matches the certified correct for payment form on page 170?---Yes.

So that must be the cheque that you asked for authorisation to issue?---Yes.

15

Signed by two board members.---Yes.

Now, that cheque was ultimately cashed, wasn't it?---Yes.

20

And you kept the money?---Yes.

Now, was that one of these proceeds that was kept a hundred per cent by you or was that shared with Ms Skinner, anyone else?---I'm not sure, because I don't think Veronica was working there at that time, so - - -

25

Yes. So if you proceed on the basis that Ms Skinner resigned in 2011, and if you note that the cheque is - - - ---Yeah, well - - -

- - - dated the 25th.--- - - - I'll (not transcribable) lot of it.

30

And you note in 2012.---Yeah.

Having been refreshed your memory with respect to that, do you accept that you would have kept a hundred per cent - - - ---Yeah.

35

- - - of the proceeds - - - ---Yes.

- - - of that cheque? Can you then please turn to page 176 of the same volume? Do you see there another certified correct for payment form?---
Yes.

40

Again, that's in your handwriting?---Yes.

And can you see it's addressed to Schneider, S-c-h-n-e-i-d-e-r, Nelson Plumbing?---Yes.

45

And who were they?---They were the plumbers.

The plumbers that did work for the - - - ---Yes.

5 - - - Local Aboriginal Land Council? If you then turn to the preceding page, I'm sorry, I'm sorry, the next page, page 177. Do you see there the cheque that matches the certified correct for payment form?---Yes.

And you see that's been signed?---Yes.

10 And this cheque was cashed as well?---Yes.

And you kept the proceeds of this as well?---Yes.

And again you kept a hundred per cent of the proceeds - - - ---Yes.

15 - - - because this is a 2012 cheque.---Yeah.

And so just so that we understand the split-up correctly, is it your evidence that when Ms Skinner was there as your administrative - - - ---Yeah.

20 - - - assistant, there was a fairly strict rule, straight down the line - - - ---Yeah.

- - - 50/50?---Yeah, yeah.

25 Once you'd left - - - ---Yeah.

- - - it was a hundred per cent.---Yeah.

30 You didn't share it with anyone else.---No.

Now, whilst you were CEO, you also arranged for a series of cheques to be issued for people's superannuation.---Yes.

35 Is that right? And those cheques were often marked with the name of the person, with the word "super" in brackets thereafter.---Yeah.

Those cheques were also cashed (not transcribable).---Yes.

40 And those cheques, you also kept the proceeds.---Yes. Yes.

And again, was that money that was shared with Ms Skinner? Or was it - - - ---Depending on when they were done.

45 Yes. So if it was whilst she was still - - -?---Yes.

- - - employed then it was a 50/50 split?---Yeah.

If it wasn't you kept a 100 per cent of the proceeds?---Yes.

Can I then ask you some questions about, about site officers?---Yes.

5 Can you explain what site officers are as a general, as a general concept?---
They go out and do sites work.

10 And by sites work what do you mean by that?---Some companies need to go
out and dig up the land so they've got to be on site to check that there's no
sites being destroyed while they're doing that so we call them sites work,
well officers.

And administratively would people that require that kind of work made
contact with you as the CEO - - -?---Yeah.

15 - - - as in turn you would arrange someone to do that site work?---Yeah.

20 Is it fair to say that that kind of work is or tends to be intermittent in the
sense that one might do a couple of days now?---Yeah. It's not all the time.
Yeah.

It's not, it's not a full-time job for example?---No.

25 A particular company might require someone for an afternoon - - -?---They
might - - -

- - - a day, a week, or two weeks?---Two weeks or a week or whatever,
yeah.

30 But it's not the kind of thing that's likely to go for six months - - -?---No, it's
not ongoing.

- - - or anything of that sort?---No.

35 Now does it follow from that that when one works as a site officer one's
unlikely to receive a very large cheque in payment, for example, a \$1500
cheque or a \$2,000 cheque in payment for site officer work for a short
period?---If they've done three or four days work it amounts to that. 'Cause
they get, I think it was 60 or \$70 an hour.

40 But, but isn't it the case that it – because of the intermittent nature it's at
least rare for a site officer to receive a cheque for payment of say \$2,000 or
something of that sort?---No. It's not.

45 It just depends on the amount – the number of hours that they're working?---
Sometimes they might've done two weeks work.

Yes?---So - - -

And then I take it you would ultimately send an invoice to the company that required the site work?---Yes.

5 But from time to time there would be a significant gap between the work being done and the invoice being issued?---Yeah.

But in terms of payment to the site officers that happened fairly promptly, is that right?---Yeah.

10 And so if one does site work today one would expect to get paid - - -?---
Today. Yeah.

One would expect to get paid today?---Yeah.

15 Well is that, is that always the case or might one do two weeks of work for example and then get a single cheque for the fortnight of work?---No. They usually got it in that week. If they only done one day's work they would get paid that day or the next day or depending when they wanted the money.

20 So what, what if someone was a site officer for say a fortnight, so for two, for two weeks, would they get paid multiple payments through that fortnight or would they just get one payment at the end or would it depend?---They'd get one in one week and one in the next week.

25 And so does it follow from that that the site officers would at least be paid weekly - - -?---Yeah.

- - - if not more frequently?---Yeah.

30 Now it's the case isn't it, that from time to time you would pretend that site officers had been provided to a particular company?---Yes.

You would then cause for cheques to be issued in that person's name?---Yes.

35 You would then cash those cheques?---Yes.

And you would then keep those proceeds?---Yes.

40 And do we take it that to the extent that you did that while Ms Skinner was the administrative assistant?---Yes.

Again it was a 50/50 split?---Yeah.

45 And to the extent to that occurred afterwards, after she left then you would keep a 100 per cent of the payments, is that right?---Yeah.

Can the witness be given access to volume 5 of the Statements if she doesn't otherwise have it. Do you have volume 5 of the Statements available?---Yes.

5 Can I ask you to turn to page 24 using the numbers on the bottom right-hand corner again. And can you see there a timesheet for Luke Walker?---Yes.

Who's Luke Walker?---My son.

10 And you see there a reference to him being a sites officer?---Yes.

And can you see about halfway down the page a reference to employee signature?---Yes.

15 That's not his signature is it?---No.

Whose signature is it, or who put the pen to paper?---It looks like mine.

20 So do you accept then that you in effect forged his signature on the document on page 24?---Yes.

You did the same thing on page 25?---Yes.

25 You did the same thing on page 26?---Yes.

You did the same thing on page 27?---Yes.

You did the same thing on page 28?---Yes.

30 You did the same thing on page 29?---Yes.

You did the same thing on page 30?---Yes.

35 You did the same thing on page 31?---Yes.

You did the same thing on page 32?---Yes.

40 Further, your son didn't act as a sites officer for the whole of the period summarised in the pages between pages 24 and 31. Correct?---I beg your pardon?

Your son Luke Walker didn't do all of the amounts of work as site officer as are indicated on these pages?---I can't be sure of that.

45 Well, are you denying it or you don't know one way or another?---I don't know.

MR LEWIS: Commissioner, could that – perhaps the question just be clarified a little bit. Is it all or any of the items?

5 THE COMMISSIONER: Well, I think the question is put in terms of did her son in fact do all of the work represented by those invoices.

MR LEWIS: All right. All right. Okay.

10 MR ROBERTSON: Let me clarify in any event. You can see can't you that on the timesheet between pages 24 - - -?---Yeah.

- - - and 31 you are signing to say that your son Luke Walker did, for example, 8.5 hours in the period referred to on page 24?---Yeah.

15 12 hours on the period referred to in page 25?---Yeah, yeah

And so on and so forth?---Yeah.

20 Do you see that?---(No Audible Reply)

Now, he didn't in fact do all of that period of time in each of the time periods identified in those timesheets. Correct?---I'm not, I'm, I don't really know.

25 So you don't know one way or the other?---Yes.

And so does it follow from that that it's quite possible that some of these timesheets are false - - -?---Yeah.

30 - - - in a sense that although it says, for example, that Luke Walker worked for 8.5 hours during the period between 16 June, 2011 and 22 June, 2011 - - -?---Yeah.

35 - - - it may well be the case that he didn't do 8.5 hours?---Yes.

It may well be that he did zero?---Yeah, may, may or not, yeah.

40 Indeed your son wasn't in effect one of the regular sites officers was he, he just did a relatively small amount of that site officer work. Correct?---I think so, yeah.

45 And so it's consistent with that answer isn't it that it's unlikely that in this time period between 16 June, 2011, which is the start of the document on page 24, through to 5 October, 2011 it's unlikely that he actually did all the amount of hours that are ascribed to him in these documents?---Yeah.

On page 24, can you see the word "countersigned by" about seven-tenths of the way down the page?---Yeah.

Whose signature is that?---It's not mine.

5 Do you recognise the signature, recognise who it is?---My signature's mine but the bottom one - - -

Yes?--- - - - I don't know who owns that.

10 But it is your signature where it says L Stewart - - -?---Yeah.
- - - on each of those pages?---Yeah.

15 And I think you've accepted you also wrote the L Walker - - -?---Yeah.
- - - on each of the other - - -?---Yeah.

- - - on each of the other pages. Do you still have volume 2 of the statements with you?---I've only got one folder.

20 Volume 2 of Exhibit N1. Can I ask you to turn to page 111, page 111, volume 2 of Exhibit N for November-1. Can you see there a tax invoice dated 3 September, 2012?---Yes.

25 And where it says authorised by, you signed that there - - -?---Yes.
- - - as L Stewart. And can you see in about the middle of the page a reference to Dwain Hickling?---Yes.

30 D-w-a-i-n, Hickling, H-i-c-k-l-i-n-g?---Yes.

And Dwain Hickling is the partner of Ms Skinner. Correct?---Yes.

35 And can you see that this is a tax invoice said to be issued to Richmond Valley Council?---Yes.

But your Local Aboriginal Land Council never actually did any work for the Richmond Valley Council did it?---No.

40 And so this was another false invoice issued by you with a view to getting the authorisation to pay money out?---These were done after the fact.

So this was an invoice what after a cheque had been issued - - -?---Yes.

45 - - - and a cheque had been cashed?---Yes.

To in effect try and cover your tracks?---Yes.

And was that because coming into 2012 you effectively realised that someone had found you out and you were doing your best to cover what had been done so far?---Charley was sort of asking me to do up tax invoices so I done them.

5

Well is that why you did it or had the cheque the subject of this already been issued and cashed by that point in time?---Yeah. It was done after the fact.

Yes. But I take it you're not saying that Charley was asking you to create false invoices?---No.

10

Charley was - - -?---No, wanted me to do invoices up for the sites work or whatever work it was, so I made this one up.

But this was after, this was after a cheque for \$2,310 had already been issued and cashed by then?---Yes.

15

So this wasn't an example simply of site work that had been done but not invoiced for, was it? This was, this is in a different category, this is where you've already got the money and you're trying to cover your tracks?---I don't know whether this was an illegitimate one but, or not, but - - -

20

Well, didn't you accept from me before that your Local Aboriginal Land Council didn't do any work for the Richmond Valley Council, I thought you accepted that?---Yes, yeah, I did.

25

So in the face of that you have to accept, don't you - - -?---Yeah.

30

- - - that this was a false invoice?---Yeah, yeah. I've already admitted that.

And so in light of that this is in a different category to work that's actually been done, isn't it? This is work that was never done and you're creating a tax invoice to try and cover your tracks - - -?---Yeah.

- - - in what you've done in the past?---Yeah. It was never sent.

35

It was never sent to the Richmond Valley Council, no?---No.

And really your purpose in creating it was to try and keep Mr Van Rotterdam happy as best you could because he was, he was - - -?---Yeah. He wanted, he wanted tax invoices.

40

And he was asking questions which - - -?---Yeah.

- - - were, which would appear to be in the process of finding you out and what you'd been doing?---Yeah.

45

No in respect of the proceeds of this particular amount of money, the 2310. I think you accepted that a cheque was issued and was, and was cashed, is that right?---I assume so, yeah.

5 Or you assume so or you know so?---I don't know. Looking at that there's no cheque there with it.

Could the witness be given access to Financial volume at page 68, Exhibit N2. Exhibit N2 which is volume 1 of the Financial. And turn to page 68.
10 Now in respect of the tax invoice to the Richmond Valley Council can you see a reference to, this is back in the original tax invoice, a reference to Mr Hickling on 3 May, 2012?---Yeah, 4 May.

And do you now have the Financial volume in front of you?---Yeah.
15

And can you see there a cheque for \$771 on page 68?---Yes.

And then turn to page and can you just note that it's a cheque to Mr Hickling dated 4 May, 2011?---Yeah.
20

Can you see that there?---Yeah.

And if you can turn to page 70 of the same volume. Can you see there another cheque to Mr Hickling on the next day, 5 May, 2011?---Yeah.
25

And can you see there a sum of 1329?---Yes.

Now can I let you know that if you add 1329 and 771 together you get to a sum of \$2,100?---Yeah.
30

And that's the same as the figure identified in the tax invoice I took you to before, correct?---Mmm.

Now does that refresh your memory that you had cheques issued in the name of Mr Hickling on 4 May and 5 May?---Yeah.
35

And that those were the ones that probably pertained to this tax invoice?---Yes.

40 And that you cashed those?---Yes.

And that you kept the proceeds?---50/50, yeah.

You kept 50 per cent of the proceeds and gave 50 to Ms Skinner?---Yeah.
45

But you accept, do you, that the tax invoice I took you to was with a view to justifying the two cheques that I've just taken you to?---Yes.

Can the witness now have access to volume 3 of the statements? Page 292, I'm going to take you to once - have you got volume 3 - - - ---No.

5 - - - of the statements in front of you? So, if you turn to page 292, again using the numbers in the bottom right-hand corner. And can you see there a timesheet with a name of Graham, G-r-a-h-a-m, Randall?---Yes.

R-a-n-d-a-l-l?---Yes.

10 Identified there as a sites officer. Just so I understand how these timesheets were actually created, is that something that was on your computer system that you then added details into and printed out?---Yeah.

15 Or was it produced (not transcribable)?---It was on the computer.

So, in effect, you had a template you would - - - ---Supplied by Charley.

And accessible to you on the computer in the - - - ---Yes.

20 - - - in the office. You would add the details like number of hours and the like?---Yeah.

Print it out.---Yeah.

25 And then arrange for things to be signed.---Yeah.

And can you see about halfway down the page a reference to employee signature?---Yes.

30 Now, that's not Mr Randall's signature, is it?---No.

You signed it. You signed as if you were Mr Randall. Is that right?---Yes.

35 And the same answer applies to the apparent signature on page 293?---Yes.

And the same on page 294?---Yes.

And the same on page 295?---Yes.

40 And the same on page 296?---Yes.

And then on page 292, the signature of authorised by, is that Ms Skinner's signature?---Yes, I think it is.

45 And on the remaining pages, page 293 and following, that's your signature, is it?---Yes.

Yes?---Yes.

Now, was the purpose of you signing as G. Randall to allow for further cheques to be issues, ostensibly in Mr Randall's name?---Can you say that again?

5

I'm sorry. Was the purpose of you signing as Mr Randall to enable cheques to be issued in Graham Randall's name, which you could then cash?---Yes.

10 And so does it follow from that that you accept that the ultimate result of these timesheets was to cause for cheques to be issued?---Yes.

For you to cash those cheques?---Yes.

15 And for you to either keep the whole of the proceeds or share them with Ms Skinner?---Share them with Veronica, yeah.

Well, in respect of the first one of page 292, you'll see it was in 2011. Can you see that there? Page 292 is the first one I took you to.---Yes.

20 And so does it follow from what you've said that you likely caused a cheque for \$883 to be issued, and then cashed it and shared the proceeds with Ms Skinner?---Yes.

25 If you turn over the page, to page 293, can you see that the start date and end date are both in 2012?---Yes.

And can you see a total net pay of \$1,275 about half the way down the page?---Yes.

30 And does it follow from all of that that the ultimate result of this was to cause a cheque to be issued, for you to bank it, and for you to keep the proceeds?---Yes.

35 And this is one that you probably didn't share the proceeds with Ms Skinner
- - - ---If, if Veronica - - -

- - - because it was in 2012.---If she wasn't working there, it wasn't shared.

40 Yeah. And I take it it follows from all of those answers that none of the money referred to in these pages, page 293 through to page 296, would have ultimately been received by Mr Randall?---Yes.

And does it also follow from that that Mr Randall didn't actually do the work which is referred to in these timesheets?---Yes.

45

So to be clear you're accepting, if I understand you correctly, that Mr Randall did not do 15 hours in the May period on the first page did not do 10 hours in the period in May 2012 to June 2012 and so on and so forth?

---Yeah.

And you in effect created these documents to cover up the fact that you had cheques issued which you cashed - - -?---Yeah, I'm assuming, yeah.

5

- - - and which you either kept the proceeds or you shared them with Ms Skinner?---Mmm.

10 Can I then take you to volume 5 of the Statements volume? I've forgotten whether you still have that or not. Just pardon me for a moment. Thank you. Can I just ask you another question on page 292? Does the witness still have volume 3?---No.

15 I thought you just had volume 3 again of the Statements 292. I just need to clarify one thing with you. I'm taking you back to 292 which is the document I started with. Now this one was the odd one out because it appears to contain Ms Skinner's signature rather than your signature - - -? ---Yeah.

20 - - - as the authorised buyer.---Yeah.

But I think you accepted from me that it was you that, that signed as G Randall?---Yes.

25 Why would it have been that Ms Skinner authorised that one rather than, rather than you authorising it?---I don't know. I don't remember why. I could have been on holidays, I don't know.

30 Yes. So for example if you were on leave is it possible that Ms Skinner signed - - -?---Yeah.

- - - adjacent to authorised by, at the time - - -?---Yeah.

35 - - - and you then later or perhaps even before - - -?---After the fact.

After the fact signed - - -?---I signed them, yeah.

- - - on behalf of or in the name of Mr Randall?---Yeah, yeah.

40 So is it the case that when you were on leave Ms Skinner effectively continued the scam that you've otherwise adopted of - - -?---I don't know.

- - - having cheques issued and cashed?---I don't know.

45 But at least in so far as it relates to a document of this sort, this might be one that you've signed when you came back from leave?---Yes.

And that's so even though you may well have been on leave at the time that it was signed by Ms Skinner?---Yes.

5 Do you accept that?---Yeah. Well she signed as CEO so she must have been CEO at the time.

Now do you know whether Ms Skinner cashed any cheques while you were on leave?---I don't know.

10 But presumably you must have had some idea in light of the 50/50 sharing of cheques?---Yeah.

15 And so as I understood what you said before, regardless of who actually did the process of cashing the cheque - - -?---Yeah.

- - - whether it was you or whether it was Ms Skinner, you had an agreement effectively - - -?---Yeah.

20 - - - that you would split it up 50/50?---Yeah.

Now does it follow from that that from time to time when you returned from leave you might have received a little stack of money with respect to your 50 percent share of cashed cheques?---I don't remember.

25 So you can't say one way or the other whether there was cheques cashed - - -?---No.

- - - whilst you were on leave?---No, I can't. No.

30 And just to be clear I think you agreed with me before that at least while you weren't on leave, while you were there as CEO sometimes you were cashing the cheques - - -?---Yes.

35 - - - and splitting the proceeds?---Yeah.

But also sometimes Ms Skinner would cash the cheques?---Yeah.

40 But it was mostly you I think who cashed the cheques. Is that, is that fair? ---No, I don't think that's fair.

So – but, so just between you it was either - - -?---Yeah.

- - - you doing it or her doing it?---yeah.

45 Volume 5 you hopefully still have. And I'm going to take you to page 47. And can you see there a reference to William Walker, site's officer?---Yes.

Who's William Walker?---One of our sites officers.

And do you have any current or former relationship with William Walker?
---No.

5 THE COMMISSIONER: He was a site officer or you don't, or he wasn't someone that was employed as a site officer?---He was employed as a site officer.

He was?---Yes.

10

MR ROBERTSON: And I take it you agree that it's your signature adjacent to the words "Authorised by"?---Yes.

15 Now do you know whether the signature next to the words "Employee's signature" is Mr Walker's signature or not?---It's not Mr Walker's, no.

It's not Mr Walker's signature?---No.

20

How do you know that?---Because it starts with a D.

Do you recognise who might've signed that?---That's not my signature so - - -

25

Well, could it have been Ms Skinner for example?---I don't know for sure.

You don't know one way or the other?---Well, I'm not going to say that it was Veronica's.

30

I'm just getting you to confirm that you don't know one way or the other?
---No.

It might be, it might not be?---Yeah.

35

I'm about to move onto another topic, so it might be a convenient time?

THE COMMISSIONER: Yes, thank you, Mr Robertson. We'll just have a luncheon adjournment and we'll resume at 2 o'clock. Thank you.

40 **LUNCHEON ADJOURNMENT**

[12.57pm]