

**NSW Independent
Casino Commission**

NSW Independent Casino Commission

Annual Report 2023-24

Acknowledgment of country

The NSW Independent Casino Commission acknowledges the traditional custodians of the land in New South Wales and all Aboriginal and Torres Strait Islander staff working with the NSW Government. The Commission pays its respects to Elders past and present.

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Author

New South Wales Independent Casino Commission (NICC).

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Letter to the Minister

The Hon. David Harris MP

Minister for Gaming and Racing

Dear Minister,

We are pleased to submit the annual report of the New South Wales Independent Casino Commission for the year ended 30 June 2024, for presentation to Parliament.

The Commission's Annual Report was prepared in line with the annual reporting compliance requirements for a statutory body, outlined by NSW Treasury. It incorporates all regulatory requirements as outlined in the *Casino Control Act 1992* and the *Government Sector Finance Act 2018*.

If you have any questions regarding the report, please contact Mr Alex Kennedy, A/Director Office of NICC: office@nicc.nsw.gov.au.

Yours faithfully,



Philip Crawford

Chief Commissioner

New South Wales Independent Casino Commission



Overview

The New South Wales Independent Casino Commission (**NICC**) is an independent agency established on 5 September 2022 to regulate the state's two casinos, The Star in Pyrmont, and Crown Sydney in Barangaroo. The NICC's main purpose is to address the risks and harms arising from casino operations in NSW. It was set up in response to the need for more stringent and focused supervision of the casino industry.

The NICC plays a vital role in maintaining public confidence in the NSW casino industry through visible and robust supervision.

Since its inception, the NICC has implemented strict new controls to monitor casino operations, oversee the people involved and invested in casinos, and developed casino capabilities to contain and control the potential for harm. The NICC is the only dedicated casino regulator in Australia, free from other liquor and gaming responsibilities and is funded by the casinos, through the casino supervisory levy (**CSL**).

The NICC is a streamlined regulator and statutory decision-maker, structured with a board and supporting staff agency. It is responsible for setting and administering regulatory and compliance standards, approving the suitability of casino operators and close associates, monitoring and enforcing compliance with the legislation, and determining disciplinary action against licensees and close associates. The NICC works in partnership with Liquor & Gaming NSW (**L&GNSW**) through the many delegated roles that undertake casino supervision on its behalf. L&GNSW carries out audit, assurance, regulatory approval, licensing, and compliance and enforcement activities, performing a number of these casino control activities under the delegation of the NICC, as well as pursuant to its own powers.

While the NICC exercises its functions as a separate entity, independent of government, it remains connected to the Department of Enterprise Investment and Trade (**DEIT**) which provides centralised corporate support and contains L&GNSW.

The NICC also funds two data analyst positions in the NSW Police Force. These data analysts provide monthly reports to the NICC which are used to inform intelligence assessments and to cross reference data for casino regulatory purposes.

Aims and objectives

The NICC's regulatory objectives are to lift standards in casino operations to ensure NSW casinos are safe, compliant, and responsible. The NICC aims to uphold community expectations by overseeing NSW casinos, so they are resistant to criminal infiltration and equipped to minimise gambling-related harms.

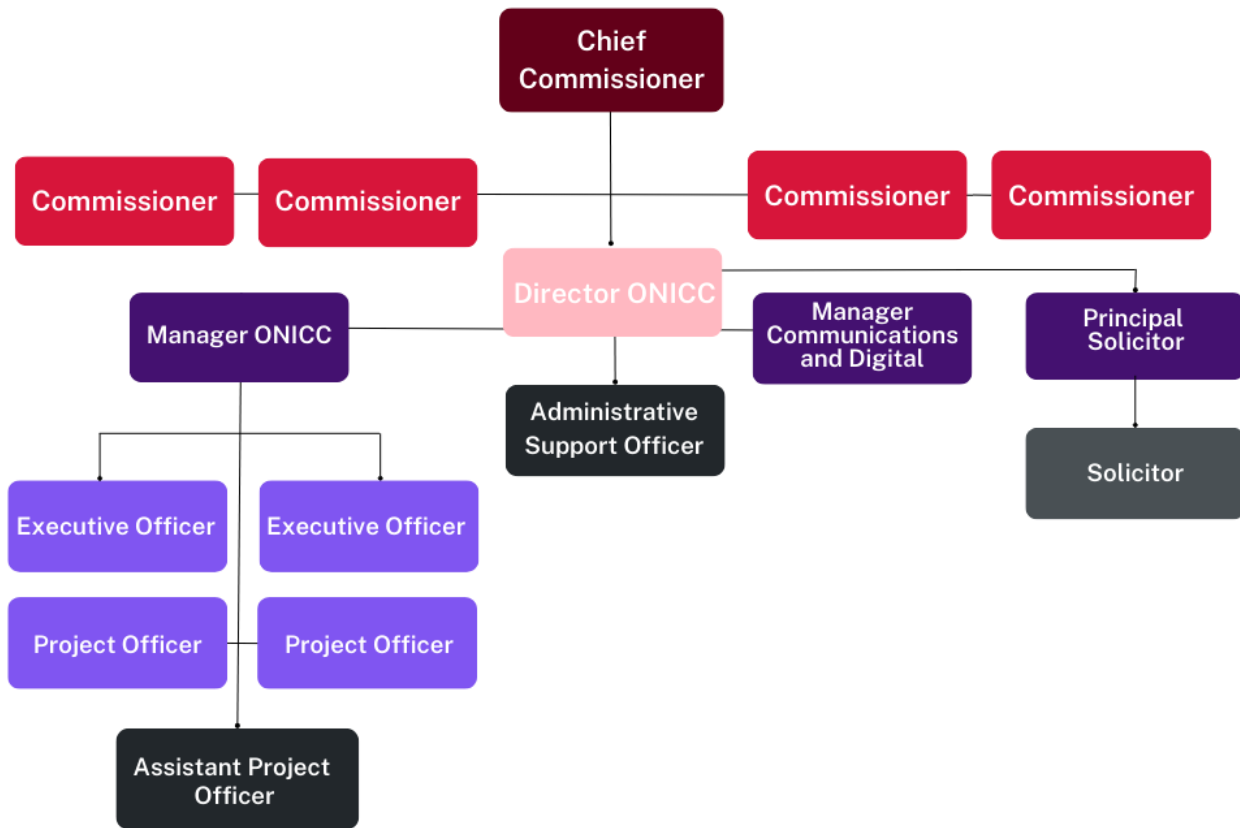
The NICC has maintained its focus on lifting standards through intensive casino remediation programs and rigorous oversight aimed at minimising the risks of gambling harm, money laundering and other criminal activity.

Management and structure

The NICC comprises a full-time Chief Commissioner and four part-time commissioners. There are 11 administrative and advisory staff employed in the Office of the NICC (ONICC).

NSW Independent Casino Commission

Organisational chart



Charter

The NICC has powers and functions under the following Acts and associated regulations:

- *Casino Control Act 1992 (the Act)*
- *Gaming and Liquor Administration Act 2007.*

The NICC's statutory functions under the Act include:

- carrying out investigations of a casino, its operations, and operators
- reviewing the suitability of casino operators and close associates
- monitoring compliance with the Act and legally binding mechanisms such as the regulations and internal control manuals
- establishing the Gambling Harm Minimisation Advisory Committee
- determining casino and casino special employee licensing matters and proposals for new games
- determining disciplinary action against licensees and close associates
- reviewing certain delegated decisions made on its behalf by L&GNSW.

Strategy

The NICC’s long term vision is for the NSW casino sector to reach a sustainable state characterised by safe, responsible, and compliant operations, resistant to criminal infiltration and equipped to minimise gambling harm.

To achieve its regulatory objectives the NICC is responsible for:

- Monitoring and enforcing compliance.
- Promoting fair and transparent decision making.
- Lifting standards through clear regulatory objectives.
- Working collaboratively with stakeholders and other regulators to perform its statutory functions.
- Exercising its powers with independence and integrity.

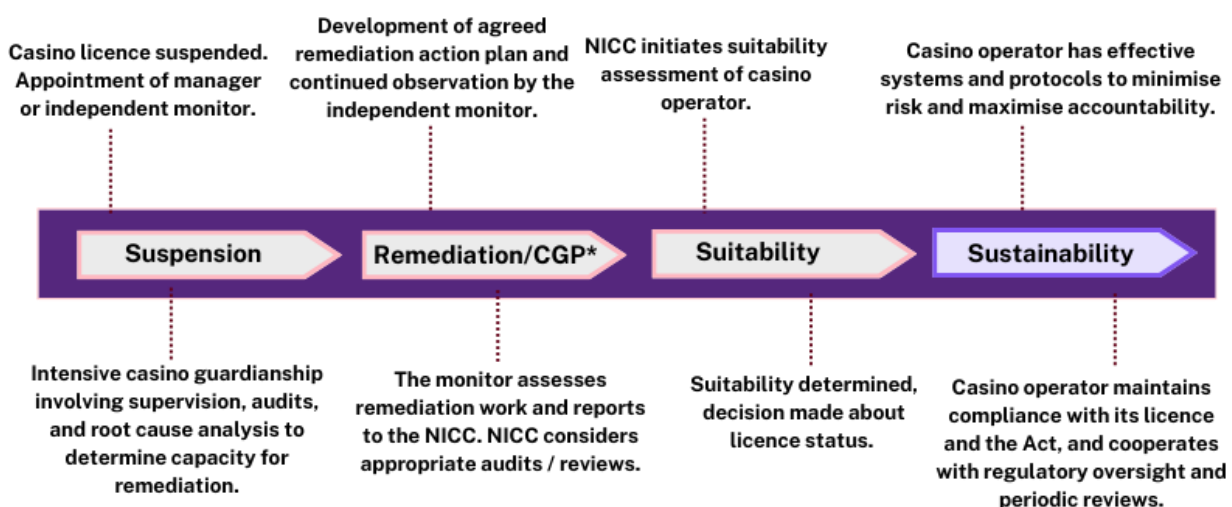
Strategic focus areas

The NICC’s focus areas are identified in its strategic plan and represent the NICC's priorities across the year, providing a framework for activities that meet regulatory objectives. The NICC’s focus areas for 2023-24 were:

1. Establish and maintain the NICC’s independence and demonstrate accountability and transparency in interactions with casinos, stakeholders and the public.
2. Establish and maintain regulatory controls to ensure compliance with the Act, prevent money laundering and criminal activity and minimise gambling harms.
3. Supervise NSW’s casinos and strengthen their capability to meet regulatory and community expectations.
4. Identify and respond to emerging risks in modern casino operating environments and intersecting industries.

The regulatory pathway

The below regulatory pathway expresses the journey from the remedial stages toward sustainability.



*A conditional gaming period (CGP) can be put in place where an operator is found unsuitable but the licence is not suspended, as in the case of Crown Sydney.

Preventing and minimising harm

Financial crime

The NICC has a legislative responsibility under the Act to prevent and minimise the risk of money laundering and terrorism financing in casinos. Money laundering is directly linked to a range of serious crimes and can be used to hide the proceeds of crime or facilitate other crimes such as the illegal drugs market, terrorism, human trafficking and sex slavery. The NICC is also responsible for preventing and minimising gambling harm which includes gambling behaviours that hurt individuals, their families and the community.

The NICC is setting a high bar for regulatory compliance in NSW casinos to ensure that casinos do not return to past behaviours that allow these harms to flourish. In addition to regular supervisory activities, formal casino inquiries have been a powerful tool to enable the NICC to investigate casino operations and to scrutinise their governance structures, financial capacity and culture, providing pathways for casinos to improve operations and prevent and minimise harm.



Governance structures



Financial capacity



Culture

Gambling harm

The NICC requires both casinos in NSW to take active measures to raise compliance standards to minimise gambling harm. The Act and the Internal Control Manuals (ICMs), impose procedures and checks that are designed to protect patrons from gambling harm. The ICMs include requirements covering:

- timed play
- breaks in play
- responsible conduct of gambling officers, including minimum staffing levels and
- harm minimisation training for all staff
- structured systems for staff to conduct welfare checks
- a register to record the actions taken by managers when an issue is reported
- identified situations where increased welfare checks and patron interactions are required
- a self-exclusion register and process for ensuring excluded players cannot gain entry to the casino.

Mandatory carded play and cashless gaming

The NICC is supervising both casinos to develop cultures where responsible gambling is recognised as an essential component of casino operations. Both casinos are moving towards fully carded play and the introduction of cashless gaming which will provide a direct means of monitoring a patron's source of funds and limiting the opportunity for money laundering or terrorism financing. The introduction of carded play will also allow patrons and casinos to monitor gaming activity and implement intervention strategies such as setting time and spend limits.

Operations and performance

The NICC maintains independent decision-making on casino licensing and disciplinary matters and is funded by the CSL, paid by both casino operators under section 115A of the Act. The annual amount is fixed by clause 51 of the Casino Control Regulation 2019 (**Regulation**).

Management and activities

The NICC meets fortnightly to consider and determine casino matters. Outside of official commission meetings the NICC and ONICC are engaged in a range of supervisory and administrative activities such as:

- liaison with its regulatory partners in L&GNSW
- engagement with stakeholders (such as casino operators, The Star's Manager, other regulators, the Casino Issues Coordination Committee, and monitors)
- activities and meetings of the Gambling Harm Minimisation Advisory Committee
- planning and development for the Australian Casino and Gaming Regulators casino stream forums
- progressing actions arising from board meetings
- preparing casino directions and correspondence
- reviewing and responding to compliance, licensing and probity matters, data, audits and reports
- updating casino protocols such as ICMs
- monitoring and assessing remediation activities
- development of communication, internal policy and governance materials and strategy
- maintenance of the NICC website
- responding to Government Information Public Access (**GIPA**) applications, media and other enquiries.

The Department of Enterprise Investment and Trade (**DEIT**) supports the NICC by providing corporate services such as human resources and information technology, risk and governance, management of Government Information Public Access requests, cyber security, and management of the NICC's CSL budget.

Performance information

During the reporting period the NICC was transitioning from its establishment phase to become a responsive and proactive regulator with clear and consistent governance and decision-making processes. In 2023-24 the NICC produced a range of deliverables against its focus areas:

1. Establish and maintain the NICC's independence and demonstrate accountability and transparency in interactions with casinos, stakeholders and the public.

- Established the Australian Casino and Gaming Regulators: Casino Stream.
- Won an International Association of Gaming Regulators award for regulatory innovation.
- Launched the Gambling Harm Minimisation Advisory Committee and welcomed two new members to the group.
- Accepted the International Master of Gaming Law, Regulator of the Year award for the NICC's Chief Commissioner.
- Developed a suite of standalone NICC policies to ensure compliance as a NSW Independent Government Agency.
- Implemented the NICC Stakeholder Engagement Strategy and Stakeholder Engagement Program.

2. Establish and maintain regulatory controls to ensure compliance with the Act, prevent money laundering and criminal activity and minimise gambling harms.

- Adjusted the NICC's regulatory capacity and organisational design through the employment of an assistant project officer and enhanced information sharing via the two NSW Police Force data analyst roles.
- Initiated a full review into Crown Sydney's compliance with its internal control manuals, as part of the process to begin Crown's suitability assessment.
- Implemented a new casino operator disciplinary complaints process and breach reporting guide.
- Implemented a new process to support decision making for casino special employee disciplinary matters.

3. Supervise NSW's casinos and strengthen their capability to meet regulatory and community expectations.

- Developed the Crown Sydney suitability assessment framework, ran a process for submissions from relevant stakeholders, and undertook an independent decision-making process to form a view on suitability.
- Determined Crown Sydney's suitability to give effect to its restricted gaming licence.
- Completed the probity process for 28 close associate applicants of The Star and Crown Sydney including Investment Holdings and its directors.
- Determined 42 casino special employee disciplinary outcomes, cancelling the licences of 13 for behaviour that did not meet the threshold for a licence holder.
- Finalised the new disciplinary process under the NICC and issued \$300k in penalties to The Star, for seven longstanding matters.

4. Identify and respond to emerging risks in modern casino operating environments and intersecting industries.

- Completed the framework, scope and compliance audit schedule for both casinos as now required annually under the casino control laws.
- Initiated the 2024 Independent Inquiry into The Star (Bell Inquiry).
- Concluded Kroll's independent monitorship contract and developed a framework for ongoing suitability monitoring by L&GNSW supported by external experts as required.

Summary review of operations

During the reporting period, the NICC continued embedding the 2022 reforms to the statutory framework which included implementing new legal requirements in response to the Bergin and Bell inquiries, enforcing more rigorous ICMs, and lifting compliance standards to the level required by the legislation. The NICC also began reviewing and updating longstanding section 142 agreements and ancillary documents, including decades-old agreements between The Star, the regulator and other parties.



Bell Inquiry Two

In February 2024, the NICC appointed Mr Adam Bell SC to preside over a second Inquiry into The Star. The Bell Inquiry Two was commissioned under section 143 of the Act to investigate The Star's progress in response to the 2021 Bell Review and its recommendations contained in the 2022 Bell Report.

Following the 2022 Bell Review, the NICC suspended the Star's licence indefinitely and appointed a manager. The manager's role was to enable the casino to remain operational, under close supervision, while giving The Star an opportunity to demonstrate it was capable of remediation and could enter a pathway to suitability within a reasonable timeframe. The manager was appointed for an initial 90 days; however, the term was extended twice more by way of regulation. During the period of the managership, the NICC observed challenges for The Star to implement its remediation in a timely fashion as well as its ability to instigate broad cultural change. With the manager's term due to expire in June 2024 and the prospect of a fourth term, the NICC resolved to establish whether The Star had done enough to continue towards suitability.

The NICC instructed Mr Bell to investigate The Star's suitability to hold a casino licence; its risk management culture and governance; financial resources; management and reporting structures; and compliance with certain internal control measures relating to customer risk, financial transactions, and due diligence. The NICC extended the manager's appointment to 30 September to accommodate the Bell Inquiry, which was ongoing during the reporting period, with Mr Bell's report received on 31 July 2024.



Crown Sydney found suitable

While the Bell Inquiry was underway, the NICC was finalising its Crown Sydney suitability assessment. On 23 April the NICC announced Crown Sydney had been found suitable after nearly three years of remediation and a credible transformation to a responsible and compliant business.

The Bergin Inquiry was launched in early 2021, due to concerns about the suitability of Crown Resorts to operate a Sydney casino. When the Bergin Inquiry concluded, Crown Resorts was deemed unsuitable to hold a casino licence in NSW. Bergin had found extensive criminal infiltration and misconduct that created risks to the integrity of the industry and the community at large.

In response to the findings, Crown began an intensive remediation program to transform its business. This involved implementing additional controls relating to customer probity, anti-money laundering and counter-terrorism financing (AML/CTF), and controls to minimise gambling related harm. In June 2022, the NSW Independent Liquor & Gaming Authority, the NSW Government, and Crown's various holding entities, executed the Pathway to Suitability Deed (**PTS Deed**) which enabled Crown to start gaming operations on a conditional basis. The PTS Deed specified three steps to suitability, and imposed rights and obligations on the parties during the conditional gaming period (**CGP**). The CGP end date was set at 31 December 2023 and was later extended to 30 April 2024.

Towards the end of 2023, the NICC developed a framework to determine Crown's suitability. The framework included an assessment of Crown's suitability against the objects of the Act, the three steps outlined in the PTS Deed, and other relevant criteria such as the independent monitor, Kroll Australia's, input and consultation with key stakeholders and the casino operator.

The NICC observed that Crown had sufficiently reformed its business model to enable it to meet its statutory and regulatory obligations. On 23 April 2024, the NICC announced it was satisfied Crown Sydney was suitable to give effect to its licence and that it was in the public interest for the licence to remain in force, operated by Crown Sydney. The NICC found Crown Sydney had achieved significant milestones, reforming its operations, governance, and compliance and risk functions. Crown Sydney also demonstrated it had responded to Bergin in other meaningful ways, such as building a culture of transparency and accountability across its integrated resort.

In its [decision](#), the NICC noted Crown Sydney had ongoing work to reach steady state and it must continue to lift standards and maintain its cultural transformation as it embeds its long-term remediation program.

Kroll Australia's contract ended 30 April 2024. The monitoring functions undertaken by Kroll Australia will be transferred to L&GNSW. The NICC is working with L&GNSW to determine ongoing requirements and resourcing.

Casino licensing and supervision

The NICC delegates specific functions to L&GNSW staff who administer systems and carry out activities in relation to the licensing and supervision of NSW's two casinos.

This includes compliance and enforcement activities carried out both on behalf of the NICC as well as using L&GNSW's own powers under the Act, the Regulation and the *Gaming and Liquor Administration Act 2007*.

L&GNSW's activities include:

- approving gaming equipment, rules of games and new games
- consenting to and monitoring building and development works in the casinos.
- licensing casino special employees through rigorous probity assessment procedures
- investigating close associates of casino operators
- investigating and reviewing controlled contracts and contract notifications for the provision of goods and services to the casinos
- overseeing casino operations, including overt and covert operations to detect offences against the Act
- monitoring compliance with the conditions of the casino licences and related legal and duty agreements
- receiving and investigating complaints about the conduct of gaming in the casinos
- monitoring responsible gambling practices and responsible service of alcohol by casino operators and liquor licensees
- investigating and referring disciplinary action against licensees under the Act when the legislative grounds exist
- conducting intelligence assessments based on casino data
- determining applications seeking review of third-party exclusion orders issued against patrons of the casinos.

L&GNSW has a team of compliance inspectors, investigators and auditors dedicated to casino supervision across Crown Sydney and The Star. Inspectors have a consistent presence at the casinos including during high-risk periods. L&GNSW's intelligence team also flags specific times and areas for inspection.

Casino licences and conditions

The Act allows for one casino licence and one restricted gaming licence in NSW. The Star holds a casino licence, which is currently suspended, and Crown Sydney holds a restricted gaming licence. No new licences were granted during the 2023-24 reporting period.

During the reporting period, the NICC found Crown Sydney suitable to give effect to its restricted gaming licence and lifted the conditional gaming period. The NICC also imposed a range of new conditions on Crown Sydney's licence relating to key management personnel; resourcing of key compliance functions; close associates; data capture; and access to Crown Sydney's gaming systems. Crown Sydney's licence and conditions are published on the NICC's [website](#).

No changes were made to the conditions on The Star's suspended casino licence during the reporting period.

Casino licensing and supervision

L&GNSW investigates and refers disciplinary matters to the NICC for determination and carries out compliance and enforcement activities under its own powers. L&GNSW also investigates and refers disciplinary matters to the NICC for determination. The NICC publishes casino operator and casino special employee disciplinary outcomes on its [website](#).

Compliance and enforcement activities	Total for 2023-24	
Number of investigations (includes inspections, engagements, desk audits) * <i>These are not limited to the casino operator</i>	1,763	
Number of breaches * <i>Includes all reported breaches where a breach has been recorded by L&GNSW. These are not limited to the casino operator.</i>	1,362	
Number of penalty notices issued under the CCA or CCR to any party * <i>These are not limited to the casino operator.</i>	27	
Casino operator disciplinary actions	The Star	Crown Sydney
Number of Penalty Notices issued*	15	7
Disciplinary action taken against the casino operators during the year	6	0
Disciplinary matters investigated by L&GNSW and referred to the NICC for determination	4	0
Referrals to the NICC for consideration of disciplinary action against the operator under section 23 of the Act	13	1

*Casino compliance and enforcement activities carried out by L&GNSW using its powers not under delegation of the NICC.

Casino special employees

Casino special employees hold a licence to do certain work in a casino such as:

- casino security
- move, exchange, or count money and chips
- operate and maintain gaming equipment
- activities involved in the conduct of gaming
- managerial roles with decision-making capacity.

In 2023-24 L&GNSW referred 43 casino special employees to the NICC for disciplinary action. Disciplinary action can include a notice of censure for a specified action, suspension of the licence, or cancellation of the licence and prohibition for a specified time, up to 10 years.

Disciplinary action taken during the reporting period includes matters from the current and previous financial years. Action can be taken on a number of grounds including for issues that arise outside of casino employment. Detail of grounds for disciplinary action and disciplinary outcomes is published on the NICC [website](#).

Casino special employee (CSE) disciplinary action		Total for 2023-24	
Casino where CSE employed	The Star	Crown Sydney	
Referrals for casino special employee disciplinary action	31	12	
Action taken in the reporting period *			
No further action	4		
Censure	8		
Suspension	2		
Cancellation and prohibition	16		
Pending NICC determination	13		

* Figures do not reference a casino of employment.

Casino special employee licences		Total for 2023-24	
Licences granted	725		
Licences renewed	320		
Licences cancelled	13		
Licences surrendered	801		

Casino and liquor licence boundaries

The NICC approved three applications to redefine casino boundaries. Two related to The Star and one related to Crown Sydney. Boundary changes involved accommodating casino operator obligations regarding the visibility of gaming machines and signage as well as moving the boundaries for casino equipment to enable more secure storage.

Liquor licences

The Act designates casino environments as stand-alone areas where the *Liquor Act 2007* does not apply and specific liquor provisions in the Casino Control Regulation 2019 are used instead. During the reporting period the NICC approved three applications relating to on premises liquor licences, two at The Star (a new liquor licence and licensed premises name change) and one at Crown Sydney (an extended hours application).

Gaming related approvals

During the reporting period the NICC approved, either directly or under delegation by L&GNSW:

- 18 amendments to various rules of games
- 8 gaming machines including new gaming machine games
- 11 items of gaming equipment
- 2 new multi-terminal table games.

Casino close associates

Casino close associates are entities or people who hold a significant power or financial interest over the operations of a casino. They are required to meet a high standard of probity, which informs whether they should be approved.

Casino close associates		Total for 2023-24	
Casino	The Star	Crown Sydney	
Applications lodged *	10	6	
Applications approved **	18	10	
Applications declined	0	0	
Applications subject to ongoing consideration and investigation by L&GNSW ***	4	5	

*Applications where interim approval was requested are only counted once.

** Figures include 11 interim approvals for The Star and 3 interim approvals for Crown.

***Figures represent applications submitted during the 23-24 FY that remained incomplete on 30 June 2024.

Controlled contracts

Casino operators require the NICC's approval to enter and vary controlled contracts. The approval process enables the NICC to assess the suitability of all parties to the contract (or the variation of the contract). Controlled contracts are contracts that relate to:

- the supply or servicing of gaming equipment
- the engagement of a compliance auditor for a casino; or
- a contract that is materially significant to the integrity of the operation of a casino.

Controlled contracts		Total for 2023-24	
Casino	The Star	Crown Sydney	
Number determined by NICC to be a controlled contract *	0	1	
Number of controlled contracts notified and under investigation by L&GNSW	6	5	
Number of controlled contracts objected to by L&GNSW	0	0	

*Only certain contracts that are 'materially significant' require determination as a controlled contract.

** Controlled contract investigations are carried out by L&GNSW under delegation from the NICC.

Management and accountability

Human resources

The ONICC is a separate staff agency that supports the NICC. The ONICC provides:

- legal advice and services
- governance and strategic planning
- media, communications, and digital services
- external affairs advice and management
- general advice and correspondence
- stakeholder engagement management
- meeting coordination and the facilitation of decision making.

Other corporate services such as human resources, information management, and systems support are provided by DEIT through a memorandum of understanding.

Staff numbers

Office of the NICC	Number
Total ONICC staff	11
Senior executive	1
Non-senior executive	10

Numbers and remuneration of senior executives

Senior executive 2023-24

Member	Date of first appointment	Remuneration
Director Office of the NICC (1 x female)	5 September 2022	SEB 1 \$201,350 - \$287,200*

*Sixteen per cent of total employee related expenditure in the reporting year related to senior executives.

Board members 2023-24

Member	First appointment	Current term	Expiry of term	Qualifications
Mr Philip Crawford Chief Commissioner	5 September 2022	5 September 2022	24 May 2026	Bachelor of Laws Bachelor of Arts
Mr Craig Sahlin Commissioner	5 September 2022	2 December 2023	1 December 2024	Bachelor of Laws Bachelor of Arts (Honours) Graduate Australian Institute of Company Directors
Ms Janine Rolfe Commissioner	5 September 2022	5 September 2022	1 March 2025	Bachelor of Economics Bachelor of Laws (Honours) Graduate Australian Institute of Company Directors
Mr Murray Smith Commissioner	5 September 2022	5 September 2022	1 December 2025	Bachelor of Business Chartered Accountant Graduate Australian Institute of Company Directors
Mr Stephen Parbery Commissioner	5 September 2022	5 September 2022	24 May 2026	Fellow of the Institute of Chartered Accountants Registered Liquidator

Board meetings

NICC board meetings were held bi-monthly to allow timely considerations of relevant matters. Under the Act the frequency of NICC meetings is determined by the NICC.

Other face-to-face, virtual and telephone meetings were held by NICC members as required and attendance was structured depending on the assignment of responsibilities among members. In addition to scheduled meetings, commissioners served on numerous committees throughout the year. The NICC also committed to progressing priority work out of session.

Board meeting attendance

Name	Position	No of meetings while member	Board meetings attended
Philip Crawford	Chief Commissioner	22	18
Craig Sahlin	Commissioner	22	20
Janine Rolfe	Commissioner	22	21
Murray Smith	Commissioner	22	18
Stephen Parbery	Commissioner	22	21

Requirements arising from employment arrangements

Personnel services are provided to the NICC under the DEIT Memorandum of Understanding (MOU).

Legal change

Mr Nicholas Weeks was appointed as Manager of The Star on 17 October 2022 for a period of 90 days. His appointment has been extended three times since the initial term, while the NICC considered The Star's capacity to embark upon a pathway to suitability.

- The first extension was for 12 months, until 19 January 2024.
- The second extension was to 30 June 2024, to provide the NICC additional time to assess The Star's remediation progress.
- The third extension was to 30 September 2024 to accommodate the extra time needed for the Bell Inquiry.

During the reporting period, the NICC twice sought approval from the Minister, to amend clause 48A of the Regulation.

Economic or other factors

The factors affecting the NICC's ability to achieve its objectives are largely centred on the efficient and effective use of the CSL for operational resourcing. Apart from an initial \$14m provided by the NSW Government for the NICC's establishment in 2022, the CSL is the only source of funding for the NICC and its activities. It is a requirement that both casinos contribute to the CSL. A failure to make a payment constitutes a breach of the casino licence. In the reporting period, The Star and Crown Sydney made all CSL payments on time and as required.

Events arising after the annual reporting period

The Star Entertainment Group

On 31 July 2024, Mr Adam Bell SC provided the Bell Inquiry Report to the NICC. The NICC sought approval from the Minister to extend the manager's appointment from 30 September 2024 to 31 March 2025 to provide additional time for the NICC to consider and respond to the Bell Report. This extension would ensure The Star could remain operational, under appropriate oversight, until such time as the NICC issued its response.

On 13 September 2024 the NICC issued The Star with a show cause notice, seeking its submission as to why the NICC should not take disciplinary action in respect of breaches substantiated in the second Bell Report. The NICC also issued correspondence to The Star in relation to its management, operation and culture, the adequacy and implementation of its remediation plan, and The Star's overall suitability to hold a casino licence. The Star was given 14 days to respond to the show cause notice and related correspondence before the NICC concluded its response to the Bell Report.

Crown Resorts

Crown Sydney applied to the NICC for a variation to its Restricted Gaming Licence to remove the 24-hour cooling off period for NSW residents. At its meeting on 10 July 2024, the NICC approved the removal of the condition and amendment to the licence. Crown Sydney implemented the change on 17 July. Previously, under the condition NSW residents who couldn't demonstrate VIP membership of another casino were required to apply for membership at Crown Sydney and obliged to wait 24 hours before membership was confirmed.

Machinery of government changes

On 12 April 2024, the Premier of NSW announced changes that would take effect from 1 July 2024. DEIT became the Department of Creative Industries, Tourism, Hospitality and Sport, including Create NSW, Hospitality and Racing, the Office of the 24-Hour Economy Commissioner, Destination NSW, as well as the Office of Sport, NSW Institute of Sport, Venues NSW and relevant corporate services teams. Investment NSW and the Office of the Chief Scientist and Engineer moved out of the former DEIT and joined the Premier's Department.

Risk management and insurance activities

The NICC manages risks to its operational abilities through strategic planning and governance, and a comprehensive risk management framework which is monitored by an independent audit and risk committee.

The NICC operates within a governance framework that supports its capacity to meet its obligations as an independent NSW government agency. The NICC has a dedicated Governance Committee to provide oversight of key documents and activities. The Committee also has a forward planning governance calendar. It meets monthly and actions identified during meetings are recorded.

The NICC aligns with the overarching DEIT Risk Management Policy. This policy establishes that the Chief Commissioner is responsible and accountable for risk management for the agency, and it outlines other roles and responsibilities to ensure all staff are involved in identifying and managing risk.

The NICC also adheres to its Risk Management Framework, which is consistent with, and supports the DEIT Risk Management Policy. The NICC Risk Management Framework was developed and endorsed by commissioners in November 2023. The Framework is consistent with AS ISO 31000:2018 and TPP 20-08. It is reviewed and updated frequently, as needs arise.

The NICC Governance Committee regularly reviews the NICC Risk Register. Monthly committee meetings involve consideration of specific risk categories, and any proposed updates or amendments are presented for discussion at NICC board meetings. Following NICC board discussion and endorsement, proposed changes are submitted to the DEIT Audit and Risk Committee for feedback and subsequent inclusion on the register.

Internal audit and risk management policy attestation

Refer to Attachment B: NICC Internal Audit and Risk Management Attestation Statement 2023-2024.

Cyber security policy attestation

Refer to Attachment C: NSW Independent Casino Commission Cyber Security Attestation.

Compliance with the *Privacy and Personal Protection Act 1998*

The NICC must comply with the *Privacy and Personal Protection Act 1998* in dealing with personal information. The NICC publishes its privacy notice on its [website](#) and aligns with DEIT's [Privacy management plan](#) to apply the correct procedures to manage the personal information of stakeholders and staff.

Government Information and Public Access Act 2009

The NICC is a government agency for the purposes of the *Government Information (Public Access) Act 2009 (GIPA Act)*. It has legal obligations to make government information available.

In 2023-24, the NICC received two formal access applications under the GIPA Act. Both access applications were invalid under sections 41 and 43 of the GIPA Act. During the reporting period, four applications were reviewed by the Information Commissioner and in all cases the original decision was upheld.

Public Interest Disclosures Act 1994

Section 31 of the *Public Interest Disclosures Act 2022* requires public authorities, including the NICC, to report on certain matters arising under the Act within four months after the end of each reporting year. The NICC did not receive any internal or external Public Interest Disclosures (PIDs) in 2023-24. During the reporting period the NICC finalised and published its own PID policy and procedure and conducted associated training and awareness activities for managers and disclosure officers as required by the NSW Ombudsman.

Other information

The NICC did not incur external costs in the development of this annual report. The NICC's annual report will be published at www.nicc.nsw.gov.au.

Sustainability

Disability inclusion action plans

The NICC operated in accordance with DEIT disability and inclusion recruitment policies and processes. During the reporting period the NICC had access to participation in the DEIT Disability and Inclusion Network. The NICC is open to ways it can implement its own disability and inclusion initiatives.

Modern Slavery Act 2018

The NICC acknowledges that modern slavery is a significant global problem and that, as part of the public sector, the NICC has a moral and legal responsibility to combat the risks of modern slavery in its business and supply chain. The NICC adheres to the modern slavery and procurement guidance developed by NSW Procurement. During procurement activities, the NICC complies with the *Modern Slavery Act 2018* and follows the steps outlined on the www.buy.nsw.gov.au webpage.

The NICC provides a quarterly report on professional services engagements to DEIT for submission to NSW Procurement. The NICC also complies with DEIT Acceptable Use Policy. This policy describes the conditions under which department resources, including but not limited to computers, networks, the internet, printers and mobile devices are to be used. Department resources cannot be used for activities that contribute to slavery. Members of the NICC and ONICC also complete yearly mandatory training via the NSW Government's myCareer portal.

Work health and safety

In 2023-24 there were no reported work health and safety incidents.

NICC and ONICC members must identify and satisfy their work health and safety obligations as officers under the work health and safety laws and ensure workplace safety matters are addressed on a regular basis. Work health and safety risk assessments are undertaken in respect of any off-site activities facilitated by the NICC and working from home arrangements are subject to work health and safety assessments.

An ONICC health and safety representative (HSR) was elected in accordance with the *Work Health and Safety Act 2011*, and the NICC's additional requirements under the Act are supported by the DEIT Work Health and Safety Policy, as contained in the DEIT MOU.

Workforce diversity

Multicultural NSW is the lead agency for implementing the legislative framework to support the principles set out in the *Multicultural Act 2000*. Multicultural NSW developed the Multicultural Policies and Services Program (MPSP) to support government agencies to develop and maintain individual multicultural plans, to be reported on annually. Under the MPSP, the NICC is required to develop a multicultural plan that responds to the four focus areas and nine outcomes below:

Focus area	Outcome
Service delivery	Mainstream services deliver for everyone
	Targeted programs fill the gaps
	People from culturally diverse backgrounds are aware of NSW Government (funded) services, programs and functions
Planning	Strong plans to deliver services
	Evidence driven planning
Leadership	Demonstrated leadership in culturally inclusive practices
	Increased recognition of the value of cultural diversity
Engagement	Collaboration with diverse communities
	Understanding the needs of people from diverse backgrounds

The ONICC is developing a multicultural plan to address the above focus areas. The targets under the plan will be developed with consideration of the NICC’s role as an independent casino regulator, including its limited scope in operating public-facing programs and campaigns. When finalised, the plan will be submitted for endorsement by the NICC and reported on in the 2024-25 annual report.

During the reporting period the NICC participated in staff-level initiatives to promote workplace diversity. The NICC undertook activities during team meetings, board meetings, and planning days to acknowledge and gain an appreciation of the backgrounds and cultural ties of NICC and ONICC members.

Trends in workforce diversity

As a public service agency, the NICC reports statistics for the representation and distribution of employees in diversity groups, in the same format as the report provided to each agency by the Public Service Commission. In line with the DEIT MOU, the NICC’s workforce diversity report is provided to the Public Service Commission by DEIT. Further information about workforce diversity initiatives is detailed in DEIT annual report. The relevant NICC workforce statistics are as follows:

Trends in the representation of workforce diversity groups				
Workforce diversity group	Benchmark	2022	2023	2024
Women	50%	N/A	60.0%	63.6%
Aboriginal and/or Torres Strait Islander People	3.3%	N/A	0.0%	0.0%
People whose first language spoken as a child was not English	23.2%	N/A	12.5%	12.1%
People with disability	5.6%	N/A	0.0%	0.0%
People with disability requiring work-related adjustment	N/A	N/A	0.0%	0.0%

Note 1: The benchmark of 50% for representation of women across the sector is intended to reflect the gender composition of the NSW community.

Note 2: The NSW Public Sector Aboriginal Employment Strategy 2019 – 25 takes a career pathway approach in that it sets an ambitious target of 3% Aboriginal employment at each non-executive grade of the public sector by 2025.

Note 3: A benchmark from the Australian Bureau of Statistics (ABS) Census of Population and Housing has been included for People whose First Language Spoken as a Child was not English. The ABS Census does not provide information about first language but does provide information about country of birth. The benchmark of 23.2% is the percentage of the NSW general population born in a country where English is not the predominant language.

Note 4: In December 2017 the NSW Government announced the target of doubling the representation of people with disability in the NSW public sector from an estimated 2.7% to 5.6% by 2027. More information can be found at: [Jobs for People with Disability: A plan for the NSW public sector](#). The benchmark for 'People with Disability Requiring Work-Related Adjustment' was not updated.



Financial performance

In accordance with section 115AB of the *Casino Control Act 1992*, a casino supervisory fund was established to receive CSL payments. This fund is under the control and management of the NICC.

Financial statements to follow.



INDEPENDENT AUDITOR'S REPORT

NSW Independent Casino Commission

To Members of the New South Wales Parliament

Opinion

I have audited the accompanying financial statements of NSW Independent Casino Commission (the Commission), which comprise the Statement by the Accountable Authority, the Statement of Comprehensive Income for the year ended 30 June 2024, the Statement of Financial Position as at 30 June 2024, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a Statement of Material Accounting Policy Information and other explanatory information of the Commission and the consolidated entity. The consolidated entity comprises the Commission and the entities it controlled at the year's end or from time to time during the financial year.

In my opinion, the financial statements:

- have been prepared in accordance with Australian Accounting Standards and the applicable financial reporting requirements of the *Government Sector Finance Act 2018* (GSF Act), the *Government Sector Finance Regulation 2024* (GSF Regulation) and the Treasurer's Directions
- presents fairly the financial position, financial performance and cash flows of the Commission and the consolidated entity

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

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report.

I am independent of the Commission and the consolidated entity in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants (including Independence Standards)' (APES 110).

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of public sector agencies
- precluding the Auditor-General from providing non-audit services.

I have fulfilled my other ethical responsibilities in accordance with APES 110.

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

Board's Responsibilities for the Financial Statements

The Board is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and the GSF Act, GSF Regulation and Treasurer's Directions. The Board's responsibility also includes such internal control as the Board determines is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board is responsible for assessing the ability of the Commission and the consolidated entity to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar3.pdf description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

- that the Commission and the consolidated entity carried out their activities effectively, efficiently and economically
- about the assumptions used in formulating the budget figures disclosed in the financial statements
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.



Mary Yuen
Director, Financial Audit

Delegate of the Auditor-General for New South Wales

4 October 2024
SYDNEY

NSW Independent Casino Commission

**Consolidated Financial Statements
for the year ended
30 June 2024**

NSW Independent Casino Commission

Statement by the Accountable Authority for the year ended 30 June 2024

Pursuant to section 7.6(4) of the *Government Sector Finance Act 2018* ("the Act"), I state that these financial statements:

- have been prepared in accordance with Australian Accounting Standards and the applicable requirements of the Act, the Government Sector Finance Regulation 2024 and the Treasurer's directions; and
- present fairly the NSW Independent Casino Commission and its controlled entity's financial position, financial performance and cash flows.



Philip Crawford
Chief Commissioner

Date: 3 October 2024

NSW Independent Casino Commission

Statement of Comprehensive Income for the year ended 30 June 2024

	Notes	Consolidated			Parent	
		Budget	Actual	Actual*	Actual	Actual*
		2024	2024	2023	2024	2023
		\$'000	\$'000	\$'000	\$'000	\$'000
Continuing operations						
Expenses excluding losses						
Employee related expenses	2(a)	3,111	1,777	795	-	-
Personnel services	2(b)	-	-	-	1,686	582
In-kind personnel services	2(c)	-	-	7,354	-	7,354
Board members' remuneration		-	1,256	1,082	1,256	1,082
Grants and Subsidies	2(d)	-	-	1,203	-	1,203
Other operating expenses	2(e)	16,638	18,274	1,017	18,274	1,017
Total expenses excluding losses		19,749	21,307	11,451	21,216	11,238
Revenue						
Retained taxes, fees and fines	3(a)	19,480	19,475	15,564	19,475	15,564
In-kind contribution	3(b)	-	-	7,354	-	7,354
Other revenue	3(c)	-	2,477	7,000	2,477	7,000
Acceptance by the Crown of employee benefits and other liabilities	3(d)	-	91	213	-	-
Total revenue		19,480	22,043	30,131	21,952	29,918
Net result		(269)	736	18,680	736	18,680
Other comprehensive income		-	-	-	-	-
Total comprehensive income		(269)	736	18,680	736	18,680

* Actuals for 2023 are for the period from 5 Sep 2022 to 30 June 2023

The accompanying notes form part of these financial statements.

NSW Independent Casino Commission

Statement of Financial Position as at 30 June 2024

	Notes	Consolidated			Parent	
		Budget	Actual	Actual	Actual	Actual
		2024	2024	2023	2024	2023
		\$'000	\$'000	\$'000	\$'000	\$'000
Assets						
Current assets						
Cash and cash equivalents	4	18,729	24,772	18,998	24,772	18,998
Receivables	5	12	3,363	12	3,363	12
Total current assets		18,741	28,135	19,010	28,135	19,010
Total assets		18,741	28,135	19,010	28,135	19,010
Liabilities						
Current liabilities						
Payables	6	251	8,600	248	8,600	248
Provisions	7	211	250	214	250	214
Total current liabilities		462	8,850	462	8,850	462
Non-current liabilities						
Provisions	7	3	4	3	4	3
Total non-current liabilities		3	4	3	4	3
Total liabilities		465	8,854	465	8,854	465
Net assets		18,276	19,281	18,545	19,281	18,545
Equity						
Accumulated funds		18,276	19,281	18,545	19,281	18,545
Total equity		18,276	19,281	18,545	19,281	18,545

The accompanying notes form part of these financial statements.

NSW Independent Casino Commission

Statement of Changes in Equity for the year ended 30 June 2024

	Notes	Consolidated	Parent
		Accumulated Funds \$'000	Accumulated Funds \$'000
Balance at 1 July 2023		18,545	18,545
Net result for the year		736	736
Other comprehensive income		-	-
Total comprehensive income for the year		736	736
Transactions with owners in their capacity as owners			
Increase / (decrease) in net assets from equity transfers	8	-	-
Balance at 30 June 2024		19,281	19,281
Balance at 5 September 2022		-	-
Net result for the period		18,680	18,680
Other comprehensive income		-	-
Total comprehensive income for the year		18,680	18,680
Transactions with owners in their capacity as owners			
Increase / (decrease) in net assets from equity transfers	8	(135)	(135)
Balance at 30 June 2023		18,545	18,545

The accompanying notes form part of these financial statements.

NSW Independent Casino Commission

Statement of Cash Flows for the year ended 30 June 2024

	Notes	Consolidated			Parent	
		Budget	Actual	Actual*	Actual	Actual*
		2024	2024	2023	2024	2023
		\$'000	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities						
Payments						
Employee related expenses		(3,111)	(1,606)	(500)	-	-
Grants and subsidies		-	-	(1,203)	-	(1,203)
Other payments		(16,638)	(12,214)	(1,876)	(13,820)	(2,376)
Total payments		(19,749)	(13,820)	(3,579)	(13,820)	(3,579)
Receipts						
Retained taxes, fees and fines		19,480	19,475	15,564	19,475	15,564
Refund of GST		-	97	25	97	25
Other receipts		-	22	6,988	22	6,988
Total receipts		19,480	19,594	22,577	19,594	22,577
Net cash flows from operating activities	12	(269)	5,774	18,998	5,774	18,998
Net increase / (decrease) in cash and cash equivalents		(269)	5,774	18,998	5,774	18,998
Opening cash and cash equivalents		18,998	18,998	-	18,998	-
Closing cash and cash equivalents	4	18,729	24,772	18,998	24,772	18,998

* Actuals for 2023 are for the period from 5 Sep 2022 to 30 June 2023

The accompanying notes form part of these financial statements.

NSW Independent Casino Commission

Notes to the financial statements for the year ended 30 June 2024

1. Statement of material accounting policy information

(a) Reporting entity

The NSW Independent Casino Commission ('NICC') is a NSW government agency that is controlled by the State of New South Wales which is the ultimate parent. NICC is a not-for-profit entity (as profit is not its principal objective) and it has no cash generating units.

NICC was established on 5 September 2022 under the *Casino Legislation Amendment Act 2022 which amended the Casino Control Act 1992* (the Act), set up to address the risks and harms arising from casino operations through increased regulatory oversight.

Pursuant to the *Administrative Arrangements (Administrative Changes - Miscellaneous) Order 2023* dated 22 February 2023, the persons employed in the Office of NSW Independent Casino Commission in the Department of Enterprise, Investment and Trade (DEIT) were transferred to the NSW Independent Casino Commission Staff Agency ('NICC Staff Agency') effective from 27 February 2023. Until this date, those personnel provided in-kind services to NICC. Other personnel in DEIT corporate services and regulatory groups also provided in-kind services until 30 June 2023 to support NICC's establishment and operationalisation. A Memorandum of Understanding (MOU) is in place with DEIT which sets the framework for the scope of services given by DEIT to NICC. Costs on charged to NICC under the MOU are disclosed in Note 2 (e).

NICC is funded through the Casino Supervisory Levy ('CSL') which is paid by the casino operators under section 115A of the Act, the annual amount is fixed by section 51 of the *Casino Control Regulation 2019*.

CSL is paid into the Casino Supervisory Fund ('the Fund') which is established as a special deposit account under section 115AB of the Act. The Fund is controlled by NICC and operates in accordance with the requirements of the Act.

Section 115AB (3) states the amounts payable into the Fund. These are:

- (a) all money received under section 11A as a CSL,
- (b) the proceeds of the investment of money in the Fund

Section 115AB (4) prescribes the payments from the Fund. These are:

- (a) to enable the NICC to exercise its functions, or
- (b) to the Secretary if:
 - the amount paid into the Fund is more than the budget of the NICC, and
 - the NICC and Secretary have not otherwise agreed the amount is to be allocated to the NICC for payment under (a).

The Secretary is the Secretary of DEIT under the Act.

NICC administers, but does not control, certain fines revenue on behalf of the Crown in the right of the State of New South Wales ('the Crown') in its regulatory role over the operations of casinos in New South Wales. The administered fines are disclosed in Note 15 and are not recognised as NICC's income.

NICC as a reporting entity comprises all the entities under its control, namely the NSW Independent Casino Commission ('the Parent entity') and the NICC Staff Agency. NICC Staff Agency's sole objective is to provide personnel services to the Parent entity.

In the process of preparing the consolidated financial statements for the reporting entity, consisting of the controlling and controlled entities, all inter-entity transactions and balances have been eliminated, and like transactions and other events are accounted for using uniform accounting policies.

NSW Independent Casino Commission

Notes to the financial statements for the year ended 30 June 2024

1. Statement of material accounting policy information (continued)

These consolidated financial statements for the year ended 30 June 2024 have been authorised for issue by the Chief Commissioner on the date the accompanying Statement by the Accountable Authority is signed.

(b) Basis of preparation

NICC's financial statements are general purpose financial statements which have been prepared on an accrual basis and in accordance with:

- the applicable requirements of Australian Accounting Standards (AAS) (which include Australian Accounting Interpretations)
- the requirements of the *Government Sector Finance Act 2018* (GSF Act) and
- Treasurer's Directions issued under the GSF Act.

Financial statement items are prepared in accordance with the historical cost convention except where specified otherwise.

Judgements, key assumptions and estimates management have made are disclosed in the relevant notes to the financial statements.

All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency, which is NICC's presentation and functional currency.

(c) Statement of compliance

NICC's financial statements and notes comply with the AAS, which include Australian Accounting Interpretations.

(d) Going concern

The financial statements have been prepared on a going-concern basis.

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

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

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

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

(f) Comparative information

Except when an AAS permits or requires otherwise, comparative information is disclosed in respect of the previous financial year for all amounts reported in the financial statements. NICC was created on 5 September 2022 and as a result the prior year comparatives are not for a full year.

Where necessary, comparative disclosures in financial statements and in the notes to the financial statements have been amended to conform to the current year presentation.

NSW Independent Casino Commission

Notes to the financial statements for the year ended 30 June 2024

1. Statement of material accounting policy information (continued)

(g) Changes in accounting policy, including new or revised Australian Accounting Standards

(i) Effective for the first time in FY2023-24

The accounting policies applied in 2023-24 are consistent with those of the previous financial year. New accounting standards, amendments and interpretations effective for the first time in 2023-24 do not have a material impact on the financial statements of NICC.

(ii) Issued but not yet effective

NSW public sector entities are not permitted to early adopt new AAS unless Treasury determines otherwise.

The following new AAS relevant for NICC have not been applied and are not yet effective, in accordance with the NSW Treasury mandate *TPG 24-06 Mandates of options and major policy decisions under Australian Accounting Standards*:

- AASB 2020-1 *Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current*
- AASB 2022-6 *Amendments to Australian Accounting Standards – Non-current Liabilities with Covenants*
- AASB 2022-10 *Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities*
- AASB 2023-1 *Amendments to Australian Accounting Standards – Supplier Finance Arrangements*
- AASB 2023-3 *Amendments to Australian Accounting Standards – Disclosure of Non-current Liabilities with Covenants: Tier 2*

NICC has assessed the potential impact of these and have determined they are unlikely to have a material impact on the financial statements.

2. Expenses excluding losses

(a) Employee related expenses

	Consolidated		Parent	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Salaries and wages (including annual leave)	1,452	502	-	-
Long service leave	103	232	-	-
Superannuation - defined benefit plans	(1)	2	-	-
Superannuation - defined contribution plans	134	34	-	-
Payroll tax	87	25	-	-
Fringe benefits tax	2	-	-	-
	1,777	795	-	-

Pursuant to the *Administrative Arrangements (Administrative Changes - Miscellaneous) Order 2023* dated 22 February 2023, the persons employed in the Office of NSW Independent Casino Commission in DEIT were transferred to the NICC Staff Agency effective from 27 February 2023. Until this date NICC did not have any staff and relied on the personnel services provided in-kind by DEIT. Refer Note 2 (c).

NSW Independent Casino Commission

Notes to the financial statements for the year ended 30 June 2024

2. Expenses excluding losses (continued)

(b) Personnel services

	Consolidated		Parent	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
From NICC staff agency	-	-	1,686	582
	<u>-</u>	<u>-</u>	<u>1,686</u>	<u>582</u>

(c) In-kind personnel services

Provided by the principal department	-	7,354	-	7,354
	<u>-</u>	<u>7,354</u>	<u>-</u>	<u>7,354</u>

DEIT personnel provided corporate and casino regulatory services to NICC in kind in 2022-23. From 2023-24 onwards, these expenses are charged to NICC and are disclosed in Note 2 (e).

(d) Grants and subsidies

Grants to NSW government agencies	-	1,203	-	1,203
	<u>-</u>	<u>1,203</u>	<u>-</u>	<u>1,203</u>

Funding provided to DEIT to reimburse the Independent Liquor and Gaming Authority for its cost incurred in relation to extension of the Bell Inquiry, a review of The Star Pty Limited ('The Star') under section 30 and 143 of the Act to consider how effectively The Star is complying with its statutory obligations and suitability to hold a casino licence.

(e) Other operating expenses

Casino regulatory expense	14,258	-	14,258	-
Corporate services	499	-	499	-
Auditor's remuneration	30	34	30	34
Contractors	-	64	-	64
Consultants	5	-	5	-
Fees and charges	398	296	398	296
Legal expenses	2,997	606	2,997	606
Other	87	17	87	17
	<u>18,274</u>	<u>1,017</u>	<u>18,274</u>	<u>1,017</u>

3. Revenue

(a) Retained taxes, fees and fines

Casino supervisory levy	19,475	15,564	19,475	15,564
	<u>19,475</u>	<u>15,564</u>	<u>19,475</u>	<u>15,564</u>

CSL is recognised as a revenue under AASB 1058 *Income of Not-for-Profit Entities* when NICC obtains the right to receive the levy.

NSW Independent Casino Commission

Notes to the financial statements for the year ended 30 June 2024

3. Revenue (continued)

(b) In-kind contributions

	Consolidated		Parent	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Expenses incurred that have not been on-charged to NICC	-	7,354	-	7,354
	-	7,354	-	7,354

In-kind contributions were provided by DEIT. Refer to note 2(c).

(c) Other revenue

Payment from The Star*	2,462	7,000	2,462	7,000
Other	15	-	15	-
	2,477	7,000	2,477	7,000

*Contributions from The Star for the costs of the Bell Inquiries. The first Bell Inquiry, commenced on 14 September 2021, was conducted by the Independent Liquor and Gaming Authority prior to the establishment of NICC. The review considered how effectively The Star is complying with its statutory obligations and whether it remains suitable to hold a casino licence. The report on the review was issued on 31 August 2022 which determined The Star to be unsuitable to hold a casino licence. NICC took disciplinary actions on The Star based on recommendations of the inquiry. Refer to Note 15.

A further inquiry was launched into The Star's suitability during the year and is also conducted independently by Adam Bell SC. The inquiries were issued under *section 143(1) and 143A of the Casino Control Act 1992*.

(d) Acceptance by the Crown of employee benefits and other liabilities

Long service leave provision	92	211	-	-
Superannuation - defined benefit	(1)	2	-	-
	91	213	-	-

(e) Summary of compliance

The *Appropriation Act 2023 (Appropriations Act)* and the subsequent variations appropriates the sum of \$1.7 billion to the Minister for Jobs and Tourism out of the Consolidated Fund for the services of DEIT, for the year 2023-24. The spending authority of the Minister from the *Appropriations Act* has been delegated or subdelegated to officers of DEIT and entities that it is administratively responsible for, including NICC.

The lead minister for NICC being the Minister for Jobs and Tourism, is taken to have been given an appropriation out of the Consolidated Fund under the authority section 4.7 of the GSF Act, at the time NICC receives or recovers any deemed appropriation money, for an amount equivalent to the money that is received or recovered by NICC. These deemed appropriations are taken to have been given for the services of DEIT.

A summary of compliance is disclosed in the financial statements of the Annual Report of DEIT. It has been prepared by aggregating the spending authorities of the Minister for Jobs and Tourism for the services of DEIT. It reflects the status at the point in time this disclosure statement is being made. NICC's spending authority and expenditure is included in the summary of compliance.

NSW Independent Casino Commission

Notes to the financial statements for the year ended 30 June 2024

3. Revenue (continued)

The delegation/sub-delegations for 2023-24 and 2022-23, authorising officers of NICC to spend Consolidated Fund money, impose limits on the amounts of individual transactions, but not the overall expenditure of NICC. However, as they relate to expenditure in reliance on a sum appropriated by legislation, the delegation/sub-delegations are subject to the overall authority of DEIT to spend monies under relevant legislation. The individual transaction limits have been properly observed. The information in relation to the aggregate expenditure limit from the *Appropriations Act* and other sources is disclosed in the summary of compliance table included in the financial statements of the Annual Report of DEIT.

4. Cash and cash equivalents

	Consolidated		Parent	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Cash at bank	24,772	18,998	24,772	18,998
	24,772	18,998	24,772	18,998

For the purposes of the Statement of Cash Flows, cash and cash equivalents includes cash at bank and cash on hand.

Cash and cash equivalent assets recognised in the Statement of Financial Position are reconciled at the end of the year to the Statement of Cash Flows.

Refer to Note 13 for details regarding credit risk and market risk arising from financial instruments.

5. Receivables

Accrued Income	2,462	-	2,462	-
GST receivable	871	5	871	5
Prepayments	30	-	30	-
Other receivable	-	7	-	7
	3,363	12	3,363	12

Recognition and measurement

Receivables are initially recognised at fair value plus any directly attributable transaction costs. Trade receivables that do not contain a significant financing component are measured at the transaction price. Short term receivables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

Subsequent measurement

NICC holds receivables with the objective to collect the contractual cash flows and therefore measures them at amortised cost using the effective interest method, less any impairment.

6. Payables

Current

Trade creditors and accruals	8,556	198	8,556	198
Accrued salaries, wages and on-costs	43	36	-	-
Other payables	1	14	44	50
	8,600	248	8,600	248

NSW Independent Casino Commission

Notes to the financial statements for the year ended 30 June 2024

6. Payables (continued)

Recognition and measurement

Payables represent liabilities for goods and services provided to NICC and other amounts. Short-term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

Refer to Note 13 for details regarding credit risk, liquidity risk and market risk arising from financial instruments.

7. Provisions

	Consolidated		Parent	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Current				
Employee benefit and related on-costs				
Annual leave, including on-costs	167	184	-	-
Long Service leave on-costs	40	30	-	-
Other	43	-	-	-
Total employee provisions	250	214	-	-
Other				
Provision for personnel services	-	-	250	214
Total current provisions	250	214	250	214
Non-Current				
Employee benefit and related on-costs				
Long Service leave on-costs	4	3	-	-
Total employee provisions	4	3	-	-
Other				
Provision for personnel services	-	-	4	3
Total non-current provisions	4	3	4	3
Aggregate employee benefits and related on-costs				
Provisions – current	250	214	-	-
Provisions – non current	4	3	-	-
Accrued salaries, wages and on-costs (Note 6)	43	36	-	-
	297	253	-	-

Recognition and measurement

Employee benefits and related on-costs

Salaries and wages, annual leave and sick leave

Salaries and wages (including non-monetary benefits) and paid sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the service are recognised and measured at the undiscounted amounts of the benefits.

Annual leave is not expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service. As such, it is required to be measured at present value in accordance with AASB 119 *Employee Benefits* (although short-cut methods are permitted).

Actuarial advice obtained by NSW Treasury has confirmed that using the nominal annual leave balance plus the annual leave entitlements accrued while taking annual leave (calculated using 8.4% of the nominal value of annual leave) can be used to approximate the present value of the annual leave liability. NICC has assessed the actuarial advice based on its circumstances and has determined that the effect of discounting is immaterial to annual leave.

NSW Independent Casino Commission

Notes to the financial statements for the year ended 30 June 2024

7. Provisions (continued)

All annual leave is classified as a current liability even where NICC does not expect to settle the liability within 12 months as it does not have an unconditional right to defer settlement.

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

Long service leave and superannuation

NICC's long service leave and defined benefit superannuation liabilities are assumed by the Crown. NICC accounts for the liabilities as having been extinguished, resulting in the amount assumed being shown as part of the non-monetary revenue item described as 'Acceptance by the Crown of employee benefits and other liabilities'.

Long service leave is measured at the present value of expected future payments to be made in respect of services provided up to the reporting date. Consideration is given to certain factors based on actuarial review, including expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using Commonwealth Government bond rate at the reporting date.

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

Consequential on-costs

Consequential costs to employment are recognised as liabilities and expenses where the employee benefits to which they relate have been recognised. This includes outstanding amounts of payroll tax, workers' compensation insurance premiums and fringe benefits tax.

8. Net assets from equity transfers

There were no equity transfers in 2023-24.

2023 comparative

Pursuant to the *Administrative Arrangements (Administrative Changes - Miscellaneous) Order 2023*, the persons employed in the Office of NICC in DEIT were transferred to the NICC Staff Agency effective from 27 February 2023. Assets and liabilities associated with the affected staff were also transferred on this date.

	\$'000
Current assets	-
Non-current assets	-
Total assets	-
Current liabilities	
Provisions	135
Non-current liabilities	-
Total liabilities	135
Decrease in net assets from equity transfer	(135)

NSW Independent Casino Commission

Notes to the financial statements for the year ended 30 June 2024

9. Commitments

There are no material capital commitments as at the reporting date.

10. Contingent assets and contingent liabilities

There are no known contingent assets or contingent liabilities as at the reporting date.

11. Budget Review

The budgeted amounts are drawn from the original budgeted financial statements presented to Parliament in respect of the financial year. Subsequent amendments to the original budget are not reflected in the budgeted amounts. Major variances between the original budgeted amounts and the actual amounts disclosed in the financial statements are explained below.

Net Result

The actual net gain was \$0.7 million compared to the budgeted deficit of \$0.3 million. Key factors contributing to the favourable variance were:

- Total expenses were higher by \$1.6 million driven by higher legal expenses in relation to the Bell Inquiry of \$2.5 million offset by underspend in other operating expenses and labour expenses. The original budget does not reflect additional funding of \$4.2 million approved during the year for legal expenses in relation to the Bell Inquiry.
- Total revenue was higher by \$2.6 million which was mostly from the reimbursement of legal fees receivable from The Star for the Bell Inquiry.

Net assets

The net assets position was higher than budget by \$1.0 million mainly due to an increase in cash holding by \$6 million, receivables by \$3.4 million for the accrual of reimbursement for Bell inquiry legal costs, GST receivable offset by increase in payables by \$8.3 million relating to casino regulatory activities and corporate services.

Cash flows

The net cash inflow was higher by \$6.0 million mainly due to unpaid casino regulatory expenses and lower than expected employee related expenses.

12. Reconciliation of cash flows from operating activities to net result

	Consolidated		Parent	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Net cash from operating activities	5,774	18,998	5,774	18,998
Increase / (decrease) in receivables	3,351	12	3,351	12
(Increase) / decrease in payables	(8,352)	(248)	(8,352)	(248)
(Increase) / decrease in provisions	(37)	(82)	(37)	(82)
Net result	736	18,680	736	18,680

NSW Independent Casino Commission

Notes to the financial statements for the year ended 30 June 2024

13. Financial instruments

NICC's principal financial instruments are outlined below. These financial instruments arise directly from NICC's operations or are required to finance its operations. NICC does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

NICC's main risks arising from financial instruments are outlined below, together with NICC's objectives, policies and processes for measuring and managing risk. Further quantitative and qualitative disclosures are included throughout these financial statements.

The Chief Commissioner has the overall responsibility for the establishment and oversight of risk management and reviews and agrees policies for managing each of these risks. Risk management policies are established to identify and analyse the risks faced by NICC, to set risk limits, and to control and monitor risks. Compliance with policies is reviewed by NICC on a continuous basis.

(a) Financial instrument categories

Class	Notes	Category	Consolidated		Parent	
			2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Carrying amount						
Financial assets						
Cash and cash equivalent	4	Amortised cost	24,772	18,998	24,772	18,998
Receivables ⁽ⁱ⁾	5	Amortised cost	2,492	7	2,492	7
			27,264	19,005	27,264	19,005
Financial liabilities						
Payables ⁽ⁱⁱ⁾	6	Financial liabilities measured at amortised cost	8,600	248	8,600	248
			8,600	248	8,600	248

⁽ⁱ⁾ Excludes statutory receivables and prepayments (i.e., not within scope of AASB 7)

⁽ⁱⁱ⁾ Excludes statutory payables and unearned revenue (i.e., not within scope of AASB 7)

NICC determines the classification of its financial assets and liabilities after initial recognition and, when allowed and appropriate, re-evaluates this at each financial year end.

(b) Derecognition of financial assets and financial liabilities

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the contractual rights to the cash flows from the financial assets expire; or if NICC transfers its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:

- NICC has transferred substantially all the risks and rewards of the asset; or
- NICC has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control.

A financial liability is derecognised when the obligation specified in the contract is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the net result.

NSW Independent Casino Commission

Notes to the financial statements for the year ended 30 June 2024

13. Financial instruments (continued)

(c) Financial risks

i) Credit risk

Credit risk arises when there is the possibility of NICC's debtors defaulting on their contractual obligations, resulting in a financial loss to NICC. The maximum exposure to credit risk is generally represented by the carrying amount of the financial assets (net of any allowance for impairment).

Credit risk arises from the financial assets of NICC, including cash, receivables and deposits. No collateral is held by NICC. NICC has not granted any financial guarantees.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and bank balances within the NSW Treasury Banking System.

Receivables – trade debtors and other receivables

All trade debtors are recognised at the amount receivable at balance date. Collectability of trade debtors is reviewed on an ongoing basis. The entity applies the AASB 9 *Financial Instruments* simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected loss rates are based on historical observed loss rates.

The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. Trade receivables are written off when there is no reasonable expectation of recovery.

NICC does not have any receivables (other than statutory receivables and accrued income) as at the reporting date and as a result there is no expected credit loss.

ii) Liquidity risk

Liquidity risk is the risk that NICC will be unable to meet its payment obligations when they fall due. NICC continuously manages risk through monitoring future cash flows to ensure adequate holding of high-quality liquid assets.

NICC's exposure to liquidity risk is deemed insignificant based on current operations and funding model, and assessment of risk.

The liabilities are recognised for amounts due to be paid in the future for goods or services received, whether invoiced or not. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set out in NSW TC11/12 *Payment of Accounts*. For small business suppliers, where terms are not specified, payment is made not later than 30 days from date of receipt of a correctly rendered invoice.

For small business suppliers, where payment is not made within the specified time, simple interest must be paid automatically unless an existing contract specifies otherwise. For payments to other suppliers, NICC may automatically pay the supplier simple interest.

No interest for late payment was made during the year.

NSW Independent Casino Commission

Notes to the financial statements for the year ended 30 June 2024

13. Financial instruments (continued)

The table below summarises the maturity profile of NICC's consolidated financial liabilities based on contractual undiscounted payments, together with the interest rate exposure.

	Weighted average effective interest rate %	Interest rate exposure			Maturity dates		
		Nominal amount	Fixed interest rate	Variable interest rate	Non-interest bearing	< 1 yr	1-5 years
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Actuals 2024							
Payables		8,600	-	-	8,600	8,600	-
Total		8,600	-	-	8,600	8,600	-
Actual 2023							
Payables		248	-	-	248	248	-
Total		248	-	-	248	248	-

iii) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Exposure to market risk is primarily through interest rate risk. NICC has no exposure to foreign currency risk and does not enter into commodity contracts.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Exposure to interest rate risk arises primarily through interest-bearing liabilities. NICC does not account for any fixed rate financial instruments at fair value through profit or loss or as at fair value through other comprehensive income. Therefore, for these financial instruments, a change in interest rates would not affect profit or loss or equity.

As at the reporting date, NICC does not hold any interest-bearing liabilities and as such does not have any interest rate risk.

(d) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability.

Financial instruments are generally recognised at cost. The amortised cost of financial instruments recognised in the Statement of Financial Position approximates the fair value, because of the short-term nature of many of the financial instruments.

NSW Independent Casino Commission

Notes to the financial statements for the year ended 30 June 2024

14. Related party disclosures

Key management personnel (KMP) are those persons having authority and responsibility for planning, directing and controlling the activities of NICC. KMP for NICC comprise of the Chief Commissioner, Commissioners and Director in the Office of NICC.

KMP compensation for NICC is as follows:

Short term employee benefits:

	2024	2023
	\$'000	\$'000
Salaries	1,346	1,043
Other long-term employee benefits	78	66
Total remuneration	1,424	1,109

There were no transactions entered into during the year with key management personnel, their close family members and controlled or jointly controlled entities thereof.

During the year, NICC entered into transactions on arm's length terms and conditions with NSW Government related entities that are controlled, jointly controlled or significantly influenced by the NSW Government. These transactions in aggregate are a significant portion of NICC's rendering of services and receiving of services. These transactions include:

Counterparty	Nature of transaction	2024		2023	
		Income / (expenses)	Net receivable/ (payable)	Income / (expenses)	Net receivable/ (payable)
Revenue					
DEIT	In-kind contribution	-	-	7,354	-
Expenses					
DEIT	Casino regulatory service fees	(14,258)	(7,193)	-	-
	Corporate services and other recoveries	(621)	(249)	(420)	(121)
	In-kind personnel services	-	-	(7,354)	-
	Grant paid to fund legal fees for the Bell	-	-	(1,203)	-
Independent Liquor and Gaming Authority	Administrative, secretarial support and operational assistance	-	-	(1,120)	(17)
NSW Police Force	Police inspectors for casino regulation and compliance	(180)	-	(37)	-

15. Administered items

a) Administered revenue

	2024	2023
	\$'000	\$'000
Pecuniary penalty	300	100,000
	300	100,000

Pecuniary penalty relates to disciplinary actions taken by NICC against The Star. Penalty in 2022-23 was imposed under section 23(1) of the Act resulting from findings from the Bell Inquiry which concluded that The Star is unsuitable to operate. This penalty, a revenue to the Crown, is paid to the Consolidated Fund.

Administered revenue information is presented on a revenue earned (accrual) basis.

NSW Independent Casino Commission

Notes to the financial statements for the year ended 30 June 2024

15. Administered items (continued)

Recognition and measurement

Administered revenue is recognised when the underlying past event under statutory requirements results in the right to receive revenue, unless it cannot be reliably measured before the financial statements are signed.

b) Administered assets

	2024	2023
	\$'000	\$'000
Penalty receivable - current	25	40,000
	25	40,000

Recognition and measurement

In accordance with AASB 9 *Financial Instruments*, statutory penalties are initially recognised where statutory requirements establish a right to receive the financial asset. Such a right arises on the occurrence of a past event.

16. Events after the reporting period

There are no known events subsequent to the reporting date requiring disclosure.

End of audited financial statements

Attachments

Attachment A: Budget review and plan

Under section 139e of the Act, the NICC is required to provide a budget outline for the following financial year. The NICC is funded through the Casino Supervisory Levy (CSL) which is paid by the casino operators under section 115A of the *Casino Control Act 1992*. The annual amount is fixed by section 51 of the *Casino Control Regulation 2019*.

Budget for 2024-25

The budget set out in the table below represents the budgeted cost of all activities of the Commission, as published in 2024-2025 NSW Budget Paper No. 2.

Item	2024-25 Budget '000
Expenses excluding losses	
Board members & staff remuneration	3,324
Contractors	-
Other operating expenses	17,337
Total expenses excluding losses	20,661
Revenue	
Casino Supervisory Levy	19,960
Total Revenue	19,960
Net Results	(701)
Other comprehensive income	-
Total comprehensive income	(701)

Attachment B: NICC Internal Audit and Risk Management Attestation 2023-2024

Internal Audit and Risk Management Attestation Statement for the 2023-2024 Financial Year for NSW Independent Casino Commission

I, Philip Crawford, am of the opinion that the NSW Independent Casino Commission has internal audit and risk management processes in operation that are, excluding the exemptions or transitional arrangements described below, compliant with the seven (7) Core Requirements set out in the Internal Audit and Risk Management Policy for the General Government Sector, specifically:

Core Requirements		For each requirement, please specify whether compliant, non-compliant, or in transition
Risk Management Framework		
1.1	The Accountable Authority shall accept ultimate responsibility and accountability for risk management in the agency.	Compliant
1.2	The Accountable Authority shall establish and maintain a risk management framework that is appropriate for the agency. The Accountable Authority shall ensure the framework is consistent with AS ISO 31000:2018.	Compliant
Internal Audit Function		
2.1	The Accountable Authority shall establish and maintain an internal audit function that is appropriate for the agency and fit for purpose.	Compliant
2.2	The Accountable Authority shall ensure the internal audit function operates consistent with the International Standards for Professional Practice for Internal Auditing.	Compliant
2.3	The Accountable Authority shall ensure the agency has an Internal Audit Charter that is consistent with the content of the 'model charter'.	Compliant
Audit and Risk Committee		
3.1	The Accountable Authority shall establish and maintain efficient and effective arrangements for independent Audit and Risk Committee oversight to provide advice and guidance to the Accountable Authority on the agency's governance processes, risk management and control frameworks, and its external accountability obligations.	Compliant
3.2	The Accountable Authority shall ensure the Audit and Risk Committee has a Charter that is consistent with the content of the 'model charter'.	Compliant

Membership

The independent chair and members of the Audit and Risk Committee are:

1. Independent Chair, Ms. Elizabeth Crouch AM, 6 Sep 2022 until 6 Sep 2025
2. Independent Member, Dr Abby Bloom, 6 Sep 2022 until 6 Sep 2025
3. Independent Member, Mr. Mark Harrison, 6 Sep 2022 until 6 Sep 2025

Shared Arrangements

I, Philip Crawford, advise that the Commission has entered into an approved shared arrangement with the following Department/agencies:

- Department of Creative Industries Tourism and Sport
- Greyhound Welfare and Integrity Commission
- Independent Liquor and Gaming Authority

The resources shared include the Audit and Risk Committee, the Chief Audit Executive and the internal audit functions. The shared Audit and Risk Committee is a Principal Department Led Shared Audit and Risk Committee.

Philip Crawford



Chief Commissioner

For and on behalf of the **NSW Independent Casino Commission**

Attachment C: Assessment of NSW Independent Casino Commission's (NICC) compliance with TPP20-08 for 2023-24

Core Requirement	Attestation	Supporting information
Risk Management Framework		
1.1 The Accountable Authority shall accept ultimate responsibility and accountability for risk management in the agency	Compliant	NICC aligns to the practices of the DEIT Risk Management Policy which establishes that the Chief Commissioner is responsible and accountable for risk management for the entity. The policy outlines roles and responsibilities, including that all staff have a role to play in identifying and managing risk.
1.2 The Accountable Authority shall establish and maintain a risk management framework that is appropriate for the agency. The Accountable Authority shall ensure the framework is consistent with AS ISO 31000:2018.	Compliant	NICC has a Risk Management Framework which is consistent with the DEIT Risk Management Policy. The NICC Risk Management Framework was developed and endorsed as a living document in November 2023 for progression to the DEIT ARC. The NICC Governance Committee continues to lead regular reviews of the NICC risk register, with one risk category usually considered at each monthly Committee meeting. The Governance Committee presents issues for discussion, together with any proposed amendments or updates, to the following NICC meeting. The NICC also presents the risk register to the DEIT ARC for feedback. Risk conversations occur at every meeting of the NICC and are considered in NICC decision making. The NICC Risk Framework is consistent with AS ISO 31000:2018 and TPP 20-08.
Internal Audit Function		
2.1 An internal audit function has been established and maintained	Compliant	NICC joined a Shared Arrangement Agreement on 10 March 2023 with the Department of Enterprise, Investment and Trade (DEIT) to share an internal audit function and an Audit and Risk Committee (ARC). An internal audit function at DEIT is maintained within the Technology and Operations Branch. The Chief Audit Executive (CAE) oversees the internal audit function, reporting administratively to the Deputy Secretary, Corporate Services at DEIT and functionally to the ARC.
2.2 The Accountable Authority shall ensure the internal audit function operates consistent with the International Standards for Professional Practice for Internal Auditing.	Compliant	NICC was established on 5 September 2022. The mandatory five-yearly external quality assessment is planned for 2026. The CAE continues to issue an annual assertion of conformance with the International Professional Practices Framework (IPPF) and best practice. The internal audit function operates in accordance with the Internal Audit Charter and Internal Audit Manual which are consistent with the IPPF for internal auditing.

Core Requirement	Attestation	Supporting information
2.3 The Accountable Authority shall ensure the agency has an Internal Audit Charter that is consistent with the content of the 'model charter'.	Compliant	The internal audit function operates under an Internal Audit Charter which is reviewed annually. The latest update was in July 2024. The charter is consistent with the content of the model charter in TPP20-08.
Audit and Risk Committee		
3.1 The Accountable Authority shall establish and maintain efficient and effective arrangements for independent Audit and Risk Committee oversight to provide advice and guidance to the Accountable Authority on the agency's governance processes, risk management and control frameworks, and its external accountability obligations.	Compliant	NICC joined a Shared Arrangement Agreement on 10 March 2023 with DEIT to share an internal audit function and an ARC. The ARC was established in 2022 and is a key component of NICC's governance framework. The objective of the ARC is to provide independent assurance and advice to the Chief Commissioner on NICC's governance, risk and control frameworks and its external accountability requirements. All members have appropriate expertise and have completed annual conflict of interest declarations.
3.2 The Accountable Authority shall ensure the Audit and Risk Committee has a Charter that is consistent with the content of the 'model charter'.	Compliant	The ARC operates under a charter which is compliant with TPP 20-08 and is reviewed annually. The latest update was in July 2024.

Attachment D: NSW Independent Casino Commission Cyber Security Attestation

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16/10/2024

DOC24/244101

NSW Independent Casino Commission (NICC) Cyber Security Annual Attestation Statement for the 2023-2024 Financial Year

I, **Philip Crawford**, am writing to formally attest on behalf of the NICC that we have assessed and are of the opinion that the Department of Enterprise, Investment and Trade (the Department) did effectively manage cyber security risks for our organisation during the 2023-2024 financial year. I have relied on the attestation provided by the Secretary in relation to the Department's cyber security measures to help form this view. This attestation is in line with our commitment to ensure the security and integrity of our digital assets and operations and NSW Cyber Security Policy.

In our continued effort to improve our cybersecurity measures, there are several important points that deserve attention:

- **Governance and Risk Management:** In alignment with our Memorandum of Understanding (MoU) with the Department, we are leveraging their expertise to manage cyber security systems. The Department's Audit and Risk Committee plays a pivotal role in overseeing the application of our risk framework to assess cyber security risks, while our in-house internal governance committee actively considers cyber risks on their committee agenda.
- **Risk Assessment and Management:** We have diligently assessed and continue to manage risks to our information and systems effectively, with no risks exceeding our risk appetite. This proactive approach allows us to stay ahead of potential threats and vulnerabilities.
- **Cyber Security Enhancement:** We are proactively reviewing cyber security and privacy requirements in developing new systems and processes. These initiatives are vital in protecting public and NSW government data against the evolving threat landscape.
- **Leveraging DEIT Expertise:** We leverage the Department's comprehensive Cyber Security Strategy, supported by a cyber security implementation plan that will be progressed during financial year 2024-25. Additionally, we benefit from the Department's cyber incident response plan to ensure swift and effective responses to any cyber incidents that may occur. We also utilise systems managed by the Department of Customer Service under the GovConnect shared service arrangements, for which a separate cyber attestation is made, to ensure comprehensive coverage of our cyber security landscape.

In conclusion, we can confidently assert that, in the 2023-2024 financial year, the NICC has undertaken proactive measures to address and mitigate cyber security risks in collaboration with the Department. We remain dedicated to fostering a secure digital environment for our operations, stakeholders, and the data entrusted to us.

Yours sincerely



Philip Crawford
Chief Commissioner
For and on behalf of the **NSW Independent Casino Commission**

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